

**Fourth Quarter Fiscal Year 2014
Earnings Conference Call**

November 13, 2014

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 FY2014

Consolidated Results

	9/30/14	9/30/13
Reported Consolidated Results (GAAP) ¹	\$0.74	(\$1.00)
Net Adjustments	(\$0.91)	\$0.45
Non-GAAP Operating Results²	(\$0.17)	(\$0.55)
Regulated Utility	(\$0.29)	(\$0.43)
Retail Energy Marketing	\$0.13	\$0.01
Commercial Energy Systems	\$0.06	\$0.02
Midstream Energy Services	(\$0.04)	(\$0.07)
Other Activities	(\$0.03)	(\$0.06)
Intersegment Eliminations	--	(\$0.02)
Non-GAAP Operating Results²	(\$0.17)	(\$0.55)

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)

FY2014 Consolidated Results

	9/30/14	9/30/13
Reported Consolidated Results (GAAP) ¹	\$2.05	\$1.55
Net Adjustments	\$0.63	\$0.76
Non-GAAP Operating Results²	\$2.68	\$2.31
Regulated Utility	\$2.50	\$1.93
Retail Energy Marketing	\$0.12	\$0.59
Commercial Energy Systems	\$0.15	\$0.06
Midstream Energy Services	\$0.08	(\$0.10)
Other Activities	(\$0.18)	(\$0.15)
Intersegment Eliminations	\$0.01	(\$0.02)
Non-GAAP Operating Results²	\$2.68	\$2.31

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)

FY2014 Utility Results Drivers

	4Q	FY
FY2013 Non-GAAP Operating Results¹	(\$0.43)	\$1.93
Customer Growth	\$0.01	\$0.09
Asset Optimization	\$0.01	\$0.15
Maryland Rate Case	\$0.00	\$0.04
DC Rate Case	\$0.00	\$0.07
Accelerated Infrastructure Investments	\$0.01	\$0.05
DC Usage	\$0.00	\$0.06
Operations & Maintenance	\$0.05	\$0.02
Effective Tax Rate	\$0.03	\$0.07
Depreciation	\$(0.02)	\$(0.04)
Other, Net	\$0.05	\$0.06
FY2014 Non-GAAP Operating Results¹	(\$0.29)	\$2.50

¹ 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)

FY2014 Non-Utility Results Drivers

	4Q	FY
FY2013 Non-GAAP Operating Results¹	(\$0.12)	\$0.38
Retail Energy Marketing		
Electric Gross Margins	\$0.12	(\$0.67)
Natural Gas Gross Margins	(\$0.01)	\$0.17
Other, Net	\$0.01	\$0.03
Commercial Energy Systems	\$0.04	\$0.09
Midstream Energy Services	\$0.03	\$0.18
Other Non-Utility, Net	\$0.03	(\$0.03)
Intersegment Eliminations	\$0.02	\$0.03
FY2014 Non-GAAP Operating Results¹	\$0.12	\$0.18

¹ 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)

FY2015 Non-GAAP Guidance

in millions, except per share amounts

	FY2015E	FY2014
Earnings before Interest and Taxes		
Utility	\$225	\$244
Retail Energy Marketing	\$36	\$11
Commercial Energy Systems ¹	\$20	\$12
Midstream Energy Services	\$3	\$5
Other Non-Utility	(\$9)	(\$8)
Total EBIT	\$265 - \$285	\$264
Interest Expense	\$51	\$38
Share Count	49.5	51.8
Earnings Per Share	\$2.70 – \$2.90	\$2.68

This forecast guidance has been determined as of November 12, 2014. 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.

¹ EBIT for Commercial Energy Systems includes ITC amortization of \$5M and \$3M in FY15 and FY14 respectively related to certain distributed generation investments

FY2015 Non-GAAP Operating Guidance Assumptions

Utility	
Full Year FY2015 average active customer meter additions ¹	12,000
Operations & Maintenance expense (GAAP)	\$306M

Retail Energy Marketing	
WGES natural gas volumes	66 BCF – 70 BCF
WGES natural gas margins	\$0.50/Dth – \$0.60/Dth
WGES electric volumes	13.9 million MWH – 14.5 million MWH
WGES electric margins	\$3.50/MWH – \$4.50/MWH
WGES non-commodity related expenses	\$55M – \$61M

Commercial Energy Systems	
Distributed generation MWH	150,000 MWH

Consolidated	
Effective tax rate (GAAP)	36.5%
Equity ratio target	Approximately 50% of total capital
Dividend payout ratio target	<= 65%
Average diluted shares outstanding	49.5 million

