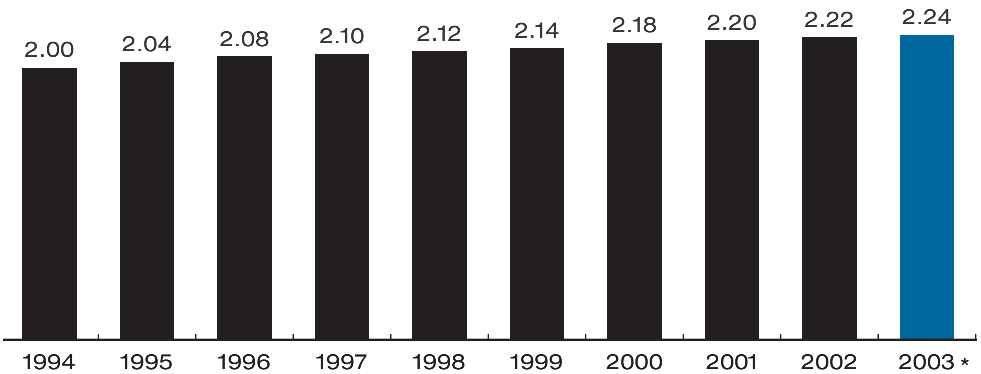
conEdison, inc.

2003 REPORT TO THE FINANCIAL COMMUNITY AND 10Q

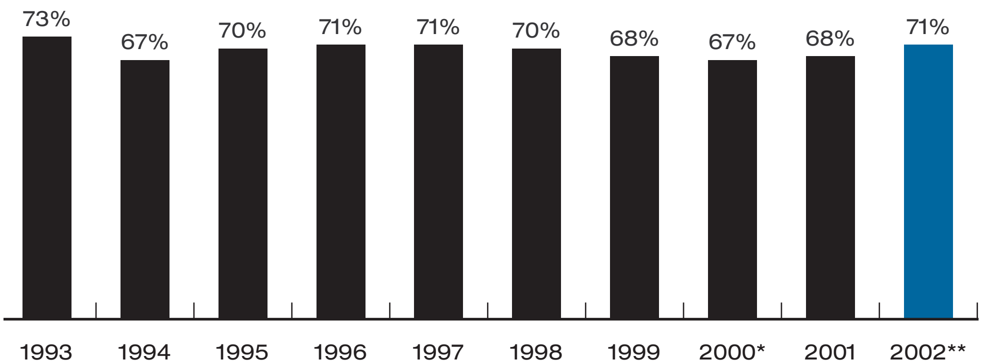
Period Ending September 30, 2003

ANNUAL DIVIDEND GROWTH
Dividends per share ($)



* Annualized

DIVIDEND PAYOUT RATIO
(%)



* Excludes one-time merger-related and replacement power charges.
** Excludes the cumulative effect of two changes in accounting principles.

COMPARISON OF CONSOLIDATED EDISON, INC. TO S&P ELECTRICS
CURRENT MARKET INFORMATION

	CONSOLIDATED EDISON, INC	S&P ELECTRICS *(industry average)*
Market Capitalization* *(US$ millions)*	$9,169	$8,860
P/E Ratio* based on 2002 continuing operations	13.0X	12.4X
Indicated Dividend Yield*	5.5%	4.0%
Year 2002 Payout Ratio	71%	51%

* *as of September 30, 2003*

ED LISTED NYSE

Consolidated Edison, Inc., is traded on the New York Stock Exchange under the symbol ED. The press listing is “ConEdison” or “ConEd.”

Con Edison, Inc. Reports Third Quarter Earnings

Consolidated Edison, Inc. 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, president 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."

Eugene R. McGrath
Chairman, President and Chief Executive Officer

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.

Con Edison Brings New Power to WTC7

The reconstruction of the World Trade Center complex reached a milestone on November 8, 2003, when three electrical transformers were transported to 7 World Trade Center and lifted into place by a five-story crane. The transformers, the first of ten that could be placed at the site, represent Con Edison's commitment to rebuild the two power substations destroyed in the 9/11 terrorist attacks and the company's integral presence and support for the restoration and revitalization of Lower Manhattan.

The transformers for 7 World Trade Center, which traveled by barge down the East River, will provide reliable electric power to Lower Manhattan now and in the future and are part of a multi-year, $430 million investment for Con Edison.

"To us, this signifies the rebirth of the two substations that we lost on 9/11," said Steve Quinn, Con Edison's vice president of Substation Operations. "It is the beginning. You need electrical power to do almost everything today. And as these buildings come up, they are going to need electrical power."

