

# SEMPRA ENERGY

Table A

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in millions, except per share amounts)	Three months ended June 30,		Six months ended June 30,	
	2009	2008*	2009	2008*
	(unaudited)			
<b>REVENUES</b>				
Sempra Utilities	\$ 1,316	\$ 1,887	\$ 2,958	\$ 4,177
Sempra Global and parent	373	616	839	1,596
Total revenues	<u>1,689</u>	<u>2,503</u>	<u>3,797</u>	<u>5,773</u>
<b>EXPENSES AND OTHER INCOME</b>				
Sempra Utilities:				
Cost of natural gas	(249)	(784)	(789)	(2,019)
Cost of electric fuel and purchased power	(129)	(220)	(300)	(383)
Sempra Global and parent:				
Cost of natural gas, electric fuel and purchased power	(187)	(513)	(455)	(922)
Other cost of sales	(16)	(17)	(33)	(153)
Operation and maintenance	(589)	(549)	(1,105)	(1,252)
Depreciation and amortization	(189)	(171)	(372)	(346)
Franchise fees and other taxes	(69)	(71)	(151)	(154)
Gains on sale of assets	3	109	3	114
Write-off of long-lived assets	(132)	-	(132)	-
Equity earnings:				
RBS Sempra Commodities LLP	126	146	279	146
Other	2	9	9	15
Other income, net	70	32	73	51
Interest income	5	10	11	24
Interest expense	(79)	(38)	(161)	(98)
Income before income taxes and equity earnings of certain unconsolidated subsidiaries	256	446	674	796
Income tax expense	(90)	(202)	(199)	(329)
Equity earnings, net of income tax	23	18	39	39
Net income	<u>189</u>	<u>262</u>	<u>514</u>	<u>506</u>
(Earnings) losses attributable to noncontrolling interests	12	(15)	5	(15)
Preferred dividends of subsidiaries	(3)	(3)	(5)	(5)
Earnings	<u>\$ 198</u>	<u>\$ 244</u>	<u>\$ 514</u>	<u>\$ 486</u>
Basic earnings per common share	<u>\$ 0.82</u>	<u>\$ 0.99</u>	<u>\$ 2.12</u>	<u>\$ 1.93</u>
Weighted-average number of shares outstanding, basic (thousands)	<u>242,718</u>	<u>245,576</u>	<u>242,245</u>	<u>252,100</u>
Diluted earnings per common share	<u>\$ 0.80</u>	<u>\$ 0.98</u>	<u>\$ 2.09</u>	<u>\$ 1.90</u>
Weighted-average number of shares outstanding, diluted (thousands)	<u>247,090</u>	<u>249,677</u>	<u>246,039</u>	<u>256,169</u>
Dividends declared per share of common stock	<u>\$ 0.39</u>	<u>\$ 0.35</u>	<u>\$ 0.78</u>	<u>\$ 0.67</u>

\* As adjusted for the retrospective adoption of SFAS 160 (ASC 810).

# SEMPRA ENERGY

## Table B

### CONSOLIDATED BALANCE SHEETS

(Dollars in millions)	June 30, 2009	December 31, 2008*
	(unaudited)	
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 818	\$ 331
Short-term investments	-	176
Restricted cash	27	27
Accounts receivable, net	715	981
Due from unconsolidated affiliates	21	4
Income taxes receivable	114	195
Deferred income taxes	96	31
Inventories	169	320
Regulatory assets	88	121
Fixed-price contracts and other derivatives	100	160
Insurance receivable related to wildfire litigation	940	-
Other	236	130
Total current assets	3,324	2,476
Investments and other assets:		
Regulatory assets arising from fixed-price contracts and other derivatives	252	264
Regulatory assets arising from pension and other postretirement benefit obligations	1,212	1,188
Other regulatory assets	558	534
Nuclear decommissioning trusts	580	577
Investment in RBS Sempra Commodities LLP	2,019	2,082
Other investments	1,470	1,166
Goodwill and other intangible assets	529	539
Sundry	565	709
Total investments and other assets	7,185	7,059
Property, plant and equipment, net	17,413	16,865
Total assets	\$ 27,922	\$ 26,400
<b>Liabilities and Equity</b>		
Current liabilities:		
Short-term debt	\$ 291	\$ 503
Accounts payable	616	856
Due to unconsolidated affiliates	31	38
Dividends and interest payable	183	156
Accrued compensation and benefits	186	280
Regulatory balancing accounts, net	602	335
Current portion of long-term debt	624	410
Fixed-price contracts and other derivatives	115	180
Customer deposits	149	170
Reserve for wildfire litigation	940	-
Other	616	684
Total current liabilities	4,353	3,612
Long-term debt	6,723	6,544
Deferred credits and other liabilities:		
Due to unconsolidated affiliate	102	102
Customer advances for construction	154	155
Pension and other postretirement benefit obligations, net of plan assets	1,512	1,487
Deferred income taxes	1,152	946
Deferred investment tax credits	54	57
Regulatory liabilities arising from removal obligations	2,453	2,430
Asset retirement obligations	1,210	1,159
Other regulatory liabilities	209	219
Fixed-price contracts and other derivatives	347	392
Deferred credits and other	842	909
Total deferred credits and other liabilities	8,035	7,856
Preferred stock of subsidiary	79	79
Total Sempra Energy shareholders' equity	8,477	7,969
Preferred stock of subsidiaries	100	100
Other noncontrolling interests	155	240
Total equity	8,732	8,309
Total liabilities and equity	\$ 27,922	\$ 26,400

