

Northern States Power Company, a Minnesota Corporation
Indicated Common Equity Cost Rate Using the Discounted Cash Flow Model for the
Proxy Group of Twelve Electric Companies

| | [1] | [2] | [3] | [4] | [5] | [6] | [7] |
|---|-----------------------------------|---|--|---|--|------------------------------------|--|
| <u>Proxy Group of Twelve Electric Companies</u> | <u>Average Dividend Yield (1)</u> | <u>Value Line Projected Five Year Growth in EPS (2)</u> | <u>Zack's Five Year Projected Growth Rate in EPS</u> | <u>Yahoo! Finance Projected Five Year Growth in EPS</u> | <u>Average Projected Five Year Growth in EPS (3)</u> | <u>Adjusted Dividend Yield (4)</u> | <u>Indicated Common Equity Cost Rate (5)</u> |
| Alliant Energy Corporation | 2.82 % | 4.50 % | 6.00 % | 6.00 % | 5.50 % | 2.90 % | 8.40 % |
| Ameren Corporation | 2.61 | 6.50 | 7.20 | 6.46 | 6.72 | 2.70 | 9.42 |
| American Electric Power Company, Inc. | 3.27 | 6.50 | 5.80 | 6.06 | 6.12 | 3.37 | 9.49 |
| Duke Energy Corporation | 3.67 | 7.00 | 6.20 | 6.34 | 6.51 | 3.79 | 10.30 |
| Edison International | 4.22 | NMF | 4.00 | 4.70 | 4.35 | 4.31 | 8.66 |
| Entergy Corporation | 3.56 | 3.00 | 6.10 | 6.02 | 5.04 | 3.65 | 8.69 |
| Evergy, Inc. | 3.47 | 7.50 | 6.10 | 5.12 | 6.24 | 3.58 | 9.82 |
| IDACORP, Inc. | 2.73 | 4.00 | 4.40 | 4.40 | 4.27 | 2.79 | 7.06 |
| NorthWestern Corporation | 4.24 | 3.00 | 2.70 | 4.50 | 3.40 | 4.31 | 7.71 |
| OGE Energy Corporation | 4.19 | 6.50 | 3.50 | 1.90 | 3.97 | 4.27 | 8.24 |
| Portland General Electric Company | 3.41 | 7.50 | 4.60 | 3.53 | 5.21 | 3.50 | 8.71 |
| Xcel Energy Inc. | 2.76 | 6.00 | 6.40 | 7.08 | 6.49 | 2.85 | 9.34 |
| | | | | | 5.32 | Average | <u>8.82 %</u> |
| | | | | | | Median | <u>8.70 %</u> |
| | | | | | | Average of Mean and Median | <u>8.76 %</u> |

NA= Not Available
NMF= Not Meaningful Figure

Notes:

- (1) Indicated dividend at 04/29/2022 divided by the average closing price of the last 60 trading days ending 04/29/2022 for each company.
- (2) From pages 3 through 14 of this Schedule.
- (3) Average of columns 2 through 4 excluding negative growth rates.
- (4) This reflects a growth rate component equal to one-half the conclusion of growth rate (from column 6) x column 1 to reflect the periodic payment of dividends (Gordon Model) as opposed to the continuous payment. Thus, for Alliant Energy Corporation, $2.82\% \times (1 + (1/2 \times 5.50\%)) = 2.90\%$.
- (5) Column 5 + column 6.

Source of Information:

Value Line Investment Survey
www.zacks.com Downloaded on 04/29/2022
www.yahoo.com Downloaded on 04/29/2022

Northern States Power Company, a Minnesota Corporation
Hypothetical Example of the Inadequacy of
A DCF Return Rate Related to Book Value
When Market Value is Greater / Less than Book Value

| <u>Line No.</u> | [1] <u>Market Value</u> | [2] <u>Book Value with Market to Book Ratio of 200%</u> | [3] <u>Book Value with Market to Book Ratio of 80%</u> |
|-----------------------------------|----------------------------|--|---|
| 1. Per Share | \$ 30.00 | \$ 15.00 | \$ 37.50 |
| 2. DCF Cost Rate (1) | 10.00% | 10.00% | 10.00% |
| 3. Return in Dollars | \$ 3.000 | \$ 1.500 | \$ 3.750 |
| 4. Dividends (2) | \$ 0.900 | \$ 0.900 | \$ 0.900 |
| 5. Growth in Dollars | \$ 2.100 | \$ 0.600 | \$ 2.850 |
| 6. Return on Market Value | 10.00% | 5.00% (3) | 12.50% (4) |
| 7. Rate of Growth on Market Value | 7.00% (5) | 2.00% (6) | 9.50% (7) |

Notes:

- (1) Comprised of 3.0% dividend yield and 7.0% growth.
- (2) $\$30.00 \times 3.0\% \text{ yield} = \0.900 .
- (3) $\$1.50 / \$30.00 \text{ market value} = 5.00\%$.
- (4) $\$3.75 / \$30.00 \text{ market value} = 12.50\%$.
- (5) Expected rate of growth per market based DCF model.
- (6) Actual rate of growth when DCF cost rate is applied to book value ($\$1.500$ possible earnings - $\$0.900$ dividends = $\$0.600$ for growth / $\$30.00$ market value = 2.00%).
- (7) Actual rate of growth when DCF cost rate is applied to book value ($\$3.750$ possible earnings - $\$0.900$ dividends = $\$2.850$ for growth / $\$30.00$ market value = 9.50%).

| ALLIANT ENERGY NDQ-LNT | | | | RECENT PRICE | P/E RATIO | TRAILING P/E RATIO | RELATIVE P/E RATIO | DIV'D YLD | VALUE LINE |
|---|--|--|--|--|--|------------------------------------|--------------------------------------|---|--|
| TIMELINESS 3 Raised 10/29/21 SAFETY 2 Raised 9/28/07 TECHNICAL 3 Lowered 3/11/22 BETA .85 (1.00 = Market) 18-Month Target Price Range Low-High Midpoint (% to Mid) \$50-\$78 \$64 (10%) 2025-27 PROJECTIONS High Price 65 (+10%) Low Price 50 (-15%) Ann'l Total Return 6% Nil | | | | High: 22.2 Low: 17.0 27.1 34.9 35.4 41.0 45.6 46.6 55.4 40.8 | 21.9 25.0 27.1 30.4 36.6 36.8 40.8 | (Trailing: 22.3) (Median: 20.0) | 1.22 37.7 46.0 61.9 54.8 | 3.0% 61.9 54.8 | Target Price Range 2025 2026 2027 80 60 50 40 30 25 20 15 10 7.5 |
| LEGENDS 0.70 x Dividends p sh divided by Interest Rate Relative Price Strength 2-for-1 split 5/16 Options: Yes Shaded area indicates recession | | | | | | | | % TOT. RETURN 2/22 THIS STOCK INDEX VL ARITH.* 1 yr. 31.4 15.1 3 yr. 39.1 61.1 5 yr. 72.1 84.2 | |
| Institutional Decisions 202021 3Q2021 4Q2021 to Buy 236 237 290 to Sell 237 232 244 Hld's(000) 191641 194869 195770 Percent shares traded 24 16 8 | | | | 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 | | | | © VALUE LINE PUB. LLC 25-27 | |
| CAPITAL STRUCTURE as of 12/31/21 Total Debt \$7883 mill. Due in 5 Yrs \$2665 mill. LT Debt \$6735 mill. LT Interest \$256 mill. (LT interest earned: 3.2x) | | | | 3094.5 3276.8 3350.3 3253.6 3320.0 3382.2 3534.5 3647.7 3416.0 3669.0 3900 4050 337.8 382.1 395.7 390.9 384.0 466.1 522.3 567.4 624.0 674.0 695 730 21.5% 12.4% 10.1% 15.3% 13.4% 12.5% 10.8% 10.8% 10.8% 10.8% 4.0% 4.0% 6.5% 8.1% 8.8% 9.4% 16.3% 10.7% 14.5% 16.3% 8.8% 3.7% 4.0% 5.0% | | | | Revenues per sh 17.75 "Cash Flow" per sh 7.00 Earnings per sh A 3.25 Div'd Decl'd per sh B + 2.15 Cap'l Spending per sh 6.25 Book Value per sh C 29.75 Common Shs Outst'g D 253.00 Avg Ann'l P/E Ratio 18.0 Relative P/E Ratio 1.00 Avg Ann'l Div'd Yield 3.7% | |
| Leases, Uncapitalized Annual rentals \$2 mill. Pension Assets-12/21 \$1011 mill. Pfd Stock None Common Stock 250,478,681 shs. as of 1/31/22 MARKET CAP: \$15 billion (Large Cap) | | | | 48.4% 46.1% 49.7% 47.3% 51.5% 47.8% 52.3% 50.6% 53.5% 52.9% 55.0% 55.0% 48.4% 50.8% 47.5% 50.0% 46.1% 49.8% 45.7% 47.6% 44.9% 47.1% 45.0% 45.0% 6476.6 6461.0 7257.2 7446.3 8377.6 8392.8 10032 10938 12657 12725 14000 14550 7838.0 7147.3 6442.0 8970.2 9809.9 10798 12462 13527 14336 14987 16000 17000 6.3% 7.0% 6.5% 6.3% 5.6% 6.7% 6.3% 6.3% 5.9% 6.3% 6.0% 6.0% 10.1% 11.0% 10.8% 10.0% 9.5% 10.6% 10.9% 10.5% 10.6% 11.3% 11.0% 11.0% 10.3% 11.3% 11.2% 10.2% 9.7% 10.9% 11.2% 10.7% 10.8% 11.0% 11.0% 11.0% 3.9% 4.9% 4.6% 3.6% 2.8% 4.0% 4.4% 4.2% 4.2% 4.3% 4.0% 4.0% 64% 57% 60% 66% 72% 64% 62% 61% | | | | Revenues (\$mill) 4500 Net Profit (\$mill) 845 Income Tax Rate 4.0% AFUDC % to Net Profit 6.0% Long-Term Debt Ratio 56.0% Common Equity Ratio 44.0% Total Capital (\$mill) 17100 Net Plant (\$mill) 19900 Return on Total Cap'l 6.0% Return on Shr. Equity 11.0% Return on Com Equity E 11.0% Retained to Com Eq 4.0% All Div's to Net Prof 64% | |
| ELECTRIC OPERATING STATISTICS 2019 2020 2021 % Change Retail Sales (KWH) -2.2 -2.3 +3.7 Avg. Indust. Use (MWH) 11448 11134 NA Avg. Indust. Revs. per KWH (c) 6.98 7.55 7.64 Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) 5626 5496 5486 Annual Load Factor (%) NA NA NA % Change Customers (yr-end) +6 +6 +8 | | | | BUSINESS: Alliant Energy Corporation (formerly Interstate Energy) is a holding company formed through the merger of WPL Holdings, IES Industries, and Interstate Power. Supplies electricity to 984,000 customers and gas to 423,000 customers in Wisconsin, Iowa, and Minnesota. Electric revenue by state: WI, 43%; IA, 56%. MN, 1%. Electric revenue: residential, 36%; commercial, 25%; industrial, 29%; wholesale, 8%; other, 2%. Generating sources: coal, 32%; gas, 32%; wind, 16%; other, 1%; purchased, 19%. Fuel costs: 25% of revs. '21 reported deprec. rates: 2.9%-6.1%. Has 3,300 employees. Chairman, President & CEO: John O. Larsen. Inc.: Wisconsin. Address: 4902 N. Blittmore Lane, Madison, Wisconsin 53718-2148. Tel.: 608-458-3311. Internet: www.alliantenergy.com. | | | | Alliant Energy's utility subsidiary in Wisconsin received electric and gas rate increases at the start of 2022. Wisconsin Power and Light was granted hikes of \$114 million for electricity and \$15 million for gas. (The electric increase was above the initial settlement agreement of \$70 million due to anticipated increases in fuel costs this year.) The allowed return on equity remained at 10% and the common-equity ratio was boosted from 52.5% to 53.8%. Note that WPL is operating under a mechanism that will share a portion of its earnings if its earned ROE is greater than 10.25%. Rate relief is a key factor in the earnings growth we expect this year. Our estimate is within Alliant Energy's targeted range of \$2.67-\$2.81 a share, up slightly from management's previous guidance of \$2.65-\$2.79 thanks to increased capital spending on solar power, which will be recovered through a rider (surcharge) on customers' bills. | |
| ANNUAL RATES Past 10 Yrs Past 5 Yrs to '25-'27 Revenues -1.0% -5.5% 3.5% "Cash Flow" 7.0% 7.5% 6.0% Earnings 7.0% 8.0% 4.5% Dividends 6.5% 6.5% 6.0% Book Value 5.5% 7.0% 4.0% | | | | Alliant Energy's utilities are seeking approval from the regulators in Wisconsin and Iowa to add renewable-energy projects. In the first half of 2022, WPL expects a ruling on its request for a certificate of need to add up to 414 megawatts of solar capacity. The utility also plans to ask the Wisconsin commission to approve up to an additional 300 mw of renewable capacity. In Iowa, the company expects a decision in the second half of 2022 on its proposed addition of up to 400 mw of solar capacity and 75 mw of battery storage. | | | | The board of directors raised the dividend in the first quarter. The company had signaled that the increase would be \$0.10 a share (6.2%) annually, and this is what occurred. | |
| QUARTERLY REVENUES (\$ mill.) Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 987.2 790.2 990.2 880.1 3647.7 2020 915.7 763.1 920.0 817.2 3416.0 2021 901 817 1024 927 3669.0 2022 1000 850 1075 975 3900 2023 1050 875 1125 1050 4050 | | | | Alliant Energy stock is expensively priced. The dividend yield is below the utility average. The stock does not stand out for the next 18 months, and with the recent quotation well within our 2025-2027 Target Price Range, total return potential over that time frame is unimpressive. | | | | Paul E. Debbas, CFA March 11, 2022 | |
| EARNINGS PER SHARE A Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 .53 .40 .94 .46 2.33 2020 .72 .54 .94 .26 2.47 2021 .68 .57 1.02 .35 2.63 2022 .70 .57 1.05 .43 2.75 2023 .75 .60 1.10 .45 2.90 | | | | We look for further profit growth in 2023. The additions of renewable capacity should help. Our earnings estimate would produce an increase of 5%, which is within the company's goal of 5%-7% annually. | | | | Company's Financial Strength A Stock's Price Stability 95 Price Growth Persistence 65 Earnings Predictability 95 | |
| QUARTERLY DIVIDENDS PAID B + 1 Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2018 .335 .335 .335 .335 1.34 2019 .355 .355 .355 .355 1.42 2020 .38 .38 .38 .38 1.52 2021 .4025 .4025 .4025 .4025 1.61 2022 .4275 | | | | (A) Diluted EPS. Excl. nonrecurring losses: '11, '1c, '12, 8c. '20 & '21 EPS don't sum due to rounding. Next earnings report due early May. (B) Dividends historically paid in mid-Feb., May, Aug., and Nov. ▯ Dividend reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred charges. In '21: \$1980 mill., \$7.91/sh. (D) In millions, adj. for split. (E) Rate base: Orig. cost. Rates all'd on com. eq. in IA in '20: various; in WI in '22: 10%; earned on avg. com. eq., '21: 11.3%. Regulatory Climate: Wisconsin, Above Average; Iowa, Average. | | | | To subscribe call 1-800-VALUELINE | |

