

# ModernGraham Valuation

Consolidated Edison,  
Inc.



Company Name:

Company Ticker ED

Date of Analysis

3/13/2019

## 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	\$27,410,352,908	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.62	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	22.57%	Fail
6. Moderate PEmg Ratio	PEmg < 20	19.77	Pass
7. Moderate Price to Assets	PB Ratio < 2.5 OR PB*PEmg < 50	1.60	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	0.62	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-7.47	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	\$4.32
MG Growth Estimate	1.99%
<b>MG Value</b>	<b>\$53.88</b>
MG Value based on 3% Growth	\$62.63
MG Value based on 0% Growth	\$36.71
Market Implied Growth Rate	5.64%

### MG Opinion

Current Price	\$85.40
% of Intrinsic Value	158.49%
<b>Opinion</b>	<b>Overvalued</b>
<b>MG Grade</b>	<b>C</b>

## Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$105.15
Graham Number	\$69.52
PEmg	19.77
Current Ratio	0.62
PB Ratio	1.60
Current Dividend	\$2.86
Dividend Yield	3.35%
Number of Consecutive Years of Dividend Growth	20

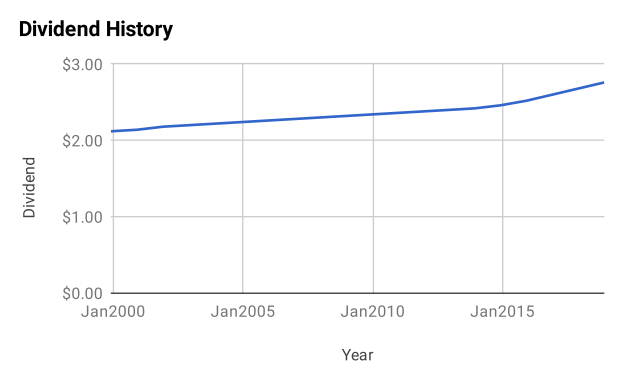
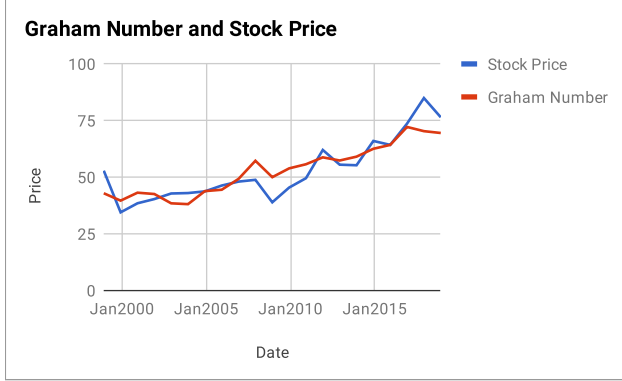
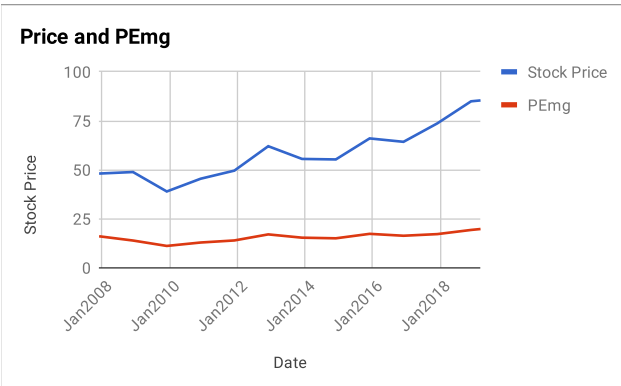
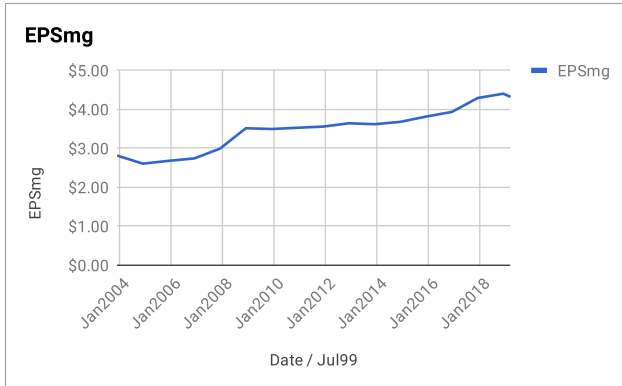
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[GuruFocus](#)

[Morningstar](#)  
[MSN Money](#)  
[Seeking Alpha](#)  
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EPS History		EPSmg History	
Next Fiscal Year Estimate	\$4.00	Next Fiscal Year Estimate	\$4.32
Dec2018	\$4.42	Dec2018	\$4.40
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	<b>Balance Sheet Information 12/1/2018</b>	
Dec2001	\$3.21	Total Current Assets	\$3,864,000,000
Dec2000	\$2.74	Total Current Liabilities	\$6,207,000,000
Dec1999	\$3.13	Long-Term Debt	\$17,495,000,000
		Total Assets	\$53,920,000,000
		Intangible Assets	\$2,094,000,000
		Total Liabilities	\$37,081,000,000
		Shares Outstanding (Diluted Average)	315,900,000





**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 – June 2018 \\$ED](#)
  - [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](#)

- Other ModernGraham posts about related companies**
- [Sempra Energy Valuation – March 2019 #SRE](#)
  - [Ameren Corp Valuation – March 2019 #AEE](#)
  - [NextEra Energy Inc Valuation – February 2019 \\$NEE](#)
  - [Dominion Energy Inc Valuation – February 2019 \\$D](#)
  - [Exelon Corp Valuation – January 2019 \\$EXC](#)
  - [NRG Energy Inc Valuation – January 2019 \\$NRG](#)
  - [DTE Energy Co Valuation – January 2019 \\$DTE](#)
  - [AES Corp Valuation – January 2019 \\$AES](#)
  - [FirstEnergy Corp Valuation – January 2019 \\$FE](#)
  - [Edison International Valuation – January 2019 \\$EIX](#)