Each of the transformers can provide up to 80 megawatts, enough energy to power 80,000 homes; each is 20 feet tall and weighs 85 tons. This equipment plays a vital role in the delivery of energy; the units convert voltage so that electricity can be routed safely to homes and businesses. Con Edison transported them to the site by barge, down the East River and around the southern tip of Manhattan to a West Side pier. They were loaded onto 100-foot long tractor trailer trucks and then moved by crane into the vaults beneath what will once again become 7 World Trade Center.

Meeting Load Growth, Enhancing Reliability

In its planning for the new substations, Con Edison recognized the need to invest in a modern system that will provide the reliable electric power necessary for the new World Trade Center as well as other new commercial and residential buildings being built in the area. At the same time, Con Edison planned a system that will keep pace with the growing energy needs of Lower Manhattan. These repairs and enhancements are a multi-year, $430 million investment for Con Edison, and are in addition to the $660 million capital investment the company is making in 2003 to reinforce the electric transmission system that serves New York City and Westchester County. During the next five years, the company will invest $3.2 billion to upgrade its electric delivery system.

A Firm Advocate for System Investment

With the country's attention now focused on its national energy system, debate and discussion on energy policy have intensified. Con Edison's senior executives recently addressed federal and state governmental leaders on this critical subject, stressing how economic growth depends on the availability of a reliable energy supply, such as the investments Con Edison is making in Lower Manhattan and throughout its service territory.

"Delivering electricity is essential to economic growth, and it is crucial for energy companies to stay ahead of demand and maintain strong generation, transmission and distribution systems," said Eugene R. McGrath, Con Edison's chairman, president and chief executive officer, in testimony on the August 14 outage before the United States House of Representatives' Committee on Energy and Commerce. "Day to day reliability depends upon redundancy, flexibility and capacity. The planning of electric generation and transmission should be integrated across and within regions, and priority should be given to locating generation at or near load centers.

"The process for siting electric transmission, generation and distribution facilities must be improved so that utilities and other investors can install the facilities needed to meet growing loads and support economic development," said McGrath. "There must be adequate financial incentive to invest in all elements of the electric infrastructure."

As the work now under way at 7 WTC demonstrates, Con Edison continues to invest in system improvements that will provide the reliable sources of energy the metropolitan New York City area needs to meet its growing demand and to serve as the platform for economic growth and development. These upgrades and expansions require significant amounts of capital, but are essential both to meet load growth in the company's service area and to further enhance the security and reliability of the transmission and distribution systems. By making these infrastructure investments, Con Edison is building a system that meets current and projected demand and creates assets that will provide earnings and cash flow in the future.

The reconstruction of the World Trade Center complex reached a milestone on November 8, 2003, when three electrical transformers were lifted into place at 7 World Trade Center.

Con Edison Named Most Reliable Utility in North America

In October 2003, Consolidated Edison Company of New York, Inc., was named the most reliable electric utility in North America for the second year in a row by PA Consulting Group, an international consultant, which presented the company with its National Achievement Award for "sustained leadership and achievement in the area of electric reliability." Con Edison's reliability is approximately nine times better than the national average.

"Con Edison's 13,000 employees are the foundation of our electrical system's reliability," said Kevin Burke, president and chief operating officer of Con Edison of New York. "PA Consulting's recognition of their professionalism is a tribute to the men and women who ensure New Yorkers receive the highest levels of service."

Orange and Rockland Utilities Rate Plan Approved

In October 2003, the New York State Public Service Commission (PSC) approved agreements among Orange and Rockland Utilities (O&R), the staff of the PSC, and other parties with respect to the rates O&R can charge to its New York customers for electric and gas services.

- The electric agreement, which covers the period from July 1, 2003 through October 31, 2006, provides for no changes to electric base rates and contains provisions for the amortization and offset of regulatory assets and liabilities, the net effect of which will reduce electric operating income by a total of $11 million (pre-tax) over the period covered by the agreement.
- The O&R gas agreement, which covers the period from November 1, 2003 through October 31, 2006, provides for increases in gas base rates of $9 million (5.8 percent) effective November 2003, $9 million (4.8 percent) effective November 2004, and $5 million (2.5 percent) effective November 2005.
- The O&R gas agreement also continues a weather normalization clause that moderates, but does not eliminate, the effect of weather-related changes on net income.
- Both agreements continue to provide for recovery of energy costs from customers on a current basis and for O&R to share earnings in excess of specified returns on common equity (electric: 12.75 percent; gas: 11 percent) equally with customers.

CONSOLIDATED EDISON, INC.