\* As adjusted for the retrospective adoption of SFAS 160 (ASC 810).

# SEMPRA ENERGY

## Table C

### CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS

(Dollars in millions)	Six months ended	
	June 30,	
	2009	2008*
	(unaudited)	
<b>Cash Flows from Operating Activities:</b>		
Net income	\$ 514	\$ 506
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	372	346
Deferred income taxes and investment tax credits	90	51
Equity earnings	(327)	(200)
Gains on sale of assets	(3)	(114)
Write-off of long-lived assets	132	-
Fixed-price contacts and other derivatives	(38)	47
Other	51	40
Net changes in other working capital components	364	226
Distributions from RBS Sempra Commodities LLP	375	-
Changes in other assets	21	(10)
Changes in other liabilities	(26)	(27)
Net cash provided by operating activities	<u>1,525</u>	<u>865</u>
<b>Cash Flows from Investing Activities:</b>		
Expenditures for property, plant and equipment	(938)	(1,114)
Proceeds from sale of assets, net of cash sold	179	2,071
Expenditures for investments	(217)	(2,180)
Distributions from investments	9	16
Purchases of nuclear decommissioning and other trust assets	(99)	(173)
Proceeds from sales by nuclear decommissioning and other trusts	93	177
Decrease in notes receivable from unconsolidated affiliate	-	60
Other	(14)	(15)
Net cash used in investing activities	<u>(987)</u>	<u>(1,158)</u>
<b>Cash Flows from Financing Activities:</b>		
Common dividends paid	(170)	(166)
Preferred dividends paid by subsidiaries	(5)	(5)
Issuances of common stock	28	11
Repurchases of common stock	-	(1,002)
(Decrease) increase in short-term debt, net	(612)	496
Issuances of long-term debt	1,108	593
Payments on long-term debt	(311)	(73)
Purchase of noncontrolling interest	(94)	-
Other	5	1
Net cash used in financing activities	<u>(51)</u>	<u>(145)</u>
Increase (decrease) in cash and cash equivalents	487	(438)
Cash and cash equivalents, January 1	331	668
Cash and cash equivalents, June 30	<u>\$ 818</u>	<u>\$ 230</u>

\* As adjusted for the retrospective adoption of SFAS 160 (ASC 810).

# SEMPRA ENERGY

Table D

## BUSINESS UNIT EARNINGS AND CAPITAL EXPENDITURES & INVESTMENTS (Unaudited)

(Dollars in millions)	Three months ended		Six months ended	
	June 30,		June 30,	
	2009	2008	2009	2008
<b>Earnings (Losses)</b>				
San Diego Gas & Electric	\$ 70	\$ 61	\$ 169	\$ 135
Southern California Gas	65	56	124	113
Sempra Commodities <sup>(1)</sup>	85	130	199	189
Sempra Generation	33	23	76	68
Sempra Pipelines & Storage	(27)	24	10	50
Sempra LNG	(12)	(28)	(19)	(37)
Parent & Other	(16)	(22)	(45)	(32)
Earnings	<u>\$ 198</u>	<u>\$ 244</u>	<u>\$ 514</u>	<u>\$ 486</u>

<sup>(1)</sup> Results for 2009 and the second quarter of 2008 include the company's portion of RBS Sempra Commodities' joint venture earnings and interest, income taxes, cost allocations and other items associated with the joint venture. Results for the first quarter of 2008 include 100% of the commodities-marketing businesses. Both 2009 and 2008 include the results of Sempra Rockies Marketing.

