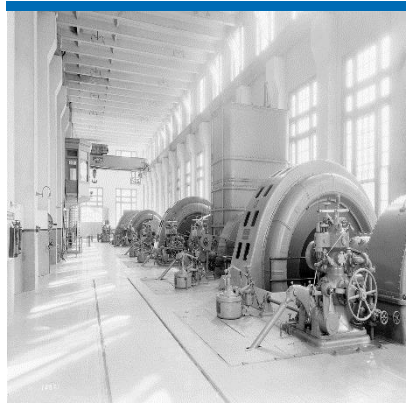


Business Update

October 2017



Forward-Looking Statements

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 in a timely manner from its customers through regulated rates, including costs related to San Onofre and proposed spending on grid modernization;
- decisions and other actions by the CPUC, the FERC, the NRC and other regulatory authorities, including determinations of authorized rates of return or return on equity, the outcome of San Onofre CPUC proceedings, and the 2018 GRC and delays in regulatory actions;
- risks associated with higher rates for utility bundled service customers, caused by the authority of cities, counties and certain other public agencies to generate and/or purchase electricity for their local residents and businesses (known as Community Choice Aggregation or CCA), and other possible customer bypass or departure due to increased adoption of distributed energy resources or technological advancements in the generation, storage, transmission, distribution and use of electricity, and supported by public policy, government regulations and incentives;
- 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), and governmental approvals;
- ability to obtain sufficient insurance, including insurance relating to SCE's nuclear facilities and wildfire-related liability, and to recover the costs of such insurance or in the absence of insurance the ability to recover uninsured losses; and
- risks associated with the decommissioning of San Onofre, including those related to public opposition, permitting, governmental approvals, on-site storage of spent nuclear fuel, and cost overruns.

Other important factors are discussed under the headings "Risk Factors" and "Management's Discussion and Analysis" in Edison International's Form 10-K, most recent Form 10-Q, and other reports filed with the Securities and Exchange Commission, which are available on our website: www.edisoninvestor.com. These filings also provide additional information on historical and other factual data contained in this presentation.

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EIX Strategy Should Produce Superior Value

Sustained Earnings and Dividend Growth Led by SCE

SCE Rate Base Growth Drives Earnings

- 8.3% average annual rate base growth through 2020 at request level
- SCE earnings should track rate base growth

Constructive Regulatory Structure

- Decoupling of electricity sales
- Balancing accounts
- Forward-looking ratemaking

Sustainable Dividend Growth

- Target dividend growth at higher than industry average within target payout ratio of 45-55% of SCE earnings

Electric-Led Clean Energy Future

EIX Vision

- Lead transformation of the electric power industry
- Focus on clean energy, efficient electrification, grid of the future and customers' technology choice

Wires-Focused SCE Strategy

- Infrastructure replacement – safety and reliability
- Grid modernization – California's low-carbon goals
- Operational excellence

Edison Energy Group Strategy

- Edison Energy - services for large commercial and industrial customers
- SoCore Energy – commercial and community solar

SCE Highlights

One of the nation's largest electric utilities

- 15 million residents in service territory
- 5 million customer accounts
- 50,000 square-mile service area

Significant infrastructure investment

- 1.4 million power poles
- 729,000 transformers
- 119,000 miles of distribution and transmission lines
- 3,200 MW owned generation

Above average rate base growth driven by

- Safety and reliability
- California's low-carbon objectives
 - Grid modernization
 - Electric vehicle charging
 - Energy storage
 - Transportation electrification (proposed)

Limited Generation Exposure

- Own less than 20% of its power generation
- Future needs via competitive solicitations



■ SCE Service Territory

SCE Long-Term Growth Drivers

	Description	Timeframe/Regulatory Process
Infrastructure Reliability	Sustained level of infrastructure investment required until equilibrium replacement rates achieved and then maintained	<ul style="list-style-type: none"> Ongoing - current and future GRCs
Grid Modernization	Accelerate circuit upgrades, automation, communication, and analytics capabilities at optimal locations to integrate distributed energy resources	<ul style="list-style-type: none"> Today – Grid modernization capital expenditures included in traditional spend 2018-2020 - \$1.8 billion capital request in 2018 GRC application 2025 – CPUC target to complete grid modernization but may take longer
Transmission	Future transmission needs to meet 50% renewables mandate in 2030 and to support reliability	<ul style="list-style-type: none"> 2017-2022 – Multiple projects approved by CAISO in permitting and/or construction 2021-2030 – Future needs largely driven by CAISO planning process
Energy Storage	SCE-owned investment opportunities under existing CPUC proceedings	<ul style="list-style-type: none"> Today – Most investments via contracts 2018-2020 - \$60 million of capital requested in 2018 GRC application SCE's storage portfolio – procurement target of 580 MW by 2020
Electrification of Transportation and Other Sectors	Utility investment in programs to build and support the expansion of transportation electrification in passenger and light-, medium- and heavy-duty vehicles and potentially to support electrification of other sectors of the economy	<ul style="list-style-type: none"> 2016 – Charge Ready Phase I approved 2017 – Transportation Electrification plan filed January 20 2018-2030 – Future Charge Ready Phase II and other transportation electrification investments; potential investments to support electrification of other sectors of the economy

SCE Decoupled Regulatory Framework

Regulatory Mechanism	Key Benefits
Decoupling of Revenues from Sales	<ul style="list-style-type: none">• Earnings not affected by variability of retail electricity sales• Differences between amounts collected and authorized levels either billed or refunded• Promotes energy conservation• Stabilizes revenues during economic cycles
Major Balancing Accounts <ul style="list-style-type: none">• Sales• Fuel and Purchased power• Energy efficiency• Pension expense	<ul style="list-style-type: none">• Cost-recovery related balancing accounts represented more than 55% of costs• Trigger mechanism for fuel and purchased power adjustments at 5% variance level
Advanced Long-Term Procurement Planning	<ul style="list-style-type: none">• Upfront contract approvals and prudence standards provide greater certainty of cost recovery (subject to compliance-related reasonableness review)
Forward-looking Ratemaking	<ul style="list-style-type: none">• Forward and test year GRC with three-year rate cycle• Separate cost of capital mechanism

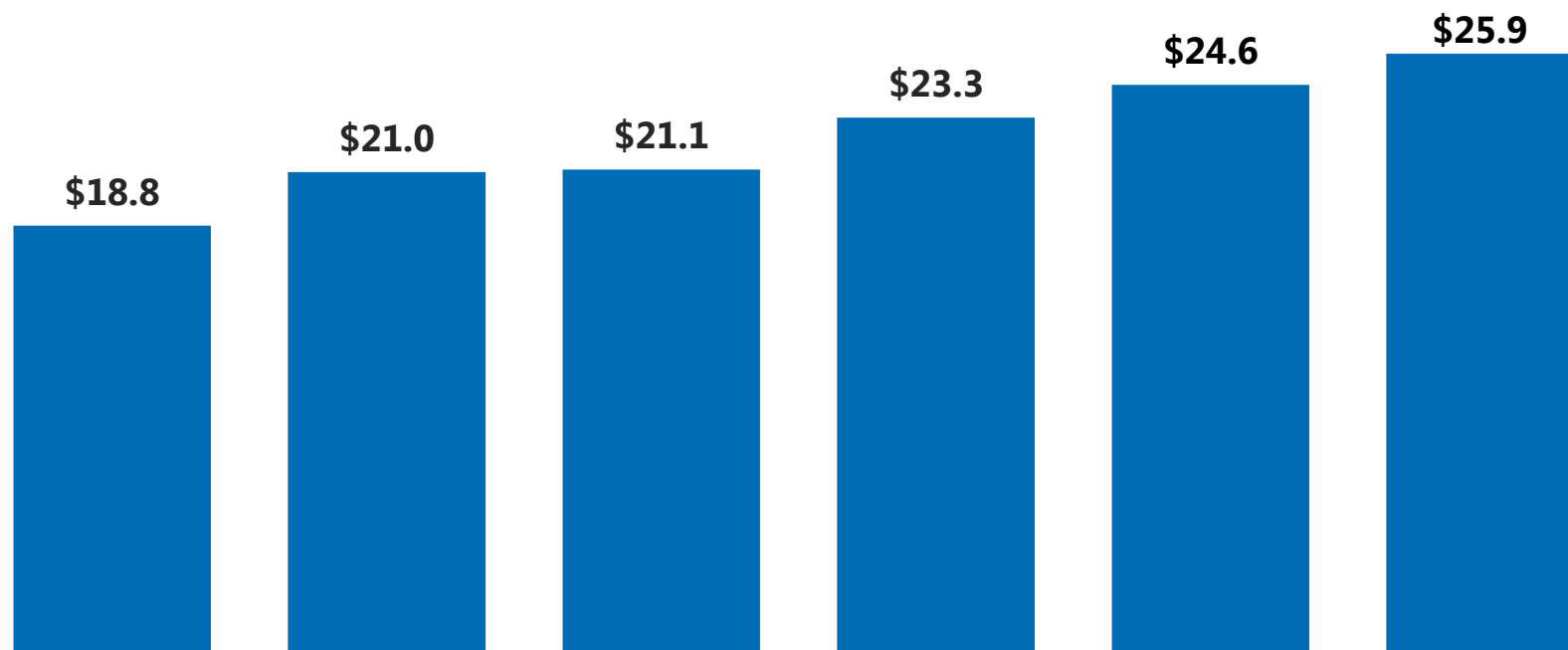
SCE Historical Rate Base and Core Earnings

(\$ billions)

2011 – 2016 CAGR

Rate Base 7%

Core Earnings 5%



2011

2012

2013

2014

2015

2016

**Core
EPS**

\$3.33

\$4.10

\$3.88

\$4.68

\$4.20

\$4.22

Note: Recorded rate base, year-end basis. See SCE Core EPS Non-GAAP Reconciliations and Use of Non-GAAP Financial Measures. Since 2013, rate base excludes SONGS

SCE Capital Expenditure Forecast – Request Level

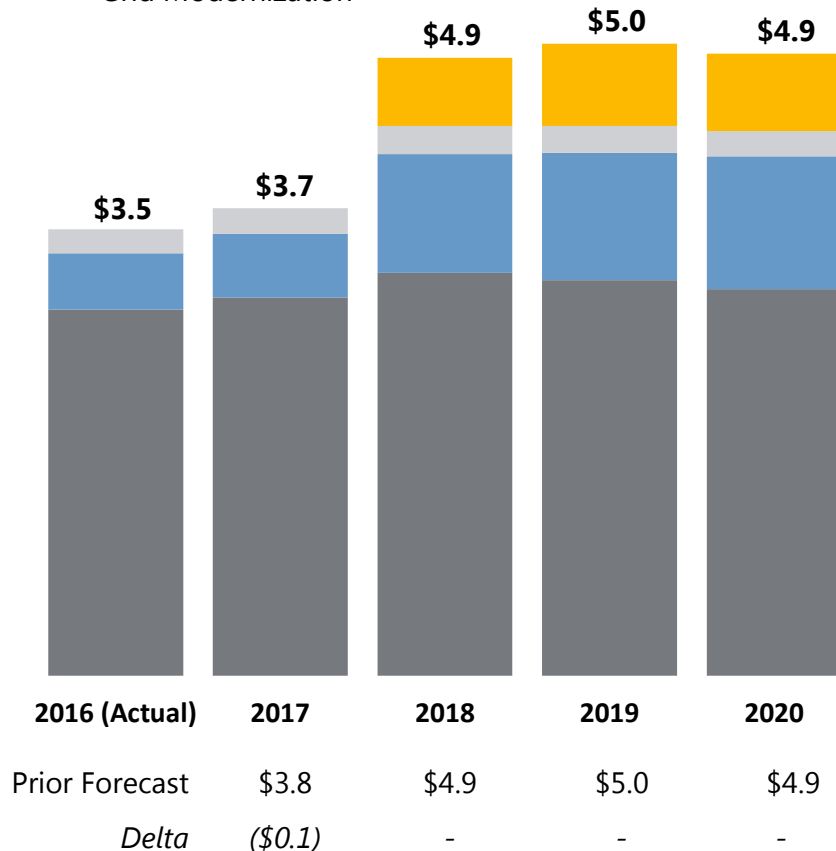
(\$ billions)

Traditional Capital Spending:

■ Distribution ■ Transmission ■ Generation

Grid Modernization Capital Spending:

■ Grid Modernization¹



\$18.5 Billion Capital Program for 2017-2020

- Capital expenditure forecast incorporates GRC, FERC and non-GRC CPUC spending
 - Grid modernization spending of \$1.8 billion during 2018 GRC period¹
 - 2017 traditional capital spending incorporates 2015 GRC decision and FERC spending
 - Includes \$107 million of non-GRC CPUC capital spending for mobile home pilot program and charge ready pilot in 2017
 - Excludes transportation electrification and Charge Ready Phase II
- Authorized/Actual may differ from forecast
 - Since the 2009 GRC, CPUC has approved 81%, 89%, and 92% of capital requested, respectively
 - SCE has no prior approval experience on grid modernization capital spending and, therefore, prior results may not be predictive
 - Forecasted FERC capital spending subject to timely receipt of permitting, licensing, and regulatory approvals

Note: Forecasted capital spending includes CPUC, FERC and other spending. 2018-2020 CPUC based on 2018 GRC request rebuttal testimony. See Capital Expenditure/Rate Base Detailed Forecast for further information, including potential investment excluded in forecasts. Delta represents change from July 2017 Business Update.

