Sempra Announces Strategic Transactions Advancing Goal of Building Leading U.S. Utility Growth Business

September 23, 2025

- **Agreement to Sell 45% of Sempra Infrastructure Partners for $10 billion in cash**
- **Accretive Transaction Improves Sempra's Financial Strength**
- **Efficiently Funds 2025–2029 Capital Plan without Equity Issuances**
- **Reached Final Investment Decision for Port Arthur LNG Phase 2**
- **Hosting Conference Call at 11 a.m. EST**

SAN DIEGO, Sept. 23, 2025 /PRNewswire/ -- Sempra (NYSE: SRE) today announced several strategic actions that advance Sempra's corporate strategy. The company is executing on five value creation initiatives designed to simplify Sempra's business model, improve financial performance and reduce risk. The company expects these initiatives to strengthen its ability to deliver improved earnings growth while driving enhanced benefits for customers and communities across its service territories.

"The transactions announced today further Sempra's corporate strategy by advancing the company's capital recycling program and transition to a leading U.S. utility growth business," said Jeffrey W. Martin, chairman and CEO of Sempra.

Sale of Equity Stake in Sempra Infrastructure Partners
Sempra announced that it has agreed to sell a 45% equity interest in Sempra Infrastructure Partners, one of North America's leading energy infrastructure platforms, to affiliates of KKR, a leading global investment firm, with Canada Pension Plan Investment Board (CPP Investments).

Subject to adjustments, the transaction proceeds of $10 billion implies an equity value of $22.2 billion and an enterprise value of $31.7 billion for Sempra Infrastructure Partners.

Before adjustments, Sempra is expected to receive 47% of the cash at close, 41% by year-end 2027 and the balance approximately seven years after closing. This schedule helps Sempra generate attractive post-closing interest income as it efficiently reinvests proceeds over time in capital expenditures at its U.S. utilities.

The transaction is expected to close in Q2 – Q3 2026, subject to necessary regulatory and other approvals and closing conditions.

Upon closing, a KKR-led consortium will become the majority owner of Sempra Infrastructure Partners, holding a 65% equity stake, while Sempra will retain a 25% interest alongside Abu Dhabi Investment Authority's (ADIA) existing 10% stake. Under the terms of the agreement, Sempra and ADIA will have certain minority rights in Sempra Infrastructure Partners.

"The transaction announced today underscores our commitment to extend our strategic partnership with KKR, with whom we have a shared vision of improving America's position as a global leader in LNG exports," said Martin. "It also directly supports our five value creation initiatives designed to simplify our business, efficiently fund strong utility growth in Texas and California and improve our financial strength."

"Over the past four years, we have developed a close relationship with the Sempra Infrastructure Partners team and a deep understanding of their business," said Raj Agrawal, Global Head of Real Assets at KKR. "We are excited to grow this strategic partnership and are pleased to welcome CPP Investments alongside us as we work to expand Sempra Infrastructure Partners' assets to help meet growing global demand for energy."

The transaction also helps strengthen Sempra's credit profile, deconsolidates Sempra Infrastructure Partners, improves Sempra's business mix with a goal of approximately 95% earnings from regulated U.S. utilities and eliminates the need for equity issuances in the previously announced 2025-2029 capital plan.

Key expected benefits from the transaction announced today:

1. Sharpens focus on building a leading U.S. utility growth business
2. Reduces business risk by lowering exposure to non-utility investments
3. Strengthens balance sheet
4. Improves credit profile and FFO-to-debt
5. Adds five-year average annual accretion of $0.20 of earnings per common share (EPS) starting in 2027
6. Highlights value of LNG franchise
7. Eliminates planned common equity needs in previously announced 2025 – 2029 capital plan

Port Arthur Phase 2 Final Investment Decision
Sempra also announced today that Sempra Infrastructure Partners has reached a final investment decision to advance the development, construction and operation of Port Arthur LNG Phase 2. This new phase will include two natural gas liquefaction trains, one LNG storage tank and associated facilities with a nameplate capacity of approximately 13 million tonnes per annum (Mtpa) of U.S.-produced LNG. Incremental project capital expenditures at Phase 2 are estimated at $12 billion, plus an approximate $2 billion payment for shared common facilities, with commercial operations expected in 2030 and 2031 for Trains 3 and 4, respectively.

Funding for Phase 2 is supported by an equity investment led by Blackstone Credit & Insurance, together with an investor consortium including KKR, Apollo-managed funds and Private Credit at Goldman Sachs Alternatives. Together these investors have acquired a 49.9% minority equity interest for $7 billion. Sempra Infrastructure Partners has retained a 50.1% majority stake in the project.

