



Consolidated Edison Inc (ED)

Updated February 21st, 2026, by Nathan Parsh

Key Metrics

Current Price:	\$110	5 Year Annual Expected Total Return:	8.3%	Market Cap:	\$40 B
Fair Value Price:	\$108	5 Year Growth Estimate:	6.0%	Ex-Dividend Date:	02/19/26
% Fair Value:	102%	5 Year Valuation Multiple Estimate:	-0.3%	Dividend Payment Date:	03/16/26
Dividend Yield:	3.2%	5 Year Price Target	\$145	Years Of Dividend Growth:	52
Dividend Risk Score:	B	Sector:	Utilities	Rating:	Hold

Overview & Current Events

Consolidated Edison is a holding company that delivers electricity, natural gas, and steam to its customers in New York City and Westchester County. The company has annual revenues of nearly \$17 billion.

On January 27th, 2026, Consolidated Edison announced that it was raising its quarterly dividend 4.4% to \$0.85. This is the company's 52nd annual increase, qualifying Consolidated Edison as a Dividend King.

On February 20th, 2026, Consolidated Edison announced fourth quarter and full year results for the period ending December 31st, 2025. For the quarter, revenue grew 9.0% to \$4.0 billion, beating estimates by \$284 million. Adjusted earnings of \$320 billion, or \$0.89 per share, compared to adjusted earnings of \$340 million, or \$0.98 per share, in the previous year. Adjusted earnings-per-share were \$0.03 ahead of expectations. For the year, revenue of \$16.9 billion was a 10.9% improvement year-over-year. Adjusted earnings of \$2.04 billion, or \$5.70 per share, compared to adjusted earnings of \$1.87 billion, or \$5.40 per share, in 2024.

As with prior quarters, higher rate bases for gas and electric customers were the primary contributors to results in the CECONY business, which accounts for the vast majority of the company's assets. Average rate base balances are expected to grow by 8.6% annually through 2030 off 2026 levels. This is up from the company's prior forecast for growth of 8.2%. The company also expects capital investments of ~\$38 billion over the next five years and ~\$72 billion over the next decade.

Consolidated Edison is expected to produce earnings-per-share of \$6.02 in 2026. The company expects 6% to 7% earnings growth from 2026 to 2030. This is up from the prior forecast of 5% to 7% growth.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	\$3.94	\$4.12	\$4.33	\$4.38	\$4.18	\$4.39	\$4.57	\$5.07	\$5.40	\$5.70	\$6.02	\$8.06
DPS	\$2.68	\$2.76	\$2.86	\$2.96	\$3.06	\$3.10	\$3.16	\$3.24	\$3.32	\$3.40	\$3.55	\$4.02
Shares¹	305	310	315	334	337	354	356	347	347	361	361	361

Consolidated Edison has increased its earnings-per-share at a rate of 4.2% annually over the last decade, but this figure accelerates to 6.5% when looking at just the last five years. Consolidated Edison initiated its biggest investment program in its history recently. It has completed its installation smart meters in its network. This will help customers optimize energy use while the company will be able to realize lower peak demand and thus reduce its operating cost. The company also expects massive capital investment over the next decade, which should allow for further improvements to its network as well as higher rates.

Thanks to rate hikes and population growth, the company has been able to raise its dividend for nearly five decades. The company has grown its dividend at a 2.7% annual rate since 2016. The company has also diluted its shareholders at a 1.9% per year over the last decade.

¹ Share count in millions

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.



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Consolidated Edison's guidance for the next five years is aggressive. We reaffirm our expected EPS growth rate of 6% from 4% to reflect this guidance. The dividend growth rate is expected to be 2.5% per year through 2031 as this is close to the long-term average.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	18.8	20.0	17.4	20.7	17.3	19.4	20.9	17.9	16.5	17.4	18.3	18.0
Avg. Yld.	3.6%	3.4%	3.8%	3.3%	4.2%	3.6%	3.3%	3.6%	3.7%	3.4%	3.2%	2.8%

Shares of Consolidated Edison are up \$10, or 10%, since our December 1st, 2025, report. Shares trade with a price-to-earnings ratio of 18.3 based off estimates for 2026. Consolidated Edison has traded with an average P/E of 18.6 over the last decade and 18.4 over the last five years. We reaffirm our target P/E of 18 better reflect recent results as well as the expectation for stronger than usual earnings growth through the end of the decade. Multiple contraction could reduce annual returns by 0.3% over this period.

