

# ModernGraham Valuation

Company Name:

Eversource Energy

Company Ticker ES

Date of Analysis

7/17/2017



## 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	\$19,216,662,925	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.75	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	54.59%	Pass
5. Earnings Growth			
6. Moderate PEmg Ratio	PEmg < 20	20.67	Fail
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.78	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	0.75	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-11.27	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	\$2.92
MG Growth Estimate	4.92%
<b>MG Value</b>	<b>\$53.51</b>
MG Value based on 3% Growth	\$42.31
MG Value based on 0% Growth	\$24.80
Market Implied Growth Rate	6.09%

### MG Opinion

Current Price	\$60.32
% of Intrinsic Value	112.72%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>D+</b>

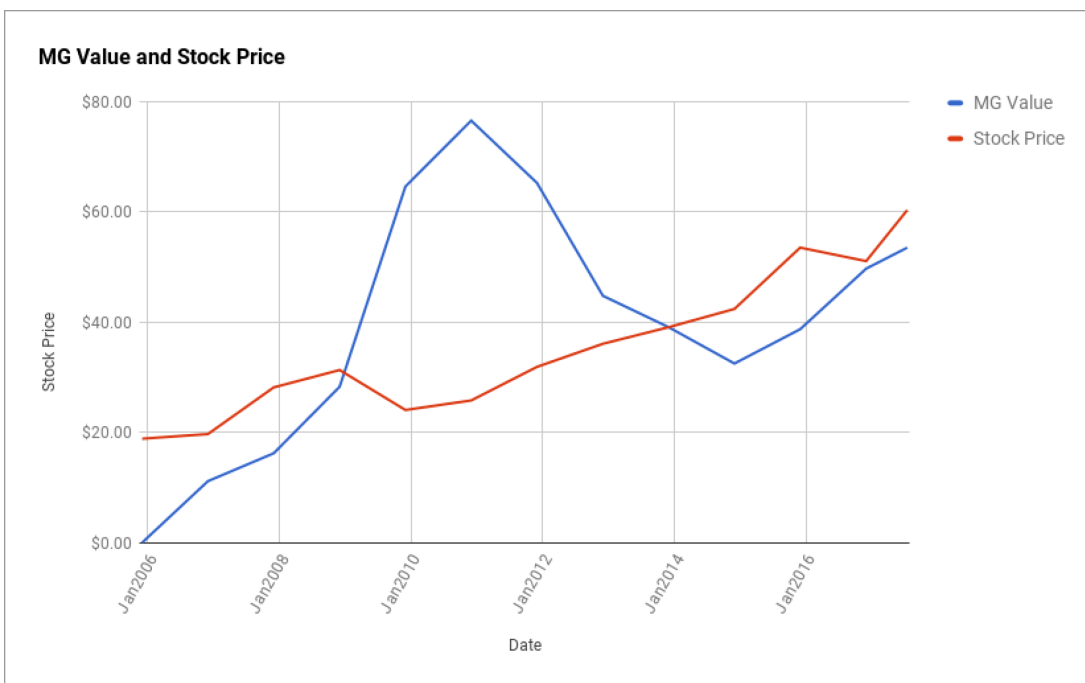
## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$59.85
Graham Number	\$49.33
PEmg	20.67
Current Ratio	0.75
PB Ratio	1.78
Current Dividend	\$1.78
Dividend Yield	2.95%
Number of Consecutive Years of Dividend Growth	19

### 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	\$3.20	Next Fiscal Year Estimate	\$2.92
Dec2016	\$2.96	Dec2016	\$2.70
Dec2015	\$2.76	Dec2015	\$2.51
Dec2014	\$2.58	Dec2014	\$2.34
Dec2013	\$2.49	Dec2013	\$2.20
Dec2012	\$1.89	Dec2012	\$2.03
Dec2011	\$2.22	Dec2011	\$2.03
Dec2010	\$2.19	Dec2010	\$1.99
Dec2009	\$1.91	Dec2009	\$1.68
Dec2008	\$1.67	Dec2008	\$1.39
Dec2007	\$1.59	Dec2007	\$1.14
Dec2006	\$3.05	Dec2006	\$0.88
Dec2005	-\$1.93	Dec2005	\$0.05
Dec2004	\$0.91	Dec2004	\$1.00
Dec2003	\$0.91	Dec2003	\$0.96
Dec2002	\$1.18	Dec2002	\$0.78
Dec2001	\$1.74	Dec2001	\$0.36
Dec2000	-\$0.20	<b>Balance Sheet Information</b>	<b>3/1/2017</b>
Dec1999	\$0.26	Total Current Assets	\$2,511,399,000
Dec1998	-\$1.12	Total Current Liabilities	\$3,333,765,000
Dec1997	-\$1.05	Long-Term Debt	\$9,267,891,000
		Total Assets	\$32,355,176,000
		Intangible Assets	\$3,519,401,000
		Total Liabilities	\$21,550,980,000
		Shares Outstanding (Diluted Average)	318,125,000





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 [Eversource Energy Analysis – Initial Coverage \\$ES](#)

ModernGraham posts about the company

Other [PPL Corp Valuation – June 2017 \\$PPL](#)

ModernGraham posts about related companies

[Entergy Corp Valuation – April 2017 \\$ETR](#)

[California Water Service Group Valuation – Initial Coverage \\$CWT](#)

[TransAlta Corporation – Initial Coverage \\$TSE:TA](#)

[Pinnacle West Corp Valuation – March 2017 \\$PNW](#)

[NiSource Inc Valuation – March 2017 \\$NI](#)

[Canadian Utilities Ltd Valuation – Initial Coverage \\$TSE:CU](#)

[American Electric Power Company Inc Valuation – March 2017 \\$AEP](#)

[American Water Works Company Inc Valuation – Initial Coverage \\$AWK](#)

[Alliant Energy Corp Valuation – Initial Coverage \\$LNT](#)