



May 6, 2010

Forward-Looking Statements

This information and other statements by us include forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 with respect to the outlook for earnings, revenues and other future financial business performance or strategies and expectations. Forward-looking statements are typically identified by words such as, but not limited to, “estimates,” “expects,” “anticipates,” “intends,” “believes,” “plans,” “forecasts,” and similar expressions, or future or conditional verbs such as “will,” “should,” “would,” and “could.” Although we believe such forward-looking statements are based on reasonable assumptions, we cannot give assurance that every objective will be achieved. Forward-looking statements speak only as of today, and we assume no duty to update them.

Factors that could cause actual results to differ materially from those expressed or implied include, but are not limited to, general economic conditions and the factors discussed under the “Risk Factors” heading in our most recent annual report on Form 10-K and other documents filed with or furnished to the Securities and Exchange Commission.

2Q FY2010 Consolidated Results

	3/31/10	3/31/09
Reported Consolidated Results (GAAP)	\$1.56	\$1.49
Regulated Utility	\$1.80	\$1.49
Energy Marketing	(\$0.23)	(\$0.01)
Design-Build Energy Systems	--	\$0.02
Other Activities	(\$0.01)	(\$0.01)
Reported Consolidated Results (GAAP)	\$1.56	\$1.49
Net Adjustments	\$0.08	\$0.16
Non-GAAP Operating Results ¹	\$1.64	\$1.65

2Q FY2010 Utility Results

Utility	3/31/10	3/31/09
Reported Operating Results (GAAP)	\$1.80	\$1.49
Adjustments for:		
Unrealized mark-to-market loss (gain) on energy-related derivatives	(\$0.19)	\$0.02
Storage optimization program	\$0.01	\$0.05
Amortization of derivative contract termination	(\$0.01)	--
Weather derivative products	(\$0.03)	--
Other (rounding)	--	\$0.01
Non-GAAP Operating Results ¹	\$1.58	\$1.57

2Q FY2010 Utility Results Drivers

2Q FY2009 Non-GAAP Operating Results	\$1.57
Customer Growth	\$0.02
DC & VA Usage	\$0.07
Asset Management Retained Net Margins	(\$0.05)
Virginia ESM sharing	\$0.05
Storage Carrying Charge	(\$0.04)
Pension and Retiree Medical Costs	(\$0.03)
Other	(\$0.01)
2Q FY2010 Non-GAAP Operating Results	\$1.58

2Q FY2010 Retail Energy Results

Retail Energy Marketing	3/31/10	3/31/09
Reported Operating Results (GAAP)	(\$0.23)	(\$0.01)
Adjustments for:		
Unrealized mark-to-market (gain) loss on energy-related derivatives	\$0.30	\$0.10
Reversal of prior period electric costs	--	(\$0.02)
Non-GAAP Operating Results¹	\$0.07	\$0.07

2Q FY2010 Retail Energy Results Drivers

2Q FY2009 Non-GAAP Operating Results	\$0.07
Higher Electric Gross Margins	\$0.02
Change in Operating & Interest Expense	(\$0.02)
2Q FY2010 Non-GAAP Operating Results	\$0.07

6-Month FY2010 Consolidated Results

	3/31/10	3/31/09
Reported Consolidated Results (GAAP)	\$2.50	\$2.58
Regulated Utility	\$2.61	\$2.57
Energy Marketing	(\$0.08)	--
Design-Build Energy Systems	(\$0.01)	\$0.04
Other Activities	(\$0.02)	(\$0.03)
Reported Consolidated Results (GAAP)	\$2.50	\$2.58
Net Adjustments	\$0.14	\$0.09
Non-GAAP Operating Results ¹	\$2.64	\$2.67

6-Month FY2010 Utility Results

Utility	3/31/10	3/31/09
Reported Operating Results (GAAP)	\$2.61	\$2.57
Adjustments for:		
Unrealized mark-to-market loss (gain) on energy-related derivatives	(\$0.15)	(\$0.10)
Storage optimization program	\$0.03	\$0.07
Amortization of derivative contract termination	(\$0.02)	--
Weather derivative products	(\$0.01)	--
Reversal of reserve for natural gas costs	--	(\$0.06)
Other (rounding)	--	(\$0.01)
Non-GAAP Operating Results ¹	\$2.46	\$2.47