FINANCIAL HIGHLIGHTS

(millions of dollars)

THREE MONTHS ENDED SEPTEMBER 30	2003	2002
Operating revenues	$ 2,801	$ 2,539
Purchased power	1,220	1,064
Fuel	131	83
Gas purchased for resale	101	75
Operating income	361	386
Net income for common stock	257	284
Basic earnings per common share	$ 1.17	$ 1.34
Diluted earnings per common share	1.16	1.33
Dividends per common share	0.560	0.555
Average common shares outstanding (millions)	225.0	213.2

MAJOR FACTORS AFFECTING EARNINGS FOR 3RD QUARTER 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 (est.)	$ (0.05)
Sales, adjusted for weather (est.)	0.03
Power outage (est.)	(0.03)
Regulatory accounting/amortizations	0.06
Reduced net credit for pensions & 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 & 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)**

NINE MONTHS ENDED SEPTEMBER 30	2003	2002
Operating revenues	$ 7,548	$ 6,445
Purchased power	2,990	2,434
Fuel	417	195
Gas purchased for resale	657	425
Operating income	782	844
Income before cumulative effect of a change in accounting principle	478	548
Cumulative effect of a change in accounting principle	-	(20)
Net income for common stock	478	528
Basic earnings per common share before cumulative effect of a change in accounting principle	$ 2.18	$ 2.58
Cumulative effect of a change in accounting principle	-	(0.10)
Basic earnings per common share after cumulative effect of a change in accounting principle	2.18	2.48*
Diluted earnings per common share before cumulative effect of a change in accounting principle	2.17	2.57
Cumulative effect of a change in accounting principle	-	(0.10)
Diluted earnings per common share after cumulative effect of a change in accounting principle	2.17	2.47*
Dividends per common share	1.680	1.665
Average common shares outstanding (millions)	219.5	212.8

* Reflects a non-cash charge of $20 million (after-tax) representing the cumulative effect of a change in accounting principle related to the recognition of goodwill impairment.

MAJOR FACTORS AFFECTING EARNINGS 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 (est.)	$ 0.02
Sales, adjusted for weather (est.)	0.12
Power outage (est.)	(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 & Rockland Utilities	(0.02)
Unregulated subsidiaries and parent company	(0.08)
Cumulative effect of a change in accounting principle	0.10
Dilution effect of additional common equity shares issued in May and June	(0.04)
Total	**$(0.30)**

Note: 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.

CONSOLIDATED EDISON, INC.

TWELVE MONTHS ENDED SEPTEMBER 30	2003	2002
Operating revenues	$9,605	$ 8,312
Purchased power	3,757	3,059
Fuel	512	247
Gas purchased for resale	828	562
Operating income	998	1,083
Income before cumulative effect of changes in accounting principles	598	673
Cumulative effect of changes in accounting principles	(2)	(20)
Net income for common stock	596	653
Basic earnings per common share before cumulative effect of changes in accounting principles	$ 2.74	$ 3.17
Cumulative effect of changes in accounting principles	(0.01)	(0.10)
Basic earnings per common share after cumulative effect of changes in accounting principles	2.73**	3.07*
Diluted earnings per common share before cumulative effect of changes in accounting principles	2.72	3.16
Cumulative effect of changes in accounting principles	(0.01)	(0.10)
Diluted earnings per common share after cumulative effect of changes in accounting principles	2.71**	3.06*
Dividends per common share	2.24	2.22
Book value per common share at September 30	28.73	27.63
Average common shares outstanding (millions)	218.1	212.6
Closing common stock price at September 30	$40.76	$40.22

* Reflects a non-cash charge of $20 million (after-tax) representing the cumulative effect of a change in accounting principle related to the recognition of goodwill impairment.

** Reflects a non-cash charge of $2 million (after-tax) representing the cumulative effect of a change in accounting principle related to the reversal of mark-to-market gains on certain energy contracts.

QUARTERLY EARNINGS HISTORY
BASIC EARNINGS PER SHARE

	1ST QTR	2ND QTR	3RD QTR	4TH QTR	TOTAL
2003	$0.72	$0.29	$1.17	–	–
2002	$0.68	$0.46	$1.34	$0.55	$3.03*
2001	$0.84	$0.48	$1.31	$0.59	$3.22
2000	$0.88	$0.33	$1.32	$0.22	$2.75**
1999	$0.76	$0.30	$1.50	$0.58	$3.14
1998	$0.73	$0.26	$1.49	$0.56	$3.04

* Excluding the cumulative effect of two changes in accounting principles, earnings per share would have been $3.14. The changes in accounting principles are a $20 million after-tax goodwill impairment charge associated with certain generating assets owned by Con Edison Development and a $2 million after-tax charge reflecting the impact on Con Edison Energy of the rescission of EITF Issue No. 98-10 (EITF No.98-10), "Accounting for Contracts Involved in Energy Trading and Risk Management Activities."