(A) Diluted EPS. Excl. nonrecurring losses: '11, '1c, '12, 8c. '20 & '21 EPS don't sum due to rounding. Next earnings report due early May.
 (B) Dividends historically paid in mid-Feb., May, Aug., and Nov. ▯ Dividend reinvestment plan avail. † Shareholder investment plan avail.
 (C) Incl. deferred charges. In '21: \$1980 mill., \$7.91/sh. (D) In millions, adj. for split. (E) Rate base: Orig. cost. Rates all'd on com. eq. in IA in '20: various; in WI in '22: 10%; earned on avg. com. eq., '21: 11.3%. Regulatory Climate: Wisconsin, Above Average; Iowa, Average.
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| AMEREN NYSE-AEE | | | | RECENT PRICE | 85.95 | P/E RATIO | 21.1 (Trailing: 22.4 Median: 19.0) | RELATIVE P/E RATIO | 1.18 | DIV'D YLD | 2.8% | VALUE LINE | | | | | | | |
|--|--|--------|--------|---|--------|-----------|------------------------------------|--------------------|--------|-----------|--------|------------|--------------------------------------|--------|--------|--------|--------|----------------------------------|--------|
| TIMELINESS 4 Lowered 12/10/21 | High: 34.1 | 35.3 | 37.3 | 48.1 | 46.8 | 54.1 | 64.9 | 70.9 | 80.9 | 87.7 | 90.8 | 89.5 | Target Price Range 2025 2026 2027 | | | | | | |
| SAFETY 1 Raised 9/10/21 | Low: 25.5 | 28.4 | 30.6 | 35.2 | 37.3 | 41.5 | 51.4 | 51.9 | 63.1 | 58.7 | 69.8 | 81.8 | | | | | | | |
| TECHNICAL 2 Lowered 3/11/22 | LEGENDS 0.64 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | | | | |
| BETA .80 (1.00 = Market) | 18-Month Target Price Range Low-High Midpoint (% to Mid) \$75-\$107 \$91 (5%) | | | | | | | | | | | | | | | | | | |
| 2025-27 PROJECTIONS High Low Price 100 Gain (+15%/-5%) Ann'l Total Return 7% 2% | | | | | | | | | | | | | | | | | | | |
| Institutional Decisions 202021 3Q2021 4Q2021 to Buy 273 248 308 to Sell 226 246 227 Hld's(000) 194886 199566 198495 Percent shares traded 30 20 10 | | | | | | | | | | | | | | | | | | | |
| 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 © VALUE LINE PUB. LLC 25-27 | | | | | | | | | | | | | | | | | | | |
| 33.30 | 36.23 | 36.92 | 29.87 | 31.77 | 31.04 | 28.14 | 24.06 | 24.95 | 25.13 | 25.04 | 25.46 | 25.73 | 24.00 | 22.87 | 24.81 | 25.35 | 25.85 | Revenues per sh | 27.75 |
| 6.02 | 6.76 | 6.44 | 6.06 | 6.33 | 5.87 | 5.87 | 5.25 | 5.77 | 6.08 | 6.59 | 6.80 | 7.64 | 7.83 | 8.08 | 8.89 | 9.35 | 9.90 | "Cash Flow" per sh | 11.75 |
| 2.66 | 2.98 | 2.88 | 2.78 | 2.77 | 2.47 | 2.41 | 2.10 | 2.40 | 2.38 | 2.68 | 2.77 | 3.32 | 3.35 | 3.50 | 3.84 | 4.10 | 4.35 | Earnings per sh ^A | 5.25 |
| 2.54 | 2.54 | 2.54 | 1.54 | 1.54 | 1.56 | 1.60 | 1.60 | 1.61 | 1.66 | 1.72 | 1.78 | 1.85 | 1.92 | 2.00 | 2.20 | 2.36 | 2.52 | Div'd Decl'd per sh ^B | 3.10 |
| 4.99 | 6.96 | 9.75 | 7.51 | 4.66 | 4.50 | 5.49 | 5.87 | 7.66 | 8.12 | 8.78 | 9.05 | 9.56 | 9.92 | 13.02 | 13.67 | 12.90 | 12.55 | Cap'l Spending per sh | 13.00 |
| 31.86 | 32.41 | 32.80 | 33.08 | 32.15 | 32.64 | 27.27 | 26.97 | 27.67 | 28.63 | 29.27 | 29.61 | 31.21 | 32.73 | 35.29 | 37.64 | 40.25 | 42.90 | Book Value per sh ^C | 51.50 |
| 206.60 | 208.30 | 212.30 | 237.40 | 240.40 | 242.60 | 242.63 | 242.63 | 242.63 | 242.63 | 242.63 | 242.63 | 244.50 | 246.20 | 253.30 | 257.70 | 262.50 | 267.00 | Common Shs Outst'g ^D | 280.00 |
| 19.4 | 17.4 | 14.2 | 9.3 | 9.7 | 11.9 | 13.4 | 16.5 | 16.7 | 17.5 | 18.3 | 20.6 | 18.3 | 22.1 | 22.2 | 21.4 | 21.4 | 21.4 | Avg Ann'l P/E Ratio | 17.5 |
| 1.05 | .92 | .85 | .62 | .62 | .75 | .85 | .93 | .88 | .88 | .96 | 1.04 | .99 | 1.18 | 1.18 | 1.14 | 1.14 | 1.14 | Relative P/E Ratio | .95 |
| 4.9% | 4.9% | 6.2% | 6.0% | 5.8% | 5.3% | 5.0% | 4.6% | 4.0% | 4.0% | 3.5% | 3.1% | 3.0% | 2.6% | 2.6% | 2.7% | 2.7% | 2.7% | Avg Ann'l Div'd Yield | 3.4% |
| CAPITAL STRUCTURE as of 12/31/21 | | | | Total Debt \$13612 mill. Due in 5 Yrs \$2890 mill. LT Debt \$12562 mill. LT Interest \$436 mill. (LT interest earned: 3.8x) Pension Assets-12/21 \$5745 mill. Oblig \$5457 mill. | | | | | | | | | | | | | | | |
| Pfd Stock \$129 mill. Pfd Div'd \$5 mill. | | | | 807,595 sh. \$3.50 to \$5.50 cum. (no par), \$100 stated val., redeem. \$102.176-\$110/sh.; 487,508 sh. 4.00% to 5.16%, \$100 par, redeem. \$100-\$104.30/sh. | | | | | | | | | | | | | | | |
| Common Stock 257,724,783 shs. as of 1/31/22 | | | | MARKET CAP: \$22 billion (Large Cap) | | | | | | | | | | | | | | | |
| ELECTRIC OPERATING STATISTICS | | | | 2019 2020 2021 % Change Retail Sales (KWH) -3.5 -5.6 +2.1 Avg. Indust. Use (MWH) NA NA NA Avg. Indust. Revs. per KWH (c) NA NA NA Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) NA NA NA Annual Load Factor (%) NA NA NA % Change Customers (yr-end) NA NA NA | | | | | | | | | | | | | | | |
| ANNUAL RATES | | | | Fixed Charge Cov. (%) 307 291 325 Past 10 Yrs. Past 5 Yrs. to '25-'27 Revenues -2.5% -1.0% 2.5% "Cash Flow" 3.0% 6.0% 6.0% Earnings 3.0% 7.5% 6.5% Dividends 3.0% 4.0% 7.0% Book Value 1.0% 4.5% 6.5% | | | | | | | | | | | | | | | |
| QUARTERLY REVENUES (\$ mill.) | | | | BUSINESS: Ameren Corporation is a holding company formed through the merger of Union Electric and CIPSCO. Has 1.2 million electric and 127,000 gas customers in Missouri; 1.2 million electric and 813,000 gas customers in Illinois. Discontinued unregulated power-generation operation in '13. Electric revenue breakdown: residential, 49%; commercial, 34%; industrial, 8%; other, 9%. Generating sources: coal, 73%; nuclear, 11%; hydro & other, 9%; purchased, 7%. Fuel costs: 25% of revenues. '21 reported deprec. rates: 3%-4%. Has 9,100 employees. Chairman: Warner L. Baxter. President & CEO: Martin J. Lyons, Jr. Inc.: Missouri. Address: One Ameren Plaza, 1901 Chouteau Ave., P.O. Box 66149, St. Louis, MO 63166-6149. Tel.: 314-621-3222. Internet: www.ameren.com. | | | | | | | | | | | | | | | |
| EARNINGS PER SHARE ^A | | | | Ameren received rate orders in Missouri. The commission approved settlements that raised electric and gas rates by \$220 million and \$5 million, respectively. An allowed return on equity was not specified, but the common equity ratio for electric was set at 52%. New tariffs took effect on February 28th. | | | | | | | | | | | | | | | |
| QUARTERLY DIVIDENDS PAID ^B | | | | Earnings will likely advance in 2022. The rate increases in Missouri will be a key factor. Also, growth in the utility's rate base will boost the company's earning power. Ameren's transmission business and electric operations in Illinois operate under formula rate plans. Ameren will pick up a few cents a share from having a full year of a gas rate hike that was granted in Illinois last year. These factors should outweigh the effects of higher operating and maintenance costs, depreciation, and average shares outstanding. We are sticking with our 2022 estimate of \$4.10 a share, which is within management's targeted range of \$3.95-\$4.15. | | | | | | | | | | | | | | | |
| Full Year | | | | We expect further growth in 2023. Ameren will have a full year's effect of rate relief in Missouri and will continue to benefit from rate base growth. The company's goal for yearly profit growth is 6%-8%, and our estimate would produce an increase within this range. | | | | | | | | | | | | | | | |
| Full Year | | | | There is a risk to the company's earning power. The Federal Energy Regulatory Commission (FERC) is considering the removal of a half percentage point incentive "adder" on the allowed ROE for electric transmission. This would cut Ameren's annual earning power by \$0.05 a share. The timing of FERC's decision is unknown. Our estimates and projections are based on the utility maintaining its allowed ROE for transmission of 10.52%. | | | | | | | | | | | | | | | |
| Full Year | | | | The board of directors raised the dividend in the first quarter. The hike was \$0.04 a share (7.3%) quarterly. Dividend growth will likely be in line with profit growth. Ameren's target for the payout ratio is 55%-70%, and this figure is near the lower end of this range. | | | | | | | | | | | | | | | |
| Full Year | | | | The dividend yield of this untimely but high-quality stock is below the utility mean. The equity's prospects for the next 18 months and the 3- to 5-year period are subpar. The recent quotation is within our 2025-2027 Target Price Range. | | | | | | | | | | | | | | | |
| Full Year | | | | Paul E. Debbas, CFA March 11, 2022 | | | | | | | | | | | | | | | |
| Full Year | | | | Company's Financial Strength A Stock's Price Stability 100 Price Growth Persistence 75 Earnings Predictability 95 | | | | | | | | | | | | | | | |

(A) Diluted EPS. Excl. nonrec. gain (losses): '10, (\$2.19); '11, (32c); '12, (\$6.42); '17, (63c); gain (loss) from discontinued ops.: '13, (92c); '15, 21c. Next earnings report due early May.

(B) Div'ds paid late Mar., June, Sept., & Dec. Div'd reinvest. plan avail. (C) Incl. intang. In '21: \$6.60/sh. (D) In mill. (E) Rate base. Orig. cost depr. Rate allowed on com. eq. in MO in

'22: elec. & gas, none specified; in IL: electric, varies; in '21: gas, 9.67%; earned on avg. com. eq., '21: 10.6%. Regulatory Climate: MO, Average; IL, Below Average.

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| TIMELINESS 4 Lowered 3/4/22 | High: 41.7 | 45.4 | 51.6 | 63.2 | 65.4 | 71.3 | 78.1 | 81.1 | 96.2 | 105.0 | 91.5 | 91.7 | Target Price Range 2025 2026 2027 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SAFETY 1 Raised 3/17/17 | Low: 33.1 | 37.0 | 41.8 | 45.8 | 52.3 | 56.8 | 61.8 | 62.7 | 72.3 | 65.1 | 74.8 | 84.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TECHNICAL 2 Lowered 3/11/22 | LEGENDS 0.67 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BETA .75 (1.00 = Market) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18-Month Target Price Range | 2025-27 PROJECTIONS <table border="1"> <thead> <tr> <th>High</th> <th>Price</th> <th>Gain</th> <th>Ann'l Total</th> </tr> <tr> <th>Low</th> <th>120</th> <th>(+30%)</th> <th>Return</th> </tr> <tr> <th></th> <th>100</th> <th>(+10%)</th> <th>10%</th> </tr> <tr> <th></th> <th></th> <th></th> <th>6%</th> </tr> </thead> </table> | | | | | | | | | | | | High | Price | Gain | Ann'l Total | Low | 120 | (+30%) | Return | | 100 | (+10%) | 10% | | | | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| High | Price | Gain | Ann'l Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Low | 120 | (+30%) | Return | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 100 | (+10%) | 10% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | 6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Institutional Decisions <table border="1"> <thead> <tr> <th></th> <th>202021</th> <th>3Q2021</th> <th>4Q2021</th> <th>Percent</th> <th>24</th> </tr> <tr> <th>to Buy</th> <td>605</td> <td>561</td> <td>636</td> <td>shares</td> <td>16</td> </tr> <tr> <th>to Sell</th> <td>431</td> <td>433</td> <td>473</td> <td>traded</td> <td>8</td> </tr> <tr> <th>Hld's(000)</th> <td>371285</td> <td>373255</td> <td>373909</td> <td></td> <td></td> </tr> </thead> </table> | | | | | | | | | | | | | | 202021 | 3Q2021 | 4Q2021 | Percent | 24 | to Buy | 605 | 561 | 636 | shares | 16 | to Sell | 431 | 433 | 473 | traded | 8 | Hld's(000) | 371285 | 373255 | 373909 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 202021 | 3Q2021 | 4Q2021 | Percent | 24 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| to Buy | 605 | 561 | 636 | shares | 16 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| to Sell | 431 | 433 | 473 | traded | 8 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Hld's(000) | 371285 | 373255 | 373909 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>2006</th> <th>2007</th> <th>2008</th> <th>2009</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>2023</th> <th>© VALUE LINE PUB. LLC</th> <th>25-27</th> </tr> </thead> <tbody> <tr> <td>31.82</td> <td>33.41</td> <td>35.56</td> <td>28.22</td> <td>30.01</td> <td>31.27</td> <td>30.77</td> <td>31.48</td> <td>34.78</td> <td>33.51</td> <td>33.31</td> <td>31.35</td> <td>32.84</td> <td>31.49</td> <td>30.04</td> <td>33.30</td> <td>33.25</td> <td>34.05</td> <td>Revenues per sh</td> <td>36.75</td> </tr> <tr> <td>6.67</td> <td>6.80</td> <td>6.84</td> <td>6.32</td> <td>6.29</td> <td>6.83</td> <td>6.92</td> <td>7.02</td> <td>7.57</td> <td>7.98</td> <td>8.47</td> <td>7.95</td> <td>8.77</td> <td>9.35</td> <td>10.28</td> <td>10.98</td> <td>11.20</td> <td>11.75</td> <td>"Cash Flow" per sh</td> <td>13.75</td> </tr> <tr> <td>2.86</td> <td>2.86</td> <td>2.99</td> <td>2.97</td> <td>2.60</td> <td>3.13</td> <td>2.98</td> <td>3.18</td> <td>3.34</td> <td>3.59</td> <td>4.23</td> <td>3.62</td> <td>3.90</td> <td>4.08</td> <td>4.42</td> <td>4.96</td> <td>5.00</td> <td>5.35</td> <td>Earnings per sh ^A</td> <td>6.50</td> </tr> <tr> <td>1.50</td> <td>1.58</td> <td>1.64</td> <td>1.64</td> <td>1.71</td> <td>1.85</td> <td>1.88</td> <td>1.95</td> <td>2.03</td> <td>2.15</td> <td>2.27</td> <td>2.39</td> <td>2.53</td> <td>2.71</td> <td>2.84</td> <td>3.00</td> <td>3.17</td> <td>3.35</td> <td>Div'd Decl'd per sh ^B</td> <td>4.00</td> </tr> <tr> <td>8.89</td> <td>8.88</td> <td>9.83</td> <td>6.19</td> <td>5.07</td> <td>5.74</td> <td>6.45</td> <td>7.75</td> <td>8.68</td> <td>9.37</td> <td>9.98</td> <td>11.79</td> <td>12.89</td> <td>12.43</td> <td>12.72</td> <td>11.43</td> <td>15.35</td> <td>14.15</td> <td>Cap'l Spending per sh</td> <td>14.00</td> </tr> <tr> <td>23.73</td> <td>25.17</td> <td>26.33</td> <td>27.49</td> <td>28.33</td> <td>30.33</td> <td>31.37</td> <td>32.98</td> <td>34.37</td> <td>36.44</td> <td>35.38</td> <td>37.17</td> <td>38.58</td> <td>39.73</td> <td>41.38</td> <td>44.49</td> <td>47.05</td> <td>50.05</td> <td>Book Value per sh ^C</td> <td>58.75</td> </tr> <tr> <td>396.67</td> <td>400.43</td> <td>406.07</td> <td>478.05</td> <td>480.81</td> <td>483.42</td> <td>485.67</td> <td>487.78</td> <td>489.40</td> <td>491.05</td> <td>491.71</td> <td>492.01</td> <td>493.25</td> <td>494.17</td> <td>496.60</td> <td>504.21</td> <td>514.00</td> <td>523.00</td> <td>Common Shs Outst'g ^D</td> <td>545.00</td> </tr> <tr> <td>12.9</td> <td>16.3</td> <td>13.1</td> <td>10.0</td> <td>13.4</td> <td>11.9</td> <td>13.8</td> <td>14.5</td> <td>15.9</td> <td>15.8</td> <td>15.2</td> <td>19.3</td> <td>18.0</td> <td>21.4</td> <td>19.6</td> <td>17.1</td> <td>Bold figures are Value Line estimates</td> <td></td> <td>Avg Ann'l P/E Ratio</td> <td>17.0</td> </tr> <tr> <td>.70</td> <td>.87</td> <td>.79</td> <td>.67</td> <td>.85</td> <td>.75</td> <td>.88</td> <td>.81</td> <td>.84</td> <td>.80</td> <td>.80</td> <td>.97</td> <td>.97</td> <td>1.14</td> <td>1.01</td> <td>.91</td> <td></td> <td></td> <td>Relative P/E Ratio</td> <td>.95</td> </tr> <tr> <td>4.1%</td> <td>3.4%</td> <td>4.2%</td> <td>5.5%</td> <td>4.9%</td> <td>5.0%</td> <td>4.6%</td> <td>4.2%</td> <td>3.8%</td> <td>3.8%</td> <td>3.5%</td> <td>3.4%</td> <td>3.6%</td> <td>3.1%</td> <td>3.3%</td> <td>3.5%</td> <td></td> <td></td> <td>Avg Ann'l Div'd Yield</td> <td>3.6%</td> </tr> </tbody> </table> | | | | | | | | | | | | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC | 25-27 | 31.82 | 33.41 | 35.56 | 28.22 | 30.01 | 31.27 | 30.77 | 31.48 | 34.78 | 33.51 | 33.31 | 31.35 | 32.84 | 31.49 | 30.04 | 33.30 | 33.25 | 34.05 | Revenues per sh | 36.75 | 6.67 | 6.80 | 6.84 | 6.32 | 6.29 | 6.83 | 6.92 | 7.02 | 7.57 | 7.98 | 8.47 | 7.95 | 8.77 | 9.35 | 10.28 | 10.98 | 11.20 | 11.75 | "Cash Flow" per sh | 13.75 | 2.86 | 2.86 | 2.99 | 2.97 | 2.60 | 3.13 | 2.98 | 3.18 | 3.34 | 3.59 | 4.23 | 3.62 | 3.90 | 4.08 | 4.42 | 4.96 | 5.00 | 5.35 | Earnings per sh ^A | 6.50 | 1.50 | 1.58 | 1.64 | 1.64 | 1.71 | 1.85 | 1.88 | 1.95 | 2.03 | 2.15 | 2.27 | 2.39 | 2.53 | 2.71 | 2.84 | 3.00 | 3.17 | 3.35 | Div'd Decl'd per sh ^B | 4.00 | 8.89 | 8.88 | 9.83 | 6.19 | 5.07 | 5.74 | 6.45 | 7.75 | 8.68 | 9.37 | 9.98 | 11.79 | 12.89 | 12.43 | 12.72 | 11.43 | 15.35 | 14.15 | Cap'l Spending per sh | 14.00 | 23.73 | 25.17 | 26.33 | 27.49 | 28.33 | 30.33 | 31.37 | 32.98 | 34.37 | 36.44 | 35.38 | 37.17 | 38.58 | 39.73 | 41.38 | 44.49 | 47.05 | 50.05 | Book Value per sh ^C | 58.75 | 396.67 | 400.43 | 406.07 | 478.05 | 480.81 | 483.42 | 485.67 | 487.78 | 489.40 | 491.05 | 491.71 | 492.01 | 493.25 | 494.17 | 496.60 | 504.21 | 514.00 | 523.00 | Common Shs Outst'g ^D | 545.00 | 12.9 | 16.3 | 13.1 | 10.0 | 13.4 | 11.9 | 13.8 | 14.5 | 15.9 | 15.8 | 15.2 | 19.3 | 18.0 | 21.4 | 19.6 | 17.1 | Bold figures are Value Line estimates | | Avg Ann'l P/E Ratio | 17.0 | .70 | .87 | .79 | .67 | .85 | .75 | .88 | .81 | .84 | .80 | .80 | .97 | .97 | 1.14 | 1.01 | .91 | | | Relative P/E Ratio | .95 | 4.1% | 3.4% | 4.2% | 5.5% | 4.9% | 5.0% | 4.6% | 4.2% | 3.8% | 3.8% | 3.5% | 3.4% | 3.6% | 3.1% | 3.3% | 3.5% | | | Avg Ann'l Div'd Yield | 3.6% |
| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC | 25-27 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 31.82 | 33.41 | 35.56 | 28.22 | 30.01 | 31.27 | 30.77 | 31.48 | 34.78 | 33.51 | 33.31 | 31.35 | 32.84 | 31.49 | 30.04 | 33.30 | 33.25 | 34.05 | Revenues per sh | 36.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6.67 | 6.80 | 6.84 | 6.32 | 6.29 | 6.83 | 6.92 | 7.02 | 7.57 | 7.98 | 8.47 | 7.95 | 8.77 | 9.35 | 10.28 | 10.98 | 11.20 | 11.75 | "Cash Flow" per sh | 13.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.86 | 2.86 | 2.99 | 2.97 | 2.60 | 3.13 | 2.98 | 3.18 | 3.34 | 3.59 | 4.23 | 3.62 | 3.90 | 4.08 | 4.42 | 4.96 | 5.00 | 5.35 | Earnings per sh ^A | 6.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.50 | 1.58 | 1.64 | 1.64 | 1.71 | 1.85 | 1.88 | 1.95 | 2.03 | 2.15 | 2.27 | 2.39 | 2.53 | 2.71 | 2.84 | 3.00 | 3.17 | 3.35 | Div'd Decl'd per sh ^B | 4.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 8.89 | 8.88 | 9.83 | 6.19 | 5.07 | 5.74 | 6.45 | 7.75 | 8.68 | 9.37 | 9.98 | 11.79 | 12.89 | 12.43 | 12.72 | 11.43 | 15.35 | 14.15 | Cap'l Spending per sh | 14.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23.73 | 25.17 | 26.33 | 27.49 | 28.33 | 30.33 | 31.37 | 32.98 | 34.37 | 36.44 | 35.38 | 37.17 | 38.58 | 39.73 | 41.38 | 44.49 | 47.05 | 50.05 | Book Value per sh ^C | 58.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 396.67 | 400.43 | 406.07 | 478.05 | 480.81 | 483.42 | 485.67 | 487.78 | 489.40 | 491.05 | 491.71 | 492.01 | 493.25 | 494.17 | 496.60 | 504.21 | 514.00 | 523.00 | Common Shs Outst'g ^D | 545.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12.9 | 16.3 | 13.1 | 10.0 | 13.4 | 11.9 | 13.8 | 14.5 | 15.9 | 15.8 | 15.2 | 19.3 | 18.0 | 21.4 | 19.6 | 17.1 | Bold figures are Value Line estimates | | Avg Ann'l P/E Ratio | 17.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| .70 | .87 | .79 | .67 | .85 | .75 | .88 | .81 | .84 | .80 | .80 | .97 | .97 | 1.14 | 1.01 | .91 | | | Relative P/E Ratio | .95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4.1% | 3.4% | 4.2% | 5.5% | 4.9% | 5.0% | 4.6% | 4.2% | 3.8% | 3.8% | 3.5% | 3.4% | 3.6% | 3.1% | 3.3% | 3.5% | | | Avg Ann'l Div'd Yield | 3.6% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CAPITAL STRUCTURE as of 12/31/21 Total Debt \$36069 mill. Due in 5 Yrs \$12120 mill. LT Debt \$31301 mill. LT Interest \$1083 mill. Incl. \$603.5 mill. securitized bonds. Incl. \$500.7 mill. finance leases. (LT interest earned: 3.2x) Leases, Uncapitalized Annual rentals \$119.6 mill. Pension Assets-12/21 \$5352.9 mill. Oblig \$5187.0 mill. Pfd Stock None Common Stock 504,212,015 shs. MARKET CAP: \$46 billion (Large Cap) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ELECTRIC OPERATING STATISTICS <table border="1"> <thead> <tr> <th></th> <th>2019</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>% Change Retail Sales (KWH)</td> <td>-2.2</td> <td>-</td> <td>+3.0</td> </tr> <tr> <td>Avg. Indust. Use (MWH)</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Avg. Indust. Revs. per KWH (c)</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Capacity at Peak (Mw)</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Peak Load (Mw)</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>Annual Load Factor (%)</td> <td>NA</td> <td>NA</td> <td>NA</td> </tr> <tr> <td>% Change Customers (yr-end)</td> <td>+3</td> <td>+1.0</td> <td>NA</td> </tr> </tbody> </table> | | | | | | | | | | | | | | 2019 | 2020 | 2021 | % Change Retail Sales (KWH) | -2.2 | - | +3.0 | Avg. Indust. Use (MWH) | NA | NA | NA | Avg. Indust. Revs. per KWH (c) | NA | NA | NA | Capacity at Peak (Mw) | NA | NA | NA | Peak Load (Mw) | NA | NA | NA | Annual Load Factor (%) | NA | NA | NA | % Change Customers (yr-end) | +3 | +1.0 | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 2019 | 2020 | 2021 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| % Change Retail Sales (KWH) | -2.2 | - | +3.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avg. Indust. Use (MWH) | NA | NA | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avg. Indust. Revs. per KWH (c) | NA | NA | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capacity at Peak (Mw) | NA | NA | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Peak Load (Mw) | NA | NA | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Annual Load Factor (%) | NA | NA | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| % Change Customers (yr-end) | +3 | +1.0 | NA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BUSINESS: American Electric Power Company Inc. (AEP), through 10 operating utilities, serves 5.5 million customers in Arkansas, Kentucky, Indiana, Louisiana, Michigan, Ohio, Oklahoma, Tennessee, Texas, Virginia, & West Virginia. Has a transmission subsidiary. Electric revenue breakdown: residential, 43%; commercial, 23%; industrial, 18%; wholesale, 10%; other, 6%. Sold commercial barge operation in '15. Generating sources not available. Fuel costs: 33% of revenues. '21 reported depreciation rates (utility): 2.6%-12.5%. Has 16,700 employees. Chairman, President & CEO: Nicholas K. Akins. COO: Lisa Barton. Incorporated: New York. Address: 1 Riverside Plaza, Columbus, Ohio 43215-2373. Telephone: 614-716-1000. Internet: www.aep.com. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ANNUAL RATES <table border="1"> <thead> <tr> <th>of change (per sh)</th> <th>Past 10 Yrs</th> <th>Past 5 Yrs</th> <th>Est'd '19-'21 to '25-'27</th> </tr> </thead> <tbody> <tr> <td>Revenues</td> <td>5%</td> <td>-1.5%</td> <td>2.5%</td> </tr> <tr> <td>"Cash Flow"</td> <td>4.5%</td> <td>5.0%</td> <td>5.0%</td> </tr> <tr> <td>Earnings</td> <td>4.5%</td> <td>4.0%</td> <td>6.5%</td> </tr> <tr> <td>Dividends</td> <td>5.0%</td> <td>6.0%</td> <td>6.0%</td> </tr> <tr> <td>Book Value</td> <td>4.0%</td> <td>3.5%</td> <td>6.0%</td> </tr> </tbody> </table> | | | | | | | | | | | | | of change (per sh) | Past 10 Yrs | Past 5 Yrs | Est'd '19-'21 to '25-'27 | Revenues | 5% | -1.5% | 2.5% | "Cash Flow" | 4.5% | 5.0% | 5.0% | Earnings | 4.5% | 4.0% | 6.5% | Dividends | 5.0% | 6.0% | 6.0% | Book Value | 4.0% | 3.5% | 6.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| of change (per sh) | Past 10 Yrs | Past 5 Yrs | Est'd '19-'21 to '25-'27 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenues | 5% | -1.5% | 2.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| "Cash Flow" | 4.5% | 5.0% | 5.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Earnings | 4.5% | 4.0% | 6.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Dividends | 5.0% | 6.0% | 6.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Book Value | 4.0% | 3.5% | 6.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AMERICAN ELECTRIC POWER'S SALE OF ITS KENTUCKY POWER subsidiary is likely to be completed in the second quarter. The sale would raise \$1.45 billion after taxes and transaction costs, and would offset the company's expected equity needs for 2022. (The estimated rise in the share count this year is due to the conversion of \$805 million of equity units.) The company wants to sell its nonregulated contracted renewable-energy assets. The company would reinvest the proceeds in regulated wind and solar projects and allocate to its transmission business capital that otherwise would have been used for nonregulated renewable expansion. Any gains on these sales will be included in our earnings presentation, although we have not assumed any in our estimates. AEP already has a presence in regulated renewables, and will soon complete the third phase of a \$2 billion, 1,484-megawatt wind project. Some regulatory matters are pending or have been concluded. SWEPCO filed a case for \$56 million in Arkansas, based on a 10.35% return on equity and a 51.3% common-equity ratio. An order is expected | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| in the second quarter. The utility is trying to reach a settlement in Louisiana, where it had requested \$73 million, based on a 10.35% ROE and a 50.8% common-equity ratio. The Texas commission granted SWEPCO \$23 million, based on a 9.25% ROE and a 49.4% common-equity ratio. The Indiana commission approved a settlement for Indiana Michigan Power calling for a \$61 million increase, based on a 9.7% ROE and a 50% common-equity ratio. We estimate modest profit growth this year and a larger increase in 2023. The comparison with the 2021 tally is tough because mark-to-market accounting gains added \$0.14 to share net. Our estimate is within the company's targeted range of \$4.87-\$5.07 a share. Management narrowed its goal for annual earnings growth from 5%-7% to 6%-7%, and our 2023 estimate is within this range. Rate relief and volume growth are key factors boosting AEP's earning power. This untimely but high-quality stock has an average dividend yield for a utility. The issue doesn't stand out for the next 18 months or the 2025-2027 period. <i>Paul E. Debbas, CFA March 11, 2022</i> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Cal-endar</th> <th>Mar.31</th> <th>Jun.30</th> <th>Sep.30</th> <th>Dec.31</th> <th>Full Year</th> </tr> </thead> <tbody> <tr> <td>2019</td> <td>4056</td> <td>3573</td> <td>4315</td> <td>3616</td> <td>15561</td> </tr> <tr> <td>2020</td> <td>3747</td> <td>3494</td> <td>4066</td> <td>3610</td> <td>14918</td> </tr> <tr> <td>2021</td> <td>4281</td> <td>3826</td> <td>4623</td> <td>4061</td> <td>16792</td> </tr> <tr> <td>2022</td> <td>4350</td> <td>3900</td> <td>4700</td> <td>4150</td> <td>17100</td> </tr> <tr> <td>2023</td> <td>4550</td> <td>4050</td> <td>4900</td> <td>4300</td> <td>17800</td> </tr> </tbody> </table> | | | | | | | | | | | | | Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | 2019 | 4056 | 3573 | 4315 | 3616 | 15561 | 2020 | 3747 | 3494 | 4066 | 3610 | 14918 | 2021 | 4281 | 3826 | 4623 | 4061 | 16792 | 2022 | 4350 | 3900 | 4700 | 4150 | 17100 | 2023 | 4550 | 4050 | 4900 | 4300 | 17800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 4056 | 3573 | 4315 | 3616 | 15561 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | 3747 | 3494 | 4066 | 3610 | 14918 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | 4281 | 3826 | 4623 | 4061 | 16792 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | 4350 | 3900 | 4700 | 4150 | 17100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | 4550 | 4050 | 4900 | 4300 | 17800 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 1.16 | .93 | 1.48 | .51 | 4.08 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | 1.00 | 1.05 | 1.50 | .87 | 4.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | 1.15 | 1.15 | 1.59 | 1.07 | 4.96 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | 1.20 | 1.15 | 1.65 | 1.00 | 5.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | 1.30 | 1.25 | 1.75 | 1.05 | 5.35 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Cal-endar</th> <th>Mar.31</th> <th>Jun.30</th> <th>Sep.30</th> <th>Dec.31</th> <th>Full Year</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>.62</td> <td>.62</td> <td>.62</td> <td>.67</td> <td>2.53</td> </tr> <tr> <td>2019</td> <td>.67</td> <td>.67</td> <td>.67</td> <td>.70</td> <td>2.71</td> </tr> <tr> <td>2020</td> <td>.70</td> <td>.70</td> <td>.70</td> <td>.74</td> <td>2.84</td> </tr> <tr> <td>2021</td> <td>.74</td> <td>.74</td> <td>.74</td> <td>.78</td> <td>3.00</td> </tr> <tr> <td>2022</td> <td>.78</td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> | | | | | | | | | | | | | Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | 2018 | .62 | .62 | .62 | .67 | 2.53 | 2019 | .67 | .67 | .67 | .70 | 2.71 | 2020 | .70 | .70 | .70 | .74 | 2.84 | 2021 | .74 | .74 | .74 | .78 | 3.00 | 2022 | .78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | .62 | .62 | .62 | .67 | 2.53 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | .67 | .67 | .67 | .70 | 2.71 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | .70 | .70 | .70 | .74 | 2.84 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | .74 | .74 | .74 | .78 | 3.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | .78 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Company's Financial Strength A+ Stock's Price Stability 100 Price Growth Persistence 60 Earnings Predictability 95 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