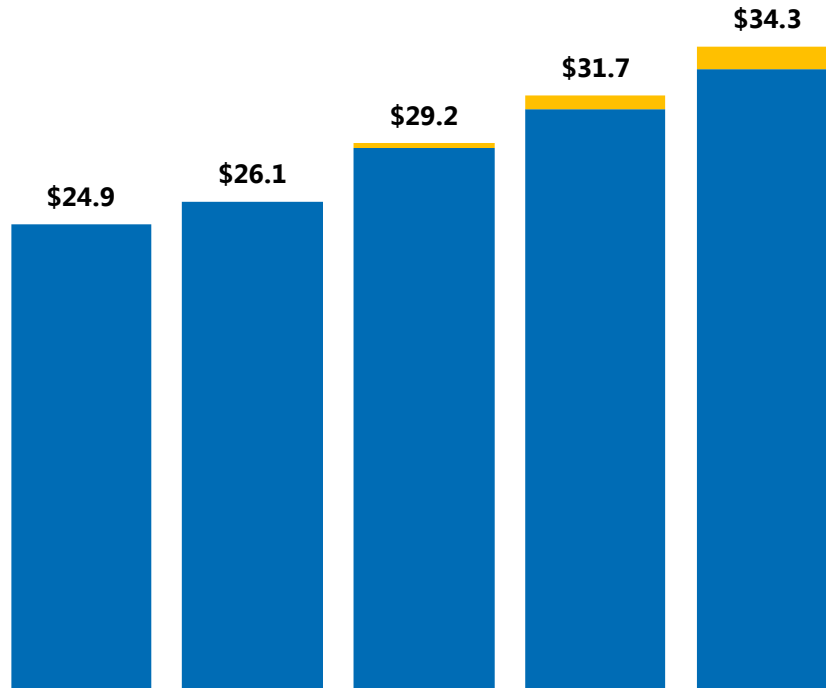
1. 2016 and 2017 capital expenditures related to grid modernization are included in distribution capital expenditures

SCE Rate Base Forecast – Request Level

(\$ billions)

■ Traditional ■ Grid Modernization

4-year CAGR of 8.3%



	2016 (Authorized)	2017	2018	2019	2020
Prior Forecast		\$26.2	\$29.3	\$31.8	\$34.3
Delta		(\$0.1)	(\$0.1)	(\$0.1)	-

CPUC

- Rate base based on request levels from 2018 GRC Rebuttal Testimony

FERC

- FERC rate base is approximately 20% of SCE's rate base by 2020; includes Construction Work in Progress (CWIP)

Other

- No change from prior forecast
- Excludes SONGS regulatory asset

Note: Weighted-average year basis. 2016-2017 based on 2015 GRC decision. 2018-2020 CPUC based on 2018 GRC request rebuttal testimony, FERC based on latest forecast and current tax law, except "rate-base offset" for the 2015 GRC decision excluded because of write off of regulatory asset related to 2012-2014 incremental tax repairs.

General Rate Case Update – Intervenor Testimony

ORA submitted testimony on April 7, 2017 – Key elements

- Proposed no Grid Modernization capital expenditures and ~90% of traditional capital expenditures
- Other items similar to ORA's 2015 GRC testimony, including incentive compensation and traditional capital expenditures such as 4kV Cutovers and Overhead Conductor Program

TURN and other intervenors submitted testimony on May 2, 2017 – Key TURN elements³

- Proposed ~22% of Grid Modernization capital expenditures and ~85% of traditional capital expenditures
- Proposed rate base adjustment for historical capital expenditures, including a reduction of approximately \$550 million related to certain distribution infrastructure replacement programs

Proposed Revenue Requirement Increases ¹			
(\$ in millions)	2018 Increase	Post Test Year	
		2019	2020
SCE Rebuttal ²	\$196/2.5%	3.8%	5.1%
ORA	\$14/0.9%	2.7%	4.2%
TURN ³	\$108/1.7%	-0.1%	3.3%

SCE Rebuttal filed June 16, 2017

SCE Rate Base Forecast Comparison to ORA and TURN – 2017-2020 ⁴						
(\$ in billions)	2016	2017	2018	2019	2020	CAGR
SCE's Rebuttal Forecast	\$24.9	\$26.1	\$29.2	\$31.7	\$34.3	8.3%
SCE's Request Level Forecast at ORA Recommended Spending Levels	\$24.9	\$26.1	\$28.6	\$30.4	\$32.2	6.6%
Difference	(\$0.0)	(\$0.0)	(\$0.6)	(\$1.3)	(\$2.1)	
SCE's Request Level Forecast at TURN Recommended Spending Levels and Proposed Rate Base Adjustments ⁵	\$24.9	\$26.1	\$27.7	\$29.5	\$31.5	6.0%
Difference	(\$0.0)	(\$0.0)	(\$1.5)	(\$2.2)	(\$2.8)	

1. Relative to total rates

2. Includes \$48 million one-time recovery of pre-2018 Balancing/Memorandum Accounts

3. Information has been updated to include any changes in positions from briefs and reply briefs filed in September 2017

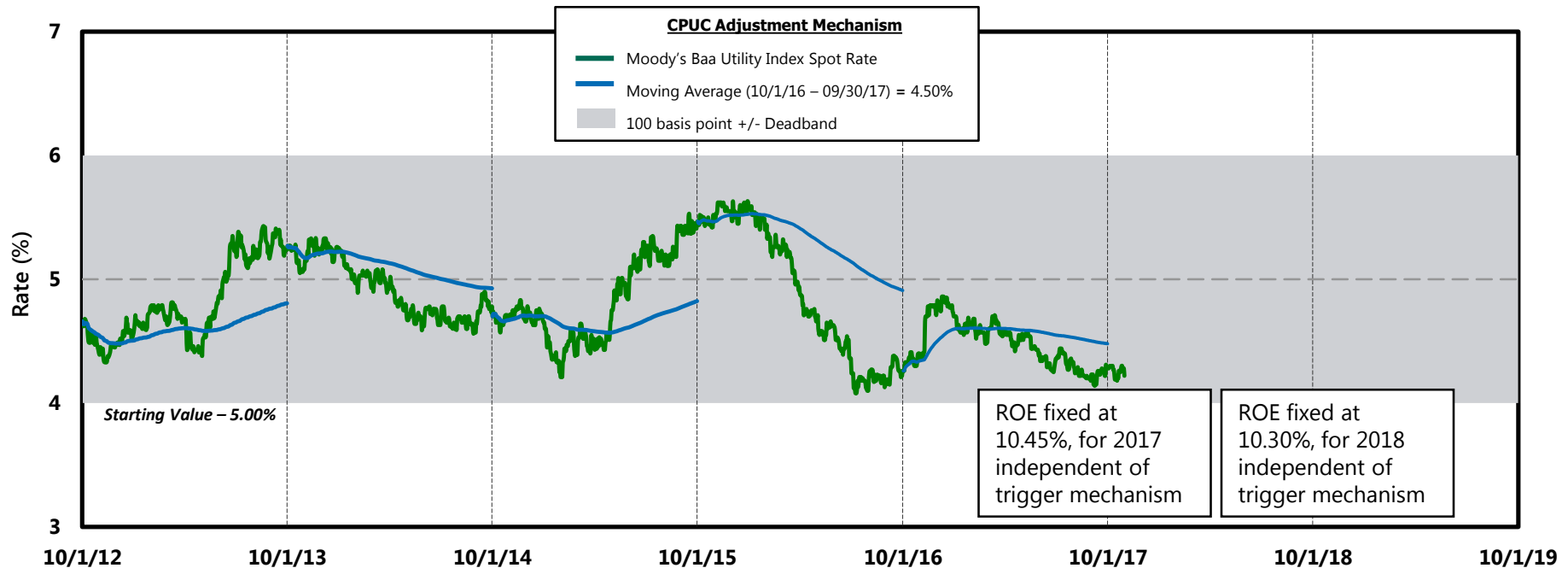
4. Forecasting rate base considering the lower of ORA's and TURN's recommendations in each year would result in a lower rate base growth rate and revenue requirement

5. CAGR excluding rate base adjustments is 6.5%

SCE Key Regulatory Proceedings

Proceeding	Description	Next Steps
Key CPUC Proceedings		
2018 General Rate Case (A. 16-09-001)	Set CPUC base revenue requirement, capital expenditures and rate base for 2018-2020	Ongoing workshops and data requests; intervenor and rebuttal testimony submitted; Briefs and reply briefs filed in September 2017
Cost of Capital (A. 12-04-015)	CPUC capital structure, cost of capital, and return on equity	CPUC approved petition for modification on July 13, 2017; Advice Letter setting cost of debt and preferred filed September 29, 2017 and approved by CPUC
Distribution Resources Plan OIR (R.14-08-013)	Power grid investments to integrate distributed energy resources	Demo projects underway; Current focus is on policy track, including grid modernization, deferral framework and DER forecasting
Integrated Distributed Energy Resources OIR (R. 14-10-003)	Creating consistent framework for guidance, planning and evaluation of DERs	Proposed Resolution to be issued in October 2017 and voted on November 30, 2017; Solicitation to launch early December 2017
SONGS OII (I.12-10-013)	OII resolved (December 2015); Proceeding record reopened in May 2016	CPUC issued ruling on October 10, 2017 that establishes next steps with an initial expedited schedule with hearings tentatively scheduled to end in early March 2018 with a commission decision to follow
Charge Ready Program (A.14-10-014)	Implementation program for charger installations and market education	Phase 1 pilot program approved January 2016; plan to file Phase 1 report in May 2018; Phase 2 filing expected in 2018
2017 Transportation Electrification (A.17-01-021)	TE proposals to address SB 350 transportation electrification objectives	Ongoing workshops and data requests; Proposed decision for priority review projects in Q4 2017; final decision for standard review projects in May 2018
Power Charge Indifference Adjustment OIR (R.17-06-026)	Review, revise, and consider alternatives to the PCIA	Scoping memo issued – Track 1 proposed decision in April 2018 and Track 2 proposed decision in July 2018
Key FERC Proceedings		
FERC Formula Rates	Transmission rate setting with annual updates	Settlement in place through December 2017; replacement rate filed on October 27, 2017

CPUC Cost of Capital



Two year settlement approved

- ROE adjustment based on 12-month average of Moody's Baa utility bond rates, measured from October 1 to September 30
- If index exceeds 100 bps deadband from starting index value, authorized ROE changes by half the difference
- Starting index value based on trailing 12 months of Moody's Baa index as of September 30 of each year - 5.00%
- CPUC approved filed advice letter setting the cost of debt and cost of preferred

	CPUC Authorized		Settlement Terms
	Capital Structure	2017	2018-2019
Common Equity	48%	10.45%	10.30%
Preferred	9%	5.79%	5.82%
Long-term Debt	43%	5.49%	4.98%
Weighted Average Cost of Capital		7.90%	7.61%

SCE Distribution System Investments

Distribution Trends

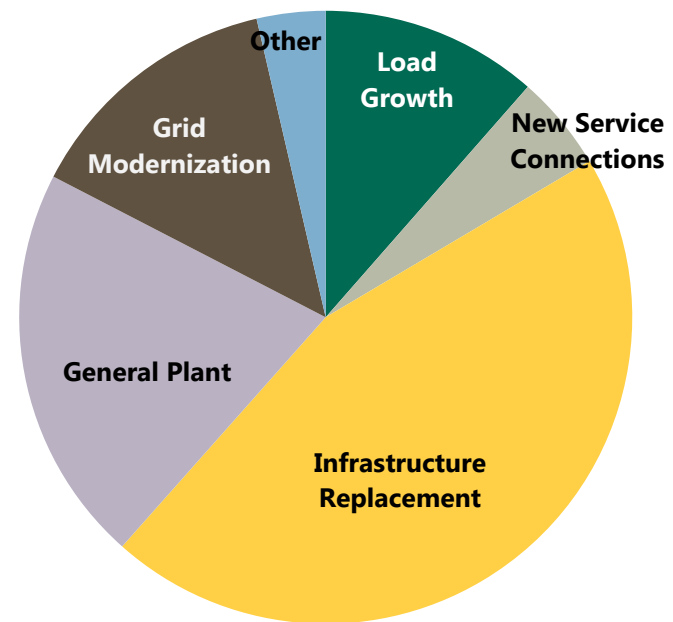
- Continued focus on safety and reliability with infrastructure replacement representing 44% of total distribution capital spend, but not yet reaching equilibrium replacement rate
 - Includes pole loading replacement program and overhead conductor replacements
- Distribution grid requires upgrades to circuit capacity, automation, and control systems to support reliability as use of distributed energy resources increases
- Includes grid modernization capital which is expected to become a larger portion of spend beyond 2017