(Dollars in millions)	Three months ended		Six months ended	
	June 30,		June 30,	
	2009	2008	2009	2008
<b>Capital Expenditures and Investments<sup>(1)</sup></b>				
San Diego Gas & Electric	\$ 366 <sup>(2)</sup>	\$ 194	\$ 595 <sup>(2)</sup>	\$ 665 <sup>(2)</sup>
Southern California Gas	115	126	227	242
Sempra Commodities	-	-	-	37
Sempra Generation	10	2	13	13
Sempra Pipelines & Storage	227	93	328	302
Sempra LNG	71	152	142	249
Parent & Other	1	79 <sup>(2)</sup>	2	261 <sup>(2)</sup>
Eliminations <sup>(2)</sup>	(152)	(75)	(152)	(75)
Consolidated Capital Expenditures and Investments	<u>\$ 638</u>	<u>\$ 571</u>	<u>\$ 1,155</u>	<u>\$ 1,694</u>

<sup>(1)</sup> Investments do not include the \$1.6 billion contribution to RBS Sempra commodities in the second quarter of 2008.

<sup>(2)</sup> During the six months ended June 30, 2008, SDG&E and Parent & Other purchased \$236 and \$177, respectively, of SDG&E's industrial development bonds. As their cash flow needs changed, Parent & Other sold \$152 of the bonds to SDG&E in the second quarter of 2009, and SDG&E sold \$75 of the bonds to Parent & Other in the six-month period of 2008.

# SEMPRA ENERGY

Table E

## OTHER OPERATING STATISTICS (Unaudited)

	Three months ended		Six months ended	
	June 30,		June 30,	
<b>SEMPRA UTILITIES</b>	2009	2008	2009	2008
Revenues (Dollars in millions)				
SDG&E (excludes intercompany sales)	\$ 629	\$ 752	\$ 1,359	\$ 1,494
SoCalGas (excludes intercompany sales)	\$ 687	\$ 1,135	\$ 1,599	\$ 2,683
Gas Sales (Bcf)	80	81	211	225
Transportation and Exchange (Bcf)	123	136	251	274
Total Deliveries (Bcf)	<u>203</u>	<u>217</u>	<u>462</u>	<u>499</u>
Total Gas Customers (Thousands)			6,590	6,553
Electric Sales (Millions of kWhs)	3,968	4,021	8,132	8,296
Direct Access (Millions of kWhs)	750	750	1,490	1,515
Total Deliveries (Millions of kWhs)	<u>4,718</u>	<u>4,771</u>	<u>9,622</u>	<u>9,811</u>
Total Electric Customers (Thousands)			1,375	1,367
<b>SEMPRA GENERATION</b>				
Power Sold (Millions of kWhs)	5,482	5,506	11,209	11,118
<b>SEMPRA PIPELINES &amp; STORAGE</b>				
(Represents 100% of the distribution operations of these subsidiaries, although subsidiaries in Argentina, Chile and Peru are not 100% owned by Sempra Energy. These subsidiaries are not consolidated within Sempra Energy and the related investments are accounted for under the equity method).				
Natural Gas Sales (Bcf)				
Argentina	83	81	148	152
Mexico	4	5	9	10
Mobile Gas	7	- *	16	- *
Natural Gas Customers (Thousands)				
Argentina			1,693	1,637
Mexico			93	95
Mobile Gas			94	- *
Electric Sales (Millions of kWhs)				
Peru	1,380	1,354	2,773	2,716
Chile	593	568	1,270	1,232
Electric Customers (Thousands)				
Peru			851	822
Chile			569	557

\* Mobile Gas was acquired in October 2008.

# SEMPRA ENERGY

## Table E (Continued)

### SEMPRA COMMODITIES

The following information for the Sempra Commodities segment includes information related to RBS Sempra Commodities LLP. RBS Sempra Commodities LLP acquired the commodity-marketing businesses of Sempra Energy on April 1, 2008. For the three and six months ended June 30, 2009, the Sempra Commodities segment is composed primarily of the company's equity interest in RBS Sempra Commodities LLP, but also includes the results of Sempra Rockies Marketing. The margin and financial data below represent the total results of RBS Sempra Commodities LLP as calculated under International Financial Reporting Standards (IFRS).

