

Edison International (EIX)

\$59.61 (Stock Price as of 01/08/2026)

Price Target (6-12 Months): **\$62.00**

Long Term: 6-12 Months | **Zacks Recommendation:** **Neutral**
(Since: 12/15/25)
Prior Recommendation: Outperform

Short Term: 1-3 Months | **Zacks Rank:** (1-5) **2-Buy**
Zacks Style Scores: VGM: A
Value: A | Growth: B | Momentum: B

Summary

Edison International benefits from favorable outcomes from regulatory authorities. The company aims to invest \$28-\$29 billion during 2025-2028 to strengthen its infrastructure. The company is expanding its renewable energy portfolio to earn the ESG incentives offered by the utility-scale renewable energy market. Increasing data centers has been boosting electricity demand, which should aid the company's financial performance. Our model expects the company's total revenues to increase in 2025. The stock has outperformed its industry in the past three months. However, Edison International has been incurring significant wildfire-related costs. The company faces long-term financial exposure from nuclear decommissioning cost overruns.

Data Overview

52 Week High-Low	\$70.50 - \$47.73
20 Day Average Volume (sh)	2,950,730
Market Cap	\$22.9 B
YTD Price Change	-0.7%
Beta	0.83
Dividend / Div Yld	\$3.51 / 5.9%
Industry	<u>Utility - Electric Power</u>
Zacks Industry Rank	Top 22% (54 out of 244)

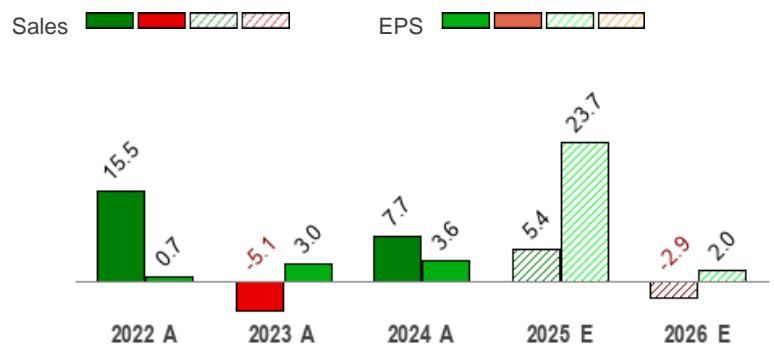
Last EPS Surprise	8.3%
Last Sales Surprise	2.6%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/26/2026
Earnings ESP	-5.7%

P/E TTM	10.4
P/E F1	9.8
PEG F1	0.8
P/S TTM	1.3

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	3,792 E	4,387 E	5,438 E	4,394 E	18,011 E
2025	3,811 A	4,543 A	5,750 A	4,441 E	18,545 E
2024	4,078 A	4,336 A	5,201 A	3,984 A	17,599 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	1.29 E	0.68 E	1.78 E	2.47 E	6.22 E
2025	1.37 A	0.97 A	2.34 A	1.42 E	6.10 E
2024	1.13 A	1.22 A	1.51 A	1.05 A	4.93 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/08/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/16/2025.

Overview

Incorporated in 1987, California-based Edison International (EIX) is the parent holding company of Southern California Edison (SCE) and Edison Energy.

SCE is an investor-owned public utility, primarily engaged in the business of supplying electricity to an approximately 50,000 square-mile area of Southern California. SCE serves approximately 5 million customers in its service area. Its transmission facilities, primarily in California and some in Nevada and Arizona, deliver power from generating sources to the distribution network and consist of approximately 13,000 circuit-miles of lines ranging from 55 kV to 500 kV and approximately 80 transmission substations. SCE's distribution system, which takes power from distribution substations to customers, consists of approximately 38,000 circuit miles of overhead lines, approximately 32,000 circuit miles of underground lines and approximately 730 distribution substations.

In 2024, SCE's operating revenues were derived from commercial (11.5%), residential (86.8%), industrial (0.1%), public authorities (1.3%), agricultural and other (0.3%) customers. The SCE segment's earnings in 2024 were \$4.20 per share.

Edison Energy is an independent advisory and services company with the capabilities to develop and integrate an array of energy solutions for the largest energy users nationwide. Based in Irvine, Calif., Edison Energy focuses on helping the nation's largest energy users simultaneously reduce their energy costs, improve the environmental performance of their operations, ensure energy resiliency, and manage exposure to energy price risk. Edison Energy offers integrated sustainability and energy solutions to commercial, industrial and institutional customers.