2018-2020 Capital Spending Drivers

- Automation of over 850 distribution circuits
- Over 2,000 miles of cable replacements
- 4kV cutovers/removals
- Distribution preventive maintenance
- Overhead conductor replacements
- Circuit breaker replacements/upgrades

1. Other includes GRC energy storage, Charge Ready Phase I and mobile home pilot programs

**2017 – 2020 Capital Spending Forecast
for Distribution¹ – Request Level
\$14.1 Billion**



Energy Storage

CPUC Energy Storage Program Requirements:

- Storage Rulemaking (R.10-12-007) established 1,325 MW target for IOUs by 2024 (580 MW SCE share; spread as biennial targets during 2014-20); ownership allowed up to 290 MW for SCE
- Flexibility to transfer across categories, expanded in Storage Rulemaking (R.15-03-011)

SCE Procurement Activities to Meet CPUC Requirements:

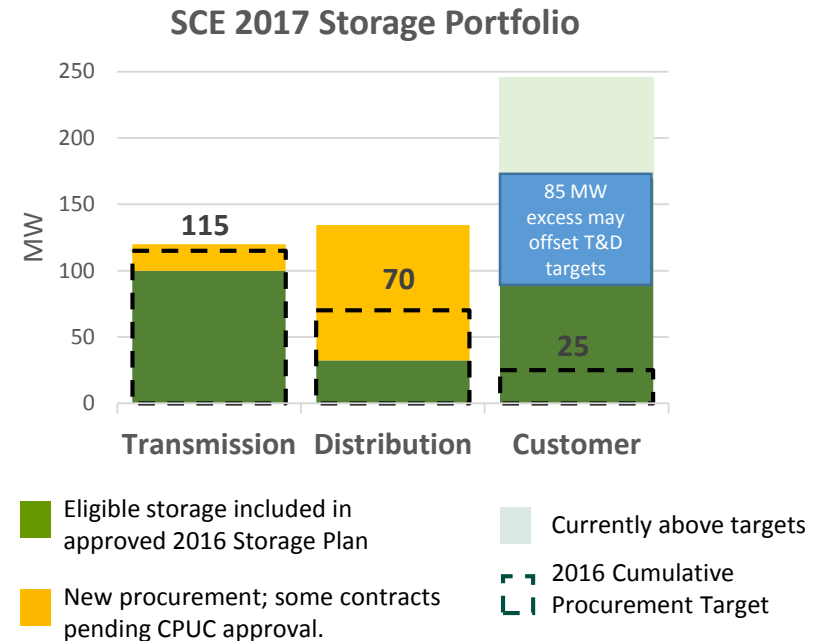
SCE's storage portfolio includes resources procured through storage-specific RFOs, broader solicitations (e.g., LCR RFO, PRP 2 RFO), SCE-owned pilots and demonstrations, and customer programs

- SCE has procured close to 500 MW total, of which approximately 418 MW is eligible to count to the targets (note: all numbers rounded). The 418 MW includes:
 - 120 MW¹ from SCE's Preferred Resources Pilot 2 solicitation, currently pending approval
 - Approximately 52 MW of Utility-owned Storage
 - 12 MW are previous pilots and demonstrations
 - 40 MW sought cost recovery via the Aliso Canyon application
- SCE's 2016 Energy Storage RFO has closed and SCE will file application seeking contract approval

2016 Legislation:

- CPUC approved the Energy Storage Track 2 decision to implement AB 2868 and its requirement that the IOUs propose programs and investments for up to 500 MW of distributed energy storage systems. SCE's portion is approximately 166 MW

Given counting rules, SCE has already met the aggregate 2016 targets



Cost Recovery Mechanism for Storage

Utility-Owned Storage ("UOS") (except Aliso Canyon RFP)	Capital Expenditures – General Rate Case
Third-Party Owned Storage	Energy Resource Recovery Account
Aliso Canyon UOS	Application filed March 30

1. SCE is currently counting some BTM MWs as energy storage, although agreement does not specifically require storage, as that is the likely technology to be used in these projects. Once installations are complete a more accurate true-up will be completed

SCE Transportation Electrification Proposals

On January 20, 2017, SCE filed with the CPUC a wide-ranging plan to increase electrification of cars, buses, medium- and heavy-duty trucks and industrial vehicles and equipment

- SCE proposed 6 near-term, priority-review projects and 2 longer-term, standard-review programs for a total of \$574 million of total costs (includes both O&M and capital expenditures)
- Proposal is not currently in capital expenditure and rate base forecast

SCE's Charge Ready Program addresses approximately 1/3 of forecast 2020 non-single family home charging demand in SCE territory and supports Governor's 2012 zero-emission vehicle Executive Order – 1.5 million EVs statewide by 2025

- Phase I (\$22 million cost; \$12 million rate base) approved by CPUC in January 2016 to support approximately 1,500 chargers (2016-2017)
- Phase II request to be filed in 2018 after completion of Phase I; >\$200 million rate base opportunity to support remaining chargers in program

SCE 2017 Transportation Electrification Application Proposals			
Program Name	Category	Timeframe	Estimated Total Cost ¹
Residential Make-Ready Rebate	Incentive Pilot	Near-term	\$4
EV Drive Rideshare Reward	Incentive Pilot	Near-term	\$4
Urban Direct Current Fast Charge Clusters	Infrastructure Pilot	Near-term	\$4
Electric Transit Bus Make-Ready	Infrastructure Pilot	Near-term	\$4
Port of Long Beach (POLB) ITS Terminal Yard Tractor	Infrastructure Pilot	Near-term	\$0.5
POLB Rubber Tire Gantry Crane Electrification	Infrastructure Pilot	Near-term	\$3
Medium and Heavy-Duty Vehicle Charging	Infrastructure Program	Long-term	\$554
New Commercial Electric Vehicle Rate Proposal	Rate Design Program	Long-term	N/A

1. Estimated Total Cost in \$millions of constant dollars

Transportation Electrification Overview

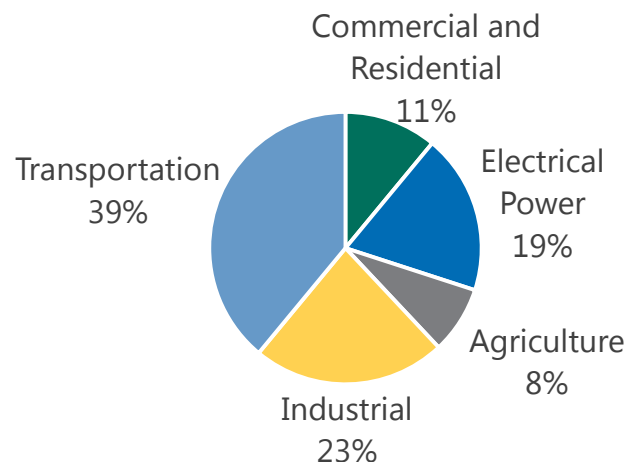
California's goals to reduce total GHG emissions by 40 percent from 1990 levels by 2030 is 42% from current levels

- Recent Governor Order set a 2050 target of 80% below 1990 levels

Many of California's policies to date focused on electric power, but other key areas need to be considered

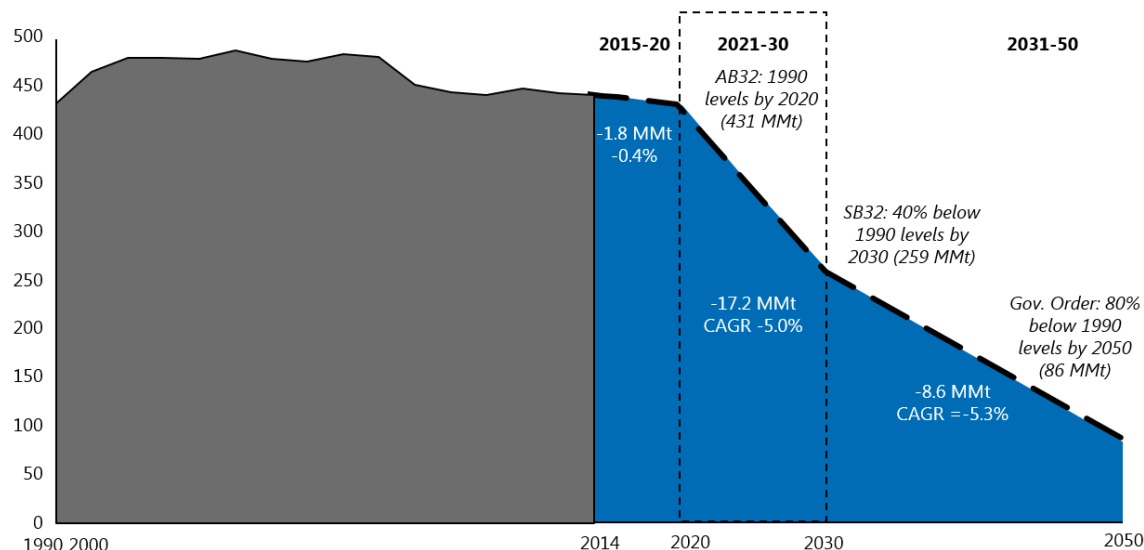
- Including the refining process, GHG emissions from the transportation sector is approximately 45% of the state's emissions

2015 California GHG Emissions by Sector



CA Statewide "Included" GHG Emissions
(million tonnes CO₂ equivalent)

CA Greenhouse Gas Trajectory
(million tonnes of CO₂ per yr. equivalent)



SCE is taking a leading role to ensure that transportation electrification plays a major part in reducing GHG and criteria pollutant emissions in California

Note: Data for both charts from California Air Resources Board

SCE Large Transmission Projects

Summary of Large Transmission Projects

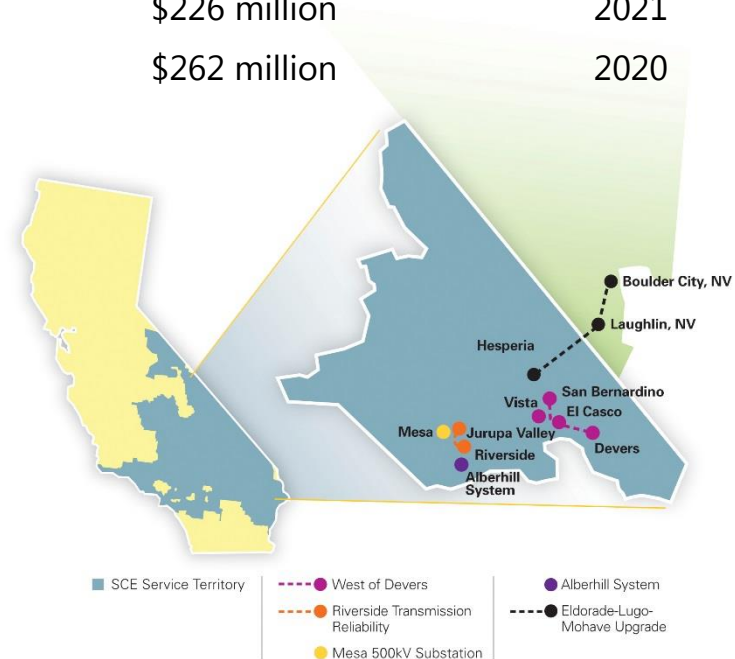
Project Name	Total Cost ⁴	Remaining Investment (as of Sept. 2017)	In-Service Date
West of Devers ^{1,3}	\$1.1 billion	\$1.0 billion	2021
Mesa Substation ¹	\$608 million	\$565 million	2022
Alberhill System ²	\$397 million	\$360 million	2021
Riverside Transmission Reliability	\$233 million	\$226 million	2021
Eldorado-Lugo-Mohave Upgrade	\$269 million	\$262 million	2020