(A) Diluted EPS. Excl. nonrec. gains (losses): '06, (20c); '07, (20c); '08, 40c; '10, (7c); '11, 89c; '12, (38c); '13, (14c); '16, (\$2.99); '17, 26c; '19, (20c); gains (loss) from disc. ops.: '06, 2c; '08, 3c; '15, 58c; '16, (1c). Next earnings report due late April. (B) Div'ds paid early Mar., June, Sept., & Dec. ■ Div'd reinvestment plan avail. (C) Incl. intang. ln '21: \$17.04/sh. (D) In mill. (E) Rate base: various. Rates allowed on com. eq.: 9.3%-10.9%; earned on avg. com. eq.: '21: 11.6%. Regulatory Climate: Average.

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| DUKE ENERGY NYSE-DUK | | | | RECENT PRICE | P/E RATIO | TRAILING P/E RATIO | RELATIVE P/E RATIO | DIV'D YLD | VALUE LINE | | | | | | | | | | | | | | |
|---|--|--|--|--------------|-----------|--------------------------------|--------------------|-----------|---|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------------------|-----------------------|--------|
| TIMELINESS 4 Raised 12/24/21 SAFETY 2 New 6/1/07 TECHNICAL 3 Raised 1/14/22 BETA .85 (1.00 = Market) | | | | 105.06 | 19.6 | (Trailing: 27.1; Median: 18.0) | 1.11 | 3.8% | Target Price Range 2025 2026 2027 | | | | | | | | | | | | | | |
| 18-Month Target Price Range Low-High Midpoint (% to Mid) \$82-\$116 \$99 (-5%) | | | | | | | | | | % TOT. RETURN 1/22 THIS STOCK INDEX VL ARITH. INDEX 1 yr. 16.2 15.7 3 yr. 34.2 56.8 5 yr. 63.6 75.5 | | | | | | | | | | | | | |
| 2025-27 PROJECTIONS Price Gain Ann'l Total High Low 130 95 (+25%) (-10%) 9% 2% | | | | | | | | | | Institutional Decisions 10Q2021 2Q2021 3Q2021 to Buy 796 823 803 to Sell 681 623 615 Hld's(000) 483371 483062 481215 | | | | | | | | | | | | | |
| CAPITAL STRUCTURE as of 9/30/21 Total Debt \$64900 mill. Due in 5 Yrs \$19594 mill. LT Debt \$57929 mill. LT Interest \$2211 mill. Incl. \$845 mill. finance leases. (LT interest earned: 2.1x) Leases, Uncapitalized Annual rentals \$229 mill. Pension Assets-12/20 \$9337 mill. Oblig \$8634 mill. Pfd Stock \$1962 mill. Pfd Div'd \$107 mill. 40 mill. shs. 5.75%, cum., \$25 liq. value, redeemable at \$25.50 prior to 6/15/24; 1 mill. shs. 4.875%, cum., \$1000 liq. value. Common Stock 769,343,372 shs. as of 10/31/21 MARKET CAP: \$81 billion (Large Cap) | | | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC | 25-27 |
| ELECTRIC OPERATING STATISTICS 2018 2019 2020 % Change Retail Sales (KWH) +3.9 -9 -2.3 Avg. Indust. Use (MWH) 2953 2934 NA Avg. Indust. Revs. per KWH (c) NA NA NA Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) NA NA NA Annual Load Factor (%) NA NA NA % Change Customers (avg.) +1.4 +1.5 NA | | | | 25.32 | 30.24 | 31.15 | 29.18 | 32.22 | 32.63 | 27.88 | 34.84 | 33.84 | 34.10 | 32.49 | 33.66 | 33.73 | 34.21 | 31.04 | 32.40 | 33.30 | 34.30 | Revenues per sh | 37.50 |
| ANNUAL RATES of change (per sh) Revenues 5% 4.5% 2.0% "Cash Flow" 3.5% 4.0% 5.5% Earnings 2.5% 1.5% 7.0% Dividends 3.0% 3.5% 2.0% Book Value 2.0% 1.0% 2.5% | | | | 7.86 | 8.11 | 7.34 | 7.58 | 8.49 | 8.68 | 6.80 | 8.56 | 9.11 | 9.40 | 9.20 | 10.01 | 10.49 | 12.13 | 10.89 | 12.40 | 13.30 | 14.00 | "Cash Flow" per sh | 16.50 |
| QUARTERLY REVENUES (\$ mill.) Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 6163 5873 6940 6103 25079 2020 5949 5421 6721 5777 23868 2021 6150 5758 6951 6091 24950 2022 6350 5900 7150 6250 25650 2023 6550 6050 7130 6450 26400 | | | | 2.76 | 3.60 | 3.03 | 3.39 | 4.02 | 4.14 | 3.71 | 3.98 | 4.13 | 4.10 | 3.71 | 4.22 | 4.13 | 5.07 | 3.92 | 4.95 | 5.45 | 5.80 | Earnings per sh A | 7.00 |
| EARNINGS PER SHARE A Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 1.24 1.12 1.82 .89 5.07 2020 1.24 1.08 1.74 d.13 3.92 2021 1.25 .96 1.79 .95 4.95 2022 1.35 1.15 1.90 1.05 5.45 2023 1.45 1.25 2.00 1.10 5.80 | | | | -- | 2.58 | 2.70 | 2.82 | 2.91 | 2.97 | 3.03 | 3.09 | 3.15 | 3.24 | 3.36 | 3.49 | 3.64 | 3.75 | 3.82 | 3.90 | 3.98 | 4.06 | Div'd Decl'd per sh B | 4.35 |
| QUARTERLY DIVIDENDS PAID B Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2018 .89 .89 .9275 .9275 3.64 2019 .9275 .9275 .945 .945 3.75 2020 .945 .945 .965 .965 3.82 2021 .965 .965 .985 .985 3.90 | | | | 8.07 | 7.43 | 10.35 | 9.85 | 10.84 | 9.80 | 7.81 | 7.83 | 7.62 | 9.83 | 11.29 | 11.50 | 12.91 | 15.17 | 12.88 | 13.60 | 16.60 | 15.70 | Cap'l Spending per sh | 15.50 |
| Business : Duke Energy Corporation is a holding company for utilities with 7.6 mill. elec. customers in NC, FL, IN, SC, OH, & KY, and 1.6 mill. gas customers in OH, KY, NC, SC, and TN. Owns independent power plants & has 25% stake in National Methanol in Saudi Arabia. Acq'd Progress Energy 7/12; Piedmont Natural Gas 10/16; discontinued most intl' ops. in '16. Elec. rev. breakdown: residential, 45%; commercial, 28%; industrial, 13%; other, 14%. Generating sources: gas, 31%; nuclear, 30%; coal, 18%; other, 2%; purchased, 19%. Fuel costs: 27% of revs. '20 reported deprec. rate: 3.0%. Has 27,500 employees. Chairman, President & CEO: Lynn J. Good. Inc.: DE. Address: 550 South Tryon St., Charlotte, NC 28202-1803. Tel.: 704-382-3853. Internet: www.duke-energy.com. | | | | 62.30 | 50.40 | 49.51 | 49.85 | 50.84 | 51.14 | 58.04 | 58.54 | 57.81 | 57.74 | 58.62 | 59.63 | 60.27 | 61.20 | 59.82 | 60.90 | 62.40 | 64.15 | Book Value per sh C | 71.00 |
| Duke Energy's earnings will likely advance significantly in 2022. The comparison shouldn't be difficult, especially in the June quarter, when the company took an \$0.18-a-share charge for a workforce realignment in 2021. Duke will benefit from increased rates. A \$67 million hike took effect in Florida at the start of 2022. Piedmont Natural Gas received a \$67 million increase on November 1st. Duke received a small gas hike in Kentucky at the start of 2022. The company should get a partial year of rate relief in Ohio (see below). Duke also obtains revenues every year from riders (surcharges) on customers' bills. Finally, the utility is benefiting from healthy growth in volume (especially from the industrial sector) and customers. Management put forth its expectations for the current year shortly before this report went to press. | | | | 418.96 | 420.62 | 423.96 | 436.29 | 442.96 | 445.29 | 704.00 | 706.00 | 707.00 | 688.00 | 700.00 | 700.00 | 727.00 | 733.00 | 769.00 | 770.00 | 770.00 | 770.00 | Common Shs Outst'g D | 770.00 |
| An electric rate case is pending in Ohio. Duke is seeking an increase of \$55 million (3.3%), based on a 10.3% return on equity. An order is expected this summer. We look for another year of solid profit growth in 2023. Duke will get the next phase of multiyear rate relief (\$49 million) | | | | -- | 16.1 | 17.3 | 13.3 | 12.7 | 13.8 | 17.4 | 17.9 | 18.2 | 21.3 | 19.9 | 19.4 | 17.7 | 22.4 | 20.1 | 1.05 | 1.15 | Avg Ann'l P/E Ratio | 16.0 | |
| Duke is awaiting regulatory outcomes in North Carolina. This involves performance-based ratemaking and securitization for coal-fired assets that will be retired early. Developments from the state commission should come forth as the year progresses. Duke entered into a cooperation agreement with Elliott Investment Management. This involves the addition of two board members and a standstill agreement through November 13, 2022 (the one-year anniversary of the cooperation agreement). Elliott had been critical of Duke's management. There is some speculative interest for stockholders once the cooperation agreement expires. The untimely stock has a dividend yield that is a bit above the utility mean. But, dividend growth potential is low, and the stock lacks appeal for the next 18 months and the 2025-2027 period. <i>Paul E. Debbas, CFA February 11, 2022</i> | | | | -- | .85 | 1.04 | .89 | .81 | .87 | 1.11 | .98 | .94 | .92 | 1.12 | 1.00 | 1.05 | .94 | 1.15 | 1.05 | 1.15 | 1.15 | Relative P/E Ratio | .90 |
| Duke's earnings will likely advance significantly in 2022. The comparison shouldn't be difficult, especially in the June quarter, when the company took an \$0.18-a-share charge for a workforce realignment in 2021. Duke will benefit from increased rates. A \$67 million hike took effect in Florida at the start of 2022. Piedmont Natural Gas received a \$67 million increase on November 1st. Duke received a small gas hike in Kentucky at the start of 2022. The company should get a partial year of rate relief in Ohio (see below). Duke also obtains revenues every year from riders (surcharges) on customers' bills. Finally, the utility is benefiting from healthy growth in volume (especially from the industrial sector) and customers. Management put forth its expectations for the current year shortly before this report went to press. | | | | -- | 4.4% | 5.2% | 6.2% | 5.7% | 5.2% | 4.7% | 4.4% | 4.3% | 4.3% | 4.3% | 4.2% | 4.5% | 4.2% | 4.4% | 3.9% | 3.9% | 3.9% | Avg Ann'l Div'd Yield | 3.9% |
| Company's Financial Strength A Stock's Price Stability 95 Price Growth Persistence 35 Earnings Predictability 85 | | | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Revenues (\$mill) | 28850 |
| Net Profit (\$mill) 5415 Income Tax Rate 7.0% AFUDC % to Net Profit 6.0% Long-Term Debt Ratio 55.0% Common Equity Ratio 43.5% Total Capital (\$mill) 125600 Net Plant (\$mill) 138800 Return on Total Cap'l 5.5% Return on Shr. Equity 9.5% Return on Com Equity E 9.5% Retained to Com Eq 3.5% All Div's to Net Prof 64% | | | | 2136.0 | 2813.0 | 2934.0 | 2854.0 | 2560.0 | 2963.0 | 2928.0 | 3755.0 | 2996.0 | 3910 | 4320 | 4565 | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% | 55.0% |
| Fixed Charge Cov. (%) 218 233 183 | | | | 2136.0 | 2813.0 | 2934.0 | 2854.0 | 2560.0 | 2963.0 | 2928.0 | 3755.0 | 2996.0 | 3910 | 4320 | 4565 | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% | 7.0% | 55.0% | |

