

FOR IMMEDIATE RELEASE

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## **Edison International Reports Second Quarter and Year-to-Date 2020 Results**

ROSEMEAD, Calif., July 28, 2020 — Edison International (NYSE: EIX) today reported second quarter 2020 net income of \$318 million, or \$0.85 per share, compared to net income of \$392 million, or \$1.20 per share, in the second quarter 2019. As adjusted, second quarter 2020 core earnings were \$375 million, or \$1.00 per share, compared to core earnings of \$515 million, or \$1.58 per share, in the second quarter 2019.

Southern California Edison's (SCE) second quarter 2020 earnings per share (EPS) decreased by \$0.26 from the prior year period, consisting of lower core EPS of \$0.56 and lower non-core loss per share of \$0.30. Lower core EPS was primarily due to the increase in shares outstanding related to the equity offerings in July 2019 and May 2020, the adoption of the 2018 GRC decision in the second quarter of 2019, and the timing of O&M expenses, partially offset by higher CPUC-related revenue due to the escalation mechanism as set forth in the 2018 GRC decision.

SCE's lower non-core loss per share was mainly attributable to the absence of \$0.38 of disallowed historical capital expenditures in SCE's 2018 GRC decision recorded in the second quarter 2019, and a charge recorded in 2020 of \$0.16 from the amortization of SCE's contributions to the Wildfire Insurance Fund. These were partially offset by a gain of \$0.10 recorded in 2020 for SCE's sale of San Onofre nuclear fuel.

Edison International Parent and Other's second quarter 2020 loss per share increased by \$0.09 compared to second quarter 2019, consisting of higher core loss per share of \$0.02 and higher non-core loss per share of \$0.07. The higher core loss per share was primarily due to higher interest expense, partially offset by the increase in shares outstanding. The higher non-core loss per share was mainly related to a goodwill impairment charge recorded in 2020 related to Edison Energy stemming from the economic impact of COVID-19.

“We are confident in our 2020 earnings guidance, although the timing of operations and maintenance expenses and deferrals of certain wildfire-related costs negatively impacted our core earnings per share for the quarter. These comparisons should improve in the second half of the year,” said Pedro J. Pizarro, president and chief executive officer of Edison International. “I am proud of our team’s steadfast performance during this COVID-19 pandemic, focusing on practices to ensure the safety and health of employees and critical operations for customers’ benefit, including those laid out in SCE’s 2020–2022 Wildfire Mitigation Plan.”

Pizarro added, “While we anticipate another active fire season, SCE is entering this period better prepared than ever. In addition to advancing wildfire mitigation measures, the company has made improvements to Public Safety Power Shutoff, or PSPS, protocols since last year which we expect will reduce the number of customers affected by 30% under the same conditions as last year.”

Year-to-Date Earnings

For the six months ended June 30, 2020, Edison International reported net income of \$501 million, or \$1.37 per share, compared to \$670 million, or \$2.05 per share, during the same period in 2019. As adjusted, Edison International's core earnings were \$603 million, or \$1.65 per share, compared to \$721 million, or \$2.21 per share, in the year-to-date period in 2019.

SCE's year-to-date 2020 EPS decreased \$0.54 from the same period prior year, consisting of lower core EPS of \$0.50 per share and higher non-core loss per share of \$0.04. The decrease in SCE's core EPS was primarily due to the increase in shares outstanding related to the equity offerings in July 2019 and May 2020, the adoption of the 2018 GRC decision in the second quarter of 2019, and the timing of O&M expenses, partially offset by higher CPUC-related revenue due to the escalation mechanism as set forth in the 2018 GRC decision. SCE's higher non-core loss per share was mainly related to a charge of \$0.32 recorded in 2020 from the amortization of SCE's contributions to the Wildfire Insurance Fund and the absence of \$0.21 of income tax benefits related to changes in the allocation of deferred tax re-measurement between customers and shareholders as a result of a CPUC resolution issued in February 2019. These were partially offset by a \$0.09 higher gain for SCE's sale of San Onofre nuclear fuel and the absence of the \$0.38 impairment charge resulting from the disallowance of certain historical capital expenditures in SCE's 2018 GRC final decision recorded in the second quarter 2019.