FERC Cost of Capital

10.6% ROE in 2017:

- ROE = Base of 9.30% + CAISO participation + weighted average of individual project incentives
- FERC Formula recovery mechanism in effect through December 31, 2017
- Application for 2018 FERC Formula recovery mechanism filed on October 27, 2017
 - Requested Base ROE of 10.30%

1. CPUC approved
2. FEIR issued and revised costs are being developed
3. Morongo Transmission holds an option to invest up to \$400 million, or half of the estimated cost of the transmission facilities only, at the in-service date. If the option is exercised, SCE's rate base would be offset by that amount
4. Total Costs are nominal direct expenditures, subject to CPUC and FERC cost recovery approval. SCE regularly evaluates the cost and schedule based on permitting processes, given that SCE continues to see delays in securing project approvals



SCE Operational Excellence

Defining Excellence

Top Quartile

- Safety
- Reliability
- Customer service
- Cost efficiency

Optimize

- Capital productivity
- Purchased power cost

High performing, continuous improvement culture

Measuring Excellence

- Employee and public safety metrics
- System performance and reliability (SAIDI, SAIFI, MAIFI)
- J.D. Power customer satisfaction
- O&M cost per customer
- Reduce system rate growth with O&M / purchased power cost reductions

**Ongoing
Operational
Excellence
Efforts**

Responding to Industry Change

Long-Term Industry Trends

- The technology landscape is evolving at an unprecedented pace, with innovation driving advances in cost and capabilities of distributed energy resources
- Customer expectations are changing with increasing choices and alternatives, a growing priority of sustainability objectives, and flattening demand
- The regulatory environment for utilities is complex, increasingly supportive of new forms of competition but unable to keep pace with new business models
- Policies both in California and globally are setting aggressive greenhouse gas reduction targets

Strategy

SCE Strategy

- Clean the power system by accelerating the de-carbonization of electricity supply
- Help customers make cleaner energy choices to support electrification and leverage flexible energy demand
- Strengthen and modernize the grid by replacing aging infrastructure and deploying technology
- Achieve operational and service excellence with top tier performance in safety, reliability, affordability, and customer satisfaction

Beyond SCE

- Position Edison Energy as an independent energy advisor and integrator for large commercial and industrial customers

Edison Energy Group Summary

Edison Energy

- Edison Energy is an advisory and services company with the capabilities to develop and integrate an array of energy solutions to help commercial and industrial customers improve management of their energy costs and risks in dealing with increasingly complex tariff and technology choices
- Edison Energy's core advisory capabilities were formed through Edison International's acquisition of three companies in December 2015: Altenex, Eneractive Solutions and Delta Energy
- Edison International investment \$101 million as of September 30, 2017



SoCore Energy

- Provider of distributed solar solutions focused on the following segments:
 - Commercial & Industrial
 - Electric Cooperatives & Municipalities
 - Community Solar
 - Advanced Energy Solutions - commercial and distributed energy storage
- 106 MW of commercial-scale solar systems constructed and in operation as of September 30, 2017
- Edison International investment \$228 million as of September 30, 2017; currently evaluating sale opportunities for the business



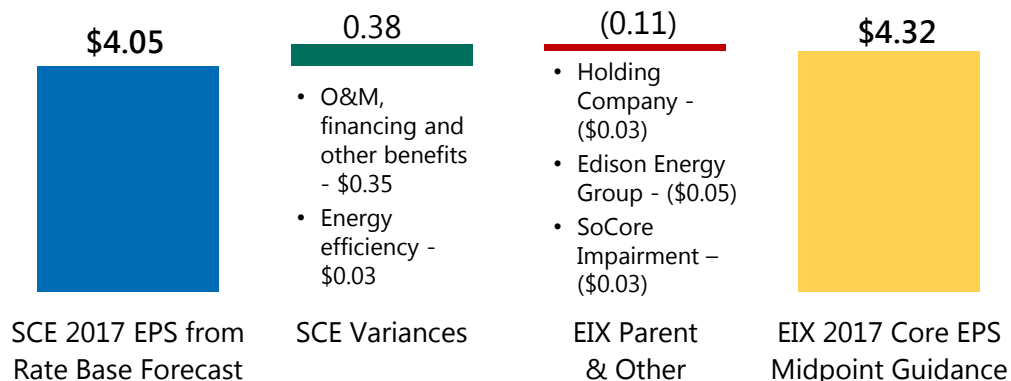
The Opportunity: Trusted Advisor and Solution Integrator

2017 EIX Earnings Per Share Guidance

2017 Earnings Per Share Guidance

	As of July 27, 2017			As of October 30, 2017		
	<u>Low</u>	<u>Mid</u>	<u>High</u>	<u>Low</u>	<u>Mid</u>	<u>High</u>
EIX Basic EPS	\$4.13	\$4.23	\$4.33	\$4.27	\$4.32	\$4.37
Less: Non-Core Items ¹	-	-	-	-	-	-
EIX Core EPS²	\$4.13	\$4.23	\$4.33	\$4.27	\$4.32	\$4.37

2017 Core Earnings Per Share Guidance – Building from SCE Rate Base



Key Assumptions

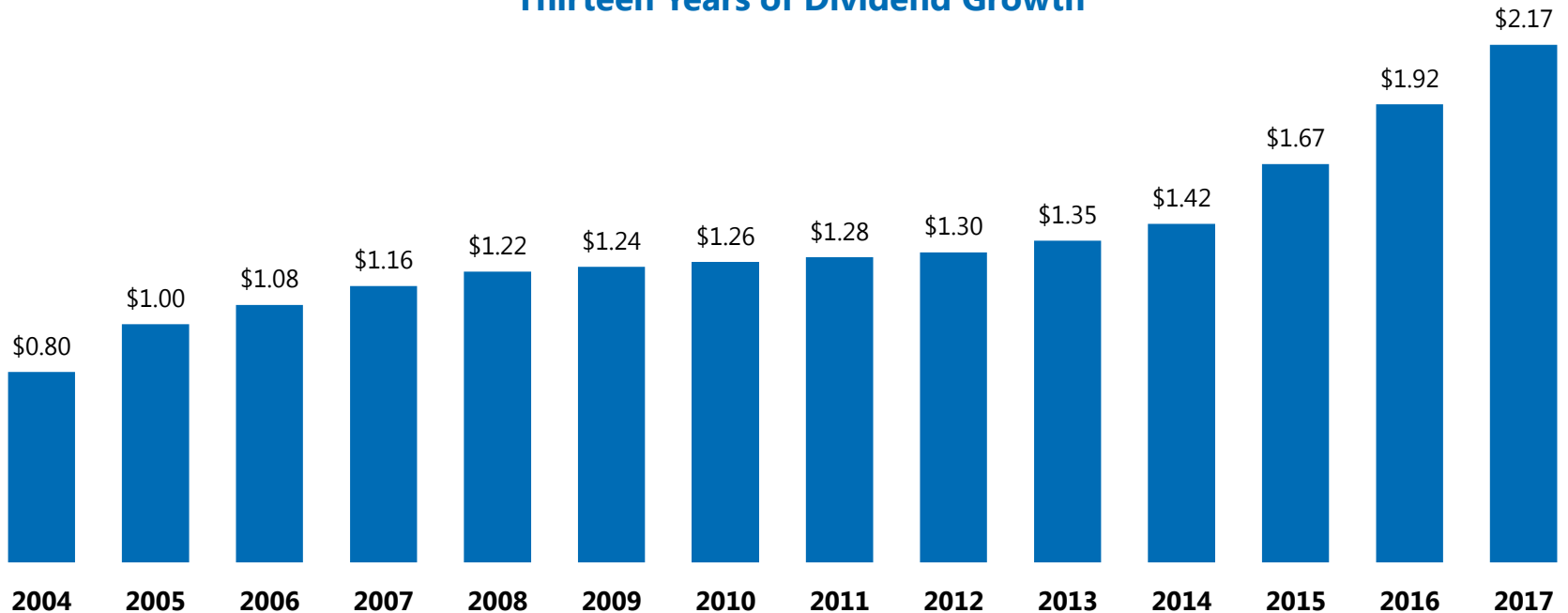
- SCE authorized rate base \$26.1 billion
- Authorized CPUC capital structure - 48% equity and 10.45% ROE
- FERC ROE of 10.6% (including incentives)
- Energy efficiency earnings \$0.03 per share
- SONGS settlement as currently approved by CPUC
- YTD incremental tax benefits from stock-based compensation and audit and return true-ups included:
 - SCE: \$0.04 per share
 - EIX Parent & Other: \$0.18 per share
- No change in tax policy
- 325.8 million common shares

On track to realize operational and service excellence targets with additional improvement attributable to tax benefits

1. There were \$1 million of non-core items for the nine months ended September 30, 2017
 2. See Earnings Non-GAAP Reconciliations and Use of Non-GAAP Financial Measures in Appendix

EIX Annual Dividends Per Share

Thirteen Years of Dividend Growth



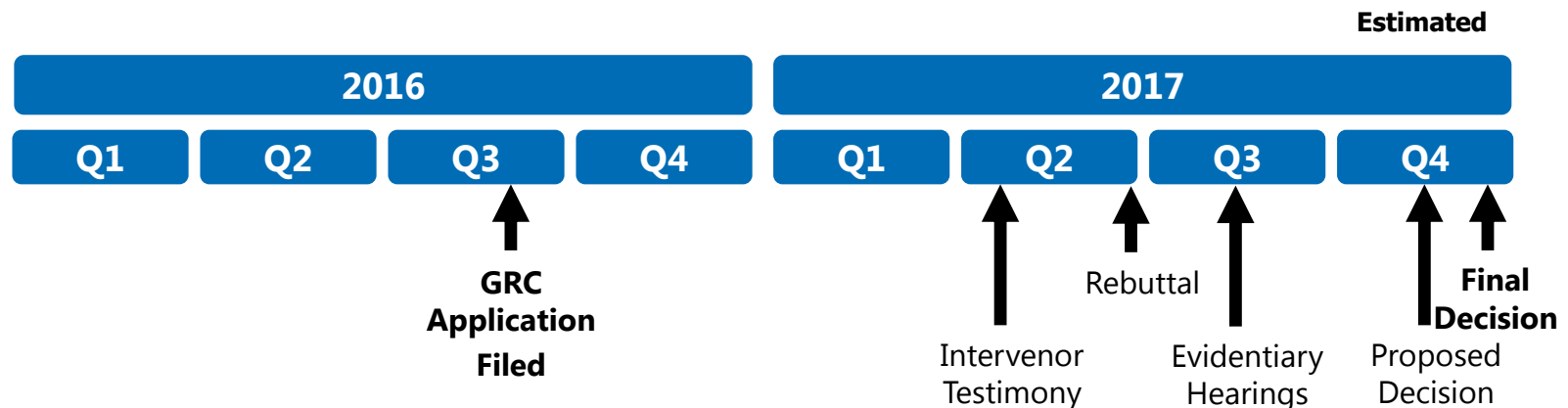
Target dividend growth at a higher than industry average growth rate within its target payout ratio of 45-55% of SCE earnings in steps over time

Note: See Use of Non-GAAP Financial Measures

Appendix

2018 SCE General Rate Case (GRC)

- 2018 GRC Application (A. 16-09-001) filed September 1, 2016
 - Includes operating costs and capital investment
 - Excludes CPUC jurisdictional costs such as fuel and purchased power, cost of capital and other potential SCE capital projects (transportation electrification, Charge Ready, and storage outside of the GRC)
 - Excludes FERC jurisdictional transmission
- SCE Rebuttal Testimony filed June 16th requests 2018 revenue requirement of \$5.859 billion
 - \$196 million increase over projected authorized base rates, a 2.5% increase over total rates
 - Requests post test year increases: \$480 million in 2019 and \$556 million in 2020, 3.8% and 5.1% increases over presently authorized total rates, respectively
- GRC filing advances SCE strategy focusing on safety and reliability by continuing infrastructure investment and beginning grid modernization investments, mitigating customer rate impacts through lower operating costs



Note: Schedule was set by CPUC, but excludes timing of final decision. The schedule is subject to change over the course of the proceeding

2018 SCE GRC (cont.)

Items Carried Over from 2015 GRC

- Requests continuation of Tax Accounting Memorandum Account (TAMA) adjusting revenues annually for over and undercollection of specified tax items
- Forecasting over \$85 million in 2018 O&M savings from Operational Excellence initiatives
- Requests recovery for short-term incentive compensation plans for full-time employees (\$41 million disallowance in 2015 GRC decision)
- Requests continuation of pole loading capital recovery through balancing account