(A) Dil. EPS. Excl. nonrec. losses: '12, 70c; '13, 24c; '14, 67c; '17, 15c; '18, 41c; '20, \$2.21; losses on disc. ops.: '14, 80c; '16, 60c. '20 EPS don't sum due to rounding. Next eps. due early May. (B) Div'ds paid mid-Mar., June, Sept., & Dec. (C) Div'd reinv. plan avail. (D) Incl. intang. In '20: \$41.25/sh. (E) In mill., adj. for rev. split. (F) Rate base: Net org. cost. Rate all'd on com. eq. in '21 in NC: 9.6%; in '19 in SC: 9.5%; in '20 in FL: 9.5%-11.5%; in '20 in IN: 9.7%; earn. on avg. com. eq., '20: 9.9%. Reg. Clim.: NC, SC Avg.; OH, IN Above Avg.

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|--|--|--------|--------|---|-------------------------------|-----------|----------------------------------|--------------------|-----------|-----------|--------|------------|---|--------|-----------------|---------------------------------------|--------|-----------------------|--------|------|-------|------|-------|-------|-------|-------|-------|------|-------|-------|-------|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|-------|-------|-------|-------|-------|-----------------|-------|------|------|------|------|------|------|------|------|------|-------|-------|-------|------|------|------|-------|-------|-------|--------------------|-------|------|------|------|------|------|------|------|------|------|------|------|------|-------|------|------|------|------|------|-------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----------------------|------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------------------|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|----------------------|--------|------|------|------|-----|------|------|-----|------|------|------|------|------|----|------|------|------|---------------------------------------|------|---------------------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----|-----|------|------|------|------|--------------------|-----|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|-----------------------|
| TIMELINESS 3 Raised 9/17/21 | High: 41.6 | 48.0 | 54.2 | 68.7 | 69.6 | 78.7 | 83.4 | 71.0 | 76.4 | 78.9 | 68.6 | 72.0 | Target Price Range 2025 2026 2027 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| SAFETY 3 Lowered 11/23/18 | Low: 32.6 | 39.6 | 44.3 | 44.7 | 55.2 | 58.0 | 62.7 | 45.5 | 53.4 | 43.6 | 53.9 | 57.9 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TECHNICAL 3 Lowered 3/18/22 | LEGENDS 0.70 x Dividends p sh divided by Interest Rate Relative Price Strength Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| BETA .95 (1.00 = Market) | 18-Month Target Price Range Midpoint (% to Mid) \$54-\$84 \$69 (-5%) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2025-27 PROJECTIONS High Price 115 Gain (+60%) Ann'l Total Return 16% Low Price 75 Gain (+5%) Return 6% | | | | | | | | | | | | | % TOT. RETURN 3/22 THIS STOCK VL ARITH. INDEX 1 yr. 23.9 4.3 3 yr. 27.4 54.0 5 yr. 6.5 73.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Institutional Decisions 202021 302021 402021 to Buy 320 298 356 to Sell 249 263 252 Hld's(000) 330984 332161 335565 Percent shares traded 30 20 10 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>2006</th><th>2007</th><th>2008</th><th>2009</th><th>2010</th><th>2011</th><th>2012</th><th>2013</th><th>2014</th><th>2015</th><th>2016</th><th>2017</th><th>2018</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>© VALUE LINE PUB. LLC</th><th>25-27</th></tr> </thead> <tbody> <tr> <td>38.74</td><td>40.25</td><td>43.31</td><td>37.98</td><td>38.09</td><td>39.16</td><td>36.41</td><td>38.61</td><td>41.17</td><td>35.37</td><td>36.43</td><td>37.81</td><td>38.85</td><td>34.11</td><td>35.83</td><td>39.18</td><td>40.05</td><td>41.50</td><td>Revenues per sh</td><td>46.75</td></tr> <tr> <td>7.25</td><td>7.60</td><td>8.08</td><td>7.96</td><td>8.41</td><td>9.03</td><td>9.63</td><td>8.80</td><td>9.95</td><td>10.35</td><td>10.43</td><td>11.03</td><td>4.69</td><td>9.15</td><td>8.58</td><td>10.85</td><td>11.25</td><td>11.25</td><td>"Cash Flow" per sh</td><td>13.00</td></tr> <tr> <td>3.28</td><td>3.32</td><td>3.68</td><td>3.24</td><td>3.35</td><td>3.23</td><td>4.55</td><td>3.78</td><td>4.33</td><td>4.15</td><td>3.94</td><td>4.51</td><td>d1.26</td><td>3.98</td><td>1.72</td><td>2.00</td><td>4.15</td><td>4.40</td><td>Earnings per sh A</td><td>6.00</td></tr> <tr> <td>1.10</td><td>1.18</td><td>1.23</td><td>1.25</td><td>1.27</td><td>1.29</td><td>1.31</td><td>1.37</td><td>1.48</td><td>1.73</td><td>1.98</td><td>2.23</td><td>2.43</td><td>2.48</td><td>2.58</td><td>2.69</td><td>2.84</td><td>3.00</td><td>Div'd Decl'd per sh B</td><td>3.55</td></tr> <tr> <td>7.78</td><td>8.67</td><td>8.67</td><td>10.07</td><td>13.94</td><td>14.76</td><td>12.73</td><td>11.05</td><td>11.99</td><td>12.97</td><td>11.46</td><td>11.75</td><td>13.84</td><td>13.47</td><td>14.47</td><td>14.47</td><td>16.25</td><td>14.90</td><td>Cap'l Spending per sh</td><td>16.75</td></tr> <tr> <td>23.66</td><td>25.92</td><td>29.21</td><td>30.20</td><td>32.44</td><td>30.86</td><td>28.95</td><td>30.50</td><td>33.64</td><td>34.89</td><td>36.82</td><td>35.82</td><td>32.10</td><td>36.75</td><td>37.08</td><td>36.57</td><td>38.00</td><td>39.45</td><td>Book Value per sh C</td><td>47.00</td></tr> <tr> <td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>325.81</td><td>361.99</td><td>378.91</td><td>380.38</td><td>382.00</td><td>382.00</td><td>Common Shs Outst'g D</td><td>385.00</td></tr> <tr> <td>13.0</td><td>16.0</td><td>12.4</td><td>9.7</td><td>10.3</td><td>11.8</td><td>9.7</td><td>12.7</td><td>13.0</td><td>14.8</td><td>17.9</td><td>17.2</td><td>--</td><td>16.7</td><td>34.9</td><td>29.7</td><td>Bold figures are Value Line estimates</td><td>16.0</td><td>Avg Ann'l P/E Ratio</td><td>16.0</td></tr> <tr> <td>.70</td><td>.85</td><td>.75</td><td>.65</td><td>.66</td><td>.74</td><td>.62</td><td>.71</td><td>.68</td><td>.75</td><td>.94</td><td>.87</td><td>--</td><td>.89</td><td>1.79</td><td>1.63</td><td>1.63</td><td>1.63</td><td>Relative P/E Ratio</td><td>.90</td></tr> <tr> <td>2.6%</td><td>2.2%</td><td>2.7%</td><td>4.0%</td><td>3.7%</td><td>3.4%</td><td>3.0%</td><td>2.8%</td><td>2.6%</td><td>2.8%</td><td>2.8%</td><td>2.9%</td><td>3.8%</td><td>3.7%</td><td>4.3%</td><td>4.5%</td><td>4.5%</td><td>4.5%</td><td>Avg Ann'l Div'd Yield</td><td>3.7%</td></tr> </tbody> </table> | | | | | | | | | | | | | | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC | 25-27 | 38.74 | 40.25 | 43.31 | 37.98 | 38.09 | 39.16 | 36.41 | 38.61 | 41.17 | 35.37 | 36.43 | 37.81 | 38.85 | 34.11 | 35.83 | 39.18 | 40.05 | 41.50 | Revenues per sh | 46.75 | 7.25 | 7.60 | 8.08 | 7.96 | 8.41 | 9.03 | 9.63 | 8.80 | 9.95 | 10.35 | 10.43 | 11.03 | 4.69 | 9.15 | 8.58 | 10.85 | 11.25 | 11.25 | "Cash Flow" per sh | 13.00 | 3.28 | 3.32 | 3.68 | 3.24 | 3.35 | 3.23 | 4.55 | 3.78 | 4.33 | 4.15 | 3.94 | 4.51 | d1.26 | 3.98 | 1.72 | 2.00 | 4.15 | 4.40 | Earnings per sh A | 6.00 | 1.10 | 1.18 | 1.23 | 1.25 | 1.27 | 1.29 | 1.31 | 1.37 | 1.48 | 1.73 | 1.98 | 2.23 | 2.43 | 2.48 | 2.58 | 2.69 | 2.84 | 3.00 | Div'd Decl'd per sh B | 3.55 | 7.78 | 8.67 | 8.67 | 10.07 | 13.94 | 14.76 | 12.73 | 11.05 | 11.99 | 12.97 | 11.46 | 11.75 | 13.84 | 13.47 | 14.47 | 14.47 | 16.25 | 14.90 | Cap'l Spending per sh | 16.75 | 23.66 | 25.92 | 29.21 | 30.20 | 32.44 | 30.86 | 28.95 | 30.50 | 33.64 | 34.89 | 36.82 | 35.82 | 32.10 | 36.75 | 37.08 | 36.57 | 38.00 | 39.45 | Book Value per sh C | 47.00 | 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 | 361.99 | 378.91 | 380.38 | 382.00 | 382.00 | Common Shs Outst'g D | 385.00 | 13.0 | 16.0 | 12.4 | 9.7 | 10.3 | 11.8 | 9.7 | 12.7 | 13.0 | 14.8 | 17.9 | 17.2 | -- | 16.7 | 34.9 | 29.7 | Bold figures are Value Line estimates | 16.0 | Avg Ann'l P/E Ratio | 16.0 | .70 | .85 | .75 | .65 | .66 | .74 | .62 | .71 | .68 | .75 | .94 | .87 | -- | .89 | 1.79 | 1.63 | 1.63 | 1.63 | Relative P/E Ratio | .90 | 2.6% | 2.2% | 2.7% | 4.0% | 3.7% | 3.4% | 3.0% | 2.8% | 2.6% | 2.8% | 2.8% | 2.9% | 3.8% | 3.7% | 4.3% | 4.5% | 4.5% | 4.5% | Avg Ann'l Div'd Yield |
| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC | 25-27 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 38.74 | 40.25 | 43.31 | 37.98 | 38.09 | 39.16 | 36.41 | 38.61 | 41.17 | 35.37 | 36.43 | 37.81 | 38.85 | 34.11 | 35.83 | 39.18 | 40.05 | 41.50 | Revenues per sh | 46.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.25 | 7.60 | 8.08 | 7.96 | 8.41 | 9.03 | 9.63 | 8.80 | 9.95 | 10.35 | 10.43 | 11.03 | 4.69 | 9.15 | 8.58 | 10.85 | 11.25 | 11.25 | "Cash Flow" per sh | 13.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3.28 | 3.32 | 3.68 | 3.24 | 3.35 | 3.23 | 4.55 | 3.78 | 4.33 | 4.15 | 3.94 | 4.51 | d1.26 | 3.98 | 1.72 | 2.00 | 4.15 | 4.40 | Earnings per sh A | 6.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1.10 | 1.18 | 1.23 | 1.25 | 1.27 | 1.29 | 1.31 | 1.37 | 1.48 | 1.73 | 1.98 | 2.23 | 2.43 | 2.48 | 2.58 | 2.69 | 2.84 | 3.00 | Div'd Decl'd per sh B | 3.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7.78 | 8.67 | 8.67 | 10.07 | 13.94 | 14.76 | 12.73 | 11.05 | 11.99 | 12.97 | 11.46 | 11.75 | 13.84 | 13.47 | 14.47 | 14.47 | 16.25 | 14.90 | Cap'l Spending per sh | 16.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 23.66 | 25.92 | 29.21 | 30.20 | 32.44 | 30.86 | 28.95 | 30.50 | 33.64 | 34.89 | 36.82 | 35.82 | 32.10 | 36.75 | 37.08 | 36.57 | 38.00 | 39.45 | Book Value per sh C | 47.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 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 | 361.99 | 378.91 | 380.38 | 382.00 | 382.00 | Common Shs Outst'g D | 385.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13.0 | 16.0 | 12.4 | 9.7 | 10.3 | 11.8 | 9.7 | 12.7 | 13.0 | 14.8 | 17.9 | 17.2 | -- | 16.7 | 34.9 | 29.7 | Bold figures are Value Line estimates | 16.0 | Avg Ann'l P/E Ratio | 16.0 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| .70 | .85 | .75 | .65 | .66 | .74 | .62 | .71 | .68 | .75 | .94 | .87 | -- | .89 | 1.79 | 1.63 | 1.63 | 1.63 | Relative P/E Ratio | .90 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2.6% | 2.2% | 2.7% | 4.0% | 3.7% | 3.4% | 3.0% | 2.8% | 2.6% | 2.8% | 2.8% | 2.9% | 3.8% | 3.7% | 4.3% | 4.5% | 4.5% | 4.5% | Avg Ann'l Div'd Yield | 3.7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CAPITAL STRUCTURE as of 12/31/21 Total Debt \$27601 mill. Due in 5 Yrs \$9770 mill. LT Debt \$24170 mill. LT Interest \$882 mill. (LT interest earned: 1.7x) Leases, Uncapitalized Annual rentals \$623 mill. Pension Assets-12/21 \$4296 mill. Pfd Stock \$3878 mill. Pfd Div'd \$211 mill. 350,000 sh. 6.25%, \$1000 liq. value; 638,020 sh. 5.0%-5.75%, \$2500 liq. value; 1,250,000 sh. 5.375%, 750,000 sh. 5%, \$1000 liq. value, all cum. Common Stock 380,696,945 shs. as of 2/17/22 MARKET CAP: \$27 billion (Large Cap) | | | | 11862 | 12581 | 13413 | 11524 | 11869 | 12320 | 12657 | 12347 | 13578 | 14905 | 15300 | 15850 | Revenues (\$mill) | 18000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 1594.0 | 1344.0 | 1539.0 | 1480.0 | 1422.0 | 1603.0 | d290.0 | 1477.0 | 775.0 | 925.0 | 1775 | 1890 | Net Profit (\$mill) | 2515 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 14.3% | 25.2% | 22.4% | 6.6% | 11.1% | 5.0% | -- | -- | -- | 5.0% | 5.0% | Income Tax Rate | 5.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 8.5% | 7.8% | 5.8% | 8.0% | 6.8% | 7.2% | -- | 11.1% | 22.5% | 18.5% | 10.0% | 9.0% | AFUDC % to Net Profit | 7.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 45.2% | 45.7% | 44.1% | 45.0% | 41.8% | 45.6% | 53.6% | 53.5% | 55.2% | 57.6% | 58.5% | 59.5% | Long-Term Debt Ratio | 63.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 46.2% | 46.2% | 47.2% | 46.7% | 49.2% | 45.8% | 38.3% | 39.9% | 39.5% | 33.2% | 32.0% | 31.5% | Common Equity Ratio | 34.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 20422 | 21516 | 23216 | 24352 | 24362 | 25506 | 27284 | 33360 | 35581 | 41959 | 45575 | 48050 | Total Capital (\$mill) | 50000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 30273 | 30455 | 32981 | 35085 | 37000 | 39050 | 41348 | 44285 | 47839 | 50700 | 54350 | 57450 | Net Plant (\$mill) | 64900 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 8.9% | 7.3% | 7.7% | 7.1% | 6.9% | 7.3% | .1% | 5.6% | 3.4% | 3.3% | 5.0% | 5.0% | Return on Total Cap'l | 5.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 14.2% | 11.5% | 11.9% | 11.1% | 10.0% | 11.6% | NMF | 9.5% | 4.9% | 5.2% | 9.5% | 9.5% | Return on Shr. Equity | 10.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 15.9% | 12.5% | 13.0% | 12.0% | 10.8% | 12.7% | NMF | 10.2% | 4.6% | 5.5% | 11.0% | 11.0% | Return on Com Equity E | 12.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 11.4% | 8.1% | 8.8% | 7.2% | 5.6% | 6.6% | NMF | 4.1% | NMF | NMF | 3.5% | 3.5% | Retained to Com Eq | 4.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | 32% | 40% | 37% | 44% | 53% | 52% | NMF | 63% | NMF | NMF | 71% | 71% | All Div's to Net Prof | 67% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ELECTRIC OPERATING STATISTICS 2019 2020 2021 % Change Retail Sales (KWH) -2.7 +7 -3.9 Avg. Indust. Use (MWH) 657 589 NA Avg. Indust. Revs. per KWH (c) NA NA NA Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) 22009 23133 21190 Annual Load Factor (%) 49.6 46.7 52.7 % Change Customers (yr-end) +5 +6 +3 | | | | BUSINESS: Edison International (formerly SCECorp) is a holding company for Southern California Edison Company (SCE), which supplies electricity to 5.2 mill. customers in a 50,000-sq.-mi. area in central, coastal, & southern CA (excl. Los Angeles & San Diego). Edison Energy is an energy svcs. co. Disc. Edison Mission Energy (independent power producer) in '12. Elec. rev. breakdown: residential, 43%; commercial, 45%; industrial, 3%; other, 9%. Generating sources: nuclear, 8%; gas, 3%; hydro, 3%; purch., 86%. Power costs: 37% of revs. '21 reported depr. rate: 3.7%. Has 13,000 empl's. Chairman: William P. Sullivan. Pres. & CEO: Pedro J. Pizaro. Inc.: CA. Address: 2244 Walnut Grove Ave., P.O. Box 976, Rosemead, CA 91770. Tel.: 626-302-2222. Web: www.edison.com. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Fixed Charge Cov. (%) 172 NMF 113 | | | | Edison International's utility subsidiary is awaiting an order on a cost-of-capital filing. A mechanism in the current cost-of-capital scheme indicates that Southern California Edison's allowed return on equity for 2022 is to be reduced from 10.3% to 9.72%. This would cut the company's earning power by \$0.23 a share. SCE is arguing that the interest-rate cuts to address coronavirus-related disruptions constituted extraordinary circumstances that should prevent triggering of the mechanism. When the California Public Utilities Commission will rule on this matter is unknown, but the order will be retroactive to the start of 2022. The allowed ROE for 2023 through 2025 will be determined in a separate regulatory proceeding. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ANNUAL RATES of change (per sh) Revenues -5.5% Past 10 Yrs -5.5% Past 5 Yrs -5.5% Past Est'd '19-'21 to '25-'27 4.0% "Cash Flow" - -3.5% 7.0% Earnings -2.5% -9.0% NMF Dividends 7.5% 8.5% 5.5% Book Value 1.5% 1.0% 4.0% | | | | Our earnings estimate for 2022 is based on the utility maintaining an allowed ROE of 10.3%. This is also the basis of management's profit guidance of \$4.40-\$4.70 a share. However, the company excludes amortization expense for its payments to the wildfire insurance fund, but we include this because it is part of ongoing results. This amounted to \$155 million (\$0.41 a share) in 2021, and we | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Cal-endar</th><th colspan="4">QUARTERLY REVENUES (\$ mill.)