Edison International Parent and Other's year-to-date 2020 loss per share increased by \$0.14 compared to the same period in 2019, consisting of higher core loss per share of \$0.06 and higher non-core loss per share of \$0.08. The increase in core loss per share was primarily due to higher interest expense, partially offset by the increase in shares outstanding. The higher non-core loss per share was mainly related to a goodwill impairment charge recorded in 2020 related to Edison Energy stemming from the economic impact of COVID-19.

Edison International uses core earnings, which is a non-GAAP financial measure that adjusts for significant discrete items that management does not consider representative of ongoing earnings. Edison International management believes that core earnings provide more meaningful comparisons of performance from period to period. Please see the attached tables for a reconciliation of core earnings to basic GAAP earnings.

2020 Earnings Guidance

The company narrowed its earnings guidance range for 2020 as summarized in the following chart. See the presentation accompanying the company's conference call for further information.

	<b>2020 Earnings Guidance</b>			
	<b>2020 Earnings Guidance</b>		<b>2020 Earnings Guidance</b>	
	<b>as of April 30, 2020</b>		<b>as of July 28, 2020</b>	
	<b>Low</b>	<b>High</b>	<b>Low</b>	<b>High</b>
<b>EIX Basic EPS</b>	<b>\$4.19</b>	<b>\$4.49</b>	<b>\$4.09</b>	<b>\$4.34</b>
Less: Non-core Items*	(0.13)	(0.13)	(0.28)	(0.28)
<b>EIX Core EPS</b>	<b>\$4.32</b>	<b>\$4.62</b>	<b>\$4.37</b>	<b>\$4.62</b>

\* There were (\$102) million, or (\$0.28) per share of non-core items recorded for the six months ended June 30, 2020, calculated based on an assumed weighted average share count for 2020.

Second Quarter 2020 Earnings Conference Call Materials

Edison International has posted its earnings conference call prepared remarks by the CEO and CFO, the teleconference presentation, and Form 10-Q to the company's investor relations website. These materials are available at [www.edisoninvestor.com](http://www.edisoninvestor.com).

Reminder: Edison International Will Hold a Conference Call Today

When: Tuesday, July 28, 2020, 1:30 p.m. (Pacific Time)  
Telephone Numbers: 1-888-673-9780 (US) and 1-312-470-0178 (Int'l) - Passcode: Edison  
Telephone Replay: 1-866-441-1051 (US) and 1-203-369-1058 (Int'l) - Passcode: 2548  
Telephone replay available through August 11, 2020  
Webcast: [www.edisoninvestor.com](http://www.edisoninvestor.com)

About Edison International

Edison International (NYSE: EIX) is one of the nation's largest electric utility holding companies, providing clean and reliable energy and energy services through its independent companies. Headquartered in Rosemead, California, Edison International is the parent company of Southern California Edison Company, a utility that delivers electricity to 15 million people across Southern, Central and Coastal California. Edison International is also the parent company of Edison Energy, a global energy advisory company delivering comprehensive, data-driven energy solutions to commercial and industrial users to meet their cost, sustainability and risk goals.

## Appendix

### Use of Non-GAAP Financial Measures

Edison International's earnings are prepared in accordance with generally accepted accounting principles used in the United States and represent the company's earnings as reported to the Securities and Exchange Commission. Our management uses core earnings and core earnings per share (EPS) internally for financial planning and for analysis of performance of Edison International and Southern California Edison. We also use core earnings and core EPS when communicating with analysts and investors regarding our earnings results to facilitate comparisons of the Company's performance from period to period. Financial measures referred to as net income, basic EPS, core earnings, or core EPS also apply to the description of earnings or earnings per share.

Core earnings and core EPS are non-GAAP financial measures and may not be comparable to those of other companies. Core earnings and core EPS are defined as basic earnings and basic EPS excluding income or loss from discontinued operations and income or loss from significant discrete items that management does not consider representative of ongoing earnings. Basic earnings and losses refer to net income or losses attributable to Edison International shareholders. Core earnings are reconciled to basic earnings in the attached tables. The impact of participating securities (vested awards that earn dividend equivalents that may participate in undistributed earnings with common stock) for the principal operating subsidiary is not material to the principal operating subsidiary's EPS and is therefore reflected in the results of the Edison International holding company, which is included in Edison International Parent and Other.

