



## Con Edison, Inc. Reports Second Quarter Earnings

July 17, 2003

### Company Reaffirms 2003 Earnings Projection

NEW YORK, Jul 17, 2003 /PRNewswire-FirstCall via COMTEX/ -- Consolidated Edison, Inc. (NYSE: ED) today reported net income for common stock for the second quarter of 2003 of \$66 million or 29 cents a share, compared with earnings of \$98 million or 46 cents a share, for the second quarter of 2002. The company also declared a quarterly dividend of 56 cents a share on its common stock payable September 15, 2003 to stockholders of record as of August 13, 2003.

"Our energy delivery systems continue to perform very well," said Eugene R. McGrath, Chairman and Chief Executive Officer. "Our earnings were impacted by the unseasonably cool spring weather. We see continued growth in demand for our services, and on June 26, we set a new all-time electric peak load for that month."

The company's net income for common stock for the first six months of 2003 was \$220 million or \$1.01 a share, compared with \$244 million or \$1.14 a share for the first six months of 2002. Net income for the 2002 period includes a one-time goodwill impairment charge of \$20 million after-tax, related to certain unregulated generating assets. Excluding this non-cash charge, net income for the first six months of 2002 was \$264 million or \$1.24 a share.

The company's earnings for the second quarter of 2003 were negatively affected by lower electric deliveries related to the exceptionally cool weather. For the first six months of 2003, this reduction partially offset the positive impact of increased energy sales in the first quarter, as compared with the corresponding 2002 period, related to colder than normal winter weather. In addition, earnings for both 2003 periods were impacted by a reduction in net credits for pension and other post-retirement benefits as compared with 2002.

For the three months ended June 30, 2003, amounts of electricity, gas and steam delivered by Con Edison of New York, after adjusting for variations in weather and billing days in the period increased 0.3 percent, 0.5 percent and 1.3 percent, respectively, as compared to the 2002 period.

For the first six months of 2003, amounts of electricity, gas and steam delivered by Con Edison of New York, after adjusting for variations in weather and billing days in the period, increased 1.7 percent, 2.3 percent and 1.0 percent, respectively, as compared to the 2002 period.

For the full year 2003, the company reaffirms its previous forecast of earnings in the range of \$2.82 to \$2.97 per share.

The following table represents an analysis of the major factors affecting earnings per share for the second quarter of 2003 compared with 2002:

2nd Quarter 2003 Compared With 2002	Earnings Per Share (\$)
Con Edison of New York:	
Impact of weather in 2003 on net revenues versus 2002 (estimated)	\$(0.06)
Sales growth from factors other than weather (estimated)	0.03
Reduced net credit for pensions & other post-retirement benefits	(0.08)
Higher depreciation and property tax expense	(0.03)
Other	(0.02)
Total Con Edison of New York	(0.16)
Orange & Rockland Utilities	(0.02)
Unregulated subsidiaries and parent company	0.01
<b>Total</b>	<b>\$(0.17)</b>

The following table represents an analysis of the major factors affecting earnings per share for year-to-date 2003 compared with 2002:

Year-to-Date 2003 Compared With 2002	Earnings Per Share (\$)
Con Edison of New York:	
Impact of weather in 2003 on net revenues versus 2002 (estimated)	\$0.07
Sales growth from factors other than weather (estimated)	0.08
Reduced net credit for pensions & other	

post-retirement benefits	(0.15)
Regulatory accounting/amortizations	(0.07)
Higher depreciation and property tax expense	(0.06)
Amortization of divestiture gain in the first quarter of 2002	(0.06)
Other	(0.04)
Total Con Edison of New York	(0.23)
Orange & Rockland Utilities	--
Unregulated subsidiaries and parent company	--
Cumulative effect of change in accounting principle for goodwill impairment in 2002	0.10
Total	\$(0.13)

During the second quarter of 2003, the company issued 9,570,000 shares of common stock under a public offering, resulting in net proceeds of \$378 million.

The press release contains forward-looking statements of future expectations. Actual results might differ materially from those projected because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission.

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with \$9 billion in annual revenues and approximately \$19 billion in assets. The company provides a wide range of energy-related products and services to its customers through its six subsidiaries: Consolidated Edison Company of New York, Inc., a regulated utility providing electric, gas, and steam service in New York City and Westchester County, New York; Orange and Rockland Utilities, Inc., a regulated utility serving customers in a 1,350 square mile area in southeastern New York state and adjacent sections of northern New Jersey and northeastern Pennsylvania; Con Edison Solutions, a retail energy services company; Con Edison Energy, a wholesale energy supply company; Con Edison Development, an infrastructure development company; and Con Edison Communications, a telecommunications infrastructure company and service provider.