In addition to securing 100% equity financing, Sempra Infrastructure Partners has contracted with global engineering, construction and project management firm Bechtel Energy Inc., which has received full notice to proceed for the project. Bechtel's continued involvement from Phase 1 into Phase 2 is expected to drive favorable economics and help mitigate execution risk by leveraging efficiencies and learnings across phases.

Phase 2 is subscribed with long-term offtake under 20-year sales and purchase agreements with strategic partner ConocoPhillips as anchor, and high-quality counterparties EQT, JERA Co. Inc. and Sempra Infrastructure Partners. Consistent with industry practice, Sempra Infrastructure Partners expects to enter into additional offtake agreements from time to time to enhance the overall economic value of the project.

Earnings Guidance
Sempra is updating its full-year 2025 EPS guidance range prepared in accordance with Generally Accepted Accounting Principles (GAAP) to $3.29 to $3.69, reflecting actual results through the second quarter and certain estimated tax impacts related to the equity sale transaction announced today that are expected to be recognized in the third quarter, and affirming its full-year 2025 adjusted EPS guidance range of $4.30 to $4.70. With the Sempra Infrastructure Partners equity sale transaction expected to close in Q2 — Q3 of 2026, Sempra is affirming its full-year 2026 adjusted EPS guidance range of $4.80 to $5.30. The company is also affirming its guidance to the high-end or above its projected long-term EPS compound annual growth rate of 7% to 9% for 2025 through 2029. Sempra intends to provide an update to its five-year capital plan during its fourth-quarter earnings call in February 2026, subject to completion of the base rate review at Oncor.

Non-GAAP Financial Measures
Non-GAAP financial measures include Sempra's adjusted EPS guidance ranges and net debt, which is used in the calculation of implied enterprise value. See Table A for additional information regarding these non-GAAP financial measures.

Conference Call Information and Additional Details
Sempra is holding a conference call to discuss these transactions today, Sept. 23 at 11 a.m. EST with the company's senior management. Access is available by logging onto the Investors section of the company's website, sempra.com/investors. Supplemental materials that will be discussed during the call are available at the same website location where you can find a more detailed description of the anticipated transaction proceeds and the closing and other adjustments.

A replay of the webcast will be available on Sempra's website a few hours after the completion of the broadcast.

Transactions Advisors
BofA Securities is serving as financial advisor to Sempra on the referenced Sempra Infrastructure Partners equity sale transaction, while Sullivan & Cromwell LLP is serving as legal advisor to Sempra on both transactions described herein.

Citi is serving as financial advisor and Simpson Thacher is serving as legal advisor to KKR. Kirkland & Ellis LLP is serving as legal advisor to CPP Investments.

For the Port Arthur Phase 2 project, Goldman Sachs & Co. LLC acted as exclusive Structuring Agent for Sempra Infrastructure Partners. Sullivan & Cromwell LLP and Baker Botts LLP served as legal counsel to Sempra Infrastructure Partners.

About Sempra
Sempra is an energy infrastructure company with one of the largest energy networks in North America. Through its operations in California, Texas and beyond, Sempra is electrifying and improving the energy resilience of some of the world's most significant economic markets and delivering everyday energy to nearly 40 million consumers. The company is recognized as a leader in responsible business practices and for its high-performance culture focused on safety and operational excellence, as demonstrated by Sempra's inclusion in the Dow Jones Sustainability Index North America. More information is available at sempra.com and on social media @Sempra.

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions about the future, involve risks and uncertainties, and are not guarantees. Future results may differ materially from those expressed or implied in any forward-looking statement. These forward-looking statements represent our estimates and assumptions only as of the date of this press release. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or otherwise.

In this press release, forward-looking statements can be identified by words such as "believe," "expect," "intend," "anticipate," "contemplate," "plan," "estimate," "project," "forecast," "envision," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "in process," "construct," "develop," "opportunity," "preliminary," "pro-forma," "strategic," "initiative," "target," "outlook," "optimistic," "poised," "positioned," "maintain," "continue," "progress," "advance," "goal," "aim," "commit," or similar expressions, or when we discuss our guidance, priorities, strategies, goals, vision, mission, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those expressed or implied in any forward-looking statement include: counterparty risk with respect to closing and post-closing payments; the ability to satisfy the conditions to closing, including the receipt of regulatory and other approvals; the ability to achieve the anticipated benefits of the transactions described herein; the effects on such transactions of industry, market, economic, political or regulatory conditions outside of Sempra's control; the effects on such transactions of disruptions to Sempra Infrastructure's businesses; transaction costs and purchase price adjustments; transaction-related tax and accounting impacts; the diversion of management time on transaction-related issues; California wildfires, including potential liability for damages regardless of fault and any inability to recover all or a substantial portion of costs from insurance, the wildfire fund established by California Assembly Bill 1054, rates from customers or a combination thereof; decisions, denials of cost recovery, audits, investigations, inquiries, ordered studies, regulations, denials or revocations of permits, consents, approvals or other authorizations, renewals of franchises, and other actions, including the failure to honor contracts and commitments, by the (i) California Public Utilities Commission (CPUC), Comisión Nacional de Energía, U.S. Department of Energy, U.S. Federal Energy Regulatory Commission, U.S. Internal Revenue Service, Public Utility Commission of Texas and other regulatory bodies and (ii) U.S., Mexico and states, counties, cities and other jurisdictions therein and in other countries where we do business; the success of business development efforts, construction projects, acquisitions, divestitures, and other significant transactions, including risks related to (i) being able to make a final investment