### Safe Harbor Statement

Statements contained in this presentation about future performance, including, without limitation, operating results, capital expenditures, rate base growth, dividend policy, financial outlook, and other statements that are not purely historical, are forward-looking statements. These forward-looking statements reflect our current expectations; however, such statements involve risks and uncertainties. Actual results could differ materially from current expectations. These forward-looking statements represent our expectations only as of the date of this presentation, and Edison International assumes no duty to update them to reflect new information, events or circumstances. Important factors that could cause different results include, but are not limited to the:

- ability of SCE to recover its costs through regulated rates, including costs related to uninsured wildfire-related and mudslide-related liabilities, costs incurred to mitigate the risk of utility equipment causing future wildfires, costs incurred to implement SCE's new customer service system and costs incurred as a result of the COVID-19 pandemic;
- ability of SCE to implement its Wildfire Mitigation Plan, including effectively implementing Public Safety Power Shut-Offs when appropriate;
- ability to obtain sufficient insurance at a reasonable cost, including insurance relating to SCE's nuclear facilities and wildfire-related claims, and to recover the costs of such insurance or, in the event liabilities exceed insured amounts, the ability to recover uninsured losses from customers or other parties;
- risks associated with California Assembly Bill 1054 ("AB 1054") effectively mitigating the significant risk faced by California investor-owned utilities related to liability for damages arising from catastrophic wildfires where utility facilities are alleged to be a substantial cause, including SCE's ability to maintain a valid safety certification, SCE's ability to recover uninsured wildfire-related costs from the insurance fund established under AB 1054 ("Wildfire Insurance Fund"), the longevity of the Wildfire Insurance Fund, and the CPUC's interpretation of and actions under AB 1054, including their interpretation of the new prudency standard established under AB 1054;
- decisions and other actions by the California Public Utilities Commission, the Federal Energy Regulatory Commission, the Nuclear Regulatory Commission and other governmental authorities, including decisions and actions related to nationwide or statewide crisis, determinations of authorized rates of return or return on

- equity, the recoverability of wildfire-related and mudslide-related costs, issuance of SCE's wildfire safety certification, wildfire mitigation efforts, and delays in executive, regulatory and legislative actions;
- ability of Edison International or SCE to borrow funds and access bank and capital markets on reasonable terms;
  - risks associated with the decommissioning of San Onofre, including those related to public opposition, permitting, governmental approvals, on-site storage of spent nuclear fuel, delays, contractual disputes, and cost overruns;
  - pandemics, such as COVID-19, and other events that cause regional, statewide, national or global disruption, which could impact, among other things, Edison International's and SCE's business, operations, cash flows, liquidity and/or financial results;
  - extreme weather-related incidents and other natural disasters (including earthquakes and events caused, or exacerbated, by climate change, such as wildfires), which could cause, among other things, public safety issues, property damage and operational issues;
  - physical security of Edison International's and SCE's critical assets and personnel and the cybersecurity of Edison International's and SCE's critical information technology systems for grid control, and business, employee and customer data;
  - risks associated with cost allocation resulting in higher rates for utility bundled service customers because of possible customer bypass or departure for other electricity providers such as Community Choice Aggregators ("CCA," which are cities, counties, and certain other public agencies with the authority to generate and/or purchase electricity for their local residents and businesses) and Electric Service Providers (entities that offer electric power and ancillary services to retail customers, other than electrical corporations (like SCE) and CCAs);
  - risks inherent in SCE's transmission and distribution infrastructure investment program, including those related to project site identification, public opposition, environmental mitigation, construction, permitting, power curtailment costs (payments due under power contracts in the event there is insufficient transmission to enable acceptance of power delivery), changes in the California Independent System Operator's transmission plans, and governmental approvals; and
  - risks associated with the operation of transmission and distribution assets and power generating facilities, including public, contractor and employee safety issues, the risk of utility assets causing or contributing to wildfires, failure, availability, efficiency, and output of equipment and facilities, and availability and cost of spare parts.

