



## Con Edison, Inc. Reports Third Quarter Earnings and Declares Dividend

October 16, 2003

NEW YORK, Oct. 16 /PRNewswire-FirstCall/ -- Consolidated Edison, Inc. (Con Edison) (NYSE: ED) today reported net income for common stock for the third quarter of 2003 of \$257 million or \$1.17 a share compared with earnings of \$284 million or \$1.34 a share for the third quarter of 2002. The company also declared a quarterly dividend of 56 cents a share on its common stock payable December 15, 2003 to stockholders of record as of November 12, 2003.

"We're seeing the underlying strength of the New York City economy reflected in signs of recovery from the recent economic decline," said Eugene R. McGrath, Chairman and Chief Executive Officer. "For example, in the first half of 2003, housing permits issued in Con Edison of New York's service area were running at an 18-year high and were approximately 70 percent ahead of the level of five years ago."

The company's net income for common stock for the first nine months of 2003 was \$478 million or \$2.18 a share, compared with \$528 million or \$2.48 a share for the first nine months of 2002. Net income for the 2002 period included 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 nine months of 2002 was \$548 million or \$2.58 a share.

The company's earnings for the third quarter of 2003 were negatively affected by the multi-regional August power outage and the lower-than-normal number of hot days during the summer of 2003 compared with an exceptionally warm summer in 2002. The lower third quarter and nine month results also reflect the reduction in net credits for pensions and other post-retirement benefits and the current weak margins in the wholesale electric markets affecting sales from unregulated generation assets. For the first nine months of 2003, the negative impact on earnings from the weather in both the second and third quarters partially offset the positive impact of cooler-than-normal winter weather in the first quarter.

Electric delivery volumes by Con Edison of New York decreased for the three months ended September 30, 2003, after adjusting for variations in weather and billing days in each period and the August power outage, by 0.6 percent, while adjusted firm gas and steam delivery volumes increased 4.3 percent and 2.2 percent, respectively, when compared with the prior year.

For the first nine 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 and the August power outage, increased 0.8 percent, 2.6 percent and 1.2 percent, respectively, as compared with the 2002 period.

For the full year 2003, the Company expects its earnings to be near the lower end of its previously communicated forecast 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 third quarter of 2003 compared with 2002:

3rd Quarter 2003 Compared With 2002	Earnings Per Share (\$)
Con Edison of New York:	
Impact of weather in 2003 on net revenues versus 2002 (estimated)	\$(0.05)
Sales, adjusted for weather (estimated)	0.03
Power outage (estimated)	(0.03)
Regulatory accounting/amortizations	0.06
Reduced net credit for pension & other post-retirement benefits	(0.04)
Higher depreciation and property tax expense	(0.03)
Other	0.02
Total Con Edison of New York	(0.04)
Orange and Rockland Utilities	(0.02)
Unregulated subsidiaries and parent company	(0.08)
Dilution effect of additional common equity shares issued in May and June	(0.03)
Total	\$(0.17)

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

Earnings  
Per  
Share

Year-to-Date 2003 Compared With 2002 (\$)

Con Edison of New York:	
Impact of weather in 2003 on net revenues versus 2002 (estimated)	\$0.02
Sales, adjusted for weather (estimated)	0.12
Power outage (estimated)	(0.03)
Regulatory accounting/amortizations	(0.03)
Reduced net credit for pensions & other post-retirement benefits	(0.19)
Higher depreciation and property tax expense	(0.09)
Amortization of divestiture gain in the first quarter of 2002	(0.06)
Total Con Edison of New York	(0.26)
Orange and Rockland Utilities	(0.02)
Unregulated subsidiaries and parent company	(0.08)
Cumulative effect of changes in accounting principles	0.10
Dilution effect of additional common equity shares issued in May and June	(0.04)
Total	\$(0.30)

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. (NYSE: ED) 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 SEPTEMBER 30, 2003 AND 2002  
(Unaudited)

