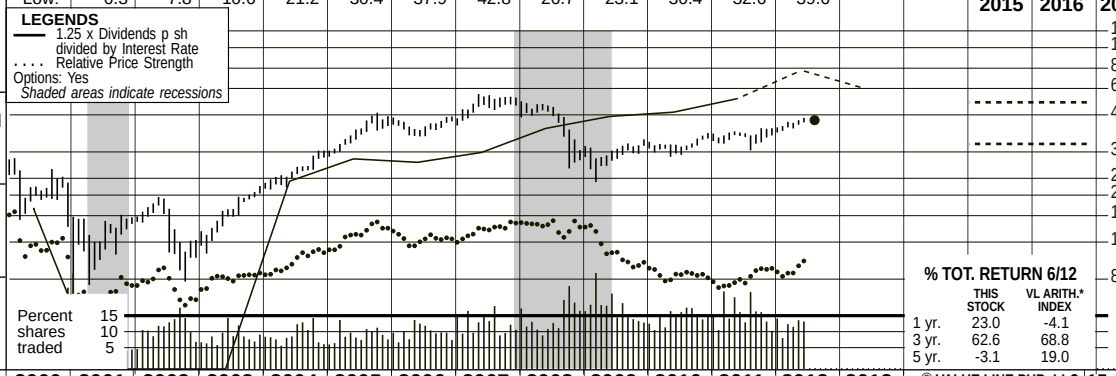
EDISON INTERNAT'L NYSE-EIX

RECENT PRICE **45.33** | P/E RATIO **16.5** (Trailing: 15.7 Median: 12.0) | RELATIVE P/E RATIO **1.16** | DIV'D YLD **2.9%** | VALUE LINE

TIMELINESS 3 Lowered 3/11/11
SAFETY 3 Raised 11/11/05
TECHNICAL 4 Lowered 7/6/12
BETA .80 (1.00 = Market)

High:	16.1	19.6	22.1	32.5	49.2	47.2	60.3	55.7	36.7	39.4	41.6	46.8
Low:	6.3	7.8	10.6	21.2	30.4	37.9	42.8	26.7	23.1	30.4	32.6	39.6

Target Price Range
2015 | 2016 | 2017



2015-17 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	55	(+20%)	8%
Low	35	(-25%)	-2%

Insider Decisions

	S	O	N	D	J	F	M	A	M
to Buy	0	0	0	0	0	0	0	0	0
Options	0	0	3	0	0	1	5	0	1
to Sell	0	0	3	0	0	0	5	0	2

Institutional Decisions

	3Q2011	4Q2011	1Q2012
to Buy	168	193	168
to Sell	183	186	210
Hld's(000)	251875	250890	253559

% TOT. RETURN 6/12

	THIS STOCK	VL ARITH.* INDEX
1 yr.	23.0	-4.1
3 yr.	62.6	68.8
5 yr.	-3.1	19.0

1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	© VALUE LINE PUB. LLC	15-17
20.13	24.58	29.12	27.85	35.96	35.10	35.26	37.25	31.30	36.38	38.74	40.25	43.31	37.98	38.09	39.16	*40.20*	*41.75*	Revenues per sh	*51.50*
4.45	5.49	6.65	7.20	d.52	4.35	4.79	5.88	3.79	6.99	7.25	7.60	8.08	7.96	8.41	9.03	*8.90*	*9.40*	"Cash Flow" per sh	*11.50*
1.64	1.75	1.86	2.03	d5.84	1.30	1.82	2.38	.69	3.34	3.28	3.32	3.68	3.24	3.35	3.23	*2.75*	*2.80*	Earnings per sh A	*3.50*
1.00	1.00	1.04	1.08	.83	- -	- -	- -	.80	1.02	1.10	1.18	1.23	1.25	1.27	1.29	*1.31*	*1.33*	Div'd Decl'd per sh B ■	*1.55*
1.75	2.08	2.75	3.55	4.57	2.86	4.88	3.95	5.32	5.73	7.78	8.67	8.67	10.07	13.94	14.76	*16.65*	*14.15*	Cap'l Spending per sh	*13.75*
15.07	14.71	14.55	15.01	7.43	10.04	13.62	16.52	18.57	20.30	23.66	25.92	29.21	30.20	32.44	30.86	*32.25*	*33.65*	Book Value per sh C	*38.75*
424.52	375.76	350.55	347.21	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	325.81	*325.81*	*325.81*	Common Shs Outst'g D	*325.81*
10.8	13.7	15.1	12.9	- -	10.0	7.8	7.0	37.6	11.7	13.0	16.0	12.4	9.7	10.3	11.8	*Bold figures are*		Avg Ann'l P/E Ratio	*12.5*
.68	.79	.79	.74	- -	.51	.43	.40	1.99	.62	.70	.85	.75	.65	.66	.75	*Value Line*		Relative P/E Ratio	*.85*
5.7%	4.2%	3.7%	4.1%	3.9%	- -	- -	- -	3.1%	2.6%	2.6%	2.2%	2.7%	4.0%	3.7%	3.4%	*estimates*		Avg Ann'l Div'd Yield	*3.5%*