6-Month FY2010 Utility Results Drivers

FY2009 Non-GAAP Operating Results through 3/31/09	\$2.47
Customer Growth	\$0.03
DC & VA Usage	\$0.08
Asset Management Retained Net Margins	(\$0.05)
Virginia ESM sharing	\$0.05
Storage Carrying Charge	(\$0.08)
Pension and Retiree Medical Costs	(\$0.06)
Interest Expense	\$0.04
Other	(\$0.02)
FY2010 Non-GAAP Operating Results through 3/31/10	\$2.46

6-Month FY2010 Retail Energy Results

Retail Energy Marketing	3/31/10	3/31/09
Reported Operating Results (GAAP)	(\$0.08)	\$0.00
Adjustments for:		
Unrealized mark-to-market (gain) loss on energy-related derivatives	\$0.30	\$0.21
Reversal of prior period electric costs	--	(\$0.02)
Non-GAAP Operating Results¹	\$0.22	\$0.19

6-Month FY2010 Retail Energy Results Drivers

FY2009 Non-GAAP Operating Results through 3/31/09	\$0.19
Higher Natural Gas Gross Margins	\$0.06
Higher Electric Gross Margins	\$0.01
Change in Operating & Interest Expense	(\$0.04)
FY2010 Non-GAAP Operating Results through 3/31/10	\$0.22

Strong Balance Sheet and Top-Tier Credit Ratings



Committed Credit Available

As of March 31, 2010
(\$ in millions)

	WGL Holdings	Washington Gas	Total Consolidated
Committed credit agreements			
Unsecured revolving credit facility, expires August 3, 2012 ^(a)	\$ 400.0	\$ 300.0	\$ 700.0
Total committed credit agreements	\$ 400.0	\$ 300.0	\$ 700.0
Less: Commercial Paper	(108.4)	-	(108.4)
Net committed credit available	\$ 291.6	\$ 300.0	\$ 591.6

^(a) Both WGL Holdings and Washington Gas have the right to request extensions with the banks' approval. WGL Holdings' revolving credit facility permits it to borrow an additional \$50 million, with the banks' approval, for a total of \$450 million. Washington Gas's revolving credit facility permits it to borrow an additional \$100 million, with the banks' approval, for a total of \$400 million.

Credit Ratings for Medium-Term Notes

	WGL Holdings, Inc	Washington Gas
	AA-	AA-
	Not Rated	A2
FitchRatings	A+	AA-

FY 2010 Non-GAAP Operating Guidance

	FY2010
Utility	\$1.86 – \$1.92
Non-Utility	\$0.39 – \$0.45
Total	\$2.25 – \$2.37

This forecast guidance has been determined as of May 5, 2010. The Company assumes no obligation to update this guidance. The absence of any statement by the Company in the future should not be presumed to represent an affirmation of this earnings guidance.

FY 2010 Non-GAAP Operating Guidance Assumptions

Utility	
Full Year FY2010 average active customer meter additions ¹	9,000
Operations & Maintenance expense (GAAP)	\$267M

Retail Energy	
WGES natural gas volumes	59.0 BCF - 62.0 BCF
WGES natural gas margins	\$0.50/Dth - \$0.60/Dth
WGES electric volumes	8.9 million MWH - 9.5 million MWH
WGES electric margins	\$5.50/MWH - \$6.50/MWH
WGES non-commodity related expenses	\$45M - \$51M

Consolidated	
Effective tax rate	39.5%
Equity ratio target	Mid-50% range of total capital
Dividend payout ratio target	<= 65%
Average diluted shares outstanding	50,800,000

¹ Active customer meter additions based on 13-month average

Drivers of Change in Projected Utility Operating Results

FY2009 Non-GAAP Utility EPS	\$2.04
Customer Growth	\$0.05
DC & VA Usage	\$0.07
Storage Carrying Charge	(\$0.07)
Pension and Retiree Medical Costs	(\$0.12)
Effective Tax Rate	(\$0.03)
Other, Net	(\$0.05)
Midpoint of FY2010E Non-GAAP Utility EPS Guidance	\$1.89

Drivers of Change in Projected Non-Utility Operating Results

FY2009 Non-GAAP Non-Utility EPS	\$0.49
Retail Energy Marketing	
Lower Natural Gas Gross Margins	(\$0.15)
Higher Electric Gross Margins	\$0.23
Change in Operating & Interest Expense	(\$0.10)
Design-Build Energy Systems	(\$0.05)
Midpoint of FY2010E Non-GAAP Non-Utility EPS Guidance	\$0.42

Drivers of Change in Projected Utility Operating Results

FY2010E Non-GAAP Utility EPS Guidance (2/03/10)	\$1.82
DC & VA Usage	\$0.05
Asset Management Retained Net Margins	\$0.03
Effective Tax Rate	(\$0.03)
Other, Net	\$0.02
FY2010E Non-GAAP Utility EPS Guidance (5/05/10)	\$1.89

