

SEMPRA ENERGY

Table A

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in millions, except per share amounts)	Three months ended September 30,		Nine months ended September 30,	
	2009	2008*	2009	2008*
	(unaudited)			
REVENUES				
Sempra Utilities	\$ 1,424	\$ 2,013	\$ 4,382	\$ 6,190
Sempra Global and parent	429	679	1,268	2,275
Total revenues	<u>1,853</u>	<u>2,692</u>	<u>5,650</u>	<u>8,465</u>
EXPENSES AND OTHER INCOME				
Sempra Utilities:				
Cost of natural gas	(208)	(689)	(997)	(2,708)
Cost of electric fuel and purchased power	(208)	(311)	(508)	(694)
Sempra Global and parent:				
Cost of natural gas, electric fuel and purchased power	(220)	(431)	(675)	(1,353)
Other cost of sales	(19)	(15)	(52)	(168)
Operation and maintenance	(571)	(564)	(1,676)	(1,816)
Depreciation and amortization	(196)	(162)	(568)	(508)
Franchise fees and other taxes	(77)	(76)	(228)	(230)
Gains on sale of assets	-	-	3	114
Write-off of long-lived assets	-	-	(132)	-
Equity earnings (losses):				
RBS Sempra Commodities LLP	105	(4)	384	142
Other	18	14	27	29
Other income (expense), net	24	(21)	97	30
Interest income	5	12	16	36
Interest expense	(96)	(67)	(257)	(165)
Income before income taxes and equity earnings				
of certain unconsolidated subsidiaries	410	378	1,084	1,174
Income tax expense	(128)	(94)	(327)	(423)
Equity earnings, net of income tax	20	18	59	57
Net income	<u>302</u>	<u>302</u>	<u>816</u>	<u>808</u>
(Earnings) losses attributable to noncontrolling interests	17	8	22	(7)
Preferred dividends of subsidiaries	(2)	(2)	(7)	(7)
Earnings	<u>\$ 317</u>	<u>\$ 308</u>	<u>\$ 831</u>	<u>\$ 794</u>
Basic earnings per common share	<u>\$ 1.30</u>	<u>\$ 1.26</u>	<u>\$ 3.42</u>	<u>\$ 3.18</u>
Weighted-average number of shares outstanding, basic (thousands)	<u>243,925</u>	<u>243,793</u>	<u>242,806</u>	<u>249,311</u>
Diluted earnings per common share	<u>\$ 1.27</u>	<u>\$ 1.24</u>	<u>\$ 3.37</u>	<u>\$ 3.13</u>
Weighted-average number of shares outstanding, diluted (thousands)	<u>248,461</u>	<u>247,904</u>	<u>246,875</u>	<u>253,407</u>
Dividends declared per share of common stock	<u>\$ 0.39</u>	<u>\$ 0.35</u>	<u>\$ 1.17</u>	<u>\$ 1.02</u>