### RBS Sempra Commodities LLP

#### **Operating Statistics**

(in millions of US dollars)

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009
<i>RBS Sempra Commodities LLP - Joint Venture level margin*</i>			
Geographical:			
North America	\$ 220	\$ 522	\$ 472
Europe/Asia	103	124	205
Total	<u>\$ 323</u>	<u>\$ 646</u>	<u>\$ 677</u>
Product Line:			
Oil - Crude & Products	\$ 70	\$ 92	\$ 193
Power	94	174	187
Natural Gas	67	306	145
Metals	81	42	135
Other	11	32	17
Total	<u>\$ 323</u>	<u>\$ 646</u>	<u>\$ 677</u>

#### **Financial Information**

(in millions of US dollars)

<i>RBS Sempra Commodities LLP</i>	Three months ended June 30, 2009		Three months ended June 30, 2008		Six months ended June 30, 2009	
	Joint Venture Total	Sempra Share**	Joint Venture Total	Sempra Share**	Joint Venture Total	Sempra Share**
Fee income and trading revenue, net of selling costs	\$ 323		\$ 646		\$ 677	
Operating and other expenses	(181)		(312)		(381)	
Joint Venture distributable income	<u>\$ 142</u>		<u>\$ 334</u>		<u>\$ 296</u>	
Preferred return on capital	\$ 84	\$ 60	\$ 148	\$ 60	\$ 161	\$ 119
1st allocation - 70% Sempra / 30% RBS***	58	42	125	87	135	97
2nd allocation - 30% Sempra / 70% RBS	-	-	61	18	-	-
Distributable income	<u>\$ 142</u>	<u>\$ 102</u>	<u>\$ 334</u>	<u>\$ 165</u>	<u>\$ 296</u>	<u>\$ 216</u>

### Sempra Commodities Earnings

(in millions of US dollars)

	Three months ended June 30, 2009	Three months ended June 30, 2008	Six months ended June 30, 2009
Sempra share of distributable income - IFRS basis	\$ 102	\$ 165	\$ 216
U.S. GAAP conversion impact	24	(19)	63
Sempra equity earnings before income taxes - U.S. GAAP basis	126	146	279
Income tax expense	(39)	(53)	(76)
Sempra equity earnings from RBS Sempra Commodities LLP	87	93	203
Other segment activity after-tax, including after-tax gain in 2008	(2)	37	(4)
Sempra Commodities earnings	<u>\$ 85</u>	<u>\$ 130</u>	<u>\$ 199</u>

\* Margin consists of operating revenues less cost of sales (primarily transportation and storage costs) reduced by certain transaction-related execution costs (primarily brokerage and other fees) and net interest income/expense.

\*\* After a 15% preferred return to Sempra and then a 15% return to RBS, Sempra receives 70% of the next \$500 million and 30% of any remaining income on an annual basis.

\*\*\* Includes certain transition costs specifically allocated to Sempra and RBS.

# SEMPRA ENERGY

## Table F (Unaudited)

### Statement of Operations Data by Business Unit

#### Three Months Ended June 30, 2009

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 631	\$ 694	\$ 13	\$ 245	\$ 98	\$ 25	\$ (17)	\$ 1,689
Cost of Sales and Other Expenses	(438)	(503)	(14)	(157)	(209) <sup>(1)</sup>	(39)	(11)	(1,371)
Depreciation & Amortization	(81)	(75)	-	(15)	(9)	(7)	(2)	(189)
Gains on Sale of Assets	1	-	-	-	-	-	2	3
Equity Earnings (Losses) Recorded Before Income Tax	-	-	126	(6)	11	-	(3)	128
Other Income, Net	27	4	-	1	1	1	36	70
Income (Loss) Before Interest & Tax <sup>(2)</sup>	140	120	125	68	(108)	(20)	5	330
Net Interest Expense <sup>(3)</sup>	(22)	(18)	(3)	(1)	(3)	(2)	(28)	(77)
Income Tax (Expense) Benefit	(28)	(37)	(37)	(34)	29	10	7	(90)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	23	-	-	23
(Earnings) Losses Attributable to Noncontrolling Interests	(20)	-	-	-	32	-	-	12
Earnings (Losses)	\$ 70	\$ 65	\$ 85	\$ 33	\$ (27)	\$ (12)	\$ (16)	\$ 198