CONSOLIDATED EDISON, INC.  
CONSOLIDATED INCOME STATEMENT  
FOR THE THREE MONTHS ENDED JUNE 30, 2003 AND 2002  
(Unaudited)

	2003	2002
	(Millions of Dollars)	
Operating revenues		
Electric	\$1,561	\$1,400
Gas	326	242
Steam	96	71
Non-utility	192	136
Total operating revenues	2,175	1,849
Operating expenses		
Purchased power	906	702
Fuel	102	47
Gas purchased for resale	192	119
Other operations	279	231
Maintenance	91	99
Depreciation and amortization	130	121
Taxes, other than income tax	270	269
Income tax	41	61
Total operating expenses	2,011	1,649
Operating income	164	200
Other income (deductions)		
Investment income	2	--
Allowance for equity funds used during construction	4	2
Other income	6	8
Other Income deductions	(5)	(6)
Income tax	2	2
Total other income (deductions)	9	6

Income before interest charges	173	206
Interest on long-term debt	99	99
Other interest	8	8
Allowance for borrowed funds used during construction	(3)	(2)
Net interest charges	104	105
Preferred stock dividend requirements	3	3
Net income for common stock	66	98
Earnings per common share - Basic	\$0.29	\$0.46
Earnings per common share - Diluted	\$0.29	\$0.46
Average number of shares outstanding - Basic (in Millions)	219.3	212.8
Average number of shares outstanding - Diluted (in Millions)	220.3	213.9
Consolidated Edison, Inc. utility sales		
Electric (thousands of kilowatthours)		
Total energy delivered in service areas	13,320,730	13,717,590
Gas (dekatherms)		
Firm sales and transportation	24,568,979	22,162,986
Off-system sales	339,201	2,666,228
Steam (thousands of pounds)	4,435,485	4,481,538

CONSOLIDATED EDISON, INC.  
 CONSOLIDATED INCOME STATEMENT  
 FOR THE SIX MONTHS ENDED JUNE 30, 2003 AND 2002  
 (Unaudited)

	2003	2002
	(Millions of Dollars)	
Operating revenues		
Electric	\$3,054	\$2,701
Gas	946	716
Steam	334	212
Non-utility	412	276
Total operating revenues	4,746	3,905
Operating expenses		
Purchased power	1,770	1,370
Fuel	287	112
Gas purchased for resale	556	350
Other operations	575	468
Maintenance	184	198
Depreciation and amortization	259	243
Taxes, other than income tax	554	536
Income tax	141	170
Total operating expenses	4,326	3,447
Operating income	420	458
Other income (deductions)		
Investment income	2	1
Allowance for equity funds used during construction	6	6
Other income	12	15
Other Income deductions	(8)	(15)
Income tax	3	16
Total other income (deductions)	15	23

Income before interest charges	435	481
Interest on long-term debt	198	193
Other interest	16	19
Allowance for borrowed funds used during construction	(5)	(2)
Net interest charges	209	210
Preferred stock dividend requirements	6	7
Net income before cumulative effect of a change in accounting principle	220	264
Cumulative effect of a change in accounting principle (net of income tax of \$14 million)	--	20
Net income for common stock	220	244
Earnings per common share - Basic		
Before cumulative effect of a change in accounting principle	\$1.01	\$1.24
Cumulative effect of a change in accounting principle	\$ --	\$0.10
After cumulative effect of a change in accounting principle	\$1.01	\$1.14
Earnings per common share - Diluted		
Before cumulative effect of a change in accounting principle	\$1.01	\$1.24
Cumulative effect of a change in accounting principle	\$ --	\$0.10
After cumulative effect of a change in accounting principle	\$1.01	\$1.14
Average number of shares		
outstanding - Basic (in Millions)	217.1	212.5
Average number of shares		
outstanding - Diluted (in Millions)	218.0	213.7
Consolidated Edison, Inc. utility sales		
Electric (thousands of kilowatthours)		
Total energy delivered in service areas	27,814,643	27,246,570
Gas (dekatherms)		
Firm sales and transportation	83,951,874	68,416,623
Off-system sales	597,640	8,969,853
Steam (thousands of pounds)	15,107,574	12,417,347

SOURCE Consolidated Edison, Inc.

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<http://www.coned.com>