Safety, Quality, Competitive Advantage, & Recession Resiliency

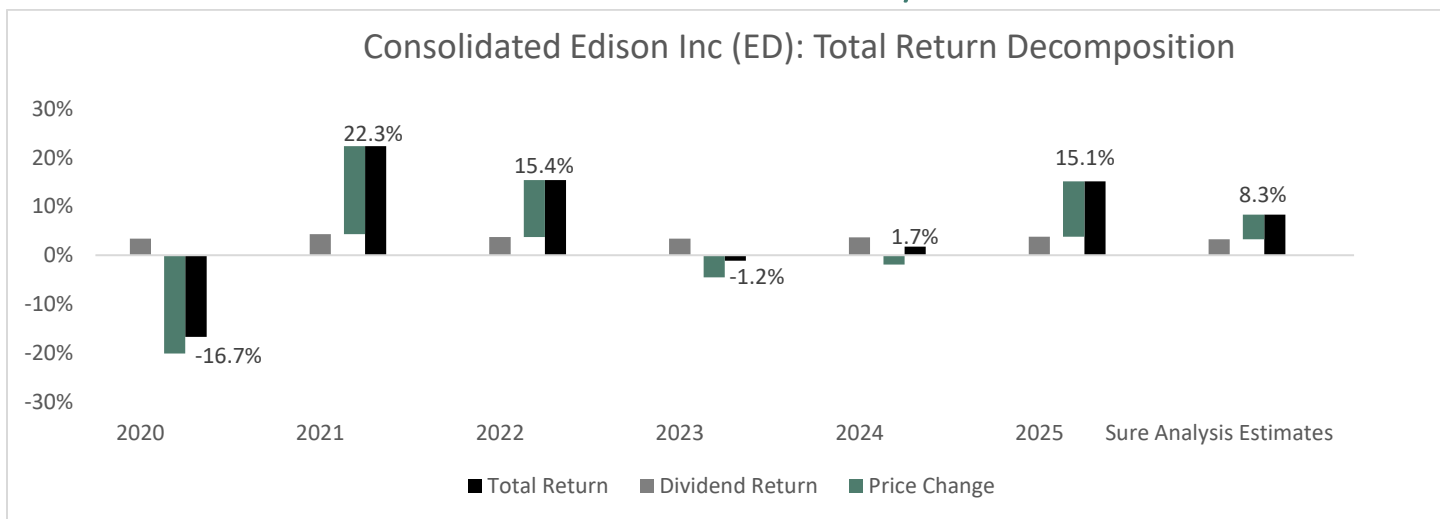
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	68%	68%	66%	68%	73%	71%	69%	64%	61%	60%	59%	50%

Just like most other utilities, thanks to its heavy investments in infrastructure, Consolidated Edison is typically allowed by the regulatory authorities to raise its rates. As a result, it enjoys reliable cash flows and can thus service its debt. One key competitive advantage for Consolidated Edison is that consumers do not curtail their electricity consumption even during the roughest economic periods, so the stock is resilient during recessions. This resiliency should be attractive to investors. In the Great Recession, when most companies saw their earnings collapse, earnings for Consolidated Edison fell just 3% in 2008 and 7% in 2009, and it took only one year to return to the pre-crisis level.

Final Thoughts & Recommendation

After fourth quarter results, Consolidated Edison is expected to return 8.3% annually through 2031, down from our prior estimate of 9.1%. Projected returns stem from a 6.0% earnings growth rate and a starting yield of 3.2% that are offset by a small headwind from multiple compression. For income investors, there is much to like about Consolidated Edison, including the company's dividend growth track record and the stock's solid yield. However, we continue to rate Consolidated Edison as a hold due to projected returns.

Total Return Breakdown by Year



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Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	12,066	12,028	12,333	12,549	12,239	13,673	15,665	14,642	15,256	16,918
Gross Profit	4,731	8,083	7,975	8,257	8,065	8,889	9,552	8,959	9,763	10,492
Gross Margin	39.2%	67.2%	64.7%	65.8%	65.9%	65.0%	61.0%	61.2%	64.0%	62.0%
D&A Exp.	-	3,139	3,152	3,175	2,814	3,254	3,905	3,606	3,751	3,804
Operating Profit	1,216	1,341	1,438	1,684	1,920	2,032	2,056	2,031	2,155	2,321
Op. Margin	2,676	2,765	2,533	2,652	2,652	2,800	2,615	2,310	2,732	2,931
Net Profit	22.2%	23.0%	20.5%	21.1%	21.7%	20.5%	16.7%	15.8%	17.9%	17.3%
Net Margin	1,245	1,525	1,382	1,440	1,144	1,193	1,600	2,516	1,820	2,023
Free Cash Flow	10.3%	12.7%	11.2%	11.5%	9.3%	8.7%	10.2%	17.2%	11.9%	12.0%
Income Tax	(221)	(76)	(802)	(352)	(1,711)	(1,220)	(233)	(2,338)	(1,157)	36

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	48,255	48,111	53,920	58,079	62,895	63,116	69,065	66,331	70,562	74,603
Cash & Equivalents	784	844	1,006	1,217	1,436	1,146	1,282	1,190	1,332	1,629
Acc. Receivable	1,553	1,701	1,781	1,911	2,437	2,795	3,058	3,343	3,490	3,617
Inventories	339	334	358	352	356	437	492	469	485	530
Goodwill & Int.	552	559	2,094	2,003	1,906	1,732	408	408	408	406
Total Liabilities	33,949	32,686	37,081	39,866	43,830	42,780	48,176	45,173	48,600	50,413
Accounts Payable	1,147	1,286	1,187	1,164	1,475	1,497	1,955	1,775	1,676	1,947
Long-Term Debt	14,774	16,029	18,970	20,782	23,281	23,763	21,674	22,608	25,537	26,678
Total Equity	14,298	15,418	16,726	18,022	18,847	20,037	20,687	21,158	21,962	24,190
LTD/E Ratio	1.11	1.08	1.24	1.25	1.33	1.27	1.18	1.18	1.27	1.17

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.7%	3.2%	2.7%	2.6%	1.9%	1.9%	2.4%	3.7%	2.7%	2.8%
Return on Equity	9.1%	10.3%	8.6%	8.2%	6.1%	6.1%	7.8%	12.0%	8.4%	8.8%
ROIC	4.3%	4.9%	4.0%	3.7%	2.7%	2.7%	3.5%	5.5%	3.8%	4.0%
Shares Out.	305	310	315	334	337	354	356	347	347	361
Revenue/Share	39.97	38.95	39.42	38.09	36.46	39.13	44.03	41.92	43.93	47.16
FCF/Share	(0.73)	(0.25)	(2.56)	(1.07)	(5.10)	(3.49)	(0.65)	(6.69)	(3.33)	0.10

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

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