¹ Active customer meter additions based on 13-month average

Drivers of Change in Projected Utility Operating Results (EBIT)

FY2014 Non-GAAP Utility EBIT¹	\$244M
Customer Growth	+ \$4M
Accelerated Infrastructure Investments	+ \$10M
Asset Optimization	- \$4M
Usage, Other Revenue	- \$4M
Depreciation	- \$3M
Operations & Maintenance	- \$15M
Other, Net	- \$7M
FY2015E Non-GAAP Utility EBIT Guidance¹	\$225M

¹ See Appendix for Reconciliation of GAAP Net Income to Non-GAAP Operating EBIT

Drivers of Change in Projected Non-Utility Operating Results (EBIT)

FY2014 Non-GAAP Non-Utility EBIT¹	\$20M
Retail Energy Marketing	
Electric Gross Margins	+ \$56M
Natural Gas Gross Margins	- \$22M
Operating & Other Expense	- \$9M
Commercial Energy Systems	+ \$8M
Midstream Energy Services	- \$1M
Other Non-Utility, Net	- \$2M
FY2015E Non-GAAP Non-Utility EBIT Guidance¹	\$50M

¹ See Appendix for Reconciliation of GAAP Net Income to Non-GAAP Operating EBIT

Appendix

Projected Capital Expenditures¹

Projected Capital Expenditures FY2015 – FY2019

Year Ending September 30

(in millions)	2015	2016	2017	2018	2019	Total
New business ^(a)	85.6	137.4	142.1	162.5	171.2	698.8
Replacements:						
Regulatory plans:						
District of Columbia	16.2	24.3	24.6	24.7	24.8	114.6
Maryland	35.1	34.8	35.1	35.3	35.5	175.8
Virginia	39.8	35.6	36.0	36.2	36.3	183.9
Other	50.3	54.0	47.9	45.9	45.4	243.5
Customer Information System	34.5	36.9	8.8	0.0	0.0	80.2
Other Utility	41.6	49.8	60.9	54.9	46.8	254.0
Total utility^(b)	303.1	372.8	355.4	359.5	360.0	1,750.8
Pipeline investments	50.6	84.2	252.0	62.8	1.1	450.7
Distributed generation	123.0	100.0	100.0	100.0	100.0	523.0
Other non-utility	27.8	2.4	0.6	0.7	0.6	32.1
Total investments	504.5	559.4	708.0	523.0	461.7	2,756.6

^(a) Includes certain projects that support existing pressure mains and facilities

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

¹ Figures are preliminary and may be different in filed 10-K

Reconciliation of GAAP Net Income to Non-GAAP EBIT

Twelve Months Ended September 30, 2014

<i>(In thousands, except per share data)</i>	Regulated Utility	Retail Energy-Marketing	Commercial Energy Systems	Midstream Energy Services	Other Activities	Intersegment Eliminations	Consolidated
Non-GAAP EBIT	\$ 244,359	\$ 10,654	\$ 11,831	\$ 4,904	\$ (7,974)	\$ 522	\$ 264,296
Adjust for:							
Unrealized mark-to-market gain (loss) on energy-related derivatives	(66,220)	3,362	-	1,464	-	-	(61,394)
Storage optimization program	4,972	-	-	-	-	-	4,972
DC weather impact	2,135	-	-	-	-	-	2,135
Change in measured value of inventory	-	-	-	1,804	-	-	1,804
Competitive service provider imbalance cash settlement	488	-	-	-	-	-	488
Impairment loss on proposed Chillum liquefied natural gas facility	(1,869)	-	-	-	-	-	(1,869)
Incremental professional service fees	-	-	-	-	(3,588)	-	(3,588)
Impairment loss on Springfield Operations Center	(770)	-	-	-	-	-	(770)
Legal related cost accrual	-	-	(2,600)	-	-	-	(2,600)
Regulatory order implementation true-up	1,573	-	-	-	-	-	1,573
Distributed generation asset related investment tax credits	-	-	(2,795)	-	-	-	(2,795)
EBIT	\$ 184,668	\$ 14,016	\$ 6,436	\$ 8,172	\$ (11,562)	\$ 522	\$ 202,252
Interest Expense							(37,738)
Income Tax Expense							(57,254)
Dividends on Washington Gas Light Company Preferred Stock							(1,320)
GAAP Net Income (Loss)							\$ 105,940