Edison International (EIX)

Updated November 2nd, 2026, by Kody Kester

Key Metrics

Current Price:	$59	**5 Year CAGR Estimate:**	16.5%	**Market Cap:**	$22.9B
Fair Value Price:	$80	**5 Year Growth Estimate:**	6.0%	**Ex-Dividend Date:**	01/07/27[1]
% Fair Value:	75%	**5 Year Valuation Multiple Estimate:**	6.1%	**Dividend Payment Date:**	01/31/27[1]
Dividend Yield:	5.9%	**5 Year Price Target**	$107	**Years Of Dividend Growth:**	23
Dividend Risk Score:	C	**Sector:**	Utilities	**Rating:**	Hold

Overview & Current Events

Edison International (EIX) is a leading investor-owned utility holding company that serves as the primary architect for California's clean energy transition. While it's often categorized as a renewable energy company, EIX doesn't primarily focus on owning wind or solar farms. Instead, it builds and operates the massive electric grid infrastructure required to deliver that power to millions. The company primarily operates through the following two business segments:

1. Southern California Edison (SCE): Serving a 50,000-square-mile territory and 15 million people, SCE is one of the largest electric utilities in the country. It's a pure-play wires company, which means it has largely divested from fossil-fuel generation to focus on the transmission and distribution of carbon-free electricity.
2. Trio (formerly known as Edison Energy): This is the company's non-regulated arm. It's a global sustainability and energy advisory firm that consults Fortune 500 companies. It helps large-scale energy users navigate global energy markets, manage their carbon footprints, and implement large-scale renewable energy procurement.

On Oct. 29, EIX released its financial results for the third quarter ended Sept. 30, 2026. The company's operating revenue dropped by 14.9% over the year-ago period to $4.89 billion during the quarter. The factors behind this reduced operating revenue included a tough comparison period from the resulting revenue surge stemming from retroactive revenue in Q3 2025 and lower pass-through costs (e.g., purchased power and fuel). EIX's core EPS fell by 17.9% year-over-year to $1.92 in the quarter. That was $0.11 above the analyst consensus for the quarter.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
EPS	$3.97	$4.50	$4.15	$4.70	$4.52	$4.59	$4.63	$4.76	$4.93	$6.55	***$6.14***	***$8.22***
DPS	$1.92	$2.17	$2.42	$2.45	$2.55	$2.65	$2.80	$2.95	$3.12	$3.31	***$3.51***	***$4.70***
Shares[2]	325.8	325.8	325.8	364.1	379.1	381.1	382.2	384.4	387.2	384.8	***384.8***	***387.0***

Since 2016, EIX has compounded its core EPS by almost 6.0% annually. Moving forward, we believe that core EPS will continue to grow by 6.0% annually through 2031, off an anticipated 2026 base of $6.14. As we alluded to earlier, the reasons why core EPS is temporarily going to drop in 2026 include the one-time benefit from the Woolsey Fire cost recovery and the 2025 GRC catch-up payments. SCE is planning $38 billion to $41 billion in capital spending for 2026 through 2030. Since it's a regulated utility, it earns a fixed return on the infrastructure that it builds. Grid hardening and load growth/electrification are driving this heavy capital spending plan. In a departure from most regulated utilities, EIX has pledged no new equity issuances through 2030 for its capital spending plan. So, the share count should remain relatively flat for the foreseeable future, too.

[1] Estimated dates based on past dividend dates.

[2] Share count is 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.

Edison International (EIX)

Updated November 2nd, 2026, by Kody Kester

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/E	18.1	14.1	13.8	15.9	13.9	14.9	13.7	15.0	16.1	9.3	***9.7***	***13.0***
Avg. Yld.	2.7%	3.4%	4.2%	3.3%	4.1%	3.9%	4.4%	4.1%	3.9%	5.4%	***5.9%***	***4.4%***

Over the last decade, EIX's shares have been valued at a multiple as low as the high single digits in 2025 to as much as the high teens in 2016. That works out to an average P/E ratio of nearly 15 over that time. Considering the higher interest rate environment, we think that a reasonable fair value multiple for EIX is around 13. Relative to the current-year multiple of 9.7, shares are meaningfully undervalued.

