



## Con Edison, Inc. Reports 2004 First Quarter Earnings

April 22, 2004

NEW YORK, April 22 /PRNewswire-FirstCall/ -- Consolidated Edison, Inc. (Con Edison) (NYSE: ED) today reported net income for common stock for the first quarter of 2004 of \$155 million or 69 cents a share, compared with earnings of \$154 million or 72 cents a share for the first quarter of 2003. The company also declared a quarterly dividend of 56 1/2 cents a share on its common stock payable June 15, 2004 to stockholders of record as of May 12, 2004.

"Con Edison's performance for the first quarter represents a solid start for the year," said Eugene R. McGrath, chairman and chief executive officer. "The continuing economic recovery, coupled with anticipated new rates for Con Edison of New York's electric, gas and steam businesses, will further enhance the financial strength of the company."

The following table represents an analysis of the major factors affecting basic earnings per share for the first quarter of 2004 compared with 2003:

	Earnings per Share Variation
Con Edison of New York:	
Revenue:	
Impact of weather in 2004 on net revenues versus 2003 (estimated)	\$(0.02)
Sales growth, normalized for weather (estimated)	0.03
Regulatory accounting	0.04
Expense:	
Lower operation and maintenance expense, principally corporate	0.01
Increased pension & other post-retirement benefit costs	(0.01)
Higher depreciation and property tax expense	(0.03)
Other	0.01
Total Con Edison of New York	0.03
Orange and Rockland Utilities	(0.01)
Unregulated subsidiaries and parent company	(0.05)
Total earnings per share variation	\$(0.03)

The earnings per share variations shown above reflect the dilutive effect of a higher weighted average number of common shares outstanding in the 2004 period (226 million shares) than in the 2003 period (214 million shares).

For Con Edison of New York, net revenues reflect 6 percent fewer heating degree days in the electric, gas and steam billing cycles in the first quarter of 2004 as compared with the 2003 period. Delivery volumes adjusted for weather and billing days more than offset the effect of the weather, with increases of 1.7 percent for electric, 0.9 percent for firm gas and 1.0 percent for steam.

Con Edison of New York's earnings variances reflect two significant factors. In 2003, provision was made for a refund to customers of electric earnings in excess of a targeted return, while there was no such provision in 2004. Higher depreciation and property taxes in 2004 reflect large continuing capital investment in energy delivery infrastructure.

Regulated utility construction expenditures for 2004 are estimated at \$1.2 billion, the same level as 2003. A number of large construction projects are scheduled for completion this year, including three major substations that will be on line this summer to meet demand growth. While not entirely covered under current rate plans, the company expects Con Edison of New York's construction program to be fully reflected in rates to be set through its current gas and steam rate proceedings and its upcoming electric proceeding. Capital expenditures for Orange and Rockland were addressed in its 2003 rate proceedings.

The performance of the unregulated subsidiaries and parent in the first quarter of 2004 compared with the 2003 period reflects lower gross margins on electric sales and higher interest expense.

For the full year 2004, the company confirms its previous forecast of earnings in the range of \$2.60 to \$2.80 per share.

Con Edison has filed "shelf" Registration Statements on Form S-3 with the Securities and Exchange Commission covering \$925 million of securities, including debt, preferred stock and common stock. In addition, Con Edison of New York and Orange and Rockland have filed registration statements covering \$825 million and \$200 million of their debt securities, respectively. The form and amount of securities to be issued by each of the companies will be determined as the companies continue to review their financing plans. The earnings forecast shown above does not reflect dilution from any common stock that may be issued in addition to ongoing issuances under the dividend reinvestment and employee stock plans.

Refer to the attachments to this press release for the condensed consolidated balance sheets at March 31, 2004 and December 31, 2003 and the consolidated income statements for the three months ended March 31, 2004 and 2003.

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 \$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.

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

	March 31, 2004	December 31, 2003
(Millions of Dollars)		
ASSETS		
PLANT, AT ORIGINAL COST		
Utility plant - net	\$14,487	\$14,284
Non-utility plant - net	952	941
NET PLANT	15,439	15,225
CURRENT ASSETS		
Cash and temporary cash investments	74	67
Accounts receivable - customers, less allowance for uncollectible accounts	795	790
Other receivables, less allowance for uncollectible accounts	268	184
Inventories	132	133
Prepayments	282	98
Other current assets	253	320
TOTAL CURRENT ASSETS	1,804	1,592
INVESTMENTS	250	248
DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS		
Goodwill	406	406
Intangible assets - net	108	111
Prepaid pension costs	1,303	1,257
Regulatory assets	1,899	1,861
Other deferred charges and noncurrent assets	304	266
TOTAL DEFERRED CHARGES, REGULATORY ASSETS AND NONCURRENT ASSETS	4,020	3,901
TOTAL ASSETS*	\$21,513	\$20,966

\* Con Edison is continuing to review whether, under FASB's revised Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN 46R), it will be required to deconsolidate its interest in a 237 MW facility located in Lakewood, New Jersey.

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

	March 31, 2004	December 31, 2003
(Millions of Dollars)		
CAPITALIZATION AND LIABILITIES		
CAPITALIZATION		
Common shareholders' equity	\$6,491	\$6,423

Preferred stock	213	213
Long-term debt	6,987	6,733
TOTAL CAPITALIZATION	13,691	13,369
NONCURRENT LIABILITIES		
Provision for injuries and damages	202	194
Pension and retiree benefits	222	205
Superfund and other environmental costs	199	193
Other noncurrent liabilities including minority interest	149	157
TOTAL NONCURRENT LIABILITIES	772	749
CURRENT LIABILITIES		
Long-term debt due within one year	16	166
Notes payable	394	159
Accounts payable	964	905
Customer deposits	227	228
Other current liabilities	342	453
TOTAL CURRENT LIABILITIES	1,943	1,911
DEFERRED CREDITS AND REGULATORY LIABILITIES		
Deferred income taxes and investment tax credits	3,317	3,172
Regulatory liabilities and other deferred credits	1,790	1,765
TOTAL DEFERRED CREDITS AND REGULATORY LIABILITIES	5,107	4,937
TOTAL CAPITALIZATION AND LIABILITIES*	\$21,513	\$20,966

\* See footnote on page 1 of 2 of the Consolidated Balance Sheet.

CONSOLIDATED EDISON, INC.  
CONSOLIDATED INCOME STATEMENT  
FOR THE THREE MONTHS ENDED MARCH 31, 2004 AND 2003  
(Unaudited)

	2004	2003
	(Millions of Dollars)	
Operating revenues		
Electric	\$1,539	\$1,493
Gas	645	620
Steam	235	238
Non-utility	266	219
Total operating revenues	2,685	2,570
Operating expenses		
Purchased power	931	865
Fuel	185	185
Gas purchased for resale	400	363
Other operations and maintenance	390	389
Depreciation and amortization	137	129
Taxes, other than income tax	282	284
Income tax	105	98
Total operating expenses	2,430	2,313
Operating income	255	257
Other income (deductions)		
Investment and other income	12	5

Allowance for equity funds used during construction	6	2
Other deductions	(3)	(3)
Income tax	2	2
Total other income (deductions)	17	6
Income before interest expense	272	263
Interest expense, net of amounts capitalized	114	106
Income before preferred stock dividends	158	157
Preferred stock dividend requirements	3	3
Net income for common stock	\$155	\$154
Earnings per common share - Basic	\$0.69	\$0.72
Earnings per common share - Diluted	\$0.68	\$0.72
Average number of shares outstanding - Basic (in Millions)	226.2	214.2
Average number of shares outstanding - Diluted (in Millions)	227.5	215.1
Consolidated Edison, Inc. utility sales Electric (thousands of kilowatthours)		
Total energy delivered in service areas	14,698,680	14,506,804
Gas (dekatherms)		
Firm sales and transportation	57,260,948	59,382,894
Steam (thousands of pounds)	10,613,568	10,672,089

SOURCE Consolidated Edison, Inc. -0- 04/22/2004 /CONTACT: Michael Clendenin of Consolidated Edison, Inc., +1-212-460-4111/ /Web site:  
<http://www.coned.com/> (ED) CO: Consolidated Edison, Inc. ST: New York