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

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Table B

CONDENSED CONSOLIDATED BALANCE SHEETS

(Dollars in millions)	September 30, 2009	December 31, 2008*
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 756	\$ 331
Short-term investments	-	176
Restricted cash	27	27
Accounts receivable, net	744	981
Due from unconsolidated affiliates	19	4
Income taxes receivable	139	195
Deferred income taxes	117	31
Inventories	296	320
Regulatory assets	48	121
Fixed-price contracts and other derivatives	111	160
Insurance receivable related to wildfire litigation	266	-
Other	173	130
Total current assets	2,696	2,476
Investments and other assets:		
Regulatory assets arising from fixed-price contracts and other derivatives	232	264
Regulatory assets arising from pension and other postretirement benefit obligations	1,218	1,188
Other regulatory assets	568	534
Nuclear decommissioning trusts	664	577
Investment in RBS Sempra Commodities LLP	2,094	2,082
Other investments	2,019	1,166
Goodwill and other intangible assets	527	539
Sundry	605	709
Total investments and other assets	7,927	7,059
Property, plant and equipment, net	17,772	16,865
Total assets	\$ 28,395	\$ 26,400
Liabilities and Equity		
Current liabilities:		
Short-term debt	\$ 851	\$ 503
Accounts payable	581	856
Due to unconsolidated affiliates	16	38
Dividends and interest payable	209	156
Accrued compensation and benefits	221	280
Regulatory balancing accounts, net	605	335
Current portion of long-term debt	622	410
Fixed-price contracts and other derivatives	99	180
Customer deposits	145	170
Reserve for wildfire litigation	289	-
Other	672	684
Total current liabilities	4,310	3,612
Long-term debt	6,845	6,544
Deferred credits and other liabilities:		
Due to unconsolidated affiliate	102	102
Customer advances for construction	144	155
Pension and other postretirement benefit obligations, net of plan assets	1,518	1,487
Deferred income taxes	1,278	946
Deferred investment tax credits	54	57
Regulatory liabilities arising from removal obligations	2,546	2,430
Asset retirement obligations	1,212	1,159
Other regulatory liabilities	202	219
Fixed-price contracts and other derivatives	348	392
Deferred credits and other	774	909
Total deferred credits and other liabilities	8,178	7,856
Preferred stock of subsidiary	79	79
Equity:		
Total Sempra Energy shareholders' equity	8,745	7,969
Preferred stock of subsidiaries	100	100
Other noncontrolling interests	138	240
Total equity	8,983	8,309
Total liabilities and equity	\$ 28,395	\$ 26,400

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

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Table C

CONDENSED STATEMENTS OF CONSOLIDATED CASH FLOWS

(Dollars in millions)	Nine months ended	
	2009	2008*
	September 30,	
	(unaudited)	
Cash Flows from Operating Activities:		
Net income	\$ 816	\$ 808
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	568	508
Deferred income taxes and investment tax credits	181	165
Equity earnings	(470)	(228)
Gains on sale of assets	(3)	(114)
Write-off of long-lived assets	132	-
Fixed-price contacts and other derivatives	(27)	-
Other	45	76
Net change in other working capital components	220	(408)
Distributions from RBS Sempra Commodities LLP	407	56
Changes in other assets	81	(3)
Changes in other liabilities	(66)	(55)
Net cash provided by operating activities	<u>1,884</u>	<u>805</u>
Cash Flows from Investing Activities:		
Expenditures for property, plant and equipment	(1,371)	(1,541)
Proceeds from sale of assets, net of cash sold	179	2,071
Expenditures for investments	(762)	(2,180)
Distributions from investments	16	23
Purchases of nuclear decommissioning and other trust assets	(167)	(361)
Proceeds from sales by nuclear decommissioning and other trusts	155	350
Decrease in notes receivable from unconsolidated affiliate	-	60
Other	(20)	(18)
Net cash used in investing activities	<u>(1,970)</u>	<u>(1,596)</u>
Cash Flows from Financing Activities:		
Common dividends paid	(255)	(252)
Preferred dividends paid by subsidiaries	(7)	(7)
Issuances of common stock	52	17
Repurchases of common stock	-	(1,002)
(Decrease) increase in short-term debt, net	(52)	985
Issuances of long-term debt	1,181	650
Payments on long-term debt	(325)	(75)
Purchase of noncontrolling interest	(94)	-
Other	11	5
Net cash provided by financing activities	<u>511</u>	<u>321</u>
Increase (decrease) in cash and cash equivalents	425	(470)
Cash and cash equivalents, January 1	331	668
Cash and cash equivalents, September 30	<u>\$ 756</u>	<u>\$ 198</u>

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

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Table D

BUSINESS UNIT EARNINGS AND CAPITAL EXPENDITURES & INVESTMENTS (Unaudited)

(Dollars in millions)	Three months ended		Nine months ended	
	September 30,		September 30,	
	2009	2008	2009	2008
Earnings (Losses)				
San Diego Gas & Electric	\$ 108	\$ 123	\$ 277	\$ 258
Southern California Gas	74	77	198	190
Sempra Commodities ⁽¹⁾	75	(8)	274	181
Sempra Generation	43	94	119	162
Sempra Pipelines & Storage	54	34	64	84
Sempra LNG	-	4	(19)	(33)
Parent & Other	(37)	(16)	(82)	(48)
Earnings	<u>\$ 317</u>	<u>\$ 308</u>	<u>\$ 831</u>	<u>\$ 794</u>