Safety, Quality, Competitive Advantage, & Recession Resiliency

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	48%	48%	58%	52%	56%	58%	60%	62%	63%	51%	***57%***	***57%***

Since EIX retains a monopolistic business structure in exchange for being a regulated utility, it faces no competition from other utilities. That's how it has delivered gradual core EPS growth over the past decade.

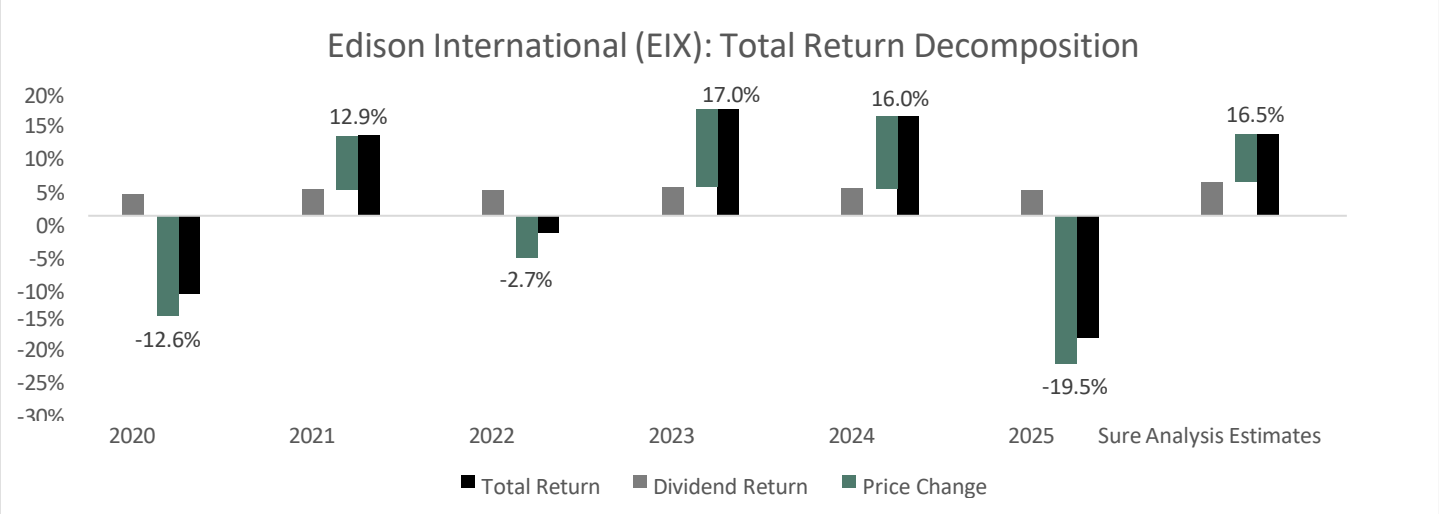
EIX is financially stable as well. Through the first nine months of 2026, the company's interest coverage ratio was 2.5x. For a regulated utility, this is an acceptable interest coverage ratio. The company is also committed to maintaining a 15% to 17% FFO-to-debt ratio. That explains the BBB- S&P credit rating with a negative outlook. The reason why the rating agency is cautious is that California law allows utilities to be held liable for fire damages if their equipment is involved, regardless of whether a utility was found negligent. During the Q3 2026 earnings call, management warned that without comprehensive reform, SCE may be forced to dial back its clean energy capex in upcoming rate cases, maintaining a heightened risk of downgrade to non-investment-grade status if credit-supportive legislative protections remain stalled.

The utility's dividend is well-covered, with the payout ratio likely to be in the high-50% range for 2026. That gives it flexibility to build on its 22-year dividend growth streak in the years ahead.

