

**CONSOLIDATED EDISON, INC.**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE MONTHS ENDED DECEMBER 31, 2002 AND 2001**  
**(Unaudited)**

	<u>2002</u>	<u>2001</u>
	(Thousands of Dollars)	
<b>Operating revenues</b>		
Electric	\$ 1,424,026	\$ 1,401,205
Gas	331,785	292,143
Steam	115,429	77,115
Non-utility	185,788	116,658
<b>Total operating revenues</b>	<u>2,057,028</u>	<u>1,887,121</u>
<b>Operating expenses</b>		
Purchased power	767,340	645,733
Fuel	93,987	52,698
Gas purchased for resale	170,770	135,970
Other operations	270,000	262,603
Maintenance	89,960	84,377
Depreciation and amortization	125,822	121,244
Taxes, other than income tax	276,532	260,952
Income tax	46,424	84,712
<b>Total operating expenses</b>	<u>1,840,835</u>	<u>1,648,289</u>
<b>Operating income</b>	216,193	238,832
<b>Other income (deductions)</b>		
Investment income	899	3,169
Allowance for equity funds used during construction	1,866	494
Other income	30,943	(3,788)
Other Income deductions	(854)	(10,858)
Income tax	(4,091)	9,293
<b>Total other income (deductions)</b>	<u>28,763</u>	<u>(1,690)</u>
<b>Income before interest charges</b>	244,956	237,142
Interest on long-term debt	89,514	98,799
Other interest	33,732	12,569
Allowance for borrowed funds used during construction	(1,321)	(2,734)
<b>Net interest charges</b>	<u>121,925</u>	<u>108,634</u>
<b>Preferred stock dividend requirements</b>	<u>2,831</u>	<u>3,398</u>
<b>Net income before cumulative effect of change in accounting principle</b>	120,200	125,110
<b>Cumulative effect of change in accounting principle (net of income tax of \$1.298 million)</b>	<u>1,879</u>	<u>-</u>
<b>Net income for common stock</b>	<u>118,321</u>	<u>125,110</u>
<b>Earnings per common share - Basic</b>		
Before cumulative effect of change in accounting principle	\$ 0.56	\$ 0.59
Cumulative effect of change in accounting principle	\$ 0.01	\$ -
After cumulative effect of change in accounting principle	\$ 0.55	\$ 0.59
<b>Earnings per common share - Diluted</b>		
Before cumulative effect of change in accounting principle	\$ 0.56	\$ 0.59
Cumulative effect of change in accounting principle	\$ 0.01	\$ -
After cumulative effect of change in accounting principle	\$ 0.55	\$ 0.59
<b>Average number of shares outstanding - Basic</b>	213,673,583	212,231,107
<b>Average number of shares outstanding - Diluted</b>	214,754,694	213,145,137
<b>Consolidated Edison, Inc. utility sales</b>		
Electric (thousands of kilowatthours)		
Total energy delivered in service areas	14,396,365	13,840,626
Off-system and ESCO sales	0	103,837
Gas (dekatherms)		
Firm sales and transportation	32,084,814	25,144,117
Off-system sales	412,786	3,851,909
Steam (thousands of pounds)	6,301,118	4,291,536

**CONSOLIDATED EDISON, INC.**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2002 AND 2001**  
**(Unaudited)**

	<u>2002</u>	<u>2001</u>
	(Thousands of Dollars)	
<b>Operating revenues</b>		
Electric	\$ 6,250,896	\$ 6,887,863
Gas	1,204,033	1,465,956
Steam	404,044	503,736
Non-utility	622,887	531,244
<b>Total operating revenues</b>	<u>8,481,860</u>	<u>9,388,799</u>
<b>Operating expenses</b>		
Purchased power	3,180,394	3,385,295
Fuel	288,741	393,831
Gas purchased for resale	596,606	859,961
Other operations	961,865	1,062,186
Maintenance	387,287	430,291
Depreciation and amortization	494,553	526,121
Taxes, other than income tax	1,114,180	1,139,004
Income tax	398,097	464,552
<b>Total operating expenses</b>	<u>7,421,723</u>	<u>8,261,241</u>
<b>Operating income</b>	1,060,137	1,127,558
<b>Other income (deductions)</b>		
Investment income	2,447	7,702
Allowance for equity funds used during construction	9,969	1,281
Other income	48,010	(2,389)
Other income deductions	(20,106)	(29,358)
Income tax	21,680	21,921
<b>Total other income (deductions)</b>	<u>62,000</u>	<u>(843)</u>
<b>Income before interest charges</b>	1,122,137	1,126,715
Interest on long-term debt	385,323	396,948
Other interest	60,984	41,823
Allowance for borrowed funds used during construction	(4,725)	(7,891)
<b>Net interest charges</b>	<u>441,582</u>	<u>430,880</u>
<b>Preferred stock dividend requirements</b>	<u>12,458</u>	<u>13,593</u>
<b>Net income before cumulative effect of changes in accounting principles</b>	668,097	682,242
<b>Cumulative effect of changes in accounting principles (net of income tax of \$15.259 million)</b>	22,061	-
<b>Net income for common stock</b>	<u>646,036</u>	<u>682,242</u>
<b>Earnings per common share - Basic</b>		
Before cumulative effect of changes in accounting principles	\$ 3.14	\$ 3.22
Cumulative effect of changes in accounting principles	\$ 0.11	\$ -
After cumulative effect of changes in accounting principles	\$ 3.03	\$ 3.22
<b>Earnings per common share - Diluted</b>		
Before cumulative effect of changes in accounting principles	\$ 3.13	\$ 3.21
Cumulative effect of changes in accounting principles	\$ 0.11	\$ -
After cumulative effect of changes in accounting principles	\$ 3.02	\$ 3.21
<b>Average number of shares outstanding - Basic</b>	212,989,784	212,146,750
<b>Average number of shares outstanding - Diluted</b>	214,049,653	212,919,524
<b>Consolidated Edison, Inc. utility sales</b>		
Electric (thousands of kilowatthours)		
Total energy delivered in service areas	59,457,048	58,277,115
Off-system and ESCO sales	17,557	496,925
Gas (dekatherms)		
Firm sales and transportation	112,406,267	116,103,410
Off-system sales	11,238,853	8,733,351
Steam (thousands of pounds)	24,519,476	25,327,694