Additional information about risks and uncertainties, including more detail about the factors described in this report, is contained throughout this report and in the 2019 Form 10-K, including the "Risk Factors" section. Readers are urged to read this entire report, including information incorporated by reference, as well as the 2019 Form 10-K, and carefully consider the risks, uncertainties, and other factors that affect Edison International's and SCE's businesses. Edison International and SCE post or provide direct links (i) to certain SCE and other parties' regulatory filings and documents with the CPUC and the FERC and certain agency rulings and notices in open proceedings in a section titled "SCE Regulatory Highlights," (ii) to certain documents and information related to Southern California wildfires which may be of interest to investors in a section titled "Southern California Wildfires," and (iii) to presentations, documents and other information that may be of interest to investors in a section titled "Events and Presentations" at [www.edisoninvestor.com](http://www.edisoninvestor.com) in order to publicly disseminate such information.

These forward-looking statements represent our expectations only as of the date of this news release, and Edison International assumes no duty to update them to reflect new information, events or circumstances. Readers should review future reports filed by Edison International and SCE with the SEC.

**Second Quarter Reconciliation of Basic Earnings Per Share to Core Earnings Per Share**

	Three months ended June 30,			Six months ended June 30,		
	2020	2019	Change	2020	2019	Change
Earnings (loss) per share attributable to Edison International						
Continuing operations						
SCE	\$ 1.02	\$ 1.28	\$ (0.26)	\$ 1.64	\$ 2.18	\$ (0.54)
Edison International Parent and	(0.17)	(0.08)	(0.09)	(0.27)	(0.13)	(0.14)
Edison International	0.85	1.20	(0.35)	1.37	2.05	(0.68)
Less: Non-core items						
SCE	(0.08)	(0.38)	0.30	(0.20)	(0.16)	(0.04)
Edison International Parent and Other	(0.07)	—	(0.07)	(0.08)	—	(0.08)
Total non-core items	(0.15)	(0.38)	0.23	(0.28)	(0.16)	(0.12)
Core earnings (losses)						
SCE	1.10	1.66	(0.56)	1.84	2.34	(0.50)
Edison International Parent and Other	(0.10)	(0.08)	(0.02)	(0.19)	(0.13)	(0.06)
Edison International	\$ 1.00	\$ 1.58	\$ (0.58)	\$ 1.65	\$ 2.21	\$ (0.56)

Note: Diluted earnings were \$0.85 and \$1.20 per share for the three months ended June 30, 2020 and 2019, respectively, and \$1.36 and \$2.05 per share for the six months ended June 30, 2020 and 2019, respectively.

**Second Quarter Reconciliation of Basic Earnings Per Share to Core Earnings (in millions)**

(in millions)	Three months ended June 30,			Six months ended June 30,		
	2020	2019	Change	2020	2019	Change
Net income (loss) attributable to Edison International						
Continuing operations						
SCE	\$ 381	\$ 419	\$ (38)	\$ 600	\$ 712	\$ (112)
Edison International Parent and	(63)	(27)	(36)	(99)	(42)	(57)
Edison International	318	392	(74)	501	670	(169)
Less: Non-core items						
SCE <sup>1,2,3,4,5,6</sup>	(32)	(123)	91	(74)	(51)	(23)
Edison International Parent and	(25)	—	(25)	(28)	—	(28)
Total non-core items	(57)	(123)	66	(102)	(51)	(51)
Core earnings (losses)						
SCE	413	542	(129)	674	763	(89)
Edison International Parent and Other	(38)	(27)	(11)	(71)	(42)	(29)
Edison International	\$ 375	\$ 515	\$ (140)	\$ 603	\$ 721	\$ (118)

