

# ModernGraham Valuation

## Company Name:

Company Ticker ED

Date of Analysis

2/26/2017

Consolidated Edison,  
Inc.



## Stage 1: Is this company suitable for the Defensive Investor or the Enterprising Investor?

*Defensive Investor; must pass 6 out of the following 7 tests.*

1. Adequate Size of the Enterprise	Market Cap > \$2Bil	\$23,586,090,732	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.89	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	11.11%	Fail
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	19.21	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.64	Pass

*Enterprising Investor; must pass 4 out of the following 5 tests, or be suitable for the Defensive Investor.*

1. Sufficiently Strong Financial Condition	Current Ratio > 1.5	0.89	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-33.72	Fail
3. Earnings Stability	Positive EPS for 5 years prior		Pass
4. Dividend Record	Currently Pays Dividend		Pass
5. Earnings Growth	EPSmg greater than 5 years ago		Pass
	Score		

### Suitability

<b>Defensive</b>	<b>No</b>
<b>Enterprising</b>	<b>No</b>

## Stage 2: Determination of Intrinsic Value

EPSmg	\$3.99
MG Growth Estimate	1.53%
<b>MG Value</b>	<b>\$46.08</b>
MG Value based on 3% Growth	\$57.82
MG Value based on 0% Growth	\$33.89
Market Implied Growth Rate	5.36%

### MG Opinion

Current Price	\$76.61
% of Intrinsic Value	166.26%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$99.77
Graham Number	\$65.20
PEmg	19.21
Current Ratio	0.89
PB Ratio	1.64
Current Dividend	\$2.68
Dividend Yield	3.50%
Number of Consecutive Years of Dividend Growth	20

### Useful Links:

<a href="#">ModernGraham tagged articles</a>	<a href="#">Morningstar</a>
<a href="#">Google Finance</a>	<a href="#">MSN Money</a>
<a href="#">Yahoo Finance</a>	<a href="#">Seeking Alpha</a>
<a href="#">GuruFocus</a>	<a href="#">SEC Filings</a>

EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.03	Next Fiscal Year Estimate	\$3.99
Dec2016	\$4.12	Dec2016	\$3.93
Dec2015	\$4.05	Dec2015	\$3.81
Dec2014	\$3.71	Dec2014	\$3.68
Dec2013	\$3.61	Dec2013	\$3.62
Dec2012	\$3.86	Dec2012	\$3.64
Dec2011	\$3.57	Dec2011	\$3.56
Dec2010	\$3.47	Dec2010	\$3.53
Dec2009	\$3.14	Dec2009	\$3.50
Dec2008	\$4.37	Dec2008	\$3.52
Dec2007	\$3.47	Dec2007	\$2.99
Dec2006	\$2.95	Dec2006	\$2.74
Dec2005	\$2.94	Dec2005	\$2.68
Dec2004	\$2.27	Dec2004	\$2.61
Dec2003	\$2.38	Dec2003	\$2.81
Dec2002	\$3.02	Dec2002	\$3.03
Dec2001	\$3.21	Dec2001	\$3.03
Dec2000	\$2.74	<b>Balance Sheet Information 12/1/2016</b>	
Dec1999	\$3.13	Total Current Assets	\$3,406,000,000
Dec1998	\$3.04	Total Current Liabilities	\$3,843,000,000
Dec1997	\$2.95	Long-Term Debt	\$14,735,000,000
		Total Assets	\$48,255,000,000
		Intangible Assets	\$552,000,000
		Total Liabilities	\$33,957,000,000
		Shares Outstanding (Diluted Average)	306,200,000





Disclaimer:

This valuation is not investment advice. Anyone who is considering making an investment decision should speak to a registered investment advisor.

The author did not hold a position in any company mentioned in this article at the time of publication and had no intention of changing those holdings within the next 72 hours.

## Recommended Reading:

Other  
ModernGraham  
posts about the  
company

[Consolidated Edison Analysis – 2015 Update \\$ED](#)  
[21 Companies in the Spotlight This Week – June 14, 2014](#)  
[Consolidated Edison Annual Valuation – 2014 \\$ED](#)  
[19 Companies in the Spotlight This Week – 3/15/14](#)  
[Consolidated Edison \(ED\) Quarterly Valuation – March 2014](#)

Other  
ModernGraham  
posts about related  
companies

[Duke Energy Corp Valuation – February 2017 \\$DUK](#)  
[Spire Inc Valuation – Initial Coverage \\$SR](#)  
[Ameren Corp Valuation – February 2017 \\$AEE](#)  
[Sempra Energy Valuation – February 2017 \\$SRE](#)  
[Capital Power Corp Valuation – Initial Coverage \\$TSE:CPX](#)  
[Superior Plus Corp Valuation – Initial Coverage \\$TSE:SPB](#)  
[Energy Company of Minas Valuation – Initial Coverage \\$CIG](#)  
[NextEra Energy Inc Valuation – December 2016 \\$NEE](#)  
[Westar Energy Inc Valuation – August 2016 \\$WR](#)  
[Eversource Energy Valuation – August 2016 \\$ES](#)