** Annual and quarterly earnings for 2000 reflect reduction in EPS due to one-time merger-related and replacement power charges. EPS from ongoing operations for 2000 were $3.24.

FINANCIAL RATIOS AND OTHER DATA

FINANCIAL RATIOS AT SEPTEMBER 30	2003	2002
Ratios to total capitalization (%)		
Long-term debt	49.0	49.4
Preferred stock	1.6	1.7
Common equity	49.4	48.9
Market-book ratio (%)	142	146
Price-earnings ratio (X)	14.9	13.1

TWELVE MONTHS ENDED AT SEPTEMBER 30	2003 *	2002 **
Per share ($)		
Earnings	2.73	3.07
Average book value	27.78	26.71
Dividends paid	2.24	2.22
Return on average common equity (%)	9.8	11.5
Earnings to fixed charges (X)	2.9	3.2

* Reflects a non-cash charge of $2 million (after-tax) representing the cumulative effect of a change in accounting principle related to the reversal of mark-to market gains on certain energy contracts. Absent this charge, earnings for the 12 months ended September 30, 2003 would have been $2.74 per share.

** Reflects a non-cash charge of $20 million (after-tax) representing the cumulative effect of a change in accounting principle related to the recognition of goodwill impairment. Absent this charge, earnings per share for the 12 months ended September 30, 2002 would have been $3.17, average book value would have been $27.73 per share, and return on average common equity would have been 11.8%.

RATINGS

CONSOLIDATED EDISON, INC.*

Senior Unsecured Debt	
Standard & Poor's	A-
Moody's	A2
Fitch	A-
Commercial Paper	
Standard & Poor's	A-1
Moody's	P-1
Fitch	F1

CONSOLIDATED EDISON COMPANY OF NEW YORK, INC.*

Senior Unsecured Debt	
Standard & Poor's	A
Moody's	A1
Fitch	A+
Preferred Stock	
Standard & Poor's	A-
Moody's	"a1"
Fitch	A
Commercial Paper	
Standard & Poor's	A-1
Moody's	P-1
Fitch	F1

ORANGE AND ROCKLAND UTILITIES, INC.*

Senior Unsecured Debt	
Standard & Poor's	A
Moody's	A1
Fitch	A+
Commercial Paper	
Standard & Poor's	A-1
Moody's	P-1
Fitch	F1

* Moody's ratings carry a Negative Outlook.
Fitch's and S&P's ratings carry a Stable Outlook.

Consolidated Edison, Inc.
4 Irving Place
New York, NY 10003
212-460-4600
www.conEdison.com

Eugene R. McGrath
Chairman, President and Chief Executive Officer

Joan S. Freilich
Executive Vice President and Chief Financial Officer

Edward J. Rasmussen
Vice President, Controller and Chief Accounting Officer

Robert P. Stelben
Vice President and Treasurer

Hyman Schoenblum
Vice President, Corporate Planning

John E. Perkins
Director, Financial Administration
212-460-3807

Jan C. Childress
Director, Investor Relations
212-460-6611
childressj@coned.com

Krista L. Price
Manager, Investor Relations
212-460-6131
Toll-free: 888-811-4992
pricekr@coned.com

REGULATED UTILITIES

Consolidated Edison Company of New York, Inc.
4 Irving Place
New York, NY 10003
212-460-4600
www.conEd.com

Orange and Rockland Utilities, Inc.
One Blue Hill Plaza
Pearl River, NY 10965
845-352-6000
www.oru.com

ENERGY AND COMMUNICATIONS GROUP

Consolidated Edison Solutions, Inc.
701 Westchester Avenue, Suite 300 East
White Plains, NY 10604
914-286-7000
www.conEdsolutions.com

