

WGL HOLDINGS, INC. (CONSOLIDATED)
RECONCILIATION OF REPORTED GAAP EARNINGS (LOSS) PER SHARE AND
ADJUSTED EARNINGS (LOSS) PER SHARE
(Unaudited)

August 7, 2006

The reconciliation below is provided to demonstrate management's utilization of historical earnings (loss) per share, as derived in accordance with Generally Accepted Accounting Principles in the United States of America (GAAP), and adjusted earnings (loss) per share from normal operations, a non-GAAP measure. This reconciliation is provided to more clearly identify the results from normal operations for **WGL Holdings, Inc. and its consolidated subsidiaries** (the Company), and identify certain unique transactions that are not expected to repeat. This information should assist investors and analysts to track progress towards achieving the Company's five-year financial objectives, which are based on normal weather, and uninfluenced by: (i) single, one-time, non-repeating transactions and (ii) the Company's discontinued operations.

Utilization of normal weather is an industry standard, and it is the practice of the Company to provide estimates and guidance on the basis of normal weather. Actual performance and results may vary from normal weather projections and the Company consistently identifies and explains this variation to assist users in the analysis of actual results versus the guidance. There may be other uses for the data, and the Company does not imply that this is the only use or the best use of this data for purposes of this analysis.

WGL Holdings, Inc. (Consolidated)
Reconciliation of Reported GAAP Earnings (Loss) Per Share to
Adjusted Earnings (Loss) Per Share from Normal Operations
(1)(2)
Fiscal Year 2006 By Quarter

| | Fiscal Year 2006 Results | | | | Year-To- Date |
|--|--------------------------|---------|-----------|----------|------------------|
| | Quarter Ended | | | | |
| | Dec. 31 | Mar. 31 | Jun. 30 | Sept. 30 | |
| GAAP diluted earnings (loss) per share | \$ 0.91 | \$ 1.16 | \$ (0.04) | | \$ 2.03 |
| Less: (Loss) from discontinued operations - net | (0.02) | (0.01) | (0.03) | | (0.05) |
| GAAP diluted earnings (loss) per share from continuing operations | 0.93 | 1.17 | (0.01) | | 2.08 |
| Adjustments for: | | | | | |
| Warmer (colder) than normal weather | (0.07) | 0.02 | - | | (0.05) |
| Reserve for disallowance of natural gas costs | - | 0.06 | - | | 0.06 |
| Energy-marketing reversal of fee expense | - | (0.04) | - | | (0.04) |
| Adjusted diluted earnings (loss) per share from normal operations | \$ 0.86 | \$ 1.21 | \$ (0.01) | | \$ 2.05 |

WGL Holdings, Inc. (Consolidated)
Reconciliation of Reported GAAP Earnings (Loss) Per Share to
Adjusted Earnings (Loss) Per Share from Normal Operations
(1)(2)
Fiscal Year 2005 By Quarter

| | Fiscal Year 2005 Results | | | | Year-To- Date |
|--|--------------------------|---------|-----------|----------|------------------|
| | Quarter Ended | | | | |
| | Dec. 31 | Mar. 31 | Jun. 30 | Sept. 30 | |
| GAAP diluted earnings (loss) per share | \$ 0.88 | \$ 1.63 | \$ (0.17) | | \$ 2.35 |
| Less: (Loss) from discontinued operations - net | (0.01) | (0.01) | (0.02) | | (0.03) |
| GAAP diluted earnings (loss) per share from continuing operations | 0.89 | 1.64 | (0.15) | | 2.38 |
| Adjustments for: | | | | | |
| Colder than normal weather | - | (0.10) | - | | (0.10) |
| Adjusted diluted earnings (loss) per share from normal operations | \$ 0.89 | \$ 1.54 | \$ (0.15) | | \$ 2.28 |

⁽¹⁾ Quarterly earnings (loss) per share may not sum to year-to-date or annual earnings per share as quarterly calculations are based on weighted average common shares outstanding which may vary for each of those periods.

