



Fourth Quarter Fiscal Year 2012 Earnings Conference Call

November 16, 2012

WGL Holdings, Inc

Forward-Looking Statements

This document 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.

4Q FY2012 Consolidated Results



	9/30/12	9/30/11
Reported Consolidated Results (GAAP) ¹	\$0.15	(\$0.60)
Net Adjustments	(\$0.25)	\$0.31
Non-GAAP Operating Results ²	(\$0.10)	(\$0.29)
Regulated Utility	(\$0.24)	(\$0.47)
Retail Energy Marketing	\$0.17	\$0.23
Commercial Energy Systems	\$0.02	\$0.01
Wholesale Energy Solutions	(\$0.03)	(\$0.04)
Other Activities	(\$0.02)	(\$0.02)
Non-GAAP Operating Results ²	(\$0.10)	(\$0.29)

¹ GAAP diluted earnings (loss) per average common share

² Non-GAAP operating earnings (loss) per share. For a reconciliation of GAAP to non-GAAP financial measures, please refer to our website at www.wglholdings.com (Investor Relations, Quarterly Results)

FY2012 Consolidated Results



	9/30/12	9/30/11
Reported Consolidated Results (GAAP) ¹	\$2.71	\$2.28
Net Adjustments	(\$0.03)	(\$0.03)
Non-GAAP Operating Results ²	\$2.68	\$2.25
Regulated Utility	\$2.02	\$1.68
Retail Energy Marketing	\$0.70	\$0.67
Commercial Energy Systems	\$0.05	\$0.01
Wholesale Energy Solutions	(\$0.04)	(\$0.03)
Other Activities	(\$0.05)	(\$0.08)
Non-GAAP Operating Results ²	\$2.68	\$2.25

¹ GAAP diluted earnings (loss) per average common share

² Non-GAAP operating earnings (loss) per share. For a reconciliation of GAAP to non-GAAP financial measures, please refer to our website at www.wglholdings.com (Investor Relations, Quarterly Results)

FY2012 Utility Results Drivers



	4Q	FY
FY2011 Non-GAAP Operating Results¹	(\$0.47)	\$1.68
Customer Growth	\$0.00	\$0.05
Rate Relief	\$0.07	\$0.33
Asset Optimization Retained Net Margins	\$0.04	\$0.03
Operations & Maintenance	(\$0.01)	(\$0.14)
Depreciation and Amortization Expense	(\$0.03)	(\$0.08)
Effective Tax Rate	\$0.14	\$0.12
Interest Expense	\$0.03	\$0.05
Other, Net	(\$0.01)	(\$0.02)
FY2012 Non-GAAP Operating Results¹	(\$0.24)	\$2.02

FY2012 Non-Utility Results Drivers



	4Q	FY
FY2011 Non-GAAP Operating Results¹	\$0.18	\$0.57
Retail Energy Marketing		
Electric Gross Margins	(\$0.04)	\$0.13
Natural Gas Gross Margins	(\$0.01)	(\$0.07)
Change in Operating Expense	\$0.03	\$0.00
Effective Tax Rate & Other	(\$0.04)	(\$0.03)
Commercial Energy Systems	\$0.01	\$0.04
Wholesale Energy Solutions	\$0.01	(\$0.01)
Other Non-Utility, Net	\$0.00	\$0.03
FY2012 Non-GAAP Operating Results¹	\$0.14	\$0.66

Strong Balance Sheet and Top-Tier Credit Ratings



Committed Credit Available

As of September 30, 2012
(\$ in millions)

Committed credit agreements	WGL Holdings	Washington Gas	Total Consolidated
Unsecured revolving credit facility, expires 4/3/17	\$ 450.0	\$ 350.0	\$ 800.0
Less: Commercial Paper	(148.9)	(98.8)	(247.7)
Net committed credit available	\$ 301.1	\$ 251.2	\$ 552.3

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 \$100 million, with the banks' approval, for a total of \$550 million. Washington Gas' revolving credit facility permits it to borrow an additional \$100 million, with the banks' approval, for a total of \$450 million.