</th><th>Full Year</th></tr> <tr> <th></th><th>Mar.31</th><th>Jun.30</th><th>Sep.30</th><th>Dec.31</th><th></th></tr> </thead> <tbody> <tr> <td>2019</td><td>2824</td><td>2812</td><td>3741</td><td>2970</td><td>12347</td></tr> <tr> <td>2020</td><td>2790</td><td>2987</td><td>4644</td><td>3157</td><td>13578</td></tr> <tr> <td>2021</td><td>2960</td><td>3315</td><td>5299</td><td>3331</td><td>14905</td></tr> <tr> <td>2022</td><td>3100</td><td>3450</td><td>5300</td><td>3450</td><td>15300</td></tr> <tr> <td>2023</td><td>3250</td><td>3550</td><td>5500</td><td>3550</td><td>15850</td></tr> </tbody> </table> | | | | Cal-endar | QUARTERLY REVENUES (\$ mill.) | | | | Full Year | | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | 2019 | 2824 | 2812 | 3741 | 2970 | 12347 | 2020 | 2790 | 2987 | 4644 | 3157 | 13578 | 2021 | 2960 | 3315 | 5299 | 3331 | 14905 | 2022 | 3100 | 3450 | 5300 | 3450 | 15300 | 2023 | 3250 | 3550 | 5500 | 3550 | 15850 | A rising capital budget will result in significant financing. SCE will add long-term debt to finance capital spending of at least \$6 billion this year. This is above the \$5.5 billion spent in 2021 because the utility is adding battery storage. In addition, the parent company will issue common and preferred equity. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | QUARTERLY REVENUES (\$ mill.) | | | | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | 2824 | 2812 | 3741 | 2970 | 12347 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | 2790 | 2987 | 4644 | 3157 | 13578 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | 2960 | 3315 | 5299 | 3331 | 14905 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | 3100 | 3450 | 5300 | 3450 | 15300 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | 3250 | 3550 | 5500 | 3550 | 15850 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Cal-endar</th><th colspan="4">EARNINGS PER SHARE A</th><th>Full Year</th></tr> <tr> <th></th><th>Mar.31</th><th>Jun.30</th><th>Sep.30</th><th>Dec.31</th><th></th></tr> </thead> <tbody> <tr> <td>2019</td><td>.64</td><td>1.57</td><td>1.35</td><td>.45</td><td>3.98</td></tr> <tr> <td>2020</td><td>.50</td><td>.85</td><td>d.76</td><td>1.13</td><td>1.72</td></tr> <tr> <td>2021</td><td>.68</td><td>.84</td><td>d.90</td><td>1.38</td><td>2.00</td></tr> <tr> <td>2022</td><td>.80</td><td>.90</td><td>1.45</td><td>1.00</td><td>4.15</td></tr> <tr> <td>2023</td><td>.85</td><td>.95</td><td>1.55</td><td>1.05</td><td>4.40</td></tr> </tbody> </table> | | | | Cal-endar | EARNINGS PER SHARE A | | | | Full Year | | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | 2019 | .64 | 1.57 | 1.35 | .45 | 3.98 | 2020 | .50 | .85 | d.76 | 1.13 | 1.72 | 2021 | .68 | .84 | d.90 | 1.38 | 2.00 | 2022 | .80 | .90 | 1.45 | 1.00 | 4.15 | 2023 | .85 | .95 | 1.55 | 1.05 | 4.40 | The stock has an above-average dividend yield, even for a utility. This reflects the lingering uncertainties stemming from wildfires. Total return potential is low for the next 18 months and below the median for the 2025-2027 period. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | EARNINGS PER SHARE A | | | | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | .64 | 1.57 | 1.35 | .45 | 3.98 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | .50 | .85 | d.76 | 1.13 | 1.72 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | .68 | .84 | d.90 | 1.38 | 2.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | .80 | .90 | 1.45 | 1.00 | 4.15 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2023 | .85 | .95 | 1.55 | 1.05 | 4.40 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1"> <thead> <tr> <th>Cal-endar</th><th colspan="4">QUARTERLY DIVIDENDS PAID B</th><th>Full Year</th></tr> <tr> <th></th><th>Mar.31</th><th>Jun.30</th><th>Sep.30</th><th>Dec.31</th><th></th></tr> </thead> <tbody> <tr> <td>2018</td><td>.605</td><td>.605</td><td>.605</td><td>.605</td><td>2.42</td></tr> <tr> <td>2019</td><td>.6125</td><td>.6125</td><td>.6125</td><td>.6125</td><td>2.45</td></tr> <tr> <td>2020</td><td>.6375</td><td>.6375</td><td>.6375</td><td>.6375</td><td>2.55</td></tr> <tr> <td>2021</td><td>.6625</td><td>.6625</td><td>.6625</td><td>.6625</td><td>2.65</td></tr> <tr> <td>2022</td><td>.70</td><td></td><td></td><td></td><td></td></tr> </tbody> </table> | | | | Cal-endar | QUARTERLY DIVIDENDS PAID B | | | | Full Year | | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | 2018 | .605 | .605 | .605 | .605 | 2.42 | 2019 | .6125 | .6125 | .6125 | .6125 | 2.45 | 2020 | .6375 | .6375 | .6375 | .6375 | 2.55 | 2021 | .6625 | .6625 | .6625 | .6625 | 2.65 | 2022 | .70 | | | | | Paul E. Debbas, CFA April 22, 2022 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | QUARTERLY DIVIDENDS PAID B | | | | Full Year | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2018 | .605 | .605 | .605 | .605 | 2.42 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2019 | .6125 | .6125 | .6125 | .6125 | 2.45 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2020 | .6375 | .6375 | .6375 | .6375 | 2.55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2021 | .6625 | .6625 | .6625 | .6625 | 2.65 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2022 | .70 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (A) Dil. EPS. Excl. nonrec. gains (losses): '09, (64c); '10, 54c; '11, (\$3.33); '13, (\$1.12); '15, (\$1.18); '17, (\$1.37); '18, (15c); '19, (21c); '20, 25c; gains (loss) from disc. ops.: '12, (\$5.11); '13, 11c; '14, 57c; '15, 11c; '18, 10c. '19 EPS not sum due to change in shs. Next earnings report due early May. (B) Div's paid late Jan., Apr., July, & Oct. (C) Div'd reinv. plan avail. | | | | (C) Incl. def'd chgs. In '21: \$20.14/sh. (D) In mill. (E) Rate base: net orig. cost. Rate all'd on com. eq. in '20: 10.3%; earned on avg. com. eq., '21: 5.4%. Regulatory Climate: Average. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| ENERGY CORP. NYSE-ETR | | | | RECENT PRICE | P/E RATIO | TRAILING P/E RATIO | RELATIVE P/E RATIO | DIV'D YLD | VALUE LINE | | | | | | | | | | | | | |
|--|--------|---------------------|--|---|-----------|------------------------------------|--------------------|-----------|------------|--------|--------|--------|--------|--------|--------|--------------------|--------|-----------------------------|--------|--|--|--|
| | | | | 105.21 | 15.4 | (Trailing: 15.3) (Median: 14.0) | 0.86 | 3.9% | | | | | | | | | | | | | | |
| TIMELINESS | 4 | Lowered 12/10/21 | High: 74.5 | 74.5 | 72.6 | 92.0 | 90.3 | 82.1 | 87.9 | 90.8 | 122.1 | 135.5 | 115.0 | 113.1 | 100.2 | Target Price Range | 2025 | 2026 | 2027 | | | |
| SAFETY | 2 | Raised 12/13/19 | Low: 57.6 | 61.6 | 60.2 | 60.4 | 61.3 | 65.4 | 69.6 | 71.9 | 83.2 | 75.2 | 85.8 | | | | | | | | | |
| TECHNICAL | 2 | Raised 3/4/22 | LEGENDS 0.54 x Dividends p sh divided by Interest Rate ... Relative Price Strength Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | | | | | |
| BETA | .95 | (1.00 = Market) | 18-Month Target Price Range | | | | | | | | | | | | | | | | | | | |
| Low-High | | Midpoint (% to Mid) | 2025-27 PROJECTIONS | | | | | | | | | | | | | | | | | | | |
| Price | 160 | Gain (+50%) | Ann'l Total | | | | | | | | | | | | | | | | | | | |
| High | 115 | +10% | Return | | | | | | | | | | | | | | | | | | | |
| Low | 115 | +10% | 6% | | | | | | | | | | | | | | | | | | | |
| Institutional Decisions | | | | | | | | | | | | | | | | | | | | | | |
| to Buy | 306 | 264 | 352 | | | | | | | | | | | | | | | | | | | |
| to Sell | 273 | 275 | 244 | | | | | | | | | | | | | | | | | | | |
| Hld's(000) | 174484 | 183072 | 182168 | | | | | | | | | | | | | | | | | | | |
| | | | | Percent | 30 | | | | | | | | | | | | | | | | | |
| | | | | shares | 20 | | | | | | | | | | | | | | | | | |
| | | | | traded | 10 | | | | | | | | | | | | | | | | | |
| | | | | % TOT. RETURN 2/22 | | | | | | | | | | | | | | | | | | |
| | | | | THIS STOCK INDEX | | | | | | | | | | | | | | | | | | |
| | | | | VL ARITH.* | | | | | | | | | | | | | | | | | | |
| | | | | 1 yr. 25.3 15.1 | | | | | | | | | | | | | | | | | | |
| | | | | 3 yr. 24.3 61.1 | | | | | | | | | | | | | | | | | | |
| | | | | 5 yr. 65.2 84.2 | | | | | | | | | | | | | | | | | | |
| 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC 25-27 | | | | |
| 53.94 | 59.47 | 69.15 | 56.82 | 64.27 | 63.67 | 57.94 | 63.86 | 69.71 | 64.54 | 60.55 | 61.35 | 58.23 | 54.63 | 50.51 | 57.95 | 54.85 | 55.00 | Revenues per sh | 59.25 | | | |
| 10.69 | 11.73 | 12.89 | 13.29 | 16.54 | 17.53 | 15.98 | 16.25 | 17.68 | 17.71 | 18.72 | 16.70 | 16.50 | 17.19 | 18.21 | 17.90 | 17.75 | 18.50 | "Cash Flow" per sh | 21.25 | | | |
| 5.36 | 5.60 | 6.20 | 6.30 | 6.66 | 7.55 | 6.02 | 4.96 | 5.77 | 5.81 | 6.88 | 5.19 | 5.88 | 6.30 | 6.90 | 6.87 | 6.30 | 6.70 | Earnings per sh A | 8.00 | | | |
| 2.16 | 2.58 | 3.00 | 3.00 | 3.24 | 3.32 | 3.32 | 3.32 | 3.32 | 3.34 | 3.42 | 3.50 | 3.58 | 3.66 | 3.74 | 3.86 | 4.09 | 4.30 | Div'd Decl'd per sh B = † | 5.10 | | | |
| 9.44 | 10.29 | 13.92 | 12.99 | 13.33 | 15.21 | 18.18 | 15.73 | 14.82 | 16.79 | 17.28 | 22.07 | 22.45 | 21.72 | 24.52 | 30.86 | 18.15 | 19.00 | Cap'l Spending per sh | 19.75 | | | |
| 40.45 | 40.71 | 42.07 | 45.54 | 47.53 | 50.81 | 51.73 | 54.00 | 55.83 | 51.89 | 45.12 | 44.28 | 46.78 | 51.34 | 54.56 | 57.42 | 60.20 | 63.45 | Book Value per sh C | 73.00 | | | |
| 202.67 | 193.12 | 189.36 | 189.12 | 178.75 | 176.36 | 177.81 | 178.37 | 179.24 | 178.39 | 179.13 | 180.52 | 189.06 | 199.15 | 200.24 | 202.65 | 206.00 | 209.00 | Common Shs Outst'g D | 214.00 | | | |
| 14.3 | 19.3 | 16.6 | 12.0 | 11.6 | 9.1 | 11.2 | 13.2 | 12.9 | 12.5 | 10.9 | 15.0 | 13.8 | 16.5 | 15.3 | 15.0 | Bold figures are | | Avg Ann'l P/E Ratio | 17.0 | | | |
| .77 | 1.02 | 1.00 | .80 | .74 | .57 | .71 | .74 | .68 | .63 | .57 | .75 | .75 | .88 | .79 | .80 | Value Line | | Relative P/E Ratio | .95 | | | |
| 2.8% | 2.4% | 2.9% | 4.0% | 4.2% | 4.9% | 4.9% | 5.1% | 4.5% | 4.6% | 4.6% | 4.5% | 4.4% | 3.5% | 3.6% | 3.7% | estimates | | Avg Ann'l Div'd Yield | 3.7% | | | |
| CAPITAL STRUCTURE as of 12/31/21 | | | | | | | | | | | | | | | | | | | | | | |
| Total Debt \$27082 mill. Due in 5 Yrs \$10975 mill. | | | | 10302 11391 12495 11513 10846 11074 11009 10879 10114 11743 11300 11500 Revenues (\$mill) | | | | | | | | | | | | | | | | | | |
| LT Debt \$24842 mill. LT Interest \$780.0 mill. | | | | 1091.9 904.5 1060.0 1061.2 1249.8 950.7 1092.1 1258.2 1406.7 1402.8 1320 1420 Net Profit (\$mill) | | | | | | | | | | | | | | | | | | |
| Incl. \$83.6 mill. of securitization bonds. | | | | 13.0% 26.7% 37.8% 2.2% 11.3% 1.8% NMF NMF 16.1% 23.0% 23.0% Income Tax Rate | | | | | | | | | | | | | | | | | | |
| (LT interest earned: 3.0x) | | | | 11.9% 10.1% 9.3% 7.4% 8.1% 14.7% 17.5% 16.7% 12.2% 7.1% 8.0% 8.0% AFUDC % to Net Profit | | | | | | | | | | | | | | | | | | |
| Leases, Uncapitalized Annual rentals \$65.3 mill. | | | | 55.8% 55.1% 54.9% 57.8% 63.6% 63.6% 62.0% 62.0% 65.5% 67.6% 66.5% 66.5% Long-Term Debt Ratio | | | | | | | | | | | | | | | | | | |
| Pension Assets-12/21 \$6993.1 mill. | | | | 42.9% 43.6% 43.8% 40.8% 35.5% 35.5% 35.9% 37.1% 33.7% 31.7% 32.5% 33.0% Common Equity Ratio | | | | | | | | | | | | | | | | | | |
| Oblig \$8409.6 mill. | | | | 21432 22109 22842 22714 22777 22528 24602 27557 32386 36733 38025 40175 Total Capital (\$mill) | | | | | | | | | | | | | | | | | | |
| Pfd Stock \$254.4 mill. Pfd Div'd \$18.3 mill. | | | | 27299 27882 28723 27824 27921 29664 31974 35183 38853 42244 43675 45250 Net Plant (\$mill) | | | | | | | | | | | | | | | | | | |
| 200,000 shs. 6.25%-7.5%, \$100 par; 250,000 shs. | | | | 6.4% 5.4% 6.0% 6.0% 6.9% 5.7% 5.8% 5.9% 5.6% 4.8% 4.5% 4.5% Return on Total Cap'l | | | | | | | | | | | | | | | | | | |
| 8.75%, 1.4 mill. shs. 5.375% all cum., without sinking fund. | | | | 11.5% 9.1% 10.3% 11.1% 15.1% 11.6% 12.0% 12.0% 12.6% 11.6% 10.5% 10.5% Return on Shr. Equity | | | | | | | | | | | | | | | | | | |
| Common Stock 203,027,662 shs. as of 1/31/22 | | | | 11.6% 9.2% 10.4% 11.2% 15.2% 11.7% 12.2% 12.1% 12.7% 11.9% 10.5% 10.5% Return on Com Equity E | | | | | | | | | | | | | | | | | | |
| MARKET CAP: \$21 billion (Large Cap) | | | | 5.2% 3.0% 4.4% 4.8% 7.7% 3.9% 4.9% 5.2% 5.9% 5.2% 3.5% 4.0% Retained to Com Eq | | | | | | | | | | | | | | | | | | |
| ELECTRIC OPERATING STATISTICS | | | | 56% 68% 58% 58% 50% 68% 61% 58% | | | | | | | | | | | | | | | | | | |
| | | | | 2019 2020 2021 | | | | | | | | | | | | | | | | | | |
| % Change Retail Sales (KWH) | | | | -1.4 -4.1 +3.2 | | | | | | | | | | | | | | | | | | |
| Avg. Indust. Use (MWH) | | | | 1070 1017 1015 | | | | | | | | | | | | | | | | | | |
| Avg. Indust. Revs. per KWH(c) | | | | 5.24 4.95 5.91 | | | | | | | | | | | | | | | | | | |
| Capacity at Peak (Mw) | | | | 23887 25665 NA | | | | | | | | | | | | | | | | | | |
| Peak Load, Summer (Mw) | | | | 21598 21340 NA | | | | | | | | | | | | | | | | | | |
| Annual Load Factor (%) | | | | 64 62 NA | | | | | | | | | | | | | | | | | | |
| % Change Customers (yr-end) | | | | +8 +1.0 +1.0 | | | | | | | | | | | | | | | | | | |
| Fixed Charge Cov. (%) | | | | 165 202 243 | | | | | | | | | | | | | | | | | | |
| ANNUAL RATES | | | | | | | | | | | | | | | | | | | | | | |
| of change (per sh) | | | | | | | | | | | | | | | | | | | | | | |
| Revenues | | | | -1.0% -3.5% 1.5% | | | | | | | | | | | | | | | | | | |
| "Cash Flow" | | | | 1.0% -5% 3.0% | | | | | | | | | | | | | | | | | | |
| Earnings | | | | -1.5% 3.0% | | | | | | | | | | | | | | | | | | |
| Dividends | | | | 1.5% 2.0% 5.0% | | | | | | | | | | | | | | | | | | |
| Book Value | | | | 1.5% 1.5% 5.0% | | | | | | | | | | | | | | | | | | |
| QUARTERLY REVENUES (\$ mill.) | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | |
| 2019 | 2610 | 2666 | 3141 | 2462 | 10879 | | | | | | | | | | | | | | | | | |
| 2020 | 2427 | 2413 | 2904 | 2370 | 10114 | | | | | | | | | | | | | | | | | |
| 2021 | 2845 | 2822 | 3353 | 2723 | 11743 | | | | | | | | | | | | | | | | | |
| 2022 | 2700 | 2700 | 3200 | 2700 | 11300 | | | | | | | | | | | | | | | | | |
| 2023 | 2750 | 2750 | 3250 | 2750 | 11500 | | | | | | | | | | | | | | | | | |
| EARNINGS PER SHARE A | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | |
| 2019 | 1.32 | 1.22 | 1.82 | 1.94 | 6.30 | | | | | | | | | | | | | | | | | |
| 2020 | .59 | 1.79 | 2.59 | 1.93 | 6.90 | | | | | | | | | | | | | | | | | |
| 2021 | 1.66 | 1.30 | 2.63 | 1.28 | 6.87 | | | | | | | | | | | | | | | | | |
| 2022 | 1.25 | 1.60 | 2.70 | .75 | 6.30 | | | | | | | | | | | | | | | | | |
| 2023 | 1.35 | 1.70 | 2.85 | .80 | 6.70 | | | | | | | | | | | | | | | | | |
| QUARTERLY DIVIDENDS PAID B = † | | | | | | | | | | | | | | | | | | | | | | |
| Cal-endar | Mar.31 | Jun.30 | Sep.30 | Dec.31 | Full Year | | | | | | | | | | | | | | | | | |
| 2018 | .89 | .89 | .89 | .91 | 3.58 | | | | | | | | | | | | | | | | | |
| 2019 | .91 | .91 | .91 | .93 | 3.66 | | | | | | | | | | | | | | | | | |
| 2020 | .93 | .93 | .93 | .95 | 3.74 | | | | | | | | | | | | | | | | | |
| 2021 | .95 | .95 | .95 | 1.01 | 3.86 | | | | | | | | | | | | | | | | | |
| 2022 | 1.01 | | | | | | | | | | | | | | | | | | | | | |