- <sup>1</sup> Includes amortization of SCE's Wildfire Insurance Fund expenses of \$83 million (\$60 million after-tax) and \$167 million (\$120 million after-tax) for the quarter and year-ended June 30, 2020, respectively.
- <sup>2</sup> Includes income tax benefit of \$18 million and income tax expense of \$3 million recorded in the first quarter of 2020 for SCE and Edison International Parent and Other, respectively, due to re-measurement of uncertain tax positions related to the 2010 – 2012 California state tax filings currently under audit.
- <sup>3</sup> Includes income tax benefits of \$69 million recorded in 2019 for SCE related to changes in the allocation of deferred tax re-measurement between customers and shareholders as a result of a CPUC resolution issued in February 2019. The resolution determined that customers are only entitled to excess deferred taxes which were included when setting rates and other deferred tax re-measurement belongs to shareholders.
- <sup>4</sup> Includes a gain of \$52 million (\$37 million after-tax) recorded in 2020 and \$4 million (\$3 million after-tax) recorded in 2019 for SCE's sale of San Onofre nuclear fuel.
- <sup>5</sup> Includes expenses of \$12 million (\$9 million after-tax) recorded in 2020 for SCE's legal costs related to 2017/2018 Wildfire/Mudslide events.
- <sup>6</sup> Includes an impairment charge of \$170 million (\$123 million after-tax) recorded in 2019 for SCE related to disallowed historical capital expenditures in SCE's 2018 GRC decision.
- <sup>7</sup> Includes a goodwill impairment charge of \$34 million (\$25 million after-tax) recorded in 2020 for Edison International Parent and Other related to Edison Energy stemming from the economic impact of COVID-19.

<b>Consolidated Statements of Income</b>	<b>Edison International</b>			
(in millions, except per-share amounts, unaudited)	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
<b>Total operating revenue</b>	\$ 2,987	\$ 2,812	\$ 5,777	\$ 5,636
Purchased power and fuel	1,068	1,135	1,996	2,140
Operation and maintenance	762	595	1,643	1,477
Wildfire Insurance Fund expense	83	—	167	—
Depreciation and amortization	489	321	973	801
Property and other taxes	103	93	214	203
Impairment and other	(18)	170	(18)	166
Other operating income	—	(2)	—	(3)
<b>Total operating expenses</b>	2,487	2,312	4,975	4,784
Operating income	500	500	802	852
Interest expense	(229)	(211)	(454)	(405)
Other income	81	55	133	93
Income before taxes	352	344	481	540
Income tax expense (benefit)	4	(78)	(80)	(190)
Net income	348	422	561	730
Preferred and preference stock dividend requirements of SCE	30	30	60	60
<b>Net income attributable to Edison International common shareholders</b>	\$ 318	\$ 392	\$ 501	\$ 670
<b>Basic earnings per share:</b>				
Weighted average shares of common stock outstanding	375	326	367	326
<b>Basic earnings per common share attributable to Edison International common shareholders:</b>	\$ 0.85	\$ 1.20	\$ 1.37	\$ 2.05
<b>Diluted earnings per share:</b>				
Weighted average shares of common stock outstanding, including effect of dilutive securities	376	327	368	327
<b>Diluted earnings per common share attributable to Edison International common shareholders</b>	\$ 0.85	\$ 1.20	\$ 1.36	\$ 2.05

<b>Consolidated Balance Sheets</b>	<b>Edison International</b>	
(in millions, unaudited)	June 30, 2020	December 31, 2019
<b>ASSETS</b>		
Cash and cash equivalents	\$ 524	\$ 68
Receivables, less allowances of \$91 and \$50 accounts at respective dates	936	788
Accrued unbilled revenue	629	488
Inventory	382	364
Income tax receivables	108	118
Prepaid expenses	49	214
Regulatory assets	1,692	1,009
Wildfire Insurance Fund contributions	323	323
Other current assets	153	188
<b>Total current assets</b>	<b>4,796</b>	<b>3,560</b>
Nuclear decommissioning trusts	4,566	4,562
Other investments	84	64
<b>Total investments</b>	<b>4,650</b>	<b>4,626</b>
Utility property, plant and equipment, less accumulated depreciation and amortization of \$10,371 and \$9,958 at respective dates	45,386	44,198
Nonutility property, plant and equipment, less accumulated depreciation of \$90 and \$86 at respective dates	167	87
<b>Total property, plant and equipment</b>	<b>45,553</b>	<b>44,285</b>
Regulatory assets	6,528	6,088
Wildfire Insurance Fund contributions	2,606	2,767
Operating lease right-of-use assets	672	693
Other long-term assets	2,246	2,363
<b>Total long-term assets</b>	<b>12,052</b>	<b>11,911</b>
<b>Total assets</b>	<b>\$ 67,051</b>	<b>\$ 64,382</b>