CAPITAL STRUCTURE as of 3/31/12
Total Debt $14535 mill. **Due in 5 Yrs** $3993.0 mill.
LT Debt $14131 mill. **LT Interest** $826.0 mill.
(LT interest earned: 2.5x)
Leases, Uncapitalized Annual rentals $1.25 bill.
Pension Assets-12/11 $3.15 bill. **Oblig.** $4.49 bill.
Pfd Stock $1374 mill. **Pfd Div'd** $81.0 mill.
4,800,198 shs. 4.08%-4.78%, $25 par, call. $25.50-$28.75/sh. 8,000,000 shs. 5.349%-6.125%, $100 par; 1,250,000 shs. 6.5%, $100 liquidation value; 350,000 shs. 6.25%, $1000 liquidation value.
Common Stock 325,811,206 shs.
as of 4/30/12
MARKET CAP: $15 billion (Large Cap)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013		15-17
11488	12135	10199	11852	12622	13113	14112	12374	12409	12760	*13100*	*13600*	Revenues ($mill)	*16750*
644.0	738.0	220.0	1132.0	1134.0	1151.0	1266.0	1115.0	1153.0	1112.0	*980*	*1000*	Net Profit ($mill)	*1240*
37.8%	22.4%	- -	26.0%	31.4%	27.3%	30.7%	33.0%	32.1%	25.7%	*26.0%*	*26.0%*	Income Tax Rate	*26.0%*
3.3%	3.7%	11.4%	4.9%	5.1%	8.2%	8.9%	10.5%	16.9%	14.8%	*15.0%*	*15.0%*	AFUDC % to Net Profit	*12.0%*
66.6%	68.1%	60.5%	54.6%	51.3%	49.1%	51.2%	49.3%	51.8%	55.3%	*54.5%*	*55.5%*	Long-Term Debt Ratio	*56.0%*
25.6%	31.1%	37.8%	40.9%	43.5%	46.0%	44.5%	46.5%	44.3%	40.6%	*40.5%*	*39.5%*	Common Equity Ratio	*40.0%*
17352	17299	15995	16167	17725	18375	21374	21185	23861	24773	*25925*	*27625*	Total Capital ($mill)	*31600*
8247.0	12587	13475	14469	15913	17403	18969	21966	24778	32116	*35525*	*38000*	Net Plant ($mill)	*43500*
6.7%	7.2%	4.2%	9.4%	8.6%	8.3%	7.4%	6.9%	6.3%	6.0%	*5.5%*	*5.0%*	Return on Total Cap'l	*5.5%*
11.1%	13.4%	3.5%	15.4%	13.1%	12.3%	12.1%	10.4%	10.0%	10.0%	*8.5%*	*8.0%*	Return on Shr. Equity	*9.0%*
11.9%	13.6%	3.5%	16.7%	14.0%	13.0%	12.8%	10.8%	10.4%	10.5%	*8.5%*	*8.5%*	Return on Com Equity E	*9.0%*
11.9%	13.6%	NMF	12.2%	10.1%	9.2%	8.6%	6.7%	6.5%	6.3%	*4.5%*	*4.5%*	Retained to Com Eq	*5.0%*
18%	1%	121%	29%	31%	33%	35%	41%	40%	43%	*51%*	*51%*	All Div'ds to Net Prof	*47%*

ELECTRIC OPERATING STATISTICS

	2009	2010	2011
% Change Retail Sales (KWH)	-4.4	-2.7	+.9
Avg. Indust. Use (MWH)	669	710	736
Avg. Indust. Revs. per KWH (¢)	6.95	7.38	7.09
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	22112	22771	22374
Annual Load Factor (%)	53.4	50.7	50.7
% Change Customers (yr-end)	+.4	+.5	+.4
Fixed Charge Cov. (%)	268	240	209