⁽²⁾ During the quarter ended June 30, 2006, the Company discontinued the operations of a portion of its commercial heating, ventilation and air conditioning business segment. The operating results of the discontinued operation, including a related impairment charge recorded in the third quarter of 2006, have been presented separately from the operating results of the Company's continuing operations for all periods ended June 30, 2006. All prior periods presented herein have been restated to conform to the current fiscal year's presentation of the Company's discontinued operation.

WGL HOLDINGS, INC. (REGULATED UTILITY SEGMENT)
RECONCILIATION OF REPORTED GAAP EARNINGS (LOSS) PER SHARE AND
ADJUSTED EARNINGS (LOSS) PER SHARE
(Unaudited)

August 7, 2006

The reconciliation below is provided to demonstrate management's utilization of historical earnings (loss) per share, as derived in accordance with Generally Accepted Accounting Principles in the United States of America (GAAP), and adjusted earnings (loss) per share from normal operations, a non-GAAP measure. This reconciliation is provided to more clearly identify the results from normal operations for the Company's **regulated utility segment**, and identify certain unique transactions that are not expected to repeat. This information should assist investors and analysts to track progress towards achieving the Company's five-year financial objectives, which are based on normal weather and uninfluenced by single, one-time, non-repeating transactions.

Utilization of normal weather is an industry standard, and it is the practice of the Company to provide estimates and guidance on the basis of normal weather. Actual performance and results may vary from normal weather projections, and the Company consistently identifies and explains this variation to assist users in the analysis of actual results versus the guidance. There may be other uses for the data, and the Company does not imply that this is the only use or the best use of this data for purposes of this analysis.

WGL Holdings, Inc. (Regulated Utility Segment)
Reconciliation of Reported GAAP Earnings (Loss) Per Share to
Adjusted Earnings (Loss) Per Share from Normal Operations
Fiscal Year 2006 By Quarter ⁽¹⁾

| | Fiscal Year 2006 Results | | | | |
|--|--------------------------|---------|-----------|----------|--------------|
| | Quarter Ended | | | | |
| | Dec. 31 | Mar. 31 | Jun. 30 | Sept. 30 | Year-To-Date |
| GAAP diluted earnings (loss) per share | \$ 0.92 | \$ 1.22 | \$ (0.14) | | \$ 2.00 |
| Adjustments for: | | | | | |
| Warmer (colder) than normal weather | (0.07) | 0.02 | - | | (0.05) |
| Reserve for disallowance of natural gas costs | - | 0.06 | - | | 0.06 |
| Adjusted diluted earnings (loss) per share from normal operations | \$ 0.85 | \$ 1.30 | \$ (0.14) | | \$ 2.01 |

WGL Holdings, Inc. (Regulated Utility Segment)
Reconciliation of Reported GAAP Earnings (Loss) Per Share to
Adjusted Earnings (Loss) Per Share from Normal Operations
Fiscal Year 2005 By Quarter ⁽¹⁾

| | Fiscal Year 2005 Results | | | | |
|--|--------------------------|---------|-----------|----------|--------------|
| | Quarter Ended | | | | |
| | Dec. 31 | Mar. 31 | Jun. 30 | Sept. 30 | Year-To-Date |
| GAAP diluted earnings (loss) per share | \$ 0.81 | \$ 1.52 | \$ (0.23) | | \$ 2.11 |
| Adjustments for: | | | | | |
| Colder-than-normal weather | - | (0.10) | - | | (0.10) |
| Adjusted diluted earnings (loss) per share from normal operations | \$ 0.81 | \$ 1.42 | \$ (0.23) | | \$ 2.01 |

⁽¹⁾Quarterly earnings (loss) per share may not sum to year-to-date or annual earnings per share as quarterly calculations are based on weighted average common shares outstanding which may vary for each of those periods.