Credit Ratings for Medium-Term Notes

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

FY 2013 Non-GAAP Operating Guidance



	FY2013
Utility	\$1.70 – \$1.76
Non-Utility	\$0.67 – \$0.73
Total	\$2.37 – \$2.49

This forecast guidance has been determined as of November 15, 2012. 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 2013 Non-GAAP Operating Guidance Assumptions



Utility	
Full Year FY2013 average active customer meter additions ¹	10,500
Operations & Maintenance expense (GAAP)	\$305M
Retail Energy	
WGES natural gas volumes	66.0 BCF – 70.0 BCF
WGES natural gas margins	\$0.50/Dth – \$0.60/Dth
WGES electric volumes	12.5 million MWH – 13.1 million MWH
WGES electric margins	\$5.50/MWH – \$6.50/MWH
WGES non-commodity related expenses	\$58M – \$64M
Consolidated	
Effective tax rate (GAAP)	39%
Equity ratio target	Mid-50% range of total capital
Dividend payout ratio target	<= 65%
Average diluted shares outstanding	51,800,000

Drivers of Change in Projected Utility Operating Results



FY2012 Non-GAAP Utility EPS¹	\$2.02
Customer Growth	\$0.06
Operations & Maintenance	(\$0.27)
Depreciation and Amortization Expense	(\$0.06)
Other, Net	(\$0.02)
Midpoint of FY2013E Non-GAAP Utility EPS Guidance¹	\$1.73

Projected FY2013 Non-Utility Operating Results (Non-GAAP)



Midpoint FY2013E

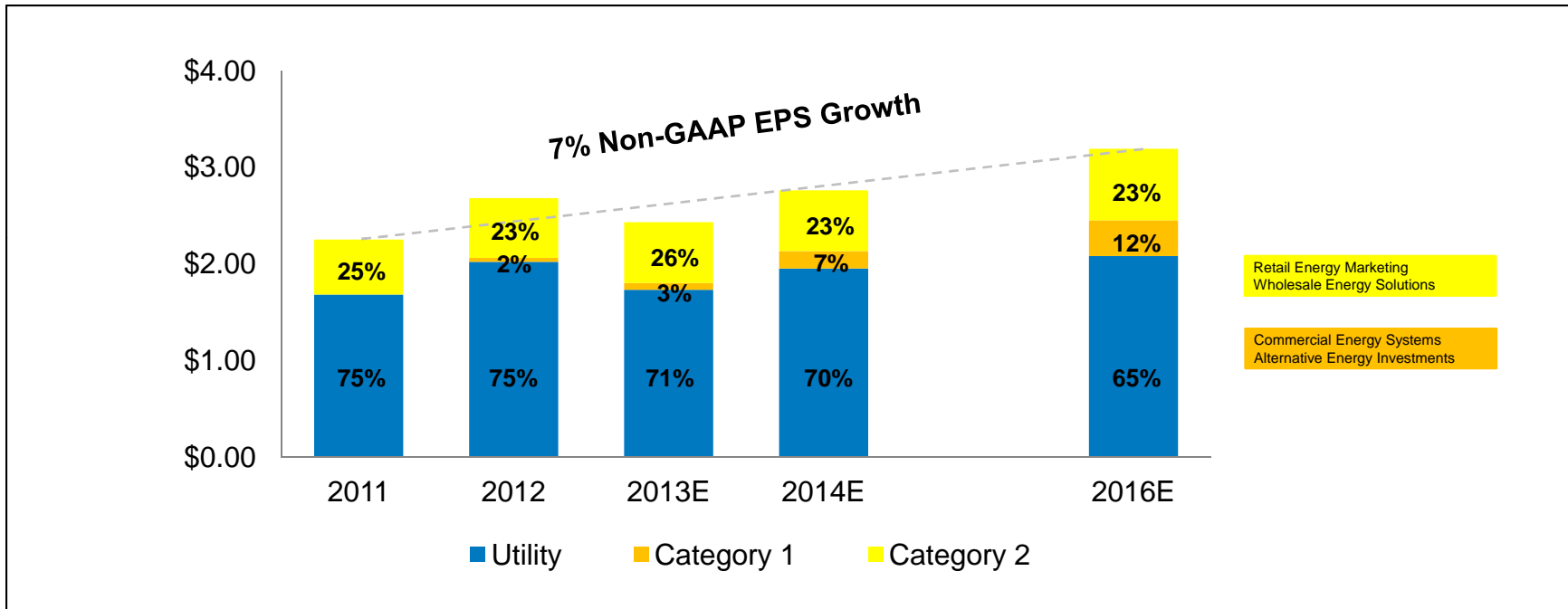
Retail Energy Marketing	\$0.63
Commercial Energy Systems	\$0.08
Wholesale Energy Solutions	\$0.07
Other Non-Utility	(\$0.08)
Total	\$0.70