(A) Diluted EPS. Excl. nonrec. losses: '12, \$1.26; '13, \$1.14; '14, \$6; '15, \$6.99; '16, \$10.14; '17, \$2.91; '18, \$1.25; '21, \$1.33. Next earnings report due early May. (B) Div'ds historically paid in early Mar., June, Sept., & Dec. '21 reinvestment plan avail. † Shareholder investment plan avail. (C) Incl. deferred charges. In '21: \$35.95/sh. (D) In mill. (E) Rate base: Net original cost. Allowed ROE (blended): 9.95%; earned on avg. com. eq., '21: 12.1%. Regulatory Climate: Average.

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Company's Financial Strength B++
Stock's Price Stability 90
Price Growth Persistence 40
Earnings Predictability 70

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Entergy is seeking to recover costs associated with severe storms in 2020 and 2021. In 2020, three hurricanes caused more than \$2 billion of damage in Louisiana and Texas. Hurricane Ida last year resulted in restoration costs of \$2.7 billion, above the previous estimate of \$2.1 billion-\$2.5 billion. In the coming months, Entergy will issue more than \$3 billion of securitized bonds, which includes \$1 billion for Hurricane Ida. The utility will seek recovery from the regulatory commissions in Louisiana and New Orleans (regulated separately from the rest of the state) for the remainder of the costs from Hurricane Ida. However, Entergy received criticism last year in New Orleans for its performance following the hurricane, which might affect the regulatory process.

The company's exit from the merchant power business should be completed by mid-2022. Entergy has closed and sold its nonregulated nuclear units over the past few years. Its last nonutility nuclear plant, Palisades in Michigan, will be shut down in May. The sale of the plant is expected to close in midyear. (The point of these deals is that the buyer gets the nuclear decommissioning trust at a sizable discount and the seller is relieved of the responsibility of decommissioning the facility.) Entergy's business risk has lessened as the company winds down its presence in nonregulated power generation.

An earnings decline is likely in 2022, followed by improvement in 2023. Entergy's nonutility subsidiary contributed \$0.61 to share net last year, so this income will likely be less this year. Another negative factor will be an increase in average shares outstanding. Our 2022 estimate is at the midpoint of Entergy's targeted range of \$6.15-\$6.45 a share. Even so, Entergy's industrial sector is experiencing an economic recovery, and the company is benefiting from rate relief in several jurisdictions (much of which comes via formula rate plans). We think profits will advance to \$6.70 a share in 2023. Management's guidance for next year is \$6.55-\$6.85.

This untimely stock has a dividend yield that is slightly above the utility average. Total return prospects are sub-par for the next 18 months and don't stand out for the 3- to 5-year period.

Paul E. Debbas, CFA March 11, 2022

| EVERGY, INC. NYSE-EVRG | | RECENT PRICE | 62.41 | P/E RATIO | 17.9 (Trailing: 16.3 Median: NMF) | RELATIVE P/E RATIO | 1.00 | DIV/D YLD | 3.8% | VALUE LINE | | | | | |
|---|---------------------------------------|----------------|-------------|--------------------------|-----------------------------------|--------------------|--------|-----------|--------|------------|--|--------|-----------------------------------|-----------------------------|--|
| TIMELINESS | 5 Lowered 12/31/21 | | | | | | | | | | | | | | |
| SAFETY | 2 New 9/14/18 | | | | | | | | | | | | | | |
| TECHNICAL | 2 Lowered 3/11/22 | | | | | | | | | | | | | | |
| BETA | .95 (1.00 = Market) | | | | | | | | | | | | | | |
| 18-Month Target Price Range | | | | | | | | | | | | | | | |
| Low-High | Midpoint (% to Mid) | | | | | | | | | | | | | | |
| \$50-\$73 | \$62 (0%) | | | | | | | | | | | | | | |
| 2025-27 PROJECTIONS | | | | | | | | | | | | | | | |
| High | Price | Gain | Ann'l Total | | | | | | | | | | | | |
| Low | 95 | (+50%) | 14% | | | | | | | | | | | | |
| | 70 | (+10%) | 7% | | | | | | | | | | | | |
| Institutional Decisions | | | | | | | | | | | | | | | |
| to Buy | 2Q2021 | 3Q2021 | 4Q2021 | Percent | 36 | | | | | | | | | | |
| to Sell | 291 | 262 | 308 | shares | 24 | | | | | | | | | | |
| Hld's(000) | 198932 | 204443 | 206094 | traded | 12 | | | | | | | | | | |
| Evergy, Inc. was formed through the merger of Great Plains Energy and Westar Energy in June of 2018. Great Plains Energy holders received .5981 of a share of Evergy for each of their shares, and Westar Energy holders received one share of Evergy for each of their shares. The merger was completed on June 4, 2018. Shares of Evergy began trading on the New York Stock Exchange one day later. | | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | © VALUE LINE PUB. LLC 25-27 | |
| | | -- | -- | -- | -- | -- | 16.75 | 22.71 | 21.66 | 24.36 | 23.05 | 23.70 | Revenues per sh | 26.50 | |
| | | -- | -- | -- | -- | -- | 4.89 | 7.18 | 7.06 | 8.18 | 8.05 | 8.45 | "Cash Flow" per sh | 10.00 | |
| | | -- | -- | -- | -- | -- | 2.50 | 2.79 | 2.72 | 3.83 | 3.55 | 3.80 | Earnings per sh ^A | 4.75 | |
| | | -- | -- | -- | -- | -- | 1.74 | 1.93 | 2.05 | 2.18 | 2.33 | 2.48 | Div'd Decl'd per sh ^B | 3.05 | |
| | | -- | -- | -- | -- | -- | 4.19 | 5.34 | 6.88 | 8.60 | 8.60 | 9.20 | Cap'l Spending per sh | 9.50 | |
| | | -- | -- | -- | -- | -- | 39.28 | 37.82 | 38.50 | 40.32 | 41.45 | 42.75 | Book Value per sh ^C | 47.75 | |
| | | -- | -- | -- | -- | -- | 255.33 | 226.64 | 226.84 | 229.30 | 230.00 | 230.00 | Common Shs Outst'g ^D | 230.00 | |
| | | -- | -- | -- | -- | -- | 22.7 | 21.8 | 21.7 | 16.2 | <i>Bold figures are Value Line estimates</i> | | Avg Ann'l P/E Ratio | 17.5 | |
| | | -- | -- | -- | -- | -- | 1.23 | 1.16 | 1.11 | .87 | | | Relative P/E Ratio | .95 | |
| | | -- | -- | -- | -- | -- | 3.1% | 3.2% | 3.5% | 3.5% | | | Avg Ann'l Div'd Yield | 3.7% | |
| CAPITAL STRUCTURE as of 12/31/21 | | | | | | | | | | | | | | | |
| Total Debt \$11166 mill. Due in 5 Yrs \$4100.3 mill. | | -- | -- | -- | -- | -- | 4275.9 | 5147.8 | 4913.4 | 5586.7 | 5300 | 5450 | Revenues (\$mill) | 6100 | |
| LT Debt \$9297.9 mill. LT Interest \$332.8 mill. | | -- | -- | -- | -- | -- | 535.8 | 669.9 | 618.3 | 879.7 | 835 | 895 | Net Profit (\$mill) | 1130 | |
| Incl. \$40.9 mill. finance leases. (LT interest earned: 3.8x) | | -- | -- | -- | -- | -- | -- | -- | -- | -- | 10.0% | 10.0% | Income Tax Rate | 10.0% | |
| Leases, Uncapitalized Annual rentals \$18.8 mill. | | -- | -- | -- | -- | -- | -- | -- | -- | -- | 5.0% | 6.0% | AFUDC % to Net Profit | 5.0% | |
| Pension Assets-12/21 \$1714.7 mill. | | -- | -- | -- | -- | -- | 40.0% | 50.6% | 51.3% | 50.1% | 51.5% | 51.5% | Long-Term Debt Ratio | 53.0% | |
| Oblig \$2561.7 mill. | | -- | -- | -- | -- | -- | 60.0% | 49.4% | 48.7% | 49.9% | 48.5% | 48.5% | Common Equity Ratio | 47.0% | |
| Pfd Stock None | | -- | -- | -- | -- | -- | 16716 | 17337 | 17924 | 18542 | 19675 | 20200 | Total Capital (\$mill) | 23400 | |
| Common Stock 229,311,689 shs. as of 2/18/22 | | -- | -- | -- | -- | -- | 18952 | 19346 | 20106 | 21150 | 22100 | 23150 | Net Plant (\$mill) | 26300 | |
| MARKET CAP: \$14 billion (Large Cap) | | -- | -- | -- | -- | -- | 4.0% | 4.8% | 4.5% | 5.7% | 5.0% | 5.5% | Return on Total Cap'l | 6.0% | |
| | | -- | -- | -- | -- | -- | 5.3% | 7.8% | 7.1% | 9.5% | 8.5% | 9.0% | Return on Shr. Equity | 10.0% | |
| | | -- | -- | -- | -- | -- | 5.3% | 7.8% | 7.1% | 9.5% | 8.5% | 9.0% | Return on Com Equity ^E | 10.0% | |
| | | -- | -- | -- | -- | -- | 6.2% | 2.4% | 1.8% | 4.1% | 3.0% | 3.0% | Retained to Com Eq | 4.0% | |
| | | -- | -- | -- | -- | -- | 89% | 69% | 75% | 57% | 64% | 64% | All Div's to Net Prof | 62% | |
| ELECTRIC OPERATING STATISTICS | | 2019 | 2020 | 2021 | | | | | | | | | | | |
| % Change Retail Sales (KWH) | | NA | -3.9 | +3.1 | | | | | | | | | | | |
| Avg. Indust. Use (MWH) | | NA | NA | NA | | | | | | | | | | | |
| Avg. Indust. Revs. per KWH (¢) | | 7.25 | 7.14 | 6.94 | | | | | | | | | | | |
| Capacity at Peak (Mw) | | NA | NA | NA | | | | | | | | | | | |
| Peak Load, Summer (Mw) | | NA | NA | NA | | | | | | | | | | | |
| Annual Load Factor (%) | | NA | NA | NA | | | | | | | | | | | |
| % Change Customers (yr-end) | | NA | NA | NA | | | | | | | | | | | |
| Fixed Charge Cov. (%) | | 305 | 286 | 350 | | | | | | | | | | | |
| ANNUAL RATES | | Past 10 Yrs. | Past 5 Yrs. | Est'd '19-'21 to '25-'27 | | | | | | | | | | | |
| Revenues | | -- | -- | 2.5% | | | | | | | | | | | |
| "Cash Flow" | | -- | -- | 5.0% | | | | | | | | | | | |
| Earnings | | -- | -- | 7.5% | | | | | | | | | | | |
| Dividends | | -- | -- | 7.0% | | | | | | | | | | | |
| Book Value | | -- | -- | 3.5% | | | | | | | | | | | |
| Cal-endar | QUARTERLY REVENUES (\$ mill.) | | | | Full Year | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | |
| 2019 | 1217 | 1222 | 1578 | 1131 | 5147.8 | | | | | | | | | | |
| 2020 | 1117 | 1185 | 1517 | 1094 | 4913.4 | | | | | | | | | | |
| 2021 | 1612 | 1236 | 1617 | 1122 | 5586.7 | | | | | | | | | | |
| 2022 | 1250 | 1250 | 1650 | 1150 | 5300 | | | | | | | | | | |
| 2023 | 1300 | 1300 | 1700 | 1150 | 5450 | | | | | | | | | | |
| Cal-endar | EARNINGS PER SHARE ^A | | | | Full Year | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | |
| 2019 | .39 | .57 | 1.56 | .28 | 2.79 | | | | | | | | | | |
| 2020 | .31 | .59 | 1.60 | .22 | 2.72 | | | | | | | | | | |
| 2021 | .84 | .81 | 1.95 | .23 | 3.83 | | | | | | | | | | |
| 2022 | .55 | .85 | 1.85 | .30 | 3.55 | | | | | | | | | | |
| 2023 | .60 | .90 | 2.00 | .30 | 3.80 | | | | | | | | | | |
| Cal-endar | QUARTERLY DIVIDENDS PAID ^B | | | | Full Year | | | | | | | | | | |
| | Mar.31 | Jun.30 | Sep.30 | Dec.31 | | | | | | | | | | | |
| 2018 | .40 | .40 | .46 | .475 | 1.74 | | | | | | | | | | |
| 2019 | .475 | .475 | .475 | .505 | 1.93 | | | | | | | | | | |
| 2020 | .505 | .505 | .505 | .535 | 2.05 | | | | | | | | | | |
| 2021 | .535 | .535 | .535 | .5725 | 2.18 | | | | | | | | | | |
| 2022 | .5725 | | | | | | | | | | | | | | |
| BUSINESS: Evergy, Inc. was formed through the merger of Great Plains Energy and Westar Energy in June of 2018. Through its subsidiaries (now doing business under the Evergy name), provides electric service to 1.6 million customers in Kansas and Missouri, including the greater Kansas City area. Electric revenue breakdown: residential, 34%; commercial, 30%; industrial, 11%; wholesale, 13%; other, 12%. Generating sources: coal, 54%; nuclear, 17%; purchased, 29%. Fuel costs: 28% of revenues. '21 reported deprec. rate: 3%. Has 4,900 employees. Chairman: Mark A. Ruelle. President & CEO: David A. Campbell. COO: Kevin E. Bryant. Inc.: Missouri. Address: 1200 Main Street, Kansas City, Missouri 64105. Tel.: 816-556-2200. Internet: www.evergy.com. | | | | | | | | | | | | | | | |
| Evergy's utilities in Missouri have filed general rate cases. The company's Missouri Metro utility requested an increase of \$43.9 million (5.2%), based on a return on equity of 10% and a common-equity ratio of 51.2%. Its Missouri West utility filed for a hike of \$27.7 million (3.8%), based on a 10% ROE and a 51.8% common-equity ratio. These are the first rate cases Evergy has filed since the company was formed through a merger in June of 2018. Capital additions and updated depreciation rates are driving the petitions, partly offset by reductions in operating and maintenance expenses. New tariffs are expected to take effect on December 6th, 11 months after the filing date. This will be too late to have a significant effect on earnings in 2022. Note that the company plans to file rate applications in Kansas in 2023. | | | | | | | | | | | | | | | |
| The earnings decline that is probable for 2022 should not be troubling for investors. Last year, a cold spell in the Gulf Coast region in February was a boon for Evergy's energy-marketing subsidiary. This boosted pretax income by \$86.6 million in the first quarter. We expect no re- | | | | | | | | | | | | | | | |
| peat of these auspicious conditions this year. A return to normal weather patterns would also be negative for the year-to-year comparison, as favorable weather boosted share net by \$0.08 in 2021. Still, there should be some positive factors, including increased income from the company's transmission system. We are sticking with our 2022 earnings estimate of \$3.55 a share, which is within Evergy's targeted range of \$3.43-\$3.63. | | | | | | | | | | | | | | | |
| We expect earnings to improve in 2023. Rate relief in Missouri should be a key factor. Modest growth in kilowatt-hour sales should help, as well. Our estimate of \$3.80 a share would produce an increase of 7%. This is within Evergy's annual goal of 6%-8%. | | | | | | | | | | | | | | | |
| This untimely stock has a dividend yield that is about average for a utility. Total return potential is subpar for the next 18 months and somewhat below average for the 3- to 5-year period. A standstill agreement with two investors expires after the 2022 annual meeting (normally held in the first week of May), so there is some speculative appeal. | | | | | | | | | | | | | | | |
| Paul E. Debbas, CFA | | March 11, 2022 | | | | | | | | | | | | | |
| (A) Diluted earnings. '19 EPS don't sum to full-year total due to rounding. Next earnings report due early May. (B) Dividends paid in mid-March, June, September, and December. (C) Dividend reinvestment plan available. (D) Incl. intangibles. In '21: \$4327.7 mill., \$18.87/sh. (E) In millions. (F) Rate base: Original cost depreciated. Rate allowed on common equity in Missouri in '18: none specified; in Kansas in '18: 9.3%. Earned on average common equity, '21: 9.8%. Regulatory Climate: Average. | | | | | | | | | | | | | | | |
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| Company's Financial Strength | | B++ | | | | | | | | | | | | | |
| Stock's Price Stability | | 80 | | | | | | | | | | | | | |
| Price Growth Persistence | | NMF | | | | | | | | | | | | | |
| Earnings Predictability | | NMF | | | | | | | | | | | | | |
| To subscribe call 1-800-VALUELINE | | | | | | | | | | | | | | | |