Reasons To Buy:

- ▲ Favorable outcomes from regulatory authorities tend to boost growth for utility stocks like Edison International. In July 2025, the California Public Utilities Commission ("CPUC") issued a proposed decision on the 2025 general rate case (GRC) that, if adopted, would result in a base rate revenue requirement of \$9.7 billion in 2025 for the company. This reflects an increase of approximately \$1.1 billion over the revenue requirement authorized for 2024. Our model expects its total revenues to increase 5.4% in 2025. The company's shares have gained 6.4% in the past three months, outperforming the industry's 4.8% growth.

Solid investments in infrastructural development programs along with favorable rate outcome will help Edison International to boost its top line.

Successful approval of these filings should boost Edison International's operating results. Looking ahead, Edison International expects strong rate base growth of approximately 7-8% through the 2024-2028 period, which, in turn, should enable it to witness a CAGR of 5-7% in its earnings during 2025-2028. Such earnings growth prospects should boost investors' interest in this stock.

- ▲ Increasingly growing data centers across the United States, along with rapid electrification of transportation and buildings, have resulted in soaring demand for electricity usage in the nation. To meet this increasing electricity demand, like other utility providers, Edison International follows a systematic capital investment strategy to strengthen its infrastructure and provide safe, resilient electricity, thereby boosting customer reliability. To this end, it is imperative to mention that SCE has recorded a capital expenditure of \$5.7 billion in 2024 and expects to make investments in the range of \$28-\$29 billion during the 2025-2028 period. Of this projection, nearly 97% has been allotted to the transmission and distribution grid as well as generation capacity.

SCE also expects to make an extra CPUC capital expenditure of \$2 billion, some of which might be incurred beyond 2028. This includes additional spending on an enterprise resource planning software implementation, an advanced metering infrastructure program and other potential investments in the grid supporting reliability, resilience and readiness. Edison International has also been investing in building a more resilient grid to reduce climate and weather-related vulnerabilities. To this end, it is imperative to mention that as of 2024-end, SCE had installed more than 6,400 miles of covered conductor and hardened nearly 90% of its distribution lines in high-fire risk carriers. Such grid-hardening initiatives should further boost the company's reliability and, thereby, its customer base.

- ▲ With industries across the board rapidly adopting clean energy as their preferred choice of energy source, utility providers like Edison International are expanding their renewable energy portfolio to earn the economic and environmental, social, and governance (ESG) incentives offered by the utility-scale renewable energy market. To this end, it is imperative to mention that approximately 73% of SCE's utility-owned generation came from carbon-free energy sources in 2024. As of Dec. 31, 2024, SCE had procured more than 5,583 megawatts (MW) of additional net qualifying renewable or zero-emitting capacity with expected online dates through 2028.

Realizing the growing demand for energy storage, backed by increased utilization of renewables in diverse industries varying from transport to building, Edison International has also been enhancing its energy storage portfolio. Notably, as of June 30, 2024, SCE had 3 gigawatts (GW) of storage capacity and contracted approximately 8.1 GW of energy storage. Looking ahead, SCE aims to procure an additional 400 megawatts of energy storage by 2028.

- ▲ To reap the benefits of the expanding electric vehicle (EV) market backed by rapid electrification of the transport industry, in 2020, Edison International launched its Charge Ready 2 program, the largest light-duty EV charging program by an investor-owned utility in the United States. This program is aimed at supporting approximately 38,000 light-duty charging ports by 2025. As of Dec. 31, 2024, SCE completed construction at 386 sites to support 6,520 charge ports under its suite of Charge Ready Programs and 99 sites to support the electrification of 2,251 medium and heavy-duty vehicles through its Charge Ready Transport program.

Looking ahead, SCE plans to invest approximately \$13 billion in infrastructure replacement between 2023 and 2028 to ensure the grid is reliable, resilient, and ready for economy-wide electrification. The idea is to further strengthen SCE's position in the clean energy market. Such clean energy initiatives undertaken by Edison International should enable it to duly achieve its net-zero greenhouse gas emission target by 2045.

- ▲ Although currently Edison International has no nuclear energy generating power plant, SCE-owned San Onofre nuclear station has produced clean energy for more than 40 years at its peak generating enough electricity for 1.5 million homes. Following this plant's retirement in 2013, SCE is currently involved in the process of slowly, carefully, and safely decommissioning the plant. To this end, the company advocates for using the spent fuel from the current fleet of reactors like San Onofre to power next-generation nuclear plants that widely use small module reactors, which are more environmentally friendly than conventional reactors due to their lower waste production.