decision, (ii) negotiating pricing and other terms in definitive contracts, (iii) completing construction projects or other transactions on schedule and budget, (iv) realizing anticipated benefits from any of these efforts if completed, (v) obtaining regulatory and other approvals and (vi) third parties honoring their contracts and commitments; changes to our capital expenditure plans and their potential impact on rate base or other growth; changes, due to evolving economic, political and other factors, to (i) trade and other foreign policy, including the imposition of tariffs by the U.S. and foreign countries, and (ii) laws and regulations, including those related to tax and the energy industry in the U.S. and Mexico; litigation, arbitration, property disputes and other proceedings; cybersecurity threats, including by state and state-sponsored actors, of ransomware or other attacks on our systems or the systems of third parties with which we conduct business, including the energy grid or other energy infrastructure; the availability, uses, sufficiency, and cost of capital resources and our ability to borrow money or otherwise raise capital on favorable terms and meet our obligations, which can be affected by, among other things, (i) actions by credit rating agencies to downgrade our credit ratings or place those ratings on negative outlook, (ii) instability in the capital markets, and (iii) fluctuating interest rates and inflation; the impact on Sempra Infrastructure's ability to pass through higher costs to customers due to volatility in inflation, interest rates, foreign currency exchange rates and commodity prices and the imposition of tariffs; the impact of climate policies, laws, rules, regulations, trends and required disclosures, including actions to reduce or eliminate reliance on natural gas, the risk of nonrecovery for stranded assets, and uncertainty related to emerging technologies; weather, natural disasters, pandemics, accidents, equipment failures, explosions, terrorism, information system outages or other events, such as work stoppages, that disrupt our operations, damage our facilities or systems, cause the release of harmful materials or fires or subject us to liability for damages, fines and penalties, some of which may not be recoverable through regulatory mechanisms or insurance or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power, natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid or pipeline and storage systems or limitations on the injection and withdrawal of natural gas from storage facilities; and other uncertainties, some of which are difficult to predict and beyond our control.

These risks and uncertainties are further discussed in the reports that Sempra has filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system free-of-charge on the SEC's website, www.sec.gov, and on Sempra's website, www.sempra.com. Investors should not rely unduly on any forward-looking statements.

Sempra Infrastructure, Sempra Infrastructure Partners, Sempra Texas, Sempra Texas Utilities, Oncor and Infraestructura Energética Nova, S.A.P.I. de C.V. (IEnova) are not the same companies as the California utilities, San Diego Gas & Electric Company or Southern California Gas Company, nor are they regulated by the CPUC.

SEMPRA
Table A

SEMPRA ADJUSTED EPS GUIDANCE RANGE

Sempra 2025 and 2026 Adjusted EPS Guidance Ranges are non-GAAP financial measures. These non-GAAP financial measures exclude significant items that are generally not related to our ongoing business activities and/or infrequent in nature. These non-GAAP financial measures also exclude the impact from foreign currency and inflation on our monetary positions in Mexico and net unrealized gains and losses on commodity and interest rate derivatives, which we expect to occur in future periods, and which can vary significantly from one period to the next. Exclusion of these items is useful to management and investors because it provides a meaningful comparison of the performance of Sempra's business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP.

RECONCILIATION OF SEMPRA 2025 ADJUSTED EPS GUIDANCE RANGE TO SEMPRA 2025 GAAP EPS GUIDANCE RANGE

Sempra 2025 Adjusted EPS Guidance Range of $4.30 to $4.70 excludes items (after the effects of income taxes and, if applicable, noncontrolling interests) as follows:

- $(25) million impact from regulatory disallowances related to the recovery of coronavirus disease 2019 costs at Sempra California for the six months ended June 30, 2025
- $(89) million impact from foreign currency and inflation on our monetary positions in Mexico for the six months ended June 30, 2025
- $(10) million net unrealized losses on commodity derivatives for the six months ended June 30, 2025
- $(8) million net unrealized losses on interest rate swaps related to the Port Arthur LNG liquefaction project (PA LNG Phase 1 project) for the six months ended June 30, 2025
- $(526) million tax items related to assets held for sale at Sempra Infrastructure, which such amounts could change in future periods until the dates of sale:
    - $(500) million income tax expense that will be recognized in the third quarter of 2025 to adjust deferred tax liabilities related to our outside basis differences in Sempra Infrastructure Partners, LP (Sempra Infrastructure Partners), changes to state income tax apportionment, and valuation allowances against certain tax attribute carryforwards
    - $(26) million income tax expense that was recognized in the second quarter of 2025 due to the recognition of a Mexican deferred tax liability on our outside basis difference in Ecogas México, S. de R.L. de C.V. (Ecogas)

Sempra 2025 Adjusted EPS Guidance Range should not be considered an alternative to Sempra 2025 GAAP EPS Guidance Range. The table below reconciles Sempra 2025 Adjusted EPS Guidance Range to Sempra 2025 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

RECONCILIATION OF ADJUSTED EPS GUIDANCE RANGE TO GAAP EPS GUIDANCE RANGE

	Full-Year 2025
Sempra GAAP EPS Guidance Range	$ 3.29 to $ 3.69
Excluded items:	

Impact from regulatory disallowances		0.04	0.04
Impact from foreign currency and inflation on monetary positions in Mexico		0.14	0.14
Net unrealized losses on commodity derivatives		0.02	0.02
Net unrealized losses on interest rate swaps related to PA LNG Phase 1 project		0.01	0.01
Tax items related to assets held for sale		0.80	0.80
Sempra Adjusted EPS Guidance Range	$	4.30 to $	4.70
Weighted-average common shares outstanding, diluted (millions)			654

SEMPRA 2026 ADJUSTED EPS GUIDANCE RANGE

We are unable to reconcile Sempra 2026 Adjusted EPS Guidance Range of $4.80 to $5.30 to Sempra 2026 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP, because we cannot reasonably estimate the forward-looking amount or range of amounts of reasonably estimable GAAP amounts for, or the probable significance of, each of the following future events:

- impact from foreign currency and inflation on our monetary positions in Mexico
- net unrealized gains and losses on commodity derivatives
- net unrealized gains and losses on interest rate swaps related to the PA LNG Phase 1 project
- any potential gain from the proposed sale of Ecogas
- any potential gain from the agreement to sell an equity interest in Sempra Infrastructure Partners to KKR Partners that was entered into in September 2025, as the purchase price is subject to closing adjustments, post-closing adjustments, and tax items related to our outside basis difference in Sempra Infrastructure Partners that is subject to adjustments based on changes in carrying value, foreign exchange rates and inflation until the date of sale

SEMPRA INFRASTRUCTURE PARTNERS ENTERPRISE VALUE

Management and external users, such as industry analysts and investors, use Enterprise Value (EV) as a supplemental measure of valuation of Sempra Infrastructure Partners. EV is calculated using an implied equity value based on transaction proceeds adjusted for Projected Proportionate Net Debt at December 31, 2025, which represents a non-GAAP financial measure. This non-GAAP financial measure should not be considered in isolation or as a substitute for the amount prepared in accordance with GAAP.

Projected Proportionate Net Debt includes Sempra Infrastructure Partners' proportionate ownership interest in expected net debt at unconsolidated equity method investees and excludes such amounts attributable to noncontrolling interests.

SEMPRA INFRASTRUCTURE PARTNERS – EV

(Dollars in billions)

Implied equity value based on transaction proceeds	$	22.2
Projected Proportionate Net Debt at December 31, 2025		9.5
Enterprise Value	$	31.7

The table below reconciles Sempra Infrastructure Partners Projected Proportionate Net Debt to, what we consider to be, the most directly comparable measure calculated in accordance with GAAP.

SEMPRA INFRASTRUCTURE PARTNERS – PROJECTED PROPORTIONATE NET DEBT[1]

(Dollars in billions)

	Total debt[2]	Cash and cash equivalents[3]	Net debt
	At December 31, 2025		
Projected – GAAP	$ 8.4	$ (0.1)	$ 8.3
At unconsolidated entities[4]	4.4	—	4.4
Attributable to NCI owners[5]	(3.2)	—	(3.2)
Projected – Proportionate	$ 9.6	$ (0.1)	$ 9.5

(1) Includes consolidation of Ecogas, which is held for sale, at December 31, 2025.

(2) Includes short-term and long-term debt.

(3) Excludes restricted cash.

(4) Represents Sempra Infrastructure Partners' proportionate ownership interest at unconsolidated equity method investees.

(5) Represents NCI's proportionate ownership interest.



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