Drivers of Change in Projected Non-Utility Operating Results



FY2012 Non-GAAP Non-Utility EPS¹	\$0.66
Retail Energy Marketing	
Electric Gross Margins	(\$0.02)
Natural Gas Gross Margins	\$0.00
Operating & Other Expense	(\$0.05)
Commercial Energy Systems	\$0.03
Wholesale Energy Solutions	\$0.11
Other Non-Utility, Net	(\$0.03)
Midpoint of FY2013E Non-GAAP Non-Utility EPS Guidance¹	\$0.70

Value for Investors: EPS 5-Year Growth Targets



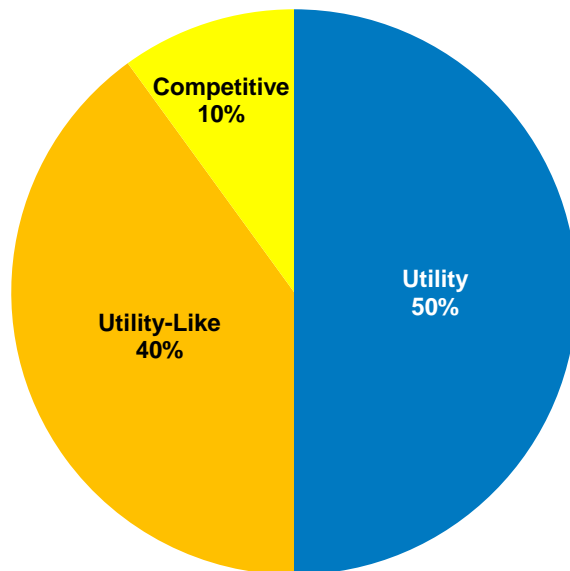
On Track for 7% Non-GAAP EPS Growth Target

Balanced Earnings Growth



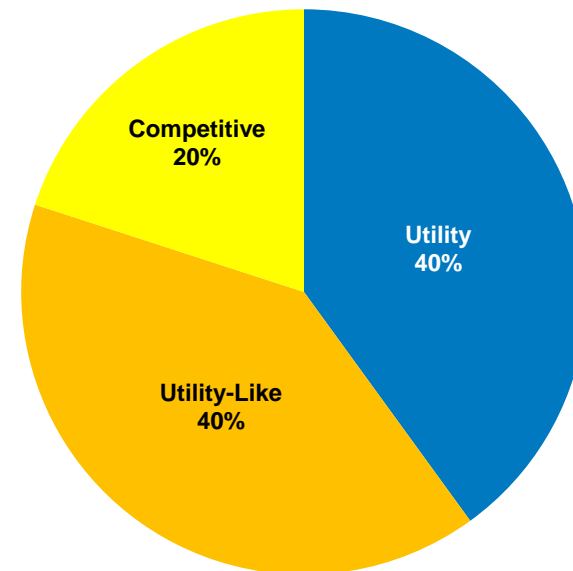
FY2011 → FY2014E

% of Earnings Growth



FY2011 → FY2016E

% of Earnings Growth



Investment Highlights



- ✓ **High-growth service territory**
- ✓ **Balance of strong, efficient utility operations and growing non-utility businesses**
- ✓ **Strong balance sheet and top-tier credit ratings**
- ✓ **Thirty-six consecutive years of dividend increases**
- ✓ **Targeting long-term top quartile total shareholder return**