New Items from 2018 GRC

- Capital expenditures of \$1.8 billion for grid modernization capital to support improved safety and reliability and increased levels of distributed energy resources (DER)
- Increased depreciation expense to reflect updated cost of removal estimates¹
 - Limiting cost of removal request to mitigate customer rate impact beginning with \$84 million increase in 2018
 - Further increases will likely be required over multiple GRC cycles

1. Cost of removal is the cost to remove existing equipment that is being replaced

EIX and SCE Tax Reform

Key Reform Considerations	Impact on Customer / Shareholder		Comments
No interest deductibility	Negative	Negative	<ul style="list-style-type: none"> • Permanent increase in customer rates (top concern) • Costs passed through but lowers tax shield
Lower tax rate (15%-20%)	Positive	Negative at EIX holding company	<ul style="list-style-type: none"> • Lower customer rates • Remeasurement of EIX holding company tax assets and lower tax shield
100% capital expensing	Mixed	Mixed	<ul style="list-style-type: none"> • Timing benefit only • Customer rates may be impacted by treatment of property-related deductions

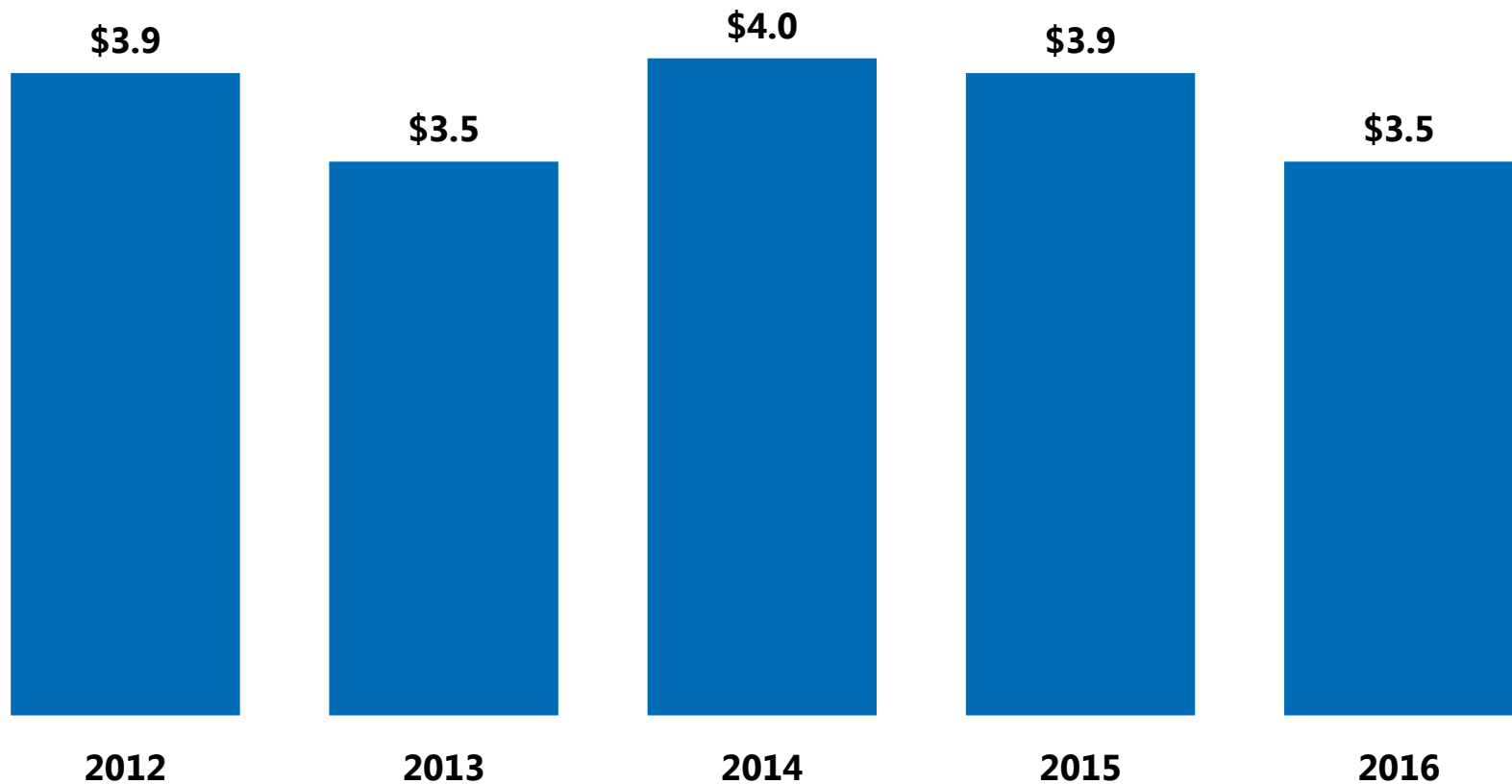
Net Deferred Tax Liability / (Asset) <i>As of 12/31/2016; (\$ in millions)</i>	SCE	HoldCo
Property-related and other	\$9,798	(\$165)
Operating loss / credit carryforward	-	(1,152) ¹
Net deferred tax liability / (asset)	\$9,798	(\$1,317) ^{1,2}

1. Excludes \$242 million of deferred tax assets allocated to third parties

2. Includes \$58 million of state deferred tax assets

SCE Historical Capital Expenditures

(\$ billions)



Capital Expenditure/Rate Base Detailed Forecast

(\$ in billions)

Detailed Capital Expenditures at Request Level – 2016-2020

	2016 (Actual)	2017	2018	2019	2020	Total
Core Distribution ^{1,2}	\$2.9	\$2.9	\$3.2	\$3.2	\$3.1	\$15.2
Mobile Home Pilot Program	-	0.1	-	-	-	0.1
Grid Modernization ³	-	-	0.5	0.7	0.6	1.8
<i>Subtotal Distribution</i>	<i>\$2.9</i>	<i>\$3.0</i>	<i>\$3.7</i>	<i>\$3.8</i>	<i>\$3.7</i>	<i>\$17.1</i>
Transmission ¹	\$0.4	\$0.5	\$1.0	\$1.0	\$1.0	\$3.9
Generation ¹	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$1.0
Total	\$3.5	\$3.7	\$4.9	\$5.0	\$4.9	\$22.0

Detailed Rate Base at Request Level – 2016-2020

	2016 (Actual)	2017	2018	2019	2020
Traditional Rate Base	\$24.9	\$26.1	\$28.9	\$31.0	\$33.1
Grid Modernization	-	-	0.3	0.7	1.2
Total	\$24.9	\$26.1	\$29.2	\$31.7	\$34.3

1. Includes allocated capitalized overheads and general plant

2. Includes \$12 million Charge Ready Phase I (2017) and \$60 million of GRC Energy Storage (2016-2020; average \$12 million per year)

3. 2016 and 2017 capital expenditures related to grid modernization are included in distribution capital expenditures

Note: Totals may not foot due to rounding

Distribution Power Grid of the Future

Current State

One-Way Electricity Flow

- System designed to distribute electricity from large central generating plants
- Increasing penetration of distributed energy resources
- Voltage centrally maintained
- Limited situational awareness and visualization tools for power grid operators

Renewable Generation Mandates

Subsidized Residential Solar

Limited Electric Vehicle Charging Infrastructure

Future State

Variable, Two-Way Electricity Flow

- Distribution system at the center of the power grid
- System designed to manage fluctuating resources and customer demand
- Digital monitoring and control devices and advanced communications systems to improve safety and reliability, and integrate DERs
- Improved data management and power grid operations with cyber mitigation
- Modernize utility distribution planning with distributed energy resources

Maximize Distributed Resources and Electric Vehicle Adoption

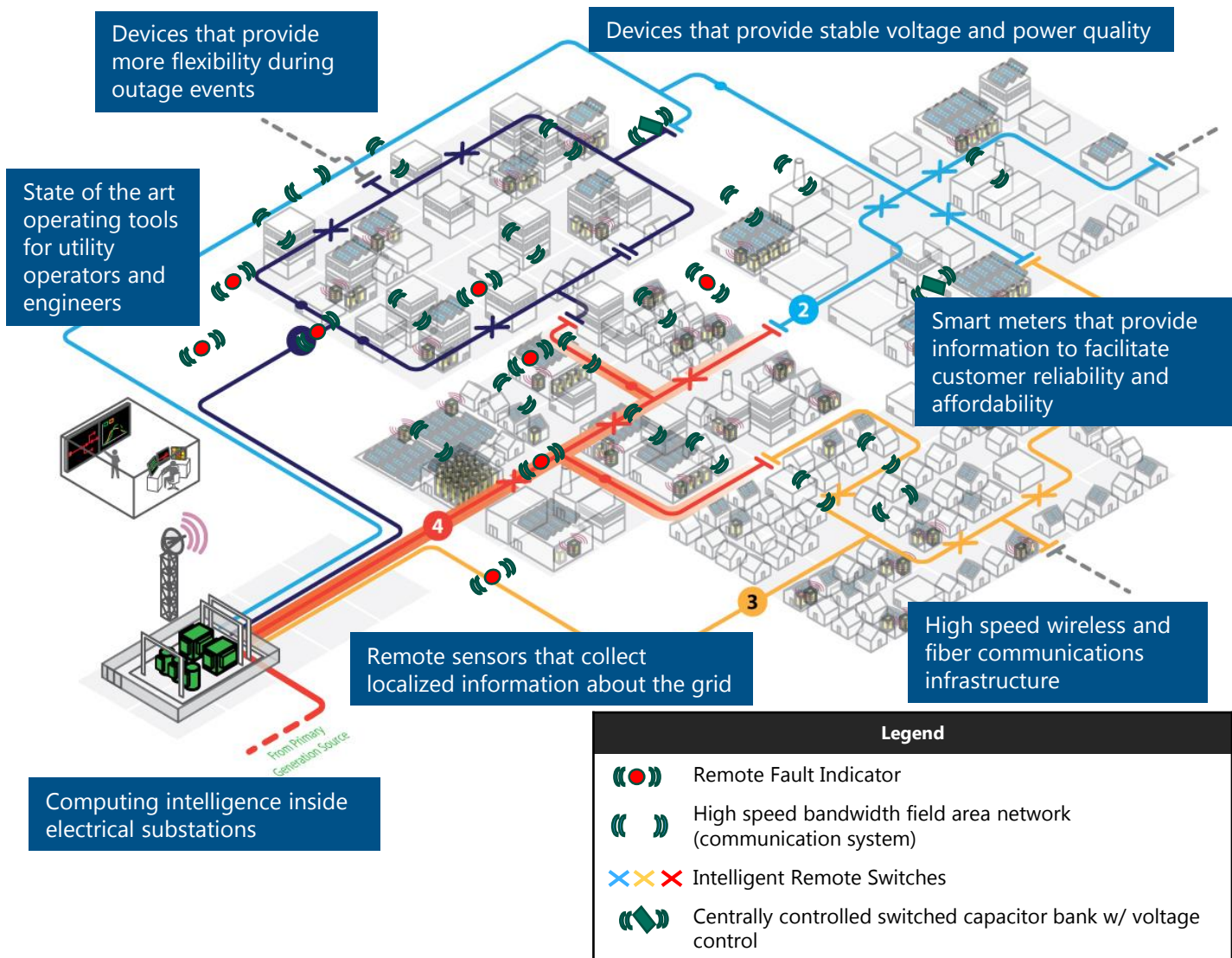
- Distribution power grid infrastructure design supports customer choice and greater resiliency

Grid Modernization Highlights

Future circuit designs integrate Distributed Energy Resources and increase flexibility

The distribution system will require transformative technologies in planning, design, construction and operation

Net benefits to customers include increased safety, reliability, access to affordable programs, and ability to adopt new clean and distributed technologies



SCE Grid Modernization – Request Level¹

(\$ billions)