<b>Consolidated Balance Sheets</b>	<b>Edison International</b>	
(in millions, except share amounts, unaudited)	June 30, 2020	December 31, 2019
<b>LIABILITIES AND EQUITY</b>		
Short-term debt	\$ 475	\$ 550
Current portion of long-term debt	1,029	479
Accounts payable	1,657	1,752
Accrued interest	312	261
Customer deposits	281	302
Regulatory liabilities	857	972
Current portion of operating lease liabilities	65	80
Other current liabilities	1,223	1,127
<b>Total current liabilities</b>	<b>5,899</b>	<b>5,523</b>
<b>Long-term debt</b>	<b>19,238</b>	<b>17,864</b>
Deferred income taxes and credits	5,295	5,078
Pensions and benefits	656	674
Asset retirement obligations	3,013	3,029
Regulatory liabilities	8,395	8,385
Operating lease liabilities	607	613
Wildfire-related claims	4,561	4,568
Other deferred credits and other long-term liabilities	2,941	3,152
<b>Total deferred credits and other liabilities</b>	<b>25,468</b>	<b>25,499</b>
<b>Total liabilities</b>	<b>50,605</b>	<b>48,886</b>
Commitments and contingencies		
Common stock, no par value (800,000,000 shares authorized; 378,207,496 and 361,985,133 shares issued and outstanding at respective dates)	5,908	4,990
Accumulated other comprehensive loss	(65)	(69)
Retained earnings	8,410	8,382
<b>Total Edison International's common shareholders' equity</b>	<b>14,253</b>	<b>13,303</b>
Noncontrolling interests – preferred and preference stock of SCE	2,193	2,193
<b>Total equity</b>	<b>16,446</b>	<b>15,496</b>
<b>Total liabilities and equity</b>	<b>\$ 67,051</b>	<b>\$ 64,382</b>

**Consolidated Statements of Cash Flows**

**Edison International**

(in millions, unaudited)	Six months ended June 30,	
	2020	2019
<b>Cash flows from operating activities:</b>		
Net income	\$ 561	\$ 730
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation and amortization	1,005	837
Allowance for equity during construction	(51)	(49)
Impairment and other	(18)	166
Deferred income taxes	(58)	(182)
Wildfire Insurance Fund amortization expense	167	—
Other	32	13
Nuclear decommissioning trusts	(62)	(72)
Changes in operating assets and liabilities:		
Receivables	(108)	(72)
Inventory	(19)	(49)
Accounts payable	14	221
Tax receivables and payables	31	65
Other current assets and liabilities	(23)	(423)
Regulatory assets and liabilities, net	(927)	(543)
Wildfire-related insurance receivable	73	—
Other noncurrent assets and liabilities	8	(44)
<b>Net cash provided by operating activities</b>	<b>625</b>	<b>598</b>
<b>Cash flows from financing activities:</b>		
Long-term debt issued, plus premium and net of discount and issuance costs of \$26 and \$(18) for the respective periods	2,726	1,682
Long-term debt repaid or repurchased	(814)	(41)
Term loan issued	1,275	1,750
Term loan repaid	(800)	(750)
Common stock issued	884	—
Short-term debt financing, net	(550)	(509)
Payments for stock-based compensation	(3)	(48)
Receipts from stock option exercises	14	25
Dividends and distribution to noncontrolling interests	(60)	(60)
Dividends paid	(454)	(399)
Other	5	1
<b>Net cash provided by financing activities</b>	<b>2,223</b>	<b>1,651</b>
<b>Cash flows from investing activities:</b>		
Capital expenditures	(2,514)	(2,235)
Proceeds from sale of nuclear decommissioning trust investments	3,225	2,440
Purchases of nuclear decommissioning trust investments	(3,163)	(2,368)
Other	60	27
<b>Net cash used in investing activities</b>	<b>(2,392)</b>	<b>(2,136)</b>
Net increase in cash, cash equivalents and restricted cash	456	113
Cash, cash equivalents and restricted cash at beginning of period	70	152
<b>Cash, cash equivalents and restricted cash at end of period</b>	<b>\$ 526</b>	<b>\$ 265</b>