Final Thoughts & Recommendation

EIX's 5.9% dividend yield, 6.0% annual core EPS growth prospects, and 6.1% annual valuation multiple upside potential provide it with 16.5% annual total return potential through 2031. We're reiterating our Hold rating.

Total Return Breakdown by Year



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.

Edison International (EIX)

Updated November 2nd, 2026, by Kody Kester

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	11,869	12,320	12,657	12,347	13,578	14,905	17,220	16,338	17,599	19,317
Gross Profit	2,467	2,562	2,583	2,760	3,110	3,502	3,560	4,079	4,352	6,049
Gross Margin	20.8%	20.8%	20.4%	22.4%	22.9%	23.5%	20.7%	25.0%	24.7%	31.3%
D&A Exp.	2,098	2,115	1,940	1,803	2,029	2,288	2,633	2,721	2,939	3,237
Operating Profit	2,113	2,185	2,188	2,209	2,336	2,820	2,845	3,295	3,582	5,240
Op. Margin	17.8%	17.7%	17.3%	17.9%	17.2%	18.9%	16.5%	20.2%	20.4%	27.1%
Net Profit	1,413	668	(350)	1,405	871	925	824	1,407	1,546	4,699
Net Margin	11.9%	5.4%	-2.8%	11.4%	6.4%	6.2%	4.8%	8.6%	8.8%	24.3%
Free Cash Flow	(478)	(247)	(1,332)	(5,184)	(4,221)	(5,494)	(2,562)	(2,047)	(693)	(715)
Income Tax	177	281	(739)	(278)	(305)	(136)	(162)	108	17	1,291

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	51,319	52,580	56,715	64,382	69,372	74,745	78,041	81,758	85,579	94,026
Cash & Equivalents	169	1,237	323	151	89	394	917	380	233	158
Acc. Receivable	1,084	929	1,212	1,276	1,651	2,192	2,336	2,758	3,017	2,701
Inventories	239	242	282	364	405	420	474	527	538	535
Total Liabilities	37,127	38,695	44,063	48,886	53,423	56,956	60,519	63,814	67,839	74,767
Accounts Payable	1,342	1,503	1,511	1,752	1,980	2,002	2,359	1,983	2,000	2,344
Long-Term Debt	11,156	12,123	14,711	18,965	21,538	26,597	30,575	34,114	36,639	39,039
Total Equity	11,996	11,671	10,459	13,303	14,048	13,911	13,643	13,828	13,920	17,082
LTD/E Ratio	1.04	1.24	1.48	1.47	1.72	1.86	2.12	2.28	2.43	2.36

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	2.8%	1.3%	-0.6%	2.3%	1.3%	1.3%	1.1%	1.8%	1.8%	5.2%
Return on Equity	10.2%	4.8%	-2.6%	10.0%	5.5%	5.5%	4.7%	7.9%	8.7%	25.4%
ROIC	5.4%	2.4%	-1.2%	4.4%	2.3%	2.1%	1.7%	2.7%	2.8%	8.1%
Shares Out.	325.8	325.8	325.8	364.1	379.1	381.1	382.2	384.4	387.2	384.8
Revenue/Share	35.97	37.56	38.83	36.21	36.30	39.22	44.96	42.44	45.36	50.04
FCF/Share	(1.45)	(0.75)	(4.09)	(15.20)	(11.29)	(14.46)	(6.69)	(5.32)	(1.79)	(1.85)

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

Disclaimer

Nothing presented herein is, or is intended to constitute, specific investment advice. Nothing in this research report should be construed as a recommendation to follow any investment strategy or allocation. Any forward-looking statements or forecasts are based on assumptions, and actual results are expected to vary from any such statements or forecasts. No reliance should be placed on any such statements or forecasts when making any investment decision. While Sure Dividend has used reasonable efforts to obtain information from reliable sources, we make no representations or warranties as to the accuracy, reliability, or completeness of third-party information presented herein. No guarantee of investment performance is being provided, and no inference to the contrary should be made. There is a risk of loss from an investment in marketable securities. Past performance is not a guarantee of future performance.