#### Three Months Ended June 30, 2008

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 754	\$ 1,143	\$ 16	\$ 482	\$ 118	\$ 5	\$ (15)	\$ 2,503
Cost of Sales and Other Expenses	(564)	(971)	(43)	(423)	(114)	(32)	(7)	(2,154)
Depreciation & Amortization	(78)	(71)	-	(14)	(3)	(2)	(3)	(171)
Gain on Sale of Assets	-	-	109	-	-	-	-	109
Equity Earnings (Losses) Recorded Before Income Tax	-	-	146	-	12	-	(3)	155
Other Income, Net	20	2	-	1	3	-	6	32
Income (Loss) Before Interest & Tax <sup>(2)</sup>	132	103	228	46	16	(29)	(22)	474
Net Interest (Expense) Income <sup>(3)</sup>	(21)	(11)	(4)	(2)	1	(1)	7	(31)
Income Tax (Expense) Benefit	(35)	(36)	(94)	(21)	(11)	2	(7)	(202)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	18	-	-	18
Earnings Attributable to Noncontrolling Interests	(15)	-	-	-	-	-	-	(15)
Earnings (Losses)	\$ 61	\$ 56	\$ 130	\$ 23	\$ 24	\$ (28)	\$ (22)	\$ 244

<sup>(1)</sup> Includes \$132 million write-off of long-lived assets.

<sup>(2)</sup> Management believes "Income (Loss) before Interest & Tax" is a useful measurement of our business units' performance because it can be used to evaluate the effectiveness of our operations exclusive of interest and income tax, neither of which is directly relevant to the efficiency of those operations.

<sup>(3)</sup> Net Interest (Expense) Income includes Interest Income, Interest Expense and Preferred Dividends of Subsidiaries.

# SEMPRA ENERGY

## Table F (Unaudited)

### Statement of Operations Data by Business Unit

#### Six Months Ended June 30, 2009

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 1,363	\$ 1,614	\$ 26	\$ 542	\$ 230	\$ 57	\$ (35)	\$ 3,797
Cost of Sales and Other Expenses	(918)	(1,241)	(26)	(384)	(304) <sup>(1)</sup>	(82)	(10)	(2,965)
Depreciation & Amortization	(158)	(147)	-	(29)	(19)	(13)	(6)	(372)
Gains on Sale of Assets	1	-	-	-	-	-	2	3
Equity Earnings (Losses) Recorded Before Income Tax	-	-	279	(6)	21	-	(6)	288
Other Income, Net	44	5	-	1	-	1	22	73
Income (Loss) Before Interest & Tax <sup>(2)</sup>	332	231	279	124	(72)	(37)	(33)	824
Net Interest Expense <sup>(3)</sup>	(48)	(34)	(6)	(2)	(6)	(4)	(55)	(155)
Income Tax (Expense) Benefit	(88)	(73)	(74)	(46)	17	22	43	(199)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	39	-	-	39
(Earnings) Losses Attributable to Noncontrolling Interests	(27)	-	-	-	32	-	-	5
Earnings (Losses)	\$ 169	\$ 124	\$ 199	\$ 76	\$ 10	\$ (19)	\$ (45)	\$ 514

#### Six Months Ended June 30, 2008

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 1,500	\$ 2,699	\$ 473	\$ 928	\$ 211	\$ (5)	\$ (33)	\$ 5,773
Cost of Sales and Other Expenses	(1,107)	(2,346)	(395)	(782)	(202)	(44)	(7)	(4,883)
Depreciation & Amortization	(155)	(142)	(6)	(28)	(5)	(2)	(8)	(346)
Gains on Sale of Assets	3	-	110	2	-	-	(1)	114
Equity Earnings (Losses) Recorded Before Income Tax	-	-	146	2	20	-	(7)	161
Other Income, Net	23	2	-	2	3	15	6	51
Income (Loss) Before Interest & Tax <sup>(2)</sup>	264	213	328	124	27	(36)	(50)	870
Net Interest (Expense) Income <sup>(3)</sup>	(47)	(24)	(9)	(4)	2	(2)	5	(79)
Income Tax (Expense) Benefit	(67)	(76)	(133)	(52)	(15)	1	13	(329)
Equity Earnings Recorded Net of Income Tax	-	-	3	-	36	-	-	39
Earnings Attributable to Noncontrolling Interests	(15)	-	-	-	-	-	-	(15)
Earnings (Losses)	\$ 135	\$ 113	\$ 189	\$ 68	\$ 50	\$ (37)	\$ (32)	\$ 486

<sup>(1)</sup> Includes \$132 million write-off of long-lived assets.

<sup>(2)</sup> Management believes "Income (Loss) before Interest & Tax" is a useful measurement of our business units' performance because it can be used to evaluate the effectiveness of our operations exclusive of interest and income tax, neither of which is directly relevant to the efficiency of those operations.

<sup>(3)</sup> Net Interest (Expense) Income includes Interest Income, Interest Expense and Preferred Dividends of Subsidiaries.