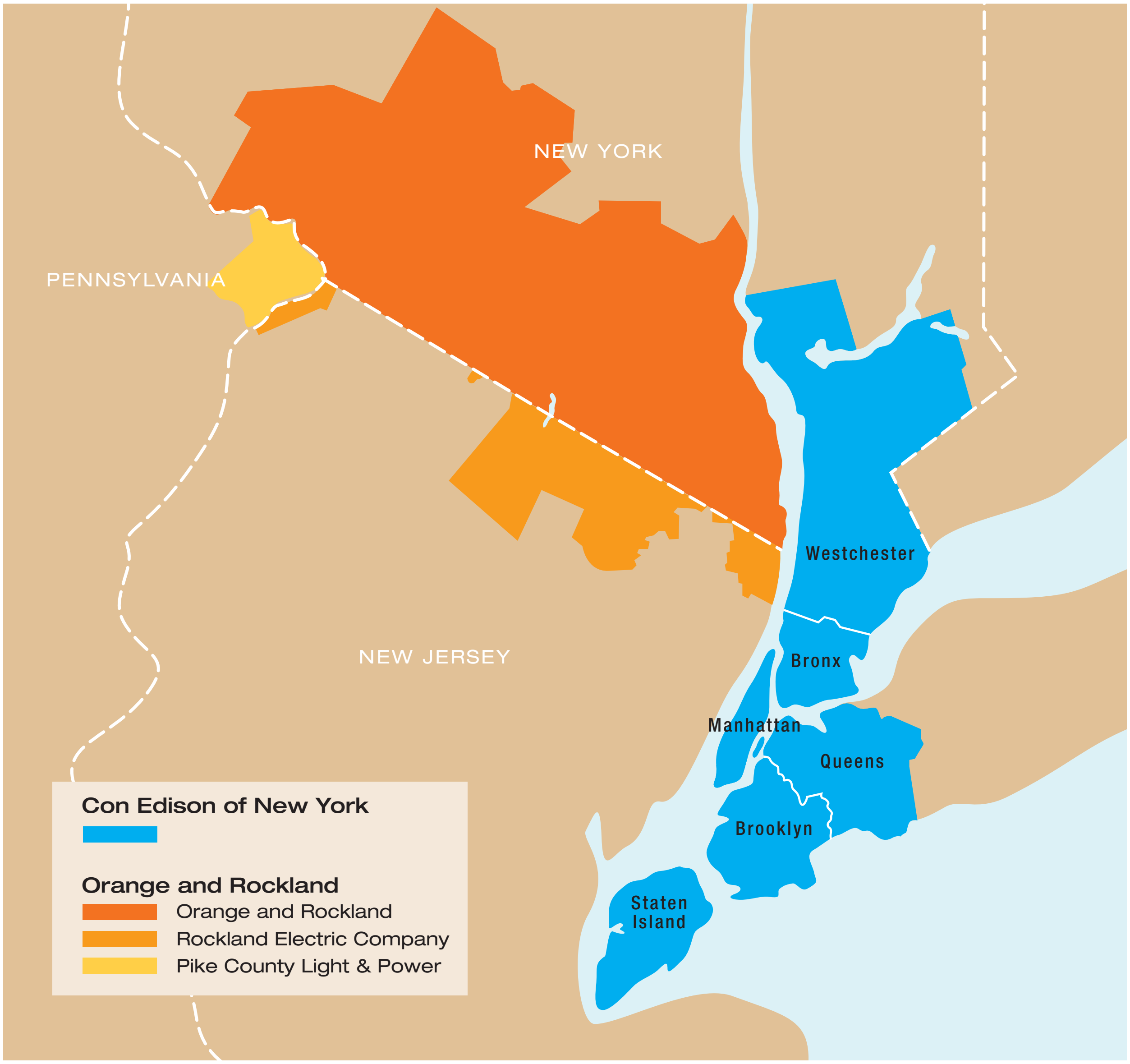
Consolidated Edison Development, Inc.
111 Broadway, 16th Floor
New York, NY 10006
212-393-9242
www.conEddev.com

Consolidated Edison Energy, Inc.
701 Westchester Avenue, Suite 201 West
White Plains, NY 10604
914-993-2189
www.conEdenergy.com

Con Edison Communications, LLC
55 Broad Street, 22nd floor
New York, NY 10004
212-324-5000
www.electricfiber.com

Consolidated Edison, Inc. is one of the nation's largest investor-owned energy companies, with $9 billion in annual revenues and approximately $20 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, a company that owns and operates generating plants and other infrastructure projects; and Con Edison Communications, a company that builds and operates fiber-optic networks to provide telecommunications services. For additional financial, operations and customer service information, visit Consolidated Edison, Inc.'s Web site at wwwconEdison.com.

Con Edison and Orange and Rockland Service Areas



Con Edison Company of New York

- 89,910 miles of underground distribution lines
- 32,763 miles of overhead distribution lines
- 4,249 miles of gas mains
- 87 miles of steam pipes

- 3.1 million electric customers
- 1.1 million gas customers
- 1,838 steam customers

Orange and Rockland Utilities

- 2,630 miles of underground distribution lines
- 5,109 miles of overhead distribution lines
- 1,795 miles of gas mains

- 285,000 electric customers
- 120,000 gas customers