



## **SEMPRA ENERGY SECOND-QUARTER EARNINGS LIKELY TO EXCEED ESTIMATES**

SAN DIEGO, July 3, 2000 – Sempra Energy today said it expects second-quarter and full-year earnings for 2000 to exceed current First Call consensus estimates of 45 cents per share and \$1.89 per share, respectively. The company will report second-quarter earnings July 27, 2000.

Sempra Energy expects its second-quarter earnings will be about 55 cents per share. The improved earnings outlook is driven primarily by better-than-expected results at the company's wholesale energy commodity trading unit, Sempra Energy Trading. These results stem principally from oil and natural gas trading activity in the United States and Europe amidst volatile international commodity markets.

For the full year 2000, Sempra Energy is facing higher start-up costs at its other unregulated businesses, but still expects earnings per share to be about \$1.95.

As Sempra Energy continues to expand its unregulated business activities, its earnings will fluctuate more from quarter to quarter, compared to past years when a larger percentage of earnings were derived from the company's two regulated California utilities, Southern California Gas Co. (SoCalGas) and San Diego Gas & Electric (SDG&E). Sempra Energy continues to expect earnings at its SoCalGas and SDG&E units that are flat to slightly lower for the year, due to industry restructuring.

Sempra Energy (NYSE: SRE), based in San Diego, is a Fortune 500 energy services holding company with 12,000 employees and annual revenues of \$5.4 billion. Through its eight principal subsidiaries -- SoCalGas, SDG&E, Sempra Energy Solutions, Sempra Energy Trading, Sempra Energy International, Sempra Energy Resources, Sempra Communications and Sempra Energy Financial -- Sempra Energy serves more than 9 million customers in the United States, Europe, Canada, Mexico and South America.

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This press release contains statements that are not historical fact and constitute projections, forecasts or forward-looking statements with respect to anticipated earnings. These expectations are not guarantees of performance. They involve risks, uncertainties and assumptions that could cause the company's results to differ materially from those expected. These risks and uncertainties, include, among others: national, international, regional and local economic, competitive and regulatory conditions and developments; capital market conditions, inflation rates and interest rates; energy markets, including the timing and extent of changes in commodity prices; weather conditions; business, regulatory and legal decisions; the pace of deregulation of retail natural gas and electricity delivery; technological developments; the timing and success of business development efforts; and other uncertainties, all of which are difficult to predict and many of which are beyond the company's control. These risks and uncertainties are further discussed in the company's Annual Report on Form 10-K for the fiscal year ended Dec. 31, 1999, which has been filed with the Securities and Exchange Commission and is available through the EDGAR system without charge at its Web site, [www.sec.gov](http://www.sec.gov).