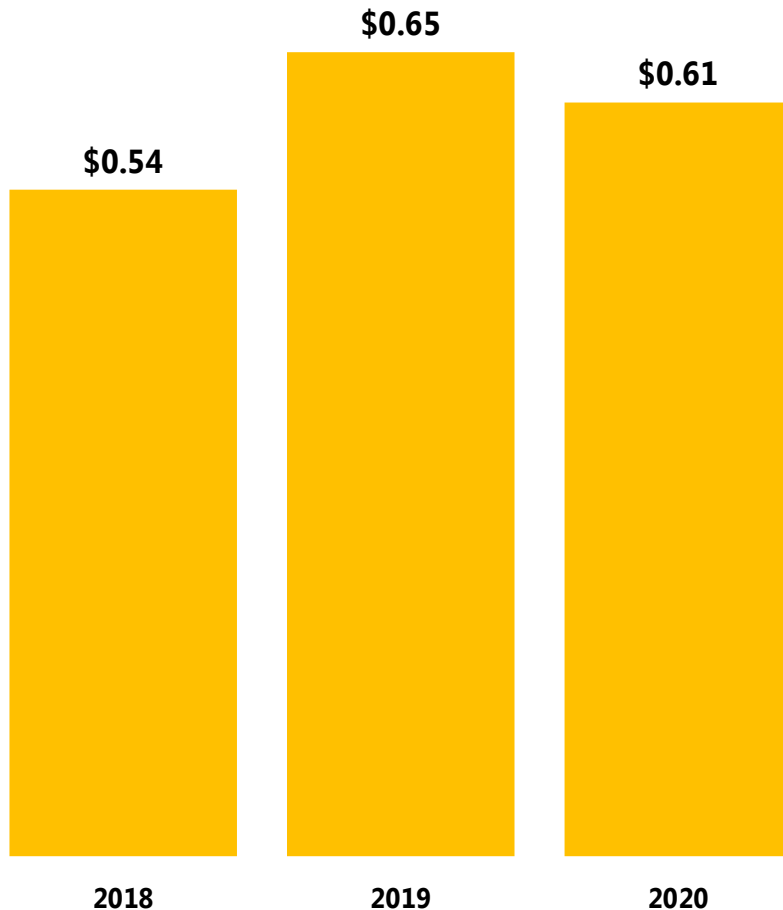
\$1.8 Billion Capital Request for 2018-2020²

Building next generation electric grid requires accelerating traditional Transmission and Distribution / Information Technology programs and investing in new capabilities

- Increased capacity: Upgrade portions of the grid (such as 4kV system) to increase capacity, improve reliability, and address technology obsolescence
- Advanced and Integrated Capabilities:
 - Automation to monitor and control grid equipment in real-time and improve flexibility of grid operations
 - Communication Networks: Expansion of fiber optic network and field area network for real-time data transfer
 - Technology Platforms: Foundational tools for forecasting and planning; management systems to operate the distribution grid

Capital will be deployed to achieve two primary objectives

- Improving safety and reliability
 - Focus on worst performing circuits in conjunction with traditional infrastructure replacement activities
- Increase DER integration and enable advanced operations on circuits with high forecasted penetration or where DERs can provide grid services



1. 2018-2020 CPUC based on 2018 GRC request rebuttal testimony; conceded grid modernization capital expenditures are expected to be requested in future GRC applications
2. Forecast excludes capitalized overheads

Distributed Energy Resources (DER) Proceedings

Distribution Resource Plan (DRP) Proceeding's Scope Elements

- Integration of DERs in distribution planning and operations
- Development of tools and methodologies, including optimal locations & value of DERs
- Framework for Grid Modernization
- Field demonstrations

2017 Activities

- DER Hosting Capacity analysis
- Locational Net Benefits
- DER forecasting and distribution planning alignment
- DER driven grid modernization and integration into General Rate Case
- Deferral framework

Integrated Distributed Energy Resources (IDER) Proceeding's Scope Elements

- Define DER products & grid services
- Sourcing DERs for grid need via competitive procurement, programs, and tariffs
- DER cost-effectiveness methods
- Utility incentives to pursue DERs for grid need, instead of traditional infrastructure
- Utility role in DER markets; utility business model

2017 Activities

- Utility incentive pilot, including a competitive solicitation framework and consultation with a stakeholder Distribution Planning Advisory Group
- Regulatory approval of proposed pilot projects
- Societal Cost Test and a Greenhouse Gas Adder

SCE Customer Demand Trends

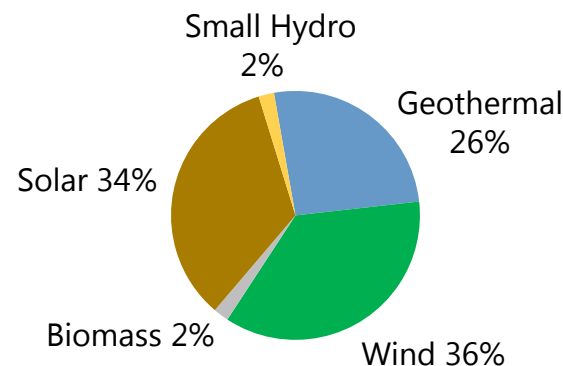
Kilowatt-Hour Sales (millions of kWh)	2016	2015	2014	2013	2012
Residential	29,141	29,959	30,115	29,889	30,563
Commercial	41,565	42,207	42,127	40,649	40,541
Industrial	7,056	7,589	8,417	8,472	8,504
Public authorities	4,645	4,774	4,990	5,012	5,196
Agricultural and other	<u>1,776</u>	<u>1,940</u>	<u>2,025</u>	<u>1,885</u>	<u>1,676</u>
<i>Subtotal</i>	<i>84,183</i>	<i>86,469</i>	<i>87,674</i>	<i>85,907</i>	<i>86,480</i>
Resale	1,794	1,075	1,312	1,490	1,735
Total Kilowatt-Hour Sales	85,977	87,544	88,986	87,397	88,215
Customers					
Residential	4,417,340	4,393,150	4,368,897	4,344,429	4,321,171
Commercial	565,222	561,475	557,957	554,592	549,855
Industrial	10,445	10,811	10,782	10,584	10,922
Public authorities	46,133	46,436	46,234	46,323	46,493
Agricultural	21,233	21,306	21,404	21,679	21,917
Railroads and railways	133	130	105	99	83
Interdepartmental	22	22	22	23	24
Total Number of Customers	5,060,528	5,033,330	5,005,401	4,977,729	4,950,465
Number of New Connections	38,076	31,653	29,879	27,370	22,866
Area Peak Demand (MW)	23,091	23,079	23,055	22,534	21,996

Note: See 2016 Edison International Financial and Statistical Reports for further information

California's Energy Policy

- On October 7, 2015, Governor Brown signed SB 350, which requires that 50 percent of energy sales to customers come from renewable power and a doubling of energy efficiency in existing buildings for California by 2030
 - Also requires Transportation Electrification investments and Integrated Resources Planning
- On September 8, 2016, Governor Brown signed SB 32, which requires statewide GHG emissions to be reduced to 40% below the 1990 level by 2030
- On July 24, 2017, Governor Brown signed AB 398, which extends cap-and-trade to 2030

2016 Renewable Resources: 28.2% of SCE's portfolio



Electric Power Company Roles

Renewables

Legislative Action

- Emissions targets met through optimization of renewables, transportation electrification, energy efficiency

Transportation Electrification

Regulatory Approach: Company participation through infrastructure investment

- SCE Charge Ready Program
- Other medium and heavy duty transportation electrification in service territory

Energy Efficiency

Continuation of company programs and earnings incentive mechanism

- SCE 2017 program budget: \$258 million²
- \$0.03 per share earnings in 2016

1. Assumes constant customer load

2. Pending approval of Advice Letter; SCE 2016 program budget of \$333 million is in effect until approved

SCE 2017 Bundled Revenue Requirement

		2017 Bundled Revenue Requirement	
		\$millions	¢/kWh
Fuel & Purchased Power (45%)	<u>Fuel & Purchased Power</u> – includes CDWR Bond Charge	5,130	7.1
	<u>Distribution</u> – poles, wires, substations, service centers; Edison SmartConnect®	4,386	6.1
Distribution (39%)	<u>Generation</u> – owned generation investment and O&M	1,075	1.5
	<u>Transmission</u> – greater than 220kV	1,064	1.5
Generation (9%)	<u>Other</u> – CPUC and legislative public purpose programs, system reliability investments, nuclear decommissioning, and prior-year over collections	(340)	(0.4)
Transmission (9%)			
Other (-2%)			
Total Bundled Revenue Requirement (\$millions)		\$11,315	
÷ Bundled kWh (millions)		71,961	
= Bundled Systemwide Average Rate (¢/kWh)		15.7¢	

SCE Systemwide Average Rate History (¢/kWh)							
2010	2011	2012	2013	2014	2015	2016	2017
14.3	14.1	14.3	15.9	16.7	16.2	14.8	15.7

Note: Rates in effect as of June 1, 2017. Represents bundled service which excludes Direct Access customers that do not receive generation services

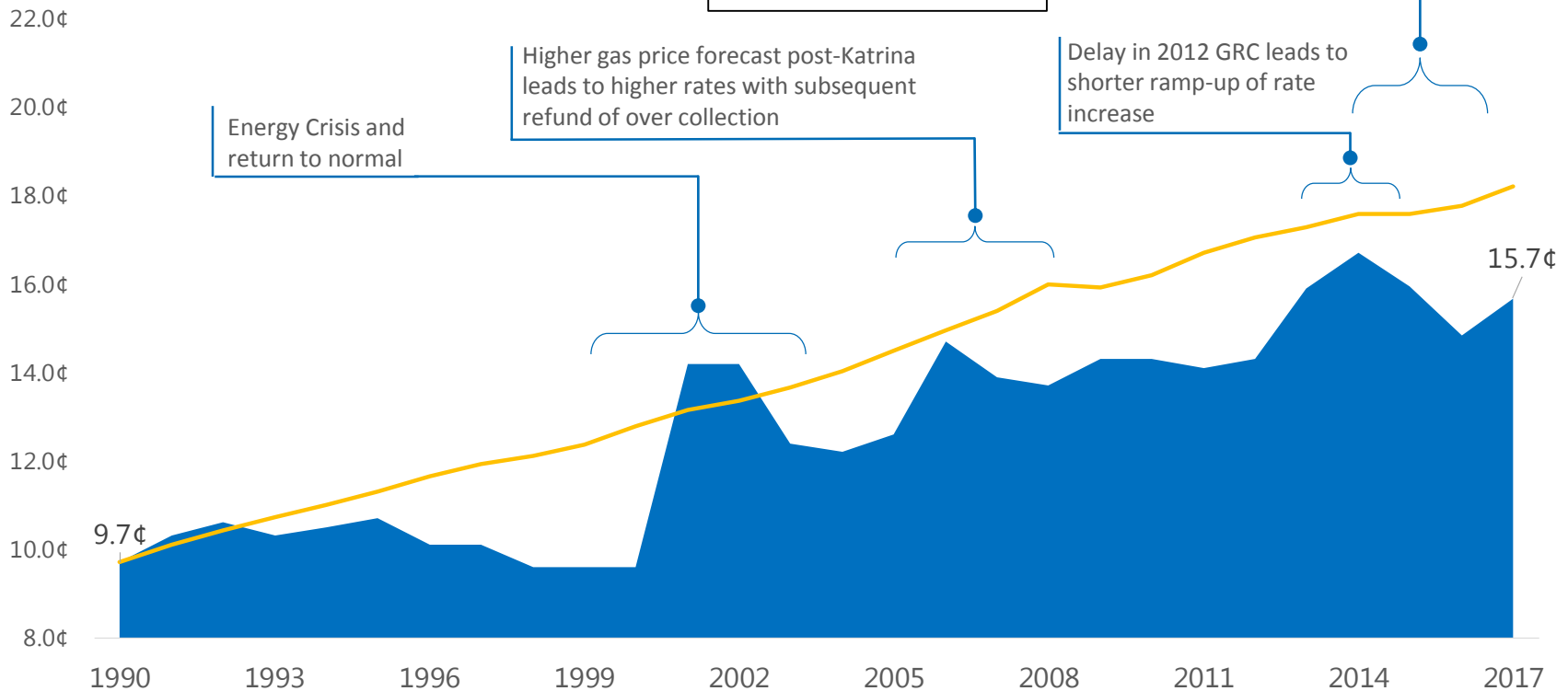
System Average Rate Historical Growth

¢/kWh

	CAGR		
	20-yr ('97-'17)	10-yr ('07-'17)	5-yr ('12-'17)
SCE System Average Rate	2.2%	1.2%	1.8%
Los Angeles Area Inflation	2.1%	1.7%	1.3%

Comparative System Average Rates	
	% Delta
EIX – 15.7¢	--
PG&E – 18.8¢	16%
SDG&E – 21.8¢	27%

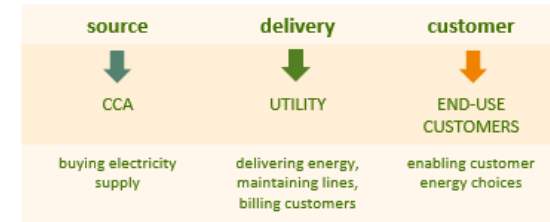
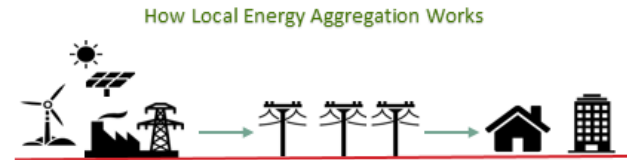
Rates reduced due to the implementation of 1) the SONGS Settlement, including NEIL insurance benefits, 2) lower fuel & purchased power costs, and 3) a lower 2015 GRC revenue requirement that includes flow-through tax benefits