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '09-'11 to '15-'17
Revenues	1.5%	1.5%	*5.0%*
"Cash Flow"	8.5%	7.0%	*5.0%*
Earnings	- -	6.0%	*1.0%*
Dividends	7.0%	5.5%	*3.5%*
Book Value	11.0%	8.5%	*3.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	2812	2834	3678	3050	12374
2010	2810	2742	3788	3069	12409
2011	2782	2983	3981	3014	12760
2012	2856	*3094*	*4050*	*3100*	*13100*
2013	*3025*	*3200*	*4175*	*3200*	*13600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2009	.78	.78	1.08	.59	3.24
2010	.70	.62	1.46	.58	3.35
2011	.62	.54	1.31	.76	3.23
2012	.28	*.47*	*1.40*	*.60*	*2.75*
2013	*.60*	*.50*	*1.15*	*.55*	*2.80*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.305	.305	.305	.305	1.22
2009	.31	.31	.31	.31	1.24
2010	.315	.315	.315	.315	1.26
2011	.32	.32	.32	.32	1.28
2012	.325	.325	.325		

BUSINESS: Edison International (formerly SCECorp) is a holding company for Southern California Edison (SCE), which supplies electricity to 4.9 million customers in a 50,000 sq. mi. area in central, coastal, and southern California (excl. Los Angeles and San Diego). Edison Mission Group (EMG) is an independent power producer. Electric revenue breakdown: residential, 40%; commercial, 42%; industrial, 6%; other, 12%. Generating sources: nuclear, 24%; coal, 7%; gas, 6%; hydro, 6%; purchased, 57%. Fuel costs: 33% of revs. '11 reported deprec. rate (utility): 4.2%. Has 19,900 employees. Chairman, President & CEO: Theodore F. Craver, Jr. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Internet: www.edison.com.

Edison International's nonregulated generating assets are being hurt by low power prices and more-stringent environmental rules. Edison Mission Group (EMG), the company's nonutility subsidiary, lost $0.07 a share in 2011 (excluding sizable one-time charges) and $0.26 a share in the first quarter of 2012. EMG was unable to obtain financing for environmental upgrades to the Homer City coal-fired plant in Pennsylvania, and intends to transfer Homer City to its owner-lessors. The company also plans to close two coal-fired facilities in Chicago in September. At this juncture, management is evaluating the future of EMG.

Southern California Edison (SCE) is still waiting for an order in its general rate case. The utility is seeking rate hikes of $809 million, $117 million, and $513 million in 2012, 2013, and 2014, respectively. No matter when the order comes out, new tariffs will be retroactive to the start of 2012. Management won't provide earnings guidance until the California Public Utilities Commission (CPUC) issues its decision.

A cost-of-capital application is pending. SCE proposed an allowed return on equity of 11.1% and a 48% common-equity ratio. The allowed ROE would be adjusted if there is a significant change in interest rates. If the utility's request is granted, this would reduce annual rates by $128 million due in part to a lower allowed ROE than the current 11.5%. The CPUC's order is expected in late 2012, and will take effect at the start of 2013.

The San Onofre nuclear station is out of service. SCE might be able to recover the replacement power costs stemming from the unplanned outage (subject to a CPUC review), but the repair costs will hurt pretax income by an estimated $55 million-$65 million in 2012. It is unknown when the plant will return to service.

More-attractive utility selections are available elsewhere. The stock's yield is more than a percentage point below the industry average, and the dividend growth we project over the 3- to 5-year period probably won't be enough to provide a good total return. Moreover, the quotation is near the midpoint of our 2015-2017 Target Price Range.

Paul E. Debbas, CFA *August 3, 2012*

(A) Diluted EPS. Excl. nonrec. gains (losses): '01, $1.88; '02, $1.48; '03, (12¢); '04, $2.12; '09, (64¢); '10, 54¢; '11, ($3.33); gain (losses) from disc. ops.: '07, (1¢); '09, (2¢); '10, 1¢; '11, (1¢). Incl. nonrec. losses: '00, $7.58; '01, $1.88. '09 & '10 EPS don't add due to rounding. Next egs. due early Nov. (B) Div'ds paid late Jan., Apr., July & Oct. ■ Div'd reinv. plan avail. (C) Incl. def'd charges. In '11: $16.78/sh. (D) In mill. (E) Rate base: net orig. cost. Rate all'd on com. eq. in '08: 11.5%; earned on avg. com. eq., '11: 9.7%. Reg. Climate: Above Avg.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	80

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