| IDACORP, INC. NYSE-IDA | | | | RECENT PRICE | P/E RATIO | RELATIVE P/E RATIO | DIV'D YLD | VALUE LINE | | | | | | | | | | | | | | |
|--|--|--|--|--|--------------|--------------------|--------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|--|-------------|--|-------------|-----------------------------------|-------------|-------------|
| TIMELINESS 4 Lowered 8/13/21 SAFETY 1 Raised 1/22/21 TECHNICAL 3 Lowered 3/25/22 BETA .80 (1.00 = Market) 18-Month Target Price Range Low-High Midpoint (% to Mid) \$88-\$131 \$110 (-5%) | | | | High: 42.7 Low: 33.9 | 42.7 33.9 | 45.7 38.2 | 54.7 43.1 | 70.1 50.2 | 70.5 55.4 | 83.4 65.0 | 100.0 77.5 | 102.4 79.6 | 114.0 89.3 | 113.6 69.1 | 113.8 85.3 | 118.9 99.1 | 2.7% | 23.5 (Trailing: 24.0) (Median: 19.0) | 1.32 | 2025 Target Price Range | 2026 | 2027 |
| 2025-27 PROJECTIONS High Price 130 Low Price 105 Gain (+10%) (-10%) Ann'l Total Return 6% 7% | | | | | | | | | | | | | | | | % TOT. RETURN 3/22 THIS STOCK INDEX 1 yr. 17.7 4.3 3 yr. 24.2 54.0 5 yr. 57.0 73.6 | | | | | | |
| Institutional Decisions 202021 3Q2021 4Q2021 to Buy 145 163 208 to Sell 186 145 137 Hld's(000) 39928 39867 39410 Percent shares traded 15 10 5 | | | | | | | | | | | | | | | | | | | | | | |
| CAPITAL STRUCTURE as of 12/31/21 Total Debt \$2000.6 mill. Due in 5 Yrs \$260.1 mill. LT Debt \$2000.6 mill. LT Interest \$83.4 mill. (LT interest earned: 3.8x) | | | | 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 | | | | | | | | | | | | © VALUE LINE PUB. LLC 25-27 | | | | | | |
| Pension Assets-12/21 \$984.5 mill. Oblig \$1346.5 mill. | | | | 21.23 19.51 20.47 21.92 20.97 20.55 21.55 24.81 25.51 25.23 25.04 26.76 27.19 26.70 26.77 28.86 29.70 30.70 4.58 4.11 4.27 5.07 5.35 5.84 5.93 6.29 6.58 6.70 6.86 7.50 7.85 8.07 8.19 8.41 8.41 8.75 9.10 2.35 1.86 2.18 2.64 2.95 3.36 3.37 3.64 3.85 3.87 3.94 4.21 4.49 4.61 4.69 4.85 5.05 5.25 1.20 1.20 1.20 1.20 1.20 1.20 1.37 1.57 1.76 1.92 2.08 2.24 2.40 2.56 2.72 2.88 3.05 3.25 5.16 6.39 5.19 5.26 6.85 6.76 4.78 4.68 5.45 5.84 5.89 5.66 5.51 5.53 6.16 5.94 10.60 14.95 25.77 26.79 27.76 29.17 31.01 33.19 35.07 36.84 38.85 40.88 42.74 44.65 47.01 48.88 50.73 52.82 54.85 56.85 43.63 45.06 46.92 47.90 49.41 49.95 50.16 50.23 50.27 50.34 50.40 50.42 50.42 50.42 50.46 50.52 50.50 50.50 | | | | | | | | | | | | Revenues per sh 34.50 "Cash Flow" per sh 10.25 Earnings per sh ^A 6.00 Div'd Decl'd per sh ^B + 4.00 Cap'l Spending per sh 10.00 Book Value per sh ^C 64.00 Common Shs Outst'g ^D 52.00 | | | | | | |
| Prd Stock None Common Stock 50,523,810 shs. as of 2/11/22 MARKET CAP: \$5.9 billion (Large Cap) | | | | 15.1 18.2 13.9 10.2 11.8 11.5 12.4 13.4 14.7 16.2 19.1 20.6 20.5 22.3 19.9 20.8 .82 .97 .84 .68 .75 .72 .79 .75 .77 .82 1.00 1.04 1.11 1.19 1.19 1.14 3.4% 3.5% 4.0% 4.5% 3.4% 3.1% 3.3% 3.2% 3.1% 3.1% 2.8% 2.6% 2.6% 2.5% 2.9% 2.9% | | | | | | | | | | | | Bold figures are Value Line estimates Avg Ann'l P/E Ratio 19.5 Relative P/E Ratio 1.10 Avg Ann'l Div'd Yield 3.4% | | | | | | |
| ELECTRIC OPERATING STATISTICS 2019 2020 2021 % Change Retail Sales (KWH) -3 +2.0 +3.9 Avg. Indust. Use (MWH) NA NA NA Avg. Indust. Revs. per KWH (c) 5.32 5.38 5.62 Capacity at Peak (Mw) NA NA NA Peak Load, Summer (Mw) 3242 3392 3751 Annual Load Factor (%) NA NA NA % Change Customers (yr-end) +2.5 +2.7 +2.8 | | | | 1080.7 1246.2 1282.5 1270.3 1262.0 1349.5 1370.8 1346.4 1350.7 1458.1 1500 1550 168.9 182.4 193.5 194.7 198.3 212.4 226.8 232.9 237.4 245.6 255 265 13.4% 28.3% 8.0% 19.0% 15.5% 18.6% 7.1% 9.5% 10.8% 13.1% 13.0% 13.0% 20.3% 12.3% 13.6% 16.3% 16.3% 13.9% 15.2% 16.2% 17.3% 17.7% 20.0% 21.0% 45.5% 46.6% 45.3% 45.6% 44.8% 43.7% 43.6% 41.3% 43.9% 42.8% 44.5% 48.5% 54.5% 53.4% 54.7% 54.4% 55.2% 56.3% 56.4% 58.7% 56.1% 57.2% 55.5% 51.5% 3225.4 3465.9 3567.6 3783.3 3898.5 3997.5 4205.1 4201.3 4560.4 4669.1 4995 5570 3536.0 3665.0 3833.5 3992.4 4172.0 4283.9 4395.7 4531.5 4709.5 4901.8 5250 5810 6.5% 6.4% 6.6% 6.2% 6.1% 6.3% 6.4% 6.5% 6.1% 6.2% 6.0% 5.5% 9.6% 9.9% 9.9% 9.5% 9.2% 9.4% 9.6% 9.4% 9.3% 9.2% 9.0% 9.0% 9.6% 9.9% 9.9% 9.5% 9.2% 9.4% 9.6% 9.4% 9.3% 9.2% 9.0% 9.0% 5.7% 5.6% 5.4% 4.8% 4.3% 4.4% 4.4% 4.2% 3.9% 3.7% 3.5% 3.5% 41% 43% 46% 50% 53% 53% 54% 54% 58% 60% 60% 62% | | | | | | | | | | | | Revenues (\$mill) 1800 Net Profit (\$mill) 310 Income Tax Rate 13.0% AFUDC % to Net Profit 16.0% Long-Term Debt Ratio 51.0% Cap'l Expenditure Ratio 49.0% Total Capital (\$mill) 6800 Net Plant (\$mill) 6700 Return on Total Cap'l 5.5% Return on Shr. Equity 9.5% Return on Com Equity ^E 9.5% Retained to Com Eq 3.0% All Div'ds to Net Prof 67% | | | | | | |
| ANNUAL RATES of change (per sh) Revenues 2.5% "Cash Flow" 4.5% Earnings 4.5% Dividends 8.5% Book Value 5.0% | | | | Past 10 Yrs. 2.5% Past 5 Yrs. 1.5% Past Est'd '19-'21 4.0% '25-'27 2.0% | | | | | | | | | | | | BUSINESS: IDACORP, Inc. is a holding company for Idaho Power Company, a regulated electric utility that serves 604,000 customers throughout a 24,000-square-mile area in southern Idaho and eastern Oregon (population: 1.3 million). Most of the company's revenues are derived from the Idaho portion of its service area. Revenue breakdown: residential, 45%; commercial, 24%; industrial, 15%; irrigation, 13%; other, 3%. Generating sources: hydro, 30%; coal, 17%; gas, 15%; purchased, 38%. Fuel costs: 36% of revenues. '21 reported depreciation rate: 2.9%. Has 2,000 employees. Chairman: Richard J. Dahl. President & CEO: Lisa Grow. Incorporated: Idaho. Address: 1221 W. Idaho St., Boise, Idaho 83702. Telephone: 208-388-2200. Internet: www.idacorpinc.com. | | | | | | |
| QUARTERLY REVENUES (\$mill.) Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | 2019 350.3 316.9 386.3 292.9 1346.4 2020 291.0 318.8 425.3 315.6 1350.7 2021 316.1 360.1 446.9 335.0 1458.1 2022 330 355 465 350 1500 2023 345 360 480 365 1550 | | | | | | | | | | | | We expect IDACORP to continue its solid performance in 2022. The company has been producing steady earnings growth for the past several years. IDACORP's utility subsidiary, Idaho Power, is benefiting from its service area's healthy economy and population growth. Customer growth has been accelerating, and was 2.8% in 2021. Besides growth in the region's traditional industries, such as food processing and mining (a cobalt mine is scheduled to begin operating in mid-2022), new industrial customers such as data centers are entering the service area. The company has controlled operating and maintenance expenses effectively, even with inflationary pressures. All told, we estimate earnings of \$5.05 a share this year, which is at the upper end of IDACORP's targeted range of \$4.85-\$5.05 a share. Management's guidance is typically conservative, and is usually raised as the year progresses. The same positive factors should produce additional profit growth in 2023. Our estimate is \$5.25 a share. | | | | | | |
| EARNINGS PER SHARE ^A Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | 2019 .84 1.05 1.78 .93 4.61 2020 .74 1.19 2.02 .74 4.69 2021 .89 1.38 1.93 .65 4.85 2022 .95 1.25 2.10 .75 5.05 2023 1.00 1.30 2.20 .75 5.25 | | | | | | | | | | | | rise. Idaho Power plans to boost its ownership in a \$1.0 billion-\$1.2 billion transmission line from 21% to 45%. The utility plans to spend \$400 million for 120 megawatts of battery storage, which is expected to be in service by June of 2023. This will require financing. Initially, the company will use debt, but by 2024, IDACORP will probably issue equity. | | | | | | |
| QUARTERLY DIVIDENDS PAID ^B + † Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year | | | | 2018 .59 .59 .59 .63 2.40 2019 .63 .63 .63 .67 2.56 2020 .67 .67 .67 .71 2.72 2021 .71 .71 .71 .75 2.88 2022 .75 | | | | | | | | | | | | Rate cases might well be upcoming. Idaho Power's rapid customer growth has enabled the utility to go for more than 10 years without filing a rate application. However, the company's capital spending since then will need to be placed in rates, especially in view of the increased capital budget. The utility will probably file both in Idaho and Oregon. Any rate relief won't come until 2023. | | | | | | |
| FIXED CHARGE COV. (%) 307 313 334 | | | | The untimely stock's dividend yield is below the utility average. The market has recognized IDACORP's consistency. (Note the Earnings Predictability score.) Total return potential does not stand out for the next 18 months or the 3- to 5-year period. The recent quotation is within our 2025-2027 Target Price Range. | | | | | | | | | | | | Paul E. Debbas, CFA April 22, 2022 | | | | | | |
| COMPANY'S FINANCIAL STRENGTH Stock's Price Stability Price Growth Persistence Earnings Predictability | | | | A+ 100 70 100 | | | | | | | | | | | | To subscribe call 1-800-VALUELINE | | | | | | |

(A) Diluted EPS. Excl. nonrecurring gain: '06, '17. '19 earnings don't sum due to rounding. Next earnings report due late April. (B) Dividends historically paid in late Feb., May, Aug., and Nov. (C) Dividend reinvestment plan available. (D) Shareholder investment plan available. (E) Incl. intangibles. In '21: \$1,462.4 mill., \$28.95/sh. (F) In millions. (G) Rate base: Net original cost. Rate allowed on common equity in '12: 10% (imputed); earned on avg. com. eq., '21: 9.4%. Regulatory Climate: Above Average.