Appendix

Projected Capital Expenditures¹



Projected Capital Expenditures FY2013 – FY2017

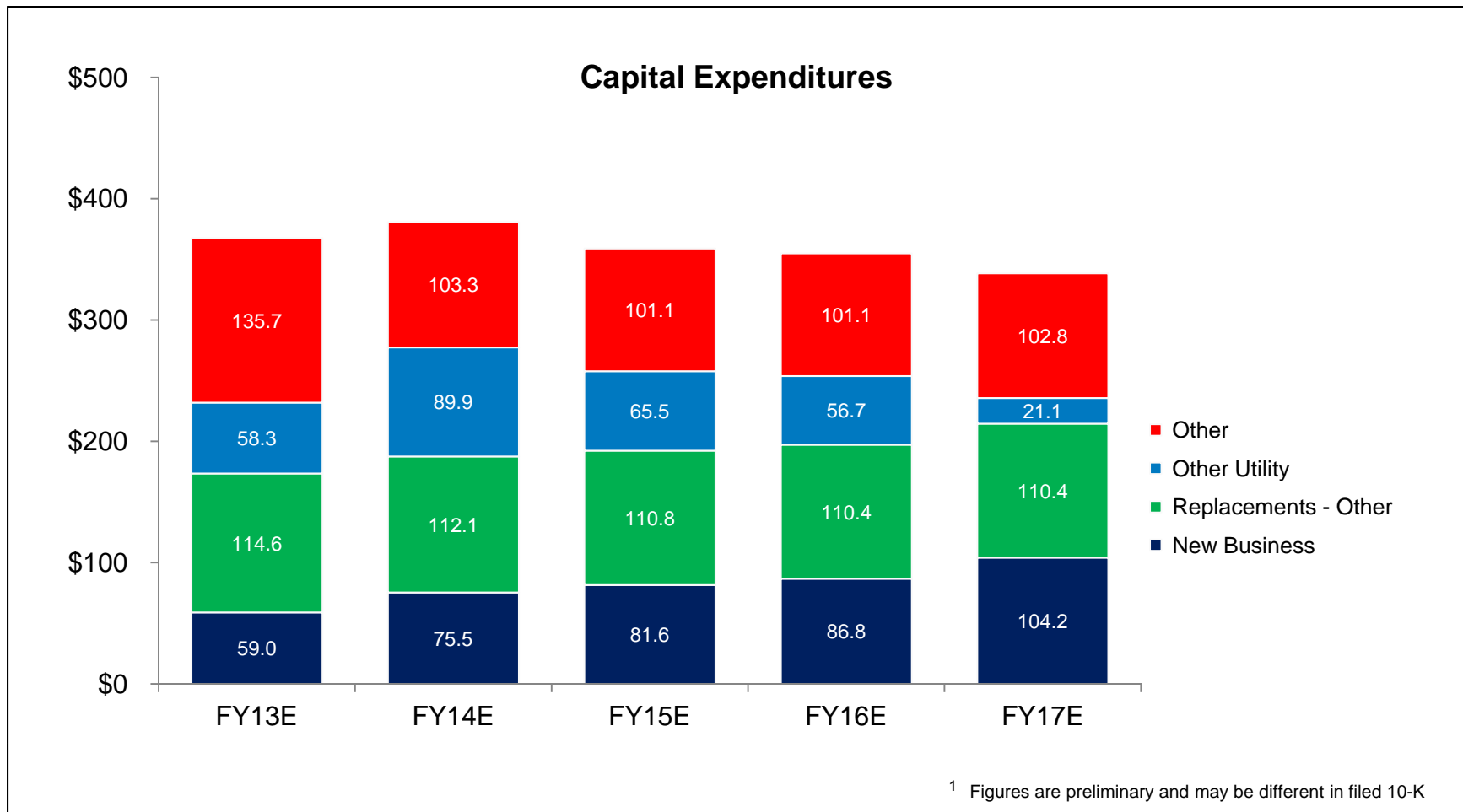
Year Ending September 30

<i>(in millions)</i>	2013	2014	2015	2016	2017	Total
New business	\$59.0	\$75.5	\$81.6	\$86.8	\$104.2	\$407.1
Replacements - Other	114.6	112.1	110.8	110.4	110.4	558.3
LNG storage facility	-	-	-	-	-	-
SOC redevelopment project	-	-	-	-	-	-
Other Utility	58.3	89.9	65.5	56.7	21.1	291.5
Other ^(a)	135.7	103.3	101.1	101.1	102.8	544.0
Total-accrual basis^(b)	\$367.6	\$380.8	\$359.0	\$355.0	\$338.5	\$1,800.9

^(a) Includes amounts for expansion of solar investments and other non-utility projects.

^(b) Excludes Allowance for Funds Used During Construction. Includes capital expenditures accrued and capital expenditure adjustments recorded in the fiscal year.



Projected Capital Expenditures¹





New Non-Utility Operating Segments



FY2012:

Retail Energy Marketing	Commercial Energy Systems	Wholesale Energy Solutions	Other Non-Utility	
 Washington Gas Energy Services <small>A Washington Gas Affiliated Company</small>	 Washington Gas Energy Systems <small>A Washington Gas Affiliated Company</small>	Capitol Energy Ventures Corp.	WGSW, Inc.	WGL Holdings, Inc.
Retail Energy Marketing	Federal Design/Build Commercial Solar Assets	Asset Optimization	ASD, Skyline, Echo	Administrative

FY2013:

Retail Energy Marketing	Commercial Energy Systems	Wholesale Energy Solutions	Other Non-Utility	
 Washington Gas Energy Services <small>A Washington Gas Affiliated Company</small>	 Washington Gas Energy Systems <small>A Washington Gas Affiliated Company</small>	WGSW, Inc.	Capitol Energy Ventures Corp.	WGL Holdings, Inc.
Retail Energy Marketing	Federal Design/Build Commercial Solar Assets	ASD, Skyline, Echo	Asset Optimization	Administrative