With California's electricity demand expected to increase 80% by 2045, Edison International believes that nuclear power plays an important role in the state's clean energy mix. Moreover, U.S. President Trump signed a handful of executive orders in May 2025, which are aimed at expanding America's nuclear energy capacity from approximately 100 gigawatts (GW) in 2024 to 400 GW by 2050. As demand rises and policies incentivize nuclear expansion, Edison International remains well-positioned to benefit from these trends and might play a pivotal role in shaping a sustainable and reliable energy future.

Reasons To Sell:

- ▼ California has been experiencing unprecedented weather conditions in recent years due to climate change, and SCE's service territory remains susceptible to additional wildfire activity in 2025 and beyond. The worsening weather and fuel conditions across California increase the likelihood of wildfires, including those where SCE's equipment may be alleged to be associated with the fire's ignition. To this end, it is imperative to mention that the company has been facing multiple lawsuits and investigations related to the 2017/2018 Wildfire/Mudslide events for the past few years. Resultantly, through June 30, 2025, Edison International recorded a loss of \$9.9 billion. The company incurred after-tax net charges to earnings worth \$4.4 billion through June 30, 2025, in relation to the Wildfire/Mudslide events. As of Sept. 30, 2025, SCE paid \$9.7 billion under executed settlements (with \$60 million left to be paid).

Wildfire-related expenses, higher-than-expected decommissioning costs and deteriorating financial position may hurt the stock

Going forward, Edison International may incur a material loss in excess of amounts accrued in connection with the remaining alleged and potential claims related to the 2017/2018 Wildfire/Mudslide events. This, in turn, may hurt its earnings growth. The fact that 27% of SCE's service territory is in areas that have a high fire risk, the company remains susceptible to additional wildfire activity in the future. The company's shares have gained 5% in the past three months, underperforming the industry's 11.8% growth.

- ▼ As of Sept. 30, 2025, Edison International's long-term debt amounted to \$34.48 billion. Meanwhile, its cash and equivalents were only \$0.36 billion, much lower than its long-term debt level. As of Sept. 30, 2025, current debt totaled \$3.75 billion, which also remained much higher than the cash reserve. This indicates a weak solvency position for Edison International.

Moreover, the company's current ratio, as of Sept. 30, 2025, was 0.82, which being less than 1 indicates that Edison International might not possess sufficient capital to pay off its short-term debt obligations. The ratio also declined sequentially. Such unfavorable financial ratios, coupled with the company's weak solvency position, make one further skeptical about the company's financial position. This must have caused its investors to lose confidence in the stock.

- ▼ SCE faces material risks related to the decommissioning of the San Onofre Nuclear Generating Station ("SONGS") and its ownership interest in the operational Palo Verde nuclear plant. Although decommissioning is funded through nuclear trust assets, market volatility and changing assumptions could necessitate additional contributions. These would require CPUC approval, with no assurance of full recovery through rates. The decommissioning process itself carries execution risks, including contractor delays (e.g., DCG), permitting challenges, public opposition and inflationary pressures. Resulting cost overruns could materially exceed current trust fund levels.

Residual nuclear liability also poses long-term risk. Although SONGS is shut down, the presence of spent nuclear fuel still exposes SCE to incident-related claims. Federal law caps public liability at \$560 million for SONGS and \$16.3 billion for Palo Verde. SCE has secured the maximum available private insurance and receives some coverage through U.S. government indemnity and loss-sharing arrangements.

- ▼ SCE is a member of Nuclear Electric Insurance Limited ("NEIL"), which insures nuclear property and outages. If NEIL's reserves are exceeded, SCE could face retrospective premium assessments of up to \$17 million annually. Additionally, based on past and current ownership stakes, SCE may be liable for up to \$255 million per nuclear incident and \$38 million annually for events prior to 2018. For future incidents at Palo Verde, exposure is capped at \$79 million per event, with no more than \$12 million payable per year. These combined liabilities represent an ongoing, though low-probability, financial exposure for Edison International's investors.

Last Earnings Report

Edison International Q3 Earnings Top Estimates, Revenues Increase Y/Y

Edison International reported third-quarter 2025 adjusted earnings of \$2.34 per share, which surpassed the Zacks Consensus Estimate of \$2.16 by 8.3%. The bottom line also increased 55% from \$1.51 in the year-ago quarter.