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| NORTHWESTERN NDQ-NWE | | | | RECENT PRICE | P/E RATIO | RELATIVE P/E RATIO | DIV'D YLD | VALUE LINE | |
|--|--|--|--|---|-------------------------------------|--------------------|-----------|------------|--|
| TIMELINESS 5 Lowered 2/25/22 SAFETY 2 Raised 7/27/18 TECHNICAL 4 Raised 4/8/22 BETA .95 (1.00 = Market) | | | | 60.10 | 18.7 (Trailing: 16.7; Median: 17.0) | 1.05 | 4.2% | | |
| 18-Month Target Price Range Low-High \$49-\$74 Midpoint (% to Mid) \$62 (0%) | | | | | | | | | Target Price Range 2025 2026 2027 |
| 2025-27 PROJECTIONS High Price 80 Gain (+35%) Ann'l Total Return 11% Low Price 55 Gain (-10%) Ann'l Total Return 2% | | | | | | | | | % TOT. RETURN 3/22 THIS STOCK VL ARITH. INDEX 1 yr. -2.8 4.3 3 yr. -2.8 54.0 5 yr. 25.4 73.6 |
| Institutional Decisions 202021 3Q2021 4Q2021 to Buy 118 121 170 to Sell 125 112 105 Hld's(000) 47852 49375 56973 | | | | Percent shares traded 30 20 10 | | | | | |
| CAPITAL STRUCTURE as of 12/31/21 Total Debt \$2556.2 mill. Due in 5 Yrs \$1037.4 mill. LT Debt \$2553.4 mill. LT Interest \$87.8 mill. Incl. \$11.9 mill. finance leases. (LT interest earned: 2.8x) | | | | 1070.3 1154.5 1204.9 1214.3 1257.2 1305.7 1198.1 1257.9 1198.7 1372.3 1400 1450 83.7 94.0 120.7 138.4 164.2 162.7 171.1 179.3 155.2 186.8 185 205 9.6% 13.2% -- 13.7% -- 7.6% -- 1.6% 1.6% 1.8% 1.5% 3.0% 9.4% 8.7% 8.9% 9.8% 4.3% 5.2% 3.4% 4.6% 6.3% 14.4% 16.0% 14.0% 53.8% 53.5% 53.4% 53.1% 52.0% 50.2% 52.2% 52.5% 52.8% 52.2% 50.0% 49.5% 46.2% 46.5% 46.6% 46.9% 48.0% 49.8% 47.8% 47.5% 47.2% 47.8% 50.0% 50.5% | | | | | Revenues per sh 25.75 "Cash Flow" per sh 8.00 Earnings per sh ^A 4.00 Div'd Decl'd per sh ^B + 2.70 Cap'l Spending per sh 6.50 Book Value per sh ^C 49.50 Common Shs Outst'g ^D 62.00 Avg Ann'l P/E Ratio 17.0 Relative P/E Ratio .95 Avg Ann'l Div'd Yield 4.0% |
| Pension Assets-12/21 \$605.5 mill. Oblig \$696.8 mill. Pfd Stock None Common Stock 54,082,096 shs. as of 2/4/22 MARKET CAP: \$3.3 billion (Mid Cap) | | | | 2020.7 2215.7 3168.0 3408.6 3493.9 3614.5 4064.6 4289.8 4409.1 4893.1 5190 5660 2435.6 2690.1 3758.0 4059.5 4214.9 4358.3 4521.3 4700.9 4952.9 5247.2 5630 5980 5.5% 5.5% 4.8% 5.2% 5.9% 5.6% 5.2% 5.2% 4.5% 4.7% 4.5% 4.5% 9.0% 9.1% 8.2% 8.6% 9.8% 9.0% 8.8% 8.8% 7.5% 8.0% 7.0% 7.0% 9.0% 9.1% 8.2% 8.6% 9.8% 9.0% 8.8% 8.8% 7.5% 8.0% 7.0% 7.0% 3.2% 3.5% 3.8% 3.0% 4.1% 3.4% 3.2% 3.1% 1.7% 2.5% 1.5% 2.0% 65% 61% 54% 65% 58% 62% 64% 64% 78% 69% 76% 75% | | | | | Revenues (\$mill) 1600 Net Profit (\$mill) 250 Income Tax Rate 12.0% AFUDC % to Net Profit 10.0% Long-Term Debt Ratio 49.0% Common Equity Ratio 51.0% Total Capital (\$mill) 6025 Net Plant (\$mill) 6550 Return on Total Cap'l 5.0% Return on Shr. Equity 8.0% Return on Com Equity ^E 8.0% Retained to Com Eq 2.5% All Div's to Net Prof 67% |
| ELECTRIC OPERATING STATISTICS 2019 2020 2021 % Change Retail Sales (KWH) +4.6 -4.4 +.7 Avg. Indust. Use (MWH) 37808 33526 31792 Avg. Indust. Revs. per KWH (c) NA NA NA Capacity at Peak (Mw) NA NA NA Peak Load, Winter (Mw) 2257 NA NA Annual Load Factor (%) NA NA NA % Change Customers (yr-end) +1.2 +1.2 +1.6 | | | | BUSINESS: NorthWestern Corporation (doing business as NorthWestern Energy) supplies electricity & gas in the Upper Midwest and Northwest, serving 456,000 electric customers in Montana and South Dakota and 298,000 gas customers in Montana (85% of gross margin), South Dakota (14%), and Nebraska (1%). Electric revenue breakdown: residential, 43%; commercial, 49%; industrial, 4%; other, 4%. Generating sources: coal, 28%; hydro, 27%; wind, 6%; other, 4%; purchased, 35%. Fuel costs: 31% of revenues. '21 reported deprec. rate: 2.8%. Has 1,500 employees. Chairman: Dana J. Dykhouse. CEO: Robert C. Rowe. President & COO: Brian B. Bird. Inc.: DE. Address: 3010 West 69th Street, Sioux Falls, SD 57108. Tel.: 605-978-2900. Internet: www.northwesternenergy.com. | | | | | |
| ANNUAL RATES of change (per sh) Revenues -2.5% "Cash Flow" 3.5% Earnings 4.5% Dividends 5.5% Book Value 6.0% | | | | NorthWestern's share earnings will likely decline this year. Dilution from an increase in average shares outstanding is a key reason. Last year, the company issued \$200 million in common equity, and will issue \$300 million more in 2022 and/or early 2023 through a forward equity sale. NorthWestern wants to finance its capital budget and strengthen its balance sheet. Other factors are higher property and other taxes and increased depreciation. Our estimate is at the midpoint of management's targeted range of \$3.20-\$3.40 a share. We look for a partial earnings recovery in 2023. NorthWestern plans to file a rate case in Montana later in 2022, and thus should obtain some rate relief next year. However, average shares outstanding will once again rise due to the equity that will be issued through the forward sale agreement. Our estimate of \$3.40 a share would produce a 3% increase. This is at the low end of the company's goal for annual earnings growth of 3%-6%. The board of directors raised the dividend in the first quarter. However, the increase, at one cent a share (1.6%) quar- | | | | | Past 10 Yrs. -2.5% Past 5 Yrs. -1.0% Est'd '19-'21 to '25-'27 .5% 2019 2020 2021 1.44 .49 .42 1.18 3.53 1.00 .43 .58 1.06 3.06 1.24 .72 .68 .96 3.60 2022 1.15 .50 .60 1.05 3.30 2023 1.20 .50 .60 1.10 3.40 |
| QUARTERLY REVENUES (\$ mill.) Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 384.2 270.7 274.8 328.2 1257.9 2020 335.3 269.4 280.6 313.4 1198.7 2021 400.8 298.2 326.0 347.3 1372.3 2022 410 305 330 355 1400 2023 430 315 340 365 1450 | | | | terly, was half of the hike of last year (which itself was below increases in recent years). Even if share net reaches the upper end of the company's guidance in 2022, the payout ratio will still be above its target of 60%-70%. In the long run, dividend growth will probably approximate earnings growth. NorthWestern is adding generating capacity. Last year, the company purchased 35% of its power, and wind or solar energy cannot be dispatched. An \$80 million, 58-megawatt gas-fired plant in South Dakota is on schedule for completion soon. The utility plans to build a \$275 million, 175-mw facility in Montana, but litigation has been filed challenging the air-quality permit that was issued. This plant is scheduled to begin commercial operation during the 2023-2024 winter season. The dividend yield of this untimely stock is about a percentage point above the utility mean. However, total return potential does not stand out for the next 18 months or for the 3- to 5-year period. The recent quotation is within our 2025-2027 Target Price Range. <i>Paul E. Debbas, CFA April 22, 2022</i> | | | | | |
| EARNINGS PER SHARE ^A Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 1.44 .49 .42 1.18 3.53 2020 1.00 .43 .58 1.06 3.06 2021 1.24 .72 .68 .96 3.60 2022 1.15 .50 .60 1.05 3.30 2023 1.20 .50 .60 1.10 3.40 | | | | erly, was half of the hike of last year (which itself was below increases in recent years). Even if share net reaches the upper end of the company's guidance in 2022, the payout ratio will still be above its target of 60%-70%. In the long run, dividend growth will probably approximate earnings growth. NorthWestern is adding generating capacity. Last year, the company purchased 35% of its power, and wind or solar energy cannot be dispatched. An \$80 million, 58-megawatt gas-fired plant in South Dakota is on schedule for completion soon. The utility plans to build a \$275 million, 175-mw facility in Montana, but litigation has been filed challenging the air-quality permit that was issued. This plant is scheduled to begin commercial operation during the 2023-2024 winter season. The dividend yield of this untimely stock is about a percentage point above the utility mean. However, total return potential does not stand out for the next 18 months or for the 3- to 5-year period. The recent quotation is within our 2025-2027 Target Price Range. <i>Paul E. Debbas, CFA April 22, 2022</i> | | | | | |
| QUARTERLY DIVIDENDS PAID ^B + [†] Cal-endar Mar.31 Jun.30 Sep.30 Dec.31 Full Year 2019 .55 .55 .55 .55 2.20 2020 .575 .575 .575 .575 2.30 2021 .60 .60 .60 .60 2.40 2022 .62 .62 .62 .62 2.48 2023 .63 | | | | erly, was half of the hike of last year (which itself was below increases in recent years). Even if share net reaches the upper end of the company's guidance in 2022, the payout ratio will still be above its target of 60%-70%. In the long run, dividend growth will probably approximate earnings growth. NorthWestern is adding generating capacity. Last year, the company purchased 35% of its power, and wind or solar energy cannot be dispatched. An \$80 million, 58-megawatt gas-fired plant in South Dakota is on schedule for completion soon. The utility plans to build a \$275 million, 175-mw facility in Montana, but litigation has been filed challenging the air-quality permit that was issued. This plant is scheduled to begin commercial operation during the 2023-2024 winter season. The dividend yield of this untimely stock is about a percentage point above the utility mean. However, total return potential does not stand out for the next 18 months or for the 3- to 5-year period. The recent quotation is within our 2025-2027 Target Price Range. <i>Paul E. Debbas, CFA April 22, 2022</i> | | | | | |

(A) Diluted EPS. Excl. nonrecurring gains: '12, 39¢ net; '15, 27¢; '18, 52¢; '19, 45¢. '20 EPS don't sum due to rounding. Next earnings report due late April. (B) Div'd historically paid in late Mar., June, Sept. & Dec. (C) Div'd reinvest. plan avail. (D) Shareholder invest. plan avail. (E) Incl. def'd charges. In '21: \$19.39/sh. (F) In mill. (G) Rate based: Net orig. cost. Rate allowed on com. eq. in MT in '19 (elec.); 9.65%; in '17 (gas); 9.55%; in SD in '15: none specified; in NE in '07: 10.4%; earned on avg. com. eq., '21: 8.5%. Regulatory Climate: Below Average.

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Company's Financial Strength B++
Stock's Price Stability 90
Price Growth Persistence 45
Earnings Predictability 90

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| OGE ENERGY CORP. NYSE-OGE | | | | RECENT PRICE | 37.55 | P/E RATIO | 15.2 (Trailing: 16.0 Median: 17.0) | RELATIVE P/E RATIO | 0.85 | DIV'D YLD | 4.4% | VALUE LINE | | | | | | | |
|---|--|--------|--------|---|--------|-----------|------------------------------------|--------------------|--------|-----------|--------|------------|--------------------------------------|--------|--------|---------------------------------------|--------|----------------------------------|--------|
| TIMELINESS 4 Lowered 12/17/21 | High: 28.6 | 30.1 | 40.0 | 39.3 | 36.5 | 34.2 | 37.4 | 41.8 | 45.8 | 46.4 | 38.6 | 38.5 | Target Price Range 2025 2026 2027 | | | | | | |
| SAFETY 2 Lowered 12/18/15 | Low: 20.3 | 25.1 | 27.7 | 32.8 | 24.2 | 23.4 | 32.6 | 29.6 | 38.0 | 23.0 | 29.2 | 35.2 | | | | | | | |
| TECHNICAL 2 Lowered 3/11/22 | LEGENDS 0.56 x Dividends p sh divided by Interest Rate Relative Price Strength 2-for-1 split 7/13 Options: Yes Shaded area indicates recession | | | | | | | | | | | | | | | | | | |
| BETA 1.05 (1.00 = Market) | 18-Month Target Price Range Low-High Midpoint (% to Mid) \$27-\$43 \$35 (-5%) | | | | | | | | | | | | | | | | | | |
| 2025-27 PROJECTIONS High Price 55 Gain (+45%) Ann'l Total Return 13% Low Price 40 Gain (+5%) Return 6% | | | | | | | | | | | | | | | | | | | |
| Institutional Decisions 202021 3Q2021 4Q2021 to Buy 165 188 230 to Sell 229 157 150 Hld's(000) 125366 126167 128749 Percent shares traded 18 12 6 | | | | | | | | | | | | | | | | | | | |
| 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 © VALUE LINE PUB. LLC 25-27 | | | | | | | | | | | | | | | | | | | |
| 21.96 | 20.68 | 21.77 | 14.79 | 19.04 | 19.96 | 18.58 | 14.45 | 12.30 | 11.00 | 11.31 | 11.32 | 11.37 | 11.15 | 10.61 | 18.26 | 14.00 | 15.00 | Revenues per sh | 18.25 |
| 2.23 | 2.39 | 2.40 | 2.69 | 3.01 | 3.31 | 3.69 | 3.46 | 3.40 | 3.23 | 3.31 | 3.34 | 3.74 | 4.02 | 4.03 | 4.44 | 4.70 | 4.95 | "Cash Flow" per sh | 6.25 |
| 1.23 | 1.32 | 1.25 | 1.33 | 1.50 | 1.73 | 1.79 | 1.94 | 1.98 | 1.69 | 1.69 | 1.92 | 2.12 | 2.24 | 2.08 | 2.36 | 2.50 | 2.65 | Earnings per sh ^A | 3.25 |
| .67 | .68 | .70 | .71 | .73 | .76 | .80 | .85 | .95 | 1.05 | 1.16 | 1.27 | 1.40 | 1.51 | 1.58 | 1.63 | 1.66 | 1.70 | Div'd Decl'd per sh ^B | 1.85 |
| 2.67 | 3.04 | 4.01 | 4.37 | 4.36 | 6.48 | 5.85 | 4.99 | 2.86 | 2.74 | 3.31 | 4.13 | 2.87 | 3.18 | 3.25 | 3.89 | 4.75 | 4.75 | Cap'l Spending per sh | 4.75 |
| 8.79 | 9.16 | 10.14 | 10.52 | 11.73 | 13.06 | 14.00 | 15.30 | 16.27 | 16.66 | 17.24 | 19.28 | 20.06 | 20.69 | 18.15 | 20.27 | 21.10 | 22.05 | Book Value per sh ^C | 25.75 |
| 182.40 | 183.60 | 187.00 | 194.00 | 195.20 | 196.20 | 197.60 | 198.50 | 199.40 | 199.70 | 199.70 | 199.70 | 199.70 | 200.10 | 200.10 | 200.10 | 200.10 | 200.10 | Common Shs Outst'g ^D | 200.10 |
| 13.7 | 13.8 | 12.4 | 10.8 | 13.3 | 14.4 | 15.2 | 17.7 | 18.3 | 17.7 | 17.7 | 18.3 | 16.5 | 19.0 | 16.2 | 14.3 | Bold figures are Value Line estimates | | Avg Ann'l P/E Ratio | 14.0 |
| .74 | .73 | .75 | .72 | .85 | .90 | .97 | .99 | .96 | .89 | .93 | .92 | .89 | 1.01 | .83 | .76 | | | Relative P/E Ratio | .80 |
| 4.0% | 3.8% | 4.5% | 5.0% | 3.7% | 3.1% | 2.9% | 2.5% | 2.6% | 3.5% | 3.9% | 3.6% | 4.0% | 3.5% | 4.7% | 4.8% | | | Avg Ann'l Div'd Yield | 4.0% |
| CAPITAL STRUCTURE as of 12/31/21 | | | | Total Debt \$4983.3 mill. Due in 5 Yrs \$1486.9 mill. LT Debt \$4496.4 mill. LT Interest \$158.7 mill. (LT interest earned: 4.4x) | | | | | | | | | | | | | | | |
| Leases, Uncapitalized Annual rentals \$5.7 mill. | | | | 3671.2 2867.7 2453.1 2196.9 2259.2 2261.1 2270.3 2231.6 2122.3 3653.7 2800 3000 Revenues (\$mill) 3650 355.0 387.6 395.8 337.6 338.2 384.3 425.5 449.6 415.9 472.5 500 530 Net Profit (\$mill) 660 | | | | | | | | | | | | | | | |
| Pension Assets-12/21 \$486.0 mill. Oblig \$502.9 mill. | | | | 26.0% 24.9% 30.4% 29.2% 30.5% 32.5% 14.5% 7.4% 13.2% 11.5% 12.0% 12.0% Income Tax Rate 12.0% 2.7% 2.6% 1.7% 3.7% 6.4% 15.0% 8.3% 1.6% 1.6% 2.2% 2.0% 2.0% AFUDC % to Net Profit 2.0% | | | | | | | | | | | | | | | |
| Pfd Stock None | | | | 50.7% 43.1% 45.9% 44.3% 41.1% 41.7% 42.0% 43.6% 49.0% 52.6% 47.5% 53.0% Long-Term Debt Ratio 50.5% 49.3% 56.9% 54.1% 55.7% 58.9% 58.3% 58.0% 56.4% 51.0% 47.4% 52.5% 47.0% Common Equity Ratio 49.5% | | | | | | | | | | | | | | | |
| Common Stock 200,201,818 shs. as of 1/31/22 | | | | 5615.8 5337.2 5999.7 5971.6 5849.6 6600.7 6902.0 7334.7 7126.2 8552.7 8020 9360 Total Capital (\$mill) 10375 8344.8 6672.8 6979.9 7322.4 7696.2 8339.9 8643.8 9044.6 9374.6 9832.9 10345 10830 Net Plant (\$mill) 12075 | | | | | | | | | | | | | | | |
| MARKET CAP: \$7.5 billion (Large Cap) | | | | 7.7% 8.6% 7.8% 6.9% 7.0% 7.0% 7.3% 7.1% 6.9% 6.4% 7.5% 6.5% Return on Total Cap'l 7.5% 12.8% 12.8% 12.2% 10.2% 9.8% 10.0% 10.6% 10.9% 11.5% 11.6% 12.0% 12.0% Return on Shr. Equity 13.0% 12.8% 12.8% 12.2% 10.2% 9.8% 10.0% 10.6% 10.9% 11.5% 11.6% 12.0% 12.0% Return on Com Equity ^E 13.0% 7.2% 7.3% 6.5% 4.0% 3.3% 3.5% 3.8% 3.6% 2.8% 3.6% 4.0% 4.5% Retained to Com Eq 5.5% 44% 43% 47% 61% 67% 64% 64% 67% 76% 69% 66% 64% All Div'ds to Net Prof 56% | | | | | | | | | | | | | | | |
| ELECTRIC OPERATING STATISTICS | | | | BUSINESS: OGE Energy Corp. is a holding company for Oklahoma Gas and Electric Company (OG&E), which supplies electricity to 879,000 customers in Oklahoma (84% of electric revenues) and western Arkansas (8%); wholesale is (8%). Owns 3% of Energy Transfer's limited partnership units. Electric revenue breakdown: residential, 44%; commercial, 25%; industrial, 11%; oilfield, 10%; other, 10%. Generating sources: gas, 25%; coal, 21%; wind, 6%; purchased, 48%. Fuel costs: 58% of revenues. '21 reported depreciation rate (utility): 2.6%. Has 2,200 employees. Chairman, President and Chief Executive Officer: Sean Trauschke. Incorporated: Oklahoma. Address: 321 North Harvey, P.O. Box 321, Oklahoma City, OK 73101-0321. Tel.: 405-553-3000. Internet: www.oge.com. | | | | | | | | | | | | | | | |
| ANNUAL RATES | | | | OGE Energy's utility subsidiary filed a general rate case in Oklahoma. Oklahoma Gas and Electric requested a hike of \$163.5 million, based on a 10.2% return on equity and a 53.4% common-equity ratio. The utility is seeking to place capital spending from the past three years into the rate base and asking the commission for a performance-based ratemaking plan, similar to what gas utilities have in the state. An order is expected in time for new tariffs to take effect in mid-2022. | | | | | | | | | | | | | | | |
| QUARTERLY REVENUES (\$ mill.) | | | | A rate matter is pending in Arkansas. OG&E reached a settlement calling for a \$4.2 million increase on April 1st under the state's formula rate plan. The utility also requested a five-year extension to this plan, and expects a decision in April. | | | | | | | | | | | | | | | |
| EARNINGS PER SHARE ^A | | | | The company wants to sell its stake in Energy Transfer. OGE Energy owns 95 million units (valued at \$931 million) of the master limited partnership, which completed the acquisition of Enable Midstream Partners in December. OGE Energy booked an aftertax gain of \$264.8 million (\$1.32 a share) on the transaction, which we excluded from our earnings presentation as a nonrecurring item. The com- | | | | | | | | | | | | | | | |
| QUARTERLY DIVIDENDS PAID ^B | | | | many plans to use the proceeds from the unit sales to reinvest in OG&E. The sale process will be gradual and might not be completed until 2023. | | | | | | | | | | | | | | | |
| Full Year | | | | Our earnings estimates require an explanation. We are including equity income from OGE Energy's stake in Energy Transfer until the units are sold. Management is giving earnings guidance only for its OG&E subsidiary. The utility earned \$1.80 a share last year, and the company's guidance for 2022 is \$1.87-\$1.97. The service area's economy is healthy, and customer growth is accelerating. OG&E's long-term earnings growth rate target is 5%-7% annually. Dividend hikes will lag profit growth for a while because the payout ratio is higher than OGE Energy wants. Note that the steep revenue decline likely this year is not a concern because a surge in gas and power prices, passed through to customers, caused a big jump in the top line in the first quarter of 2021. | | | | | | | | | | | | | | | |
| Full Year | | | | This stock is untimely, but has an attractive dividend yield. Total return prospects are below the median for the 18-month span and the 3- to 5-year period. | | | | | | | | | | | | | | | |
| Full Year | | | | Paul E. Debbas, CFA March 11, 2022 | | | | | | | | | | | | | | | |
| Full Year | | | | Company's Financial Strength A Stock's Price Stability 85 Price Growth Persistence 25 Earnings Predictability 90 | | | | | | | | | | | | | | | |

(A) Diluted EPS. Excl. nonrecurring gains (losses): '15, (33c); '17, \$1.18; '19, (8c); '20, (\$2.95); '21, \$1.32; gain on discount. ops.: '06, 20c. '19 & '21 EPS don't sum due to rounding.

Next earnings report due early May. (B) Div'd historically paid in late Jan., Apr., July, & Oct. ■ Div'd reinvestment plan avail. (C) Incl. deferred charges. In '21: \$6.15/sh. (D) In mill., adj. for

split. (E) Rate base: Net original cost. Rate allowed on com. eq. in OK in '19: 9.5%; in AR in '18: 9.5%; earned on avg. com. eq., '21: 12.7%. Regulatory Climate: Average.

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