Drivers of Change in Projected Non-Utility Operating Results

FY2010E Non-GAAP Non-Utility EPS Guidance (2/03/10)	\$0.46
Retail Energy Marketing	
Lower Natural Gas Gross Margins	(\$0.06)
Higher Electric Gross Margins	\$0.01
Change in Operating & Interest Expense	\$0.03
Design-Build Energy Systems	(\$0.02)
FY2010E Non-GAAP Non-Utility EPS Guidance (5/05/10)	\$0.42

Investment Highlights

- High-growth, demographically attractive service area
- Strong, operationally efficient utility operations
- Favorable regulatory framework
- Profitable retail energy marketing business
- Solid balance sheet and top-tier credit ratings
- Thirty-four consecutive years of dividend increases;
159 consecutive years of dividend payouts



Appendix

Operating Segment Data¹

(In thousands)	Regulated Utility	Non-Utility Operations			Eliminations	Consolidated
		Retail Energy-Marketing	Design-Build Energy Systems	Other Activities		
Three Months Ended March 31, 2010						
Operating Revenues (a)	\$ 619,295	\$ 440,604	\$ 4,416	\$ (7)	\$ (7,670)	\$ 1,056,638
Operating Expenses:						
Cost of energy-related sales	326,592	447,944	3,839	-	(7,670)	770,705
Operation	55,166	9,907	689	1,251	-	67,013
Maintenance	11,259	-	-	-	-	11,259
Depreciation and amortization	24,020	206	9	-	-	24,235
General taxes and other assessments:						
Revenue taxes	24,330	702	-	-	-	25,032
Other	17,002	924	44	5	-	17,975
Total Operating Expenses	458,369	459,683	4,581	1,256	(7,670)	916,219
Operating Income (Loss)	160,926	(19,079)	(165)	(1,263)	-	140,419
Other Income (Expenses)-Net	402	18	16	129	(70)	495
Interest Expense	10,136	70	-	66	(70)	10,202
Income Tax Expense (Benefit)	59,856	(7,694)	(58)	(428)	-	51,676
Dividends on Washington Gas preferred stock	330	-	-	-	-	330
Net Income (Loss) Applicable to Common	\$ 91,006	\$ (11,437)	\$ (91)	\$ (772)	\$ -	\$ 78,706
Total Assets	\$ 3,254,575	\$ 403,973	\$ 19,133	\$ 135,703	\$ (193,512)	\$ 3,619,872
Capital Expenditures/Investments	\$ 28,259	\$ 384	\$ 77	\$ -	\$ -	\$ 28,720
Three Months Ended March 31, 2009						
Operating Revenues (a)	\$ 651,127	\$ 389,138	\$ 9,338	\$ 15	\$ (8,730)	\$ 1,040,888
Operating Expenses:						
Cost of energy-related sales	383,874	380,354	6,719	-	(8,730)	762,217
Operation	57,474	8,454	643	1,390	-	67,961
Maintenance	10,478	-	-	-	-	10,478
Depreciation and amortization	24,011	220	14	-	-	24,245
General taxes and other assessments:						
Revenue taxes	24,877	169	-	-	-	25,046
Other	15,308	859	34	8	-	16,209
Total Operating Expenses	516,022	390,056	7,410	1,398	(8,730)	906,156
Operating Income (Loss)	135,105	(918)	1,928	(1,383)	-	134,732
Other Income (Expenses)-Net	612	28	28	314	(222)	760
Interest Expense	11,240	221	(1)	237	(222)	11,475
Income Tax Expense (Benefit)	48,772	(444)	756	(467)	-	48,617
Dividends on Washington Gas preferred stock	330	0	-	-	-	330
Net Income (Loss) Applicable to Common Stock	\$ 75,375	\$ (667)	\$ 1,201	\$ (839)	\$ -	\$ 75,070
Total Assets	\$ 3,036,325	\$ 353,280	\$ 26,184	\$ 153,266	\$ (191,752)	\$ 3,377,303
Capital Expenditures/Investments	\$ 34,187	\$ 188	\$ 8	\$ (1)	\$ -	\$ 34,382

(a) Operating revenues are reported gross of revenue taxes. Revenue taxes of both the regulated utility and the retail energy-marketing segments include gross receipt taxes. Revenue taxes of the regulated utility segment also include PSC fees, franchise fees and energy taxes. Operating revenue amounts in the "Eliminations" column represent total intersegment revenues associated with the retail energy-marketing segment.