

# ModernGraham Valuation



## Company Name:

Consolidated Edison,  
Inc.

Company Ticker ED

Date of Analysis

6/1/2018

## 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	\$23,472,581,046	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.67	Fail
3. Earnings Stability	Positive EPS for 10 years prior		Pass
4. Dividend Record	Dividend Payments for 10 years prior		Pass
5. Earnings Growth	Increase of 33% in EPS in past 10 years using 3 year averages at beginning and end	30.35%	Fail
6. Moderate PEmg Ratio	PEmg < 20	17.44	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.50	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	0.67	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-7.84	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 Score		Pass

### Suitability

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

## Stage 2: Determination of Intrinsic Value

EPSmg	\$4.33
MG Growth Estimate	2.66%
<b>MG Value</b>	<b>\$59.90</b>
MG Value based on 3% Growth	\$62.81
MG Value based on 0% Growth	\$36.82
Market Implied Growth Rate	4.47%

### MG Opinion

Current Price	\$75.54
% of Intrinsic Value	126.10%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$94.56
Graham Number	\$68.64
PEmg	17.44
Current Ratio	0.67
PB Ratio	1.50
Current Dividend	\$2.76
Dividend Yield	3.65%
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	\$4.21	Next Fiscal Year Estimate	\$4.33
Dec2017	\$4.94	Dec2017	\$4.29
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	<b>Balance Sheet Information 3/1/2018</b>	
Dec2000	\$2.74	Total Current Assets	\$3,773,000,000
Dec1999	\$3.13	Total Current Liabilities	\$5,651,000,000
Dec1998	\$3.04	Long-Term Debt	\$14,730,000,000
		Total Assets	\$48,900,000,000
		Intangible Assets	\$557,000,000
		Total Liabilities	\$33,239,000,000
		Shares Outstanding (Diluted Average)	311,600,000





**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 Inc Valuation – February 2017 \\$ED](#)
  - [Consolidated Edison Inc Valuation – August 2016 \\$ED](#)
  - [Consolidated Edison Analysis – 2015 Update \\$ED](#)
  - [21 Companies in the Spotlight This Week – June 14, 2014](#)
  - [Consolidated Edison Annual Valuation – 2014 \\$ED](#)

- Other ModernGraham posts about related companies**
- [Duke Energy Corp Valuation – May 2018 \\$DUK](#)
  - [Sempra Energy Valuation – May 2018 \\$SRE](#)
  - [Ameren Corp Valuation – May 2018 \\$AEE](#)
  - [NextEra Energy Inc Valuation – May 2018 \\$NEE](#)
  - [PG&E Corp Valuation – April 2018 \\$PCG](#)
  - [Dominion Energy Inc Valuation – April 2018 \\$D](#)
  - [Exelon Corp Valuation – March 2018 \\$EXC](#)
  - [NRG Energy Inc Valuation – March 2018 \\$NRG](#)
  - [DTE Energy Co Valuation – March 2018 \\$DTE](#)
  - [The AES Corp Valuation – March 2018 \\$AES](#)