⁽¹⁾ Results for 2009 and the second and third quarters 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		Nine months ended	
	September 30,		September 30,	
	2009	2008	2009	2008
Capital Expenditures and Investments⁽¹⁾				
San Diego Gas & Electric	\$ 190	\$ 277 ⁽²⁾	\$ 785 ⁽²⁾	\$ 942 ⁽²⁾
Southern California Gas	109	108	336	350
Sempra Commodities	-	-	-	37
Sempra Generation	194	2	207	15
Sempra Pipelines & Storage	395	43	723	345
Sempra LNG	88	61	230	310
Parent & Other	2	165 ⁽²⁾	4	426 ⁽²⁾
Eliminations ⁽²⁾	-	(229)	(152)	(304)
Consolidated Capital Expenditures and Investments	<u>\$ 978</u>	<u>\$ 427</u>	<u>\$ 2,133</u>	<u>\$ 2,121</u>

⁽¹⁾ Investments do not include the \$1.6 billion contribution to RBS Sempra Commodities in the second quarter of 2008.

⁽²⁾ During the nine months ended September 30, 2008, SDG&E and Parent & Other purchased \$304 and \$413, respectively, of SDG&E's industrial development bonds, including purchases and sales between the entities. As their cash flow needs changed, SDG&E purchased \$68 of the bonds from Parent & Other during the three months ended September 30, 2008 and Parent & Other purchased \$161 of the bonds from SDG&E in the same period. In the second quarter of 2009, SDG&E purchased \$152 of the bonds from Parent & Other to facilitate their remarketing.

SEMPRA ENERGY

Table E

OTHER OPERATING STATISTICS (Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
SEMPRA UTILITIES	2009	2008	2009	2008
Revenues (Dollars in millions)				
SDG&E (excludes intercompany sales)	\$ 771	\$ 945	\$ 2,130	\$ 2,439
SoCalGas (excludes intercompany sales)	\$ 653	\$ 1,068	\$ 2,252	\$ 3,751
Gas Sales (Bcf)	61	63	272	288
Transportation and Exchange (Bcf)	170	171	421	445
Total Deliveries (Bcf)	231	234	693	733
Total Gas Customers (Thousands)			6,599	6,565
Electric Sales (Millions of kWhs)	4,636	4,716	12,768	13,012
Direct Access (Millions of kWhs)	800	781	2,290	2,296
Total Deliveries (Millions of kWhs)	5,436	5,497	15,058	15,308
Total Electric Customers (Thousands)			1,377	1,370
SEMPRA GENERATION				
Power Sold (Millions of kWhs)	5,317	5,707	16,526	16,825
SEMPRA PIPELINES & STORAGE				
(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	101	102	249	254
Mexico	5	4	14	14
Mobile Gas	8	- *	24	- *
Natural Gas Customers (Thousands)				
Argentina			1,702	1,658
Mexico			91	95
Mobile Gas			92	- *
Electric Sales (Millions of kWhs)				
Peru	1,378	1,347	4,151	4,063
Chile	567	565	1,837	1,797
Electric Customers (Thousands)				
Peru			856	829
Chile			574	559

* Mobile Gas was acquired in October 2008.

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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 nine months ended September 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 September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009
<i>RBS Sempra Commodities LLP - Joint Venture level margin*</i>			
Geographical:			
North America	\$ 100	\$ (79)	\$ 572
Europe/Asia	112	139	317
Total	<u>\$ 212</u>	<u>\$ 60</u>	<u>\$ 889</u>
Product Line:			
Oil - Crude & Products	\$ 24	\$ 22	\$ 217
Power	8	(81)	195
Natural Gas	103	57	248
Metals	86	62	221
Other	