

ModernGraham Valuation

Company Name:

Eversource Energy

Company Ticker ES

Date of Analysis

3/29/2019



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	\$22,452,304,349	Pass
2. Sufficiently Strong Financial Condition	Current Ratio > 2	0.56	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	55.56%	Pass
5. Earnings Growth	PEmg < 20	22.02	Fail
6. Moderate PEmg Ratio	PB Ratio < 2.5 OR PB*PEmg < 50	1.96	Pass
7. Moderate Price to Assets			

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	0.56	Fail
2. Sufficiently Strong Financial Condition	Debt to NCA < 1.1	-7.05	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

Defensive	No
Enterprising	No

Stage 2: Determination of Intrinsic Value

EPSmg	\$3.21
MG Growth Estimate	4.24%
MG Value	\$54.56
MG Value based on 3% Growth	\$46.60
MG Value based on 0% Growth	\$27.32
Market Implied Growth Rate	6.76%

MG Opinion

Current Price	\$70.76
% of Intrinsic Value	129.69%
Opinion	Overvalued
MG Grade	C

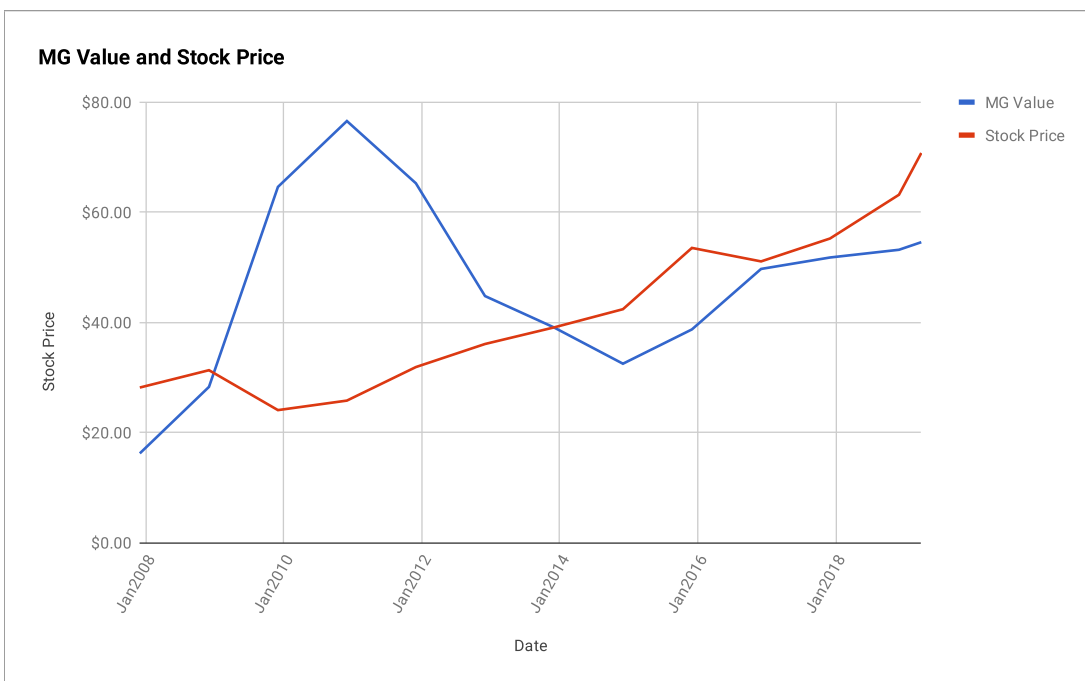
Stage 3: Information for Further Research

Net Current Asset Value (NCAV)	-\$76.89
Graham Number	\$52.97
PEmg	22.02
Current Ratio	0.56
PB Ratio	1.96
Current Dividend	\$2.02
Dividend Yield	2.85%
Number of Consecutive Years of Dividend Growth	20

Useful Links:

ModernGraham tagged articles	Morningstar
Google Finance	MSN Money
Yahoo Finance	Seeking Alpha
GuruFocus	SEC Filings

EPS History		EPSmg History	
Next Fiscal Year Estimate		Next Fiscal Year Estimate	
Dec2018	\$3.44	Dec2018	\$3.21
Dec2017	\$3.25	Dec2017	\$3.04
Dec2016	\$3.11	Dec2016	\$2.89
Dec2015	\$2.96	Dec2015	\$2.70
Dec2014	\$2.76	Dec2014	\$2.51
Dec2013	\$2.58	Dec2013	\$2.34
Dec2012	\$2.49	Dec2012	\$2.20
Dec2011	\$1.89	Dec2011	\$2.03
Dec2010	\$2.22	Dec2010	\$2.03
Dec2009	\$2.19	Dec2009	\$1.99
Dec2008	\$1.91	Dec2008	\$1.68
Dec2007	\$1.67	Dec2007	\$1.39
Dec2006	\$1.59	Dec2006	\$1.14
Dec2005	\$3.05	Dec2005	\$0.88
Dec2004	-\$1.93	Dec2004	\$0.05
Dec2003	\$0.91	Dec2003	\$1.00
Dec2002	\$0.91	Dec2003	\$0.96
Dec2001	\$1.18	Balance Sheet Information	
Dec2000	\$1.74	12/1/2018	
Dec2000	-\$0.20	Total Current Assets	\$2,292,224,000
Dec1999	\$0.26	Total Current Liabilities	\$4,112,882,000
		Long-Term Debt	\$12,832,074,000
		Total Assets	\$38,241,256,000
		Intangible Assets	\$4,427,266,000
		Total Liabilities	\$26,754,439,000
		Shares Outstanding (Diluted Average)	318,130,000





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

- [Best Dividend Paying Stocks for Dividend Growth Investors – June 2018](#)
- [Eversource Energy Valuation – June 2018 \\$ES](#)
- [Eversource Energy Valuation – July 2017 \\$ES](#)
- [Eversource Energy Valuation – August 2016 \\$ES](#)
- [Eversource Energy Analysis – Initial Coverage \\$ES](#)

Other ModernGraham posts about related companies

- [Eversource Inc Valuation – March 2019 #EVRG](#)
- [Entergy Corp Valuation – March 2019 #ETR](#)
- [Pinnacle West Capital Corp Valuation – March 2019 #PNW](#)
- [NiSource Inc Valuation – March 2019 #NI](#)
- [American Electric Power Company Inc Valuation – March 2019 #AEP](#)
- [American Water Works Co Inc Valuation – March 2019 #AWK](#)
- [Alliant Energy Corp Valuation – March 2019 #LNT](#)
- [Consolidated Edison Inc Valuation – March 2019 #ED](#)
- [Duke Energy Corp Valuation – March 2019 #DUK](#)
- [Sempra Energy Valuation – March 2019 #SRE](#)