The company recorded GAAP earnings of \$2.16 per share compared with \$1.33 in the third quarter of 2024.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 28, 2025
Sales Surprise	2.58%
EPS Surprise	8.33%
Quarterly EPS	2.34
Annual EPS (TTM)	5.73

EIX's Total Revenues

Edison International's third-quarter operating revenues totaled \$5.75 billion, which beat the Zacks Consensus Estimate of \$5.61 billion by 2.6%. The top line also increased 10.6% from the year-ago quarter's figure of \$5.2 billion.

Operational Highlights of Edison International

During the third quarter of 2025, total operating expenses increased 2.7% year over year to \$4.32 billion.

Purchased power and fuel costs decreased 10.4% year over year, while depreciation and amortization expenses rose 21.4% during the same time frame.

Operation and maintenance (O&M) costs decreased 15.6% in the quarter. Property and other taxes also declined 4.2%.

The operating income amounted to \$1.43 billion compared with \$0.99 billion in the prior-year period.

Segmental Results of EIX

Southern California Edison's third-quarter adjusted earnings were \$2.58 per share compared with \$1.74 in the year-ago quarter. The year-over-year increase was due to higher revenues from the 2025 GRC final decision.

Edison International Parent and Other incurred an adjusted loss of 24 cents per share compared with the year-ago quarter's loss of 23 cents. This was due to higher interest expense.

Edison International's Financial Update

As of Sept. 30, 2025, cash and cash equivalents amounted to \$364 million compared with \$193 million as of Dec. 31, 2024.

The long-term debt was \$34.48 billion as of Sept. 30, 2025, higher than the 2024-end level of \$33.53 billion.

Net cash flow from operating activities during the first nine months of 2025 was \$4.23 billion compared with \$3.84 billion in the prior-year period.

Total capital expenditures were \$4.62 billion as of Sept. 30, 2025, higher than \$4.21 billion in the year-ago period.

EIX's 2025 Guidance

The company has narrowed its 2025 earnings outlook. EIX expects to generate earnings in the range of \$5.95-\$6.20 per share compared with the previous guidance of \$5.94-\$6.34. The Zacks Consensus Estimate for earnings is currently pegged at \$6.10 per share, which lies higher the midpoint of the company's revised guided range.

Valuation

Edison International's shares are up 20.1% in the past six months period and down 26.6% over the trailing 12-month period. Stocks in the Zacks sub-industry are up 10.5%, while stocks in the Zacks Utilities sector are up 8.7% in the past six months. Over the past year, the Zacks sub-industry has been up 20.4% whereas the sector has been up 16.6%.

The S&P 500 index is up 16.6% in the past six months and up 14.7% in the past year.

The stock is currently trading at 9.44X forward 12-months earnings, which compares with 14.79X for the Zacks sub-industry, 15.45X for the Zacks sector and 23.35X for the S&P 500 index.

Over the past five years, the stock has traded as high as 16.23X and as low as 7.94X, with a 5-year median of 13.55X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$62 price target reflects 9.9X forward 12-months earnings.

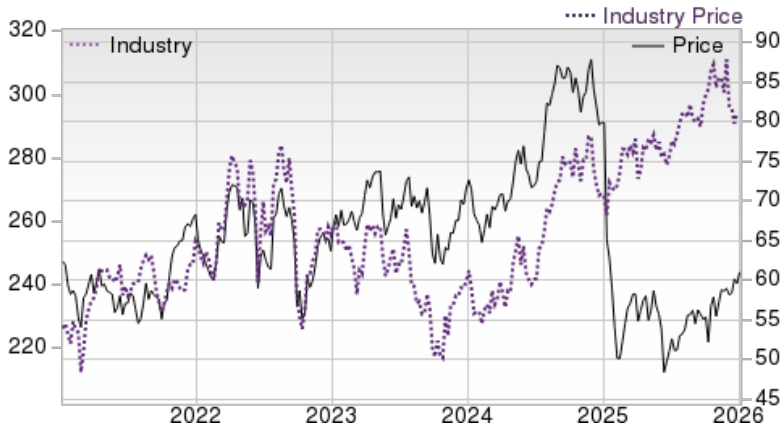
The table below shows summary valuation data for EIX.