SCE's system average rate has grown in line with inflation over the last 25 years

Community Choice Aggregation (CCA) Overview

- An Order Instituting Rulemaking (OIR R.17-06-026) was opened on June 29, 2017 to review, revise, and consider alternatives to the “Power Charge Indifference Adjustment” or PCIA
 - While not an impact on earnings, for every 1% of departing load, \$6 million is shifted to other customers remaining in the system
- Assembly Bill 117¹ permits cities and counties or a Joint Powers Agency (JPA) to act as CCAs to purchase and sell electricity on behalf of the utility customers within their jurisdiction
- Currently approximately 2% of SCE’s customer load has submitted an implementation plan to the CPUC for approval



Investor-Owned Utility (IOU)

- IOU Procures Power
- IOU Maintains T&D Lines
- IOU Provides Customer Service

Community Choice Aggregation (CCA)

- CCA Procures Power
- IOU Maintains T&D Lines
- IOU Provides Customer Service

PCIA OIR Timeline (R. 17-06-026)

Q4 2017

Track 1²: Opening Briefs due
Track 2²: Review current PCIA

Q1 2018

Track 1: Reply briefs due
Track 2: File testimony

Q2 2018

Track 1: Proposed decision
Track 2: File opening briefs

Q3 2018

Track 2: Proposed decision

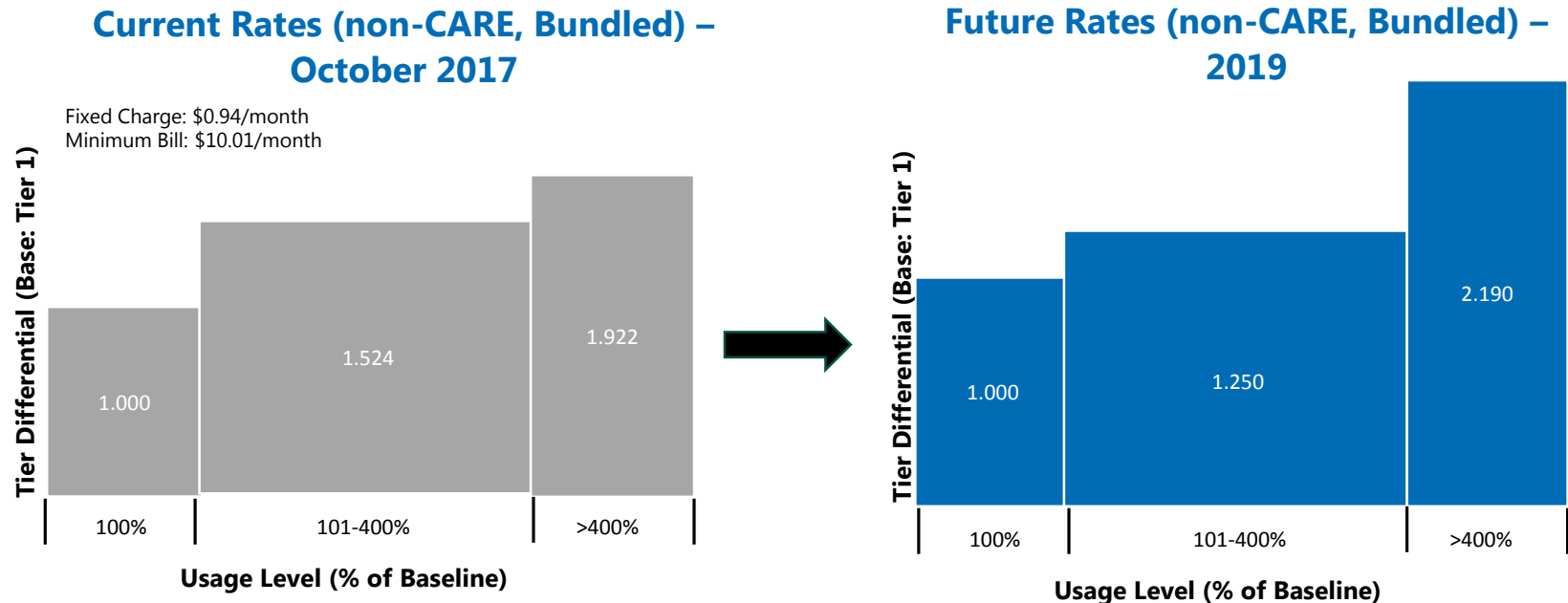
40-50 percent of SCE’s electric load could be part of a CCA by 2025

1. AB 117 was introduced into the Assembly 1/22/2001 by Assembly member Migden, chaptered into law 9/24/2002

2. Track 1 refers to PCIA exemptions for care and medical baseline; Track 2 refers to evaluation and possible modification of the PCIA methodology

Residential Rate Design OIR Decision

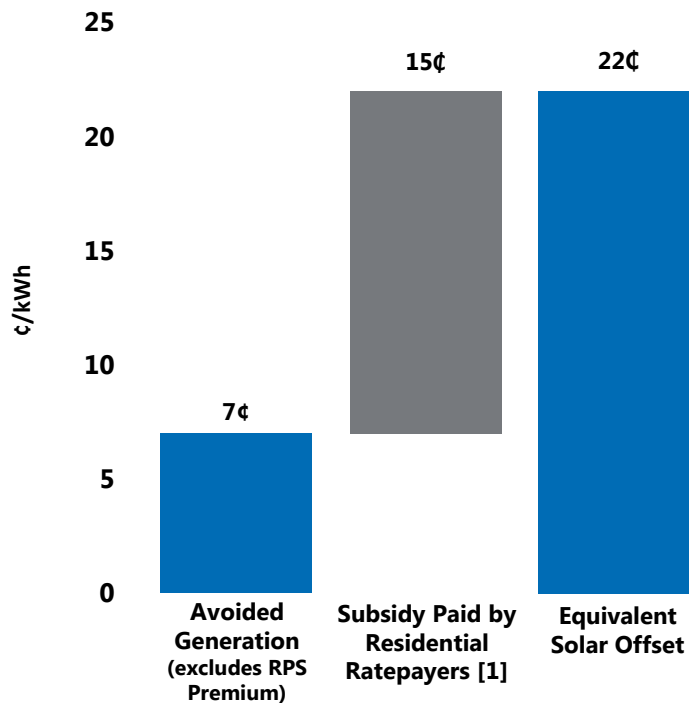
- CPUC Order Instituting Ratemaking R.12-06-013 comprehensively reviewed residential rate structure, including a future transition to time of use (TOU) rates
- July 2015 CPUC Decision D.15-07-001 includes:
 - Transition to 2 tiered rates by 2019
 - “Super User Electric Surcharge” for usage 400% above baseline (~5% of current residential load)
 - Continue fixed charge at \$0.94/month, allowing IOUs to re-file fixed charge requests as early as 2018.
 - Minimum bills up to \$10/month, which would apply to delivery revenue only



Note: The baseline allowance varies by season and household. For this particular scenario, the baseline region selected was 9. For the summer, the baseline allowance is 420 kWh and 380 kWh for a non-all-electric and an all-electric household, respectively. For the winter, the baseline allowance is 322 kWh and 447 kWh for a non-all-electric and an all-electric household, respectively.

SCE Net Metering Rate Structure

Solar Subsidies (Illustrative)



NEM Rate Developments:

- NEM allowed residential customers to receive full-retail rate credit for exported generation and use these credits to offset energy purchased from the electric power company, leading to a cost-shift to non-NEM customers
 - Through tiered rate flattening, Residential Rate OIR decision was expected to reduce subsidy by about 20%
- Current NEM tariff ended on July 1, 2017
 - Customers on current tariff grandfathered for 20 years
- In January 2016, CPUC voted (3-2) to adopt a successor to the current NEM tariff
- PG&E, SDG&E, SCE, and TURN filed Applications for Re-hearing (AFRs) on March 7, 2016; Solar Parties filed protest responses to the AFRs on March 21, 2016; CPUC denied parties' AFRs on September 22, 2016

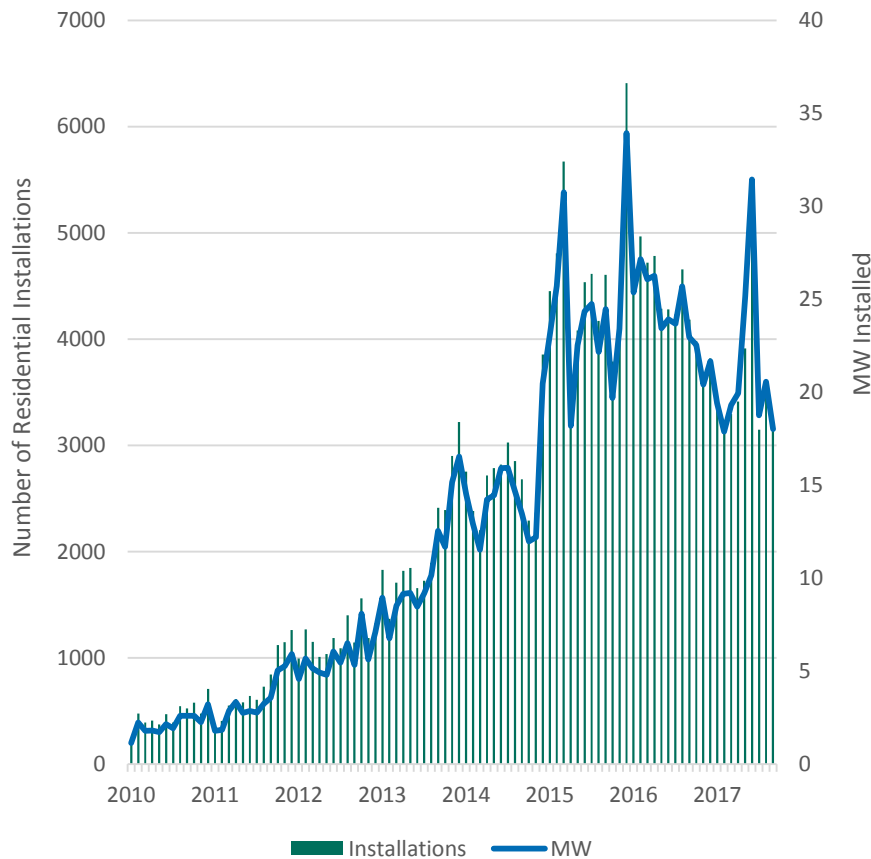
SCE Net Energy Metering Statistics (September 2017):

- 242,198 combined residential and non-residential projects – 2,010 MW installed (of 2,240 MW cap)
 - 99.7% solar
 - 236,423 residential – 1,261 MW
 - 5,775 non-residential – 748 MW
 - Approximately 3,664,152 MWh/year generated

1. Subsidy Paid by non-Residential Ratepayers estimated to be lower than that paid by Residential Ratepayers. For instance, the Equivalent Solar Offset, system-wide, is approximately 15¢/kWh (a low ballpark figure), making the Subsidy Paid by non-NEM Ratepayers, system-wide, roughly 8¢/kWh. Exact figures pending analysis

Residential Solar Installations in SCE Territory

Monthly Installations and MW Installed



Key Dates

July 1, 2017

- Official start of NEM successor tariff; customers are subject to:
 - Mandatory Time-Of-Use rate
 - Non-bypassable charges
 - Application fees

July 31, 2017

- Residential customers who meet this deadline are grandfathered for current Time-of-use periods for maximum of 5 years (10 for non-residential)

September 9, 2017

- Smart Inverters required on all solar installations

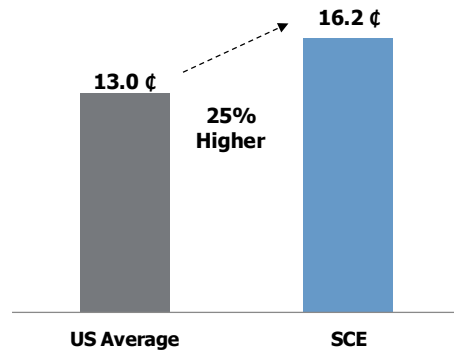
2019

- Commission to revisit NEM Successor Tariff

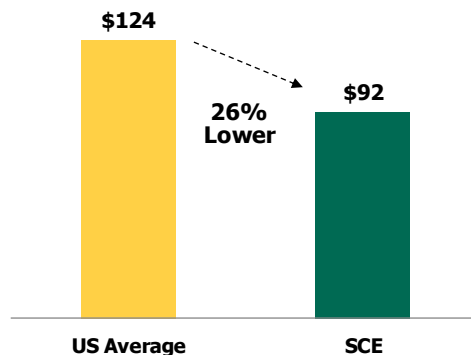
Note: NEM solar installations in SCE service territory include projects with solar PV only less than 1 MW