	2003	2002
	(Millions of Dollars)	
Operating revenues		
Electric	\$ 2,237	\$ 2,126
Gas	184	156
Steam	95	76
Non-utility	273	181
Total operating revenues	2,789	2,539
Operating expenses		
Purchased power	1,220	1,064
Fuel	131	83
Gas purchased for resale	101	75
Other operations	292	224
Maintenance	94	99
Depreciation and amortization	134	126
Taxes, other than income tax	295	301
Income tax	169	181
Total operating expenses	2,436	2,153
Operating income	353	386
Other income (deductions)		
Investment income	14	1
Allowance for equity funds used during construction	4	2
Other income	2	2
Other Income deductions	(5)	(5)

Income tax	-	10
Total other income (deductions)	15	10
Income before interest charges	368	396
Interest on long-term debt	102	103
Other interest	9	8
Allowance for borrowed funds used during construction	(3)	(2)
Net interest charges	108	109
Preferred stock dividend requirements	3	3
Net income for common stock	\$ 257	\$ 284
Earnings per common share - Basic	\$ 1.17	\$ 1.34
Earnings per common share - Diluted	\$ 1.16	\$ 1.33
Average number of shares outstanding - Basic (in Millions)	225.0	213.2
Average number of shares outstanding - Diluted (in Millions)	226.0	214.2
Consolidated Edison, Inc. utility sales Electric (thousands of kilowatthours)		
Total energy delivered in service areas	17,296,651	17,845,544
Gas (dekatherms)		
Firm sales and transportation	12,429,082	11,897,275
Steam (thousands of pounds)	5,547,996	5,801,011

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

	2003	2002
	(Millions of Dollars)	
Operating revenues		
Electric	\$ 5,291	\$ 4,827
Gas	1,130	872
Steam	430	289
Non-utility	684	457
Total operating revenues	7,535	6,445
Operating expenses		
Purchased power	2,990	2,434
Fuel	417	195
Gas purchased for resale	657	425
Other operations	867	692
Maintenance	279	297
Depreciation and amortization	393	369
Taxes, other than income tax	849	837
Income tax	310	352
Total operating expenses	6,762	5,601
Operating income	773	844
Other income (deductions)		
Investment income	16	1
Allowance for equity funds used		

during construction	10	8
Other income	13	17
Other Income deductions	(13)	(19)
Income tax	4	26
Total other income (deductions)	30	33
Income before interest charges	803	877
Interest on long-term debt	300	296
Other interest	25	27
Allowance for borrowed funds used during construction	(8)	(3)
Net interest charges	317	320
Preferred stock dividend requirements	8	9
Income before cumulative effect of a change in accounting principle	478	548
Cumulative effect of a change in accounting principle (net of income tax of \$14 million)	-	20
Net income for common stock	\$478	\$528
Earnings per common share - Basic		
Before cumulative effect of a change in accounting principle	\$ 2.18	\$ 2.58
Cumulative effect of a change in accounting principle	\$ -	\$ 0.10
After cumulative effect of a change in accounting principle	\$ 2.18	\$ 2.48
Earnings per common share - Diluted		
Before cumulative effect of a change in accounting principle	\$ 2.17	\$ 2.57
Cumulative effect of a change in accounting principle	\$ -	\$ 0.10
After cumulative effect of a change in accounting principle	\$ 2.17	\$ 2.47
Average number of shares outstanding		
- Basic (in Millions)	219.5	212.8
Average number of shares outstanding		
- Diluted (in Millions)	220.4	213.9
Consolidated Edison, Inc. utility sales		
Electric (thousands of kilowatthours)		
Total energy delivered in service areas	45,128,643	45,115,252
Gas (dekatherms)		
Firm sales and transportation	96,363,795	107,067,531
Steam (thousands of pounds)	20,655,570	18,218,358

SOURCE Consolidated Edison, Inc. -0- 10/16/2003 /CONTACT: Michael Clendenin of Consolidated Edison, Inc., +1-212-460-4111/ /Web site: <http://www.conEdison.com> / (ED)