Valuation Multiples - EIX					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	9.44	14.79	15.45	23.35
	5-Year High	16.23	16.15	17.86	23.78
	5-Year Low	7.94	12	13.13	15.73
	5-Year Median	13.55	14.68	15.85	21.22
P/S F12M	Current	1.25	3.16	2.98	5.27
	5-Year High	2.02	3.44	3.24	5.5
	5-Year Low	1.01	2.43	2.28	3.83
	5-Year Median	1.52	2.94	2.72	5.05
P/B TTM	Current	1.29	2.55	3.1	8.49
	5-Year High	2.09	2.86	3.28	9.17
	5-Year Low	1.08	2.02	2.38	6.6
	5-Year Median	1.58	2.45	2.87	8.05

As of 12/15/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Top 22% (54 out of 244)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
American Electric Po... (AEP)	Neutral	3
Dominion Energy Inc. (D)	Neutral	3
DTE Energy Company (DTE)	Neutral	4
Consolidated Edison ... (ED)	Neutral	3
Energias de Portugal (EDPFY)	Neutral	1
Alliant Energy Corpo... (LNT)	Neutral	2
NextEra Energy, Inc. (NEE)	Neutral	2
Xcel Energy Inc. (XEL)	Neutral	3

Industry Comparison⁽¹⁾ Industry: Utility - Electric Power

	EIX	X Industry	S&P 500	D	DTE	ED
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Neutral	Neutral
Zacks Rank (Short Term)	2	-	-	3	4	3
VGM Score	A	-	-	C	D	D
Market Cap	22.94 B	19.83 B	40.73 B	49.36 B	26.92 B	36.16 B
# of Analysts	7	3	22	6	8	7
Dividend Yield	5.89%	2.94%	1.37%	4.62%	3.59%	3.39%
Value Score	A	-	-	C	C	C
Cash/Price	0.02	0.02	0.04	0.02	0.00	0.01
EV/EBITDA	8.90	11.50	15.01	13.82	12.50	11.11
PEG Ratio	0.79	2.48	2.04	1.56	2.38	2.73
Price/Book (P/B)	1.30	1.62	3.44	1.61	2.21	1.50
Price/Cash Flow (P/CF)	4.33	8.70	15.54	9.78	8.38	8.63
P/E (F1)	9.77	17.05	18.81	16.04	16.77	16.70
Price/Sales (P/S)	1.27	2.59	3.07	3.12	1.82	2.18
Earnings Yield	10.52%	5.74%	5.30%	6.23%	5.96%	5.99%
Debt/Equity	1.95	1.28	0.57	1.41	2.01	1.03
Cash Flow (\$/share)	13.76	6.05	8.98	5.91	15.47	11.61
Growth Score	B	-	-	C	D	D
Hist. EPS Growth (3-5 yrs)	2.95%	4.47%	8.24%	-8.86%	-1.33%	7.59%
Proj. EPS Growth (F1/F0)	23.73%	6.98%	9.21%	22.74%	5.86%	4.81%
Curr. Cash Flow Growth	6.01%	6.35%	7.00%	-1.39%	12.43%	6.06%
Hist. Cash Flow Growth (3-5 yrs)	8.46%	5.73%	7.49%	-5.03%	5.17%	5.20%
Current Ratio	0.82	0.90	1.19	0.84	1.15	1.08
Debt/Capital	64.08%	55.76%	38.14%	57.71%	66.82%	50.76%
Net Margin	17.24%	11.49%	12.77%	16.17%	9.34%	12.27%
Return on Equity	13.62%	9.79%	17.03%	9.60%	12.63%	8.79%
Sales/Assets	0.20	0.22	0.53	0.15	0.30	0.23
Proj. Sales Growth (F1/F0)	5.40%	5.23%	5.30%	8.40%	16.80%	8.80%
Momentum Score	B	-	-	B	D	F
Daily Price Chg	1.97%	0.42%	0.01%	1.26%	1.07%	0.82%
1 Week Price Chg	2.39%	0.65%	1.11%	0.07%	1.02%	0.69%
4 Week Price Chg	2.90%	1.05%	0.30%	-0.64%	-0.86%	4.75%
12 Week Price Chg	5.10%	-1.36%	4.41%	-4.65%	-8.39%	-0.88%
52 Week Price Chg	-14.23%	13.88%	16.95%	5.86%	7.12%	12.55%
20 Day Average Volume	2,950,730	901,603	2,445,854	6,577,373	1,417,829	1,648,756
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	0.05%	0.00%	0.00%	0.09%	-0.01%	-0.10%
(F1) EPS Est 12 week change	2.51%	0.15%	0.47%	0.51%	-0.22%	-0.02%
(Q1) EPS Est Mthly Chg	-3.04%	0.00%	0.00%	-1.10%	1.36%	-0.83%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

Zacks Style Scores

The Zacks Style Score is as a complementary indicator to the Zacks rating system, giving investors a way to focus on the highest rated stocks that best fit their own stock picking preferences.

Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	A
Growth Score	B
Momentum Score	B
VGM Score	A

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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