SCE Rates and Bills Comparison

**2016-17 Average Residential Rates
(¢/kWh)**



**2016-17 Average Residential Bills
(\$ per Month)**



Key Factors

- SCE's residential rates are above national average due, in part, to a cleaner fuel mix. Costs for low carbon energy are higher than those of high-carbon sources
- Average monthly residential bills are substantially lower than national average. Higher rate levels are offset by lower usage
 - Lower SCE residential customer usage than national average, from mild climate and higher energy efficiency building standards

**SCE's average residential rates are above national average,
but residential bills are below national average due to lower usage**

Source: EIA's Form 826 Data Monthly Electric Utility Sales and Revenue Data for 12 months up through July 2017. <https://www.eia.gov/electricity/data/eia861m/index.html>

Third Quarter Earnings Summary

	Q3 2017		Q3 2016(*)		Variance
Basic Earnings Per Share (EPS)					
SCE	\$	1.43	\$	1.34	\$ 0.09
EIX Parent & Other		0.01		(0.05)	0.06
Discontinued Operations		—		—	—
Basic EPS	\$	1.44	\$	1.29	\$ 0.15
Less: Non-core Items					
SCE	\$	—	\$	—	\$ —
EIX Parent & Other		—		—	—
Discontinued Operations		—		—	—
Total Non-core	\$	—	\$	—	\$ —
Core Earnings Per Share (EPS)					
SCE	\$	1.43	\$	1.34	\$ 0.09
EIX Parent & Other		0.01		(0.05)	0.06
Core EPS	\$	1.44	\$	1.29	\$ 0.15

Key SCE EPS Drivers	
Revenue ^{1,2}	\$ 0.18
- CPUC - Escalation	0.11
- CPUC - Other	0.05
- Other operating revenue	0.02
Higher O&M	(0.01)
Higher net financing costs	(0.01)
- AFUDC (Equity & Debt)	0.02
- Interest Expense	(0.03)
Income tax ²	(0.06)
Other	(0.01)
- Property and Other Taxes	(0.02)
- Other Income and Expenses	0.01
Total core drivers	0.09
Non-core items	—
Total	\$ 0.09

Key EIX EPS Drivers	
EIX parent — Income taxes and other	\$ 0.03
EEG — Income taxes and other	0.03
Total core drivers	0.06
Non-core items	—
Total	\$ 0.06

(*) 2016 earnings was updated to reflect the implementation of the accounting standard for share-based payments effective January 1, 2016

1. Excludes San Onofre revenue of (\$0.01) which was offset by property taxes of \$0.01

2. Excludes higher income tax benefits for incremental tax repair deductions, pole-loading program-based cost of removal and tax accounting method changes : \$0.41

Year to Date Earnings Summary

	YTD 2017	YTD 2016(*)	Variance
Basic Earnings Per Share (EPS)			
SCE	\$ 3.44	\$ 3.21	\$ 0.23
EIX Parent & Other	(0.03)	(0.20)	0.17
Discontinued Operations	—	—	—
Basic EPS	\$ 3.41	\$ 3.01	\$ 0.40

Less: Non-core Items

SCE	\$ —	\$ —	\$ —
EIX Parent & Other ¹	—	0.01	(0.01)
Discontinued Operations	—	—	—
Total Non-core	\$ —	\$ 0.01	\$ (0.01)

Core Earnings Per Share (EPS)

SCE	\$ 3.44	\$ 3.21	\$ 0.23
EIX Parent & Other	(0.03)	(0.21)	0.18
Core EPS	\$ 3.41	\$ 3.00	\$ 0.41

(*) 2016 earnings was updated to reflect the implementation of the accounting standard for share-based payments effective January 1, 2016

1. Impact of hypothetical liquidation at book value (HLBV) accounting method

2. Excludes higher income tax benefits for incremental tax repair deductions, pole-loading program-based cost of removal and tax accounting method changes of \$0.46

3. Excludes San Onofre revenue of (\$0.14), property taxes of \$0.01, interest expense of \$0.01 and income taxes of \$0.12. The higher income tax benefits are primarily related to the San Onofre tax abandonment in 2017

4. Excludes lower income tax benefits of \$0.24 due to refunds for incremental tax benefits related to 2012 - 2014 repair deductions in 2016

Key SCE EPS Drivers	
Revenue ^{2,3,4}	\$ 0.31
- CPUC - Escalation	0.33
- CPUC - Other	0.02
- FERC revenue	(0.06)
- Other operating revenue	0.02
Lower O&M	0.08
Higher depreciation	(0.06)
Higher net financing costs	(0.05)
- AFUDC (Equity & Debt)	0.02
- Interest Expense	(0.07)
Income taxes ^{2,4}	(0.05)
Other	—
- Property and Other Taxes	(0.03)
- Other Operating Income	0.01
- Other Income and Expenses	0.02
Total core drivers	\$ 0.23
Non-core items	—
Total	\$ 0.23

Key EIX EPS Drivers	
EIX parent — Income taxes and other	\$ 0.14
EEG	0.04
- Buyout of an earn-out provision in 2016	0.04
- SoCore Energy goodwill impairment in 2017	(0.03)
- Income taxes and other	0.03
Total core drivers	\$ 0.18
Non-core items ¹	(0.01)
Total	\$ 0.17

SCE Annual Results of Operations

(\$ millions)

- Earning activities – revenue authorized by CPUC and FERC to provide reasonable cost recovery and return on investment
- Cost-recovery activities – CPUC- and FERC-authorized balancing accounts to recover specific project or program costs, subject to reasonableness review or compliance with upfront standards

	2016			2015		
	Earning Activities	Cost-Recovery Activities	Total Consolidated	Earning Activities	Cost-Recovery Activities	Total Consolidated
Operating revenue	\$6,504	\$5,326	\$11,830	\$6,305	\$5,180	\$11,485
Purchased power and fuel	—	4,527	4,527	—	4,266	4,266
Operation and maintenance	1,939	798	2,737	1,977	913	2,890
Depreciation, decommissioning and amortization	1,998	—	1,998	1,915	—	1,915
Property and other taxes	351	—	351	334	—	334
Impairment and other charges	—	—	—	—	—	—
Total operating expenses	4,288	5,325	9,613	4,226	5,179	9,405
Operating income	2,216	1	2,217	2,079	1	2,080
Interest expense	(540)	(1)	(541)	(525)	(1)	(526)
Other income and expenses	79	—	79	64	—	64
Income before income taxes	1,755	—	1,755	1,618	—	1,618
Income tax expense	256	—	256	507	—	507
Net income	1,499	—	1,499	1,111	—	1,111
Preferred and preference stock dividend requirements	123	—	123	113	—	113
Net income available for common stock	<u>\$1,376</u>	<u>\$—</u>	<u>\$1,376</u>	<u>\$998</u>	<u>\$—</u>	<u>\$998</u>
Less: Non-core earnings			—			(370)
Core Earnings			<u>\$1,376</u>			<u>\$1,368</u>

Note: See Use of Non-GAAP Financial Measures

2016 Retrospectively Adjusted EPS by Quarter

	2016 ¹	Q4	Q3	Q2	Q1
Earnings (loss) per share attributable to Edison International					
Continuing Operations					
SCE	\$4.22	\$1.01	\$1.34	\$0.98	\$0.90
Edison International Parent & Other	(0.23)	(0.04)	(0.05)	(0.11)	(0.04)
Discontinued Operations	0.03	0.04	—	(0.01)	—
Edison International	\$4.02	\$1.01	\$1.29	\$0.86	\$0.86
Less: Non-Core Items					
SCE	—	—	—	—	—
Edison International Parent & Other	0.02	—	—	0.01	0.01
Discontinued Operations	0.03	0.04	—	(0.01)	—
Total Non-Core Items	\$0.05	\$0.04	—	—	\$0.01
Core Earnings (losses)					
SCE	4.22	1.01	1.34	0.98	0.90
Edison International Parent & Other	(0.25)	(0.04)	(0.05)	(0.12)	(0.05)
Edison International	\$3.97	\$0.97	\$1.29	\$0.86	\$0.85

1. As a result of rounding, the total of the four quarters does not always equal the amount for the year

Note: Edison International and SCE adopted an accounting standard in the fourth quarter of 2016, effective January 1, 2016, which resulted in all of the tax effects related to share based payments being recorded through the income statement. Diluted EPS would have been, \$1.00 for the fourth quarter of 2016, \$1.27 for the third quarter of 2016, \$0.85 for the second quarter of 2016 and \$0.85 for the first quarter of 2016

MHI Award Accounting

(\$ millions)

- On March 13, 2017, a decision was received from the International Chamber of Commerce International Court (ICC) regarding the MHI Arbitration
- \$47.1 million net proceeds received by SCE
- CPUC will review the documentation of the final resolution of the MHI dispute and the legal costs incurred in pursuing claims against MHI to ensure such costs are not unreasonable in relation to the recovery obtained
- Due to uncertainty associated with the treatment of the proceeds, no gain recorded

MHI Arbitration Decision Calculation

Total Liability Under Contract	\$137.5
Additional Interest (to be paid by MHI)	33.7
Total MHI Proceeds	\$163.7
Prior Invoice Paid by MHI	(45.4)
MHI Litigation Costs (to be paid by claimants)	(58.1)
Remaining Proceeds	\$60.2
Co-participants Share	(13.1)
SCE Cash Proceeds Received	\$47.1

Earnings Non-GAAP Reconciliations

(\$ millions)

Reconciliation of EIX GAAP Earnings to EIX Core Earnings

Earnings Attributable to Edison International	Q3 2017	Q3 2016	YTD 2017	YTD 2016
SCE	\$465	\$435	\$1,121	\$1,048
EIX Parent & Other	5	(14)	(11)	(65)
Discontinued Operations	–	–	–	(1)
Basic Earnings	\$470	\$421	\$1,110	\$982
Non-Core Items				
SCE	\$ –	\$ –	\$ –	\$ –
EIX Parent & Other	–	–	1	5
Discontinued Operations	–	–	–	(1)
Total Non-Core	\$ –	\$ –	\$ 1	\$4
Core Earnings				
SCE	\$465	\$435	\$1,121	\$1,048
EIX Parent & Other	5	(14)	(12)	(70)
Core Earnings	\$470	\$421	\$1,109	\$978

"Note: See Use of Non-GAAP Financial Measures. Earnings for second quarter and year-to-date 2016 were updated to reflect the implementation of the accounting standard for share-based payments effective January 1, 2016.

SCE Core EPS Non-GAAP Reconciliations

Reconciliation of SCE Basic Earnings Per Share to SCE Core Earnings Per Share

Earnings Per Share Attributable to SCE	2011	2012	2013	2014	2015	2016	CAGR
Basic EPS	\$3.33	\$4.81	\$2.76	\$4.46	\$3.06	\$4.22	5%
Non-Core Items							
Regulatory and tax items	—	0.71	—	—	—	—	
Write down, impairment and other charges	—	—	(1.12)	(0.22)	(1.18)	—	
Insurance recoveries	—	—	—	—	0.04	—	
<i>Less: Total Non-Core Items</i>	<i>—</i>	<i>0.71</i>	<i>(1.12)</i>	<i>(0.22)</i>	<i>(1.14)</i>	<i>—</i>	
Core EPS	\$3.33	\$4.10	\$3.88	\$4.68	\$4.20	\$4.22	5%

Note: See Use of Non-GAAP Financial Measures.

Use of Non-GAAP Financial Measures

Edison International's earnings are prepared in accordance with generally accepted accounting principles used in the United States. Management uses core earnings internally for financial planning and for analysis of performance. Core earnings are also used when communicating with investors and analysts regarding Edison International's earnings results to facilitate comparisons of the Company's performance from period to period. Core earnings are a non-GAAP financial measure and may not be comparable to those of other companies. Core earnings (or losses) are defined as earnings or losses attributable to Edison International shareholders less income or loss from discontinued operations and income or loss from significant discrete items that management does not consider representative of ongoing earnings, such as: exit activities, including sale of certain assets, and other activities that are no longer continuing; asset impairments and certain tax, regulatory or legal settlements or proceedings.

A reconciliation of Non-GAAP information to GAAP information is included either on the slide where the information appears or on another slide referenced in this presentation.

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