



Con Edison Announces Favorable 1999 Earnings; Increases Dividend For 26th Consecutive Year

January 20, 2000

Expands Stock Repurchase Program by \$300 Million

NEW YORK, Jan. 20 /PRNewswire/ -- Consolidated Edison, Inc. (NYSE: ED) today reported favorable earnings growth of 3.3 percent for 1999, increased its dividend by 4 cents on an annualized basis and expanded its common stock repurchase program by up to \$300 million. "These actions reflect the company's continued commitment to provide enhanced shareholder value for both the short- and long-term," said Chairman and Chief Executive Officer Eugene R. McGrath.

The company declared a dividend of 54-1/2 cents a share on its common stock payable March 15, 2000 to stockholders of record as of February 16, 2000, an increase of one cent over the previous quarterly dividend of 53-1/2 cents.

"This continues our record of increasing dividends each year for more than a quarter of a century, a further indication of shareholder commitment," stated Mr. McGrath.

The company also announced that its Board of Directors had approved the expansion of the stock repurchase program by allowing for the repurchase of up to an additional \$300 million of stock. Repurchases will be made from time to time on the open market, as determined by market conditions and other financial needs of the company. Through the end of 1999, Con Edison had repurchased 21 million shares, amounting to \$940 million of its previously announced \$1 billion common stock repurchase program.

"Our major effort on behalf of shareholders for the year 2000," Mr. McGrath continued, "will be to bring about the successful closure of the proposed merger with Northeast Utilities (NU) and achieving the expected synergies rapidly." In that regard, by the end of this week, the company and NU will have filed the details of the proposed merger and requests for support or approval with regulatory agencies in all of the states in which they operate, as well as with the FERC, SEC and NRC. The closing of the merger is projected to take place prior to year-end.

The 3.3 percent increase in earnings per share resulted from the impact of the strong local economy on the company's electric sales and revenues, continued emphasis on cost control and cost reduction, and the effects of the common stock repurchase program. "The higher earnings were a reflection of the company's ability to mitigate the effects of divestiture and the continued rate reductions that were implemented in accordance with the company's electric restructuring agreement, as well as the cost impacts of the summer heat wave and Hurricane Floyd," said Executive Vice President and Chief Financial Officer Joan S. Freilich.

"The cash proceeds from the sale of our power plants were promptly deployed in our acquisition of Orange & Rockland Utilities (O&R) and the stock repurchase program," she noted, "thus restoring the earnings that would otherwise have been lost through the divestiture of these assets. The integration of O&R into the Con Edison family has proceeded rapidly and smoothly and O&R is contributing, as expected, to our solid financial results."

The company's net income for common stock for 1999 was \$700.6 million or \$3.14 a share, compared with \$712.7 million or \$3.04 a share for 1998.

The company's net income for common stock for the fourth quarter of 1999 was \$121.6 million or \$.58 a share, compared with \$131.8 million or \$.56 a share for the fourth quarter of 1998.

Net income for common stock for the 1999 periods reflects Con Edison's purchase of O&R in July 1999, while the periods prior to July 1999 do not include O&R's financial results.

Consolidated Edison Company of New York's electric sales volume in 1999 was 3.9 percent higher than in 1998. Firm gas sales and transportation volume increased 5.8 percent and steam sales volume also increased 6.1 percent, reflecting the very mild 1998 winter weather.

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with more than \$7 billion in annual revenues and approximately \$15 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 to 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, as well as 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.

For additional financial, operations and customer service information, visit the Consolidated Edison, Inc. web site at <http://www.conedison.com>.

CONSOLIDATED EDISON, INC.
CONSOLIDATED INCOME STATEMENT
THREE MONTHS ENDED DECEMBER 31, 1999 AND 1998

	1999	1998
	(Thousands of Dollars)	
Operating revenues		
Electric	\$1,430,977	\$1,277,947
Gas	274,613	223,949

Steam	79,607	66,185
Non-utility	103,911	49,256
Total operating revenues	1,889,108	1,617,337
Operating expenses		
Purchased power	607,386	248,984
Fuel	80,682	117,396
Gas purchased for resale	145,438	99,737
Other operations	301,223	319,475
Maintenance	105,169	111,470
Depreciation and amortization	125,352	130,785
Taxes, other than federal income tax	276,611	289,405
Federal income tax	59,191	87,775
Total operating expenses	1,701,052	1,405,027
Operating income	188,056	212,310
Other income (deductions)		
Investment income	5,342	3,856
Allowance for equity funds used during construction	1,042	697
Other income less miscellaneous deductions	(13,196)	(4,466)
Federal income tax	32,098	1,455
Total other income	25,286	1,542
Income before interest charges	213,342	213,852
Interest on long-term debt	83,232	75,807
Other interest	5,695	3,173
Allowance for borrowed funds used during construction	(546)	(357)
Net interest charges	88,381	78,623
Preferred stock dividend requirements	3,398	3,398
Net income for common stock	\$121,563	\$131,831
Common shares outstanding		
- average (000)	216,312	233,098
Basic earnings per share	\$0.58	\$0.56
Diluted earnings per share	\$0.57	\$0.56
Consolidated Edison Company of New York, Inc. Sales Electric (thousands of kilowatthours)		
Total sales in service territory	12,073,423	11,778,046
Off-system and ESCO sales	1,955,238	1,534,641
Gas (dekatherms)		
Firm sales and transportation	21,129,401	20,204,423
Off-system sales	6,794,771	8,368,549
Steam (thousands of pounds)	5,433,749	5,134,057

TWELVE MONTHS ENDED DECEMBER 31, 1999 AND 1998

	1999	1998
	(Thousands of Dollars)	
Operating revenues		
Electric	\$5,792,673	\$5,674,446
Gas	1,000,083	959,609
Steam	340,026	321,932
Non-utility	358,541	137,061
Total operating revenues	7,491,323	7,093,048
Operating expenses		
Purchased power	1,824,023	1,253,783
Fuel	430,050	579,006
Gas purchased for resale	485,155	437,308
Other operations	1,188,623	1,157,958
Maintenance	437,979	477,413
Depreciation and amortization	526,182	518,514
Taxes, other than federal income tax	1,179,796	1,208,102
Federal income tax	399,716	407,639
Total operating expenses	6,471,524	6,039,723
Operating income	1,019,799	1,053,325
Other income (deductions)		
Investment income	14,842	11,760
Allowance for equity funds used during construction	3,810	2,431
Other income less miscellaneous deductions	(13,571)	(14,212)
Federal income tax	26,891	2,229
Total other income	31,972	2,208
Income before interest charges	1,051,771	1,055,533
Interest on long-term debt	319,393	308,671
Other interest	20,065	18,359
Allowance for borrowed funds used during construction	(1,895)	(1,246)
Net interest charges	337,563	325,784
Preferred stock dividend requirements	13,593	17,007
Net income for common stock	\$700,615	\$712,742
Common shares outstanding		
- average (000)	223,442	234,308
Basic earnings per share	\$3.14	\$3.04
Diluted earnings per share	\$3.13	\$3.04
Consolidated Edison Company of New York, Inc. Sales		
Electric (thousands of kilowatthours)		
Total sales in service territory	50,525,792	48,645,587
Off-system and ESCO sales	9,105,786	3,955,096
Gas (dekatherms)		

Firm sales and transportation	89,359,313	84,426,238
Off-system sales	32,942,436	25,982,200
Steam (thousands of pounds)	26,532,797	24,995,694

SOURCE: Consolidated Edison, Inc.