

GAAP Basis \$528 \$646 \$2.39* \$3.03 \$50 \$118 \$0.21 \$0.55

* The weighted average number of shares outstanding used to calculate earnings per share was 221 million in 2003. Excluding the impact of new equity issuances in 2003 and 2002, the weighted average number of shares outstanding would have been 212 million in 2003.

The following table represents an analysis of the major factors affecting Con Edison's earnings per share from ongoing operations for the year and fourth quarter 2003 compared with the 2002 periods:

| | Year 2003 vs. 2002 | 4th quarter 2003 vs. 2002 |
|---|--------------------------|---------------------------------|
| Con Edison of New York: | | |
| Impact of weather in 2003 on net revenues versus 2002 (estimated) | \$(0.03) | \$(0.05) |
| Sales, adjusted for weather (estimated) | 0.15 | 0.03 |
| Lower operations expense | 0.11 | 0.07 |
| Regulatory accounting/amortizations | 0.06 | 0.14 |
| Increased pension & other post-retirement benefit costs | (0.24) | (0.05) |
| Higher depreciation and property tax expense | (0.12) | (0.03) |
| Regional power outage (estimated) | (0.03) | -- |
| Other | (0.04) | 0.05 |
| Total Con Edison of New York | (0.14) | 0.16 |
| Orange and Rockland Utilities | -- | 0.02 |
| Unregulated subsidiaries and parent company | (0.17) | (0.09) |
| Total earnings per share variation from ongoing operations | (\$0.31) | \$0.09 |

The performance of the unregulated businesses in 2003 reflects lower merchant generation margins and additional costs related to generating units placed in service and lower than anticipated revenues in the telecommunications business.

For the year 2003, amounts of electricity, firm 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 0.6 percent, 3.6 percent and 0.9 percent, respectively, as compared with the 2002 period.

Con Edison expects its earnings for 2004 to be in the range of \$2.60 to \$2.80 a share. The forecast reflects increased pension and other post-retirement benefit costs, insurance premiums and depreciation expense, partially offset by sales growth. Con Edison of New York has filed gas and steam rate proposals that would take effect in October 2004 and expects to file an electric rate proposal this spring, to take effect in April 2005, at the end of the respective current rate plans.

Regulated utility construction expenditures for 2004 are estimated at \$1.1 billion, compared with \$1.2 billion in 2003. Unregulated subsidiary construction expenditures are estimated at \$30 million in 2004 compared with approximately \$100 million in 2003.

Refer to attachments to this press release for the condensed consolidated balance sheets at December 31, 2003 and 2002 and the consolidated income statements for 2003 and 2002.

This press release contains certain forward-looking statements of future expectations and non-Generally Accepted Accounting Principles (GAAP) financial measures. Actual results might differ materially from those projected in the forward looking statements because of factors such as those identified in reports the company has filed with the Securities and Exchange Commission. Earnings from ongoing operations should not be considered as an alternative to net income, determined in accordance with GAAP. Management uses earnings and earnings per share from ongoing operations as measures to evaluate operations of the company and believes that these non-GAAP financial measures also provide useful information to investors. Use of these measures facilitates the analysis of the company's ongoing performance as compared to its internal budgets and previously reported financial results. Other companies may use different measures to present financial performance.

Consolidated Edison, Inc. (NYSE: ED) is one of the nation's largest investor-owned energy companies, with \$10 billion in annual revenues and approximately \$21 billion in assets. The company provides a wide range of energy-related products and services to its customers through the following 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.

| | As at | |
|--|-----------------------|-------------------|
| | December 31, 2003 | December 31, 2002 |
| | (Millions of Dollars) | |
| ASSETS | | |
| PLANT, AT ORIGINAL COST | | |
| Utility plant - net | \$14,284 | \$13,442 |
| Non-utility plant - net | 941 | 710 |
| NET PLANT | 15,225 | 14,152 |
| CURRENT ASSETS | | |
| Cash and temporary cash investments | 67 | 132 |
| Funds held for the redemption of long-term debt | -- | 275 |
| Accounts receivable - customers, less allowance for uncollectible accounts | 790 | 683 |
| Other receivables, less allowance for uncollectible accounts | 184 | 169 |
| Inventories | 283 | 196 |
| Prepayments | 98 | 73 |
| Other current assets | 170 | 178 |
| TOTAL CURRENT ASSETS | 1,592 | 1,706 |
| INVESTMENTS | 248 | 235 |
| DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS | | |
| Goodwill | 406 | 406 |
| Intangible assets - net | 111 | 82 |
| Prepaid pension costs | 1,257 | 1,024 |
| Regulatory assets | 1,861 | 1,866 |
| Other deferred charges and noncurrent assets | 266 | 196 |
| TOTAL DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS | 3,901 | 3,574 |
| TOTAL ASSETS | \$20,966 | \$19,667 |

Consolidated Edison, Inc.
CONSOLIDATED BALANCE SHEET (Condensed)
(UNAUDITED)

| | As at | |
|---|-----------------------|-------------------|
| | December 31, 2003 | December 31, 2002 |
| | (Millions of Dollars) | |
| CAPITALIZATION AND LIABILITIES | | |
| CAPITALIZATION | | |
| Common shareholders' equity | \$6,423 | \$5,921 |
| Preferred stock | 213 | 213 |
| Long-term debt | 6,733 | 6,166 |
| TOTAL CAPITALIZATION | 13,369 | 12,300 |
| NONCURRENT LIABILITIES | | |
| Provision for injuries and damages | 194 | 197 |
| Pension and benefits | 205 | 206 |
| Superfund and other environmental costs | 193 | 143 |
| Other noncurrent liabilities | 157 | 122 |
| TOTAL NONCURRENT LIABILITIES | 749 | 668 |
| CURRENT LIABILITIES | | |
| Long-term debt due within one year | 166 | 473 |
| Notes payable | 159 | 162 |
| Accounts payable | 905 | 925 |

| | | |
|---|----------|----------|
| Customer deposits | 228 | 221 |
| Other current liabilities | 453 | 494 |
| TOTAL CURRENT LIABILITIES | 1,911 | 2,275 |
| DEFERRED CREDITS AND REGULATORY LIABILITIES | | |
| Deferred income taxes and investment tax credits | 3,172 | 2,788 |
| Regulatory liabilities and other deferred credits | 1,765 | 1,636 |
| TOTAL DEFERRED CREDITS AND REGULATORY LIABILITIES | 4,937 | 4,424 |
| TOTAL CAPITALIZATION AND LIABILITIES | \$20,966 | \$19,667 |

CONSOLIDATED EDISON, INC.
CONSOLIDATED INCOME STATEMENT
FOR THE THREE MONTHS ENDED DECEMBER 31, 2003 AND 2002
(Unaudited)

| | 2003 | 2002 |
|--|-----------------------|---------|
| | (Millions of Dollars) | |
| Operating revenues | | |
| Electric | \$1,559 | \$1,424 |
| Gas | 362 | 332 |
| Steam | 107 | 115 |
| Non-utility | 251 | 186 |
| Total operating revenues | 2,279 | 2,057 |
| Operating expenses | | |
| Purchased power | 936 | 767 |
| Fuel | 87 | 94 |
| Gas purchased for resale | 190 | 171 |
| Other operations | 266 | 270 |
| Maintenance | 75 | 90 |
| Impairment charges - telecommunications and other unregulated assets | 159 | - |
| Depreciation and amortization | 136 | 126 |
| Taxes, other than income tax | 267 | 277 |
| Income tax | 10 | 46 |
| Total operating expenses | 2,126 | 1,841 |
| Operating income | 153 | 216 |
| Other income (deductions) | | |
| Investment income | 1 | 1 |
| Allowance for equity funds used during construction | 5 | 2 |
| Other income | 9 | 31 |
| Other deductions | (3) | (1) |
| Income tax | 2 | (4) |
| Total other income (deductions) | 14 | 29 |
| Income before interest charges | 167 | 245 |
| Interest on long-term debt | 101 | 90 |
| Other interest | 20 | 33 |
| Allowance for borrowed funds used during construction | (4) | (1) |
| Net interest charges | 117 | 122 |
| Income before preferred stock dividends | 50 | 123 |

| | | |
|--|------------|------------|
| Preferred stock dividend requirements | 3 | 3 |
| Income before cumulative effect of changes in accounting principles | \$47 | \$120 |
| Cumulative effect of changes in accounting principles (net of income tax of \$2 million in 2003 and \$1 million in 2002) | \$3 | \$(2) |
| Net income for common stock | \$50 | \$118 |
| Earnings per common share - Basic | | |
| Before cumulative effect of changes in accounting principles | \$0.19 | \$0.56 |
| Cumulative effect of changes in accounting principles | \$0.02 | (0.01) |
| After cumulative effect of changes in accounting principles | \$0.21 | \$0.55 |
| Earnings per common share - Diluted | | |
| Before cumulative effect of changes in accounting principles | \$0.19 | \$0.56 |
| Cumulative effect of changes in accounting principles | \$0.02 | (0.01) |
| After cumulative effect of changes in accounting principles | \$0.21 | \$0.55 |
| Average number of shares outstanding - Basic (in Millions) | | |
| | 225.5 | 213.7 |
| Average number of shares outstanding - Diluted (in Millions) | | |
| | 226.5 | 214.8 |
| Consolidated Edison, Inc. utility sales | | |
| Electric (thousands of kilowatthours) | | |
| Total energy delivered in service areas | 14,218,825 | 14,405,405 |
| Gas (dekatherms) | | |
| Firm sales and transportation | 31,148,615 | 32,072,850 |
| Steam (thousands of pounds) | 5,592,791 | 6,301,118 |

CONSOLIDATED EDISON, INC.
 CONSOLIDATED INCOME STATEMENT
 FOR THE TWELVE MONTHS ENDED
 DECEMBER 31, 2003 AND 2002
 (Unaudited)

| | 2003 | 2002 |
|---|-----------------------|---------|
| | (Millions of Dollars) | |
| Operating revenues | | |
| Electric | \$6,863 | \$6,251 |
| Gas | 1,492 | 1,204 |
| Steam | 537 | 404 |
| Non-utility | 935 | 643 |
| Total operating revenues | 9,827 | 8,502 |
| Operating expenses | | |
| Purchased power | 3,926 | 3,201 |
| Fuel | 504 | 289 |
| Gas purchased for resale | 847 | 596 |
| Other operations | 1,134 | 962 |
| Maintenance | 353 | 387 |
| Impairment charges - telecommunications and | | |

| | | |
|--|------------|------------|
| other unregulated assets | 159 | - |
| Depreciation and amortization | 529 | 495 |
| Taxes, other than income tax | 1,116 | 1,114 |
| Income tax | 325 | 398 |
| Total operating expenses | 8,893 | 7,442 |
| Operating income | 934 | 1,060 |
| Other income (deductions) | | |
| Investment income | 4 | 2 |
| Allowance for equity funds used during construction | 15 | 10 |
| Other income | 23 | 48 |
| Other deductions | (16) | (20) |
| Income tax | 10 | 22 |
| Total other income (deductions) | 36 | 62 |
| Income before interest charges | 970 | 1,122 |
| Interest on long-term debt | 401 | 386 |
| Other interest | 45 | 61 |
| Allowance for borrowed funds used during construction | (12) | (5) |
| Net interest charges | 434 | 442 |
| Income before preferred stock dividends | 536 | 680 |
| Preferred stock dividend requirements | 11 | 12 |
| Income before cumulative effect of changes in accounting principles | 525 | 668 |
| Cumulative effect of changes in accounting principles (net of income tax of \$2 million in 2003 and \$15 million in 2002) | 3 | (22) |
| Net income for common stock | \$528 | \$646 |
| Earnings per common share - Basic | | |
| Before cumulative effect of changes in accounting principles | \$2.37 | \$3.14 |
| Cumulative effect of changes in accounting principles | \$0.02 | \$(0.11) |
| After cumulative effect of changes in accounting principles | \$2.39 | \$3.03 |
| Earnings per common share - Diluted | | |
| Before cumulative effect of changes in accounting principles | \$2.36 | \$3.13 |
| Cumulative effect of changes in accounting principles | \$0.02 | \$(0.11) |
| After cumulative effect of changes in accounting principles | \$2.38 | \$3.02 |
| Average number of shares outstanding | | |
| - Basic (in Millions) | 220.9 | 213.0 |
| Average number of shares outstanding | | |
| - Diluted (in Millions) | 221.8 | 214.0 |
| Consolidated Edison, Inc. utility sales | | |
| Electric (thousands of kilowatthours) | | |
| Total energy delivered in service areas | 59,347,469 | 59,520,658 |
| Gas (dekatherms) | | |

| | | |
|-------------------------------|-------------|-------------|
| Firm sales and transportation | 127,527,813 | 116,331,065 |
| Steam (thousands of pounds) | 26,248,361 | 24,519,476 |

SOURCE Consolidated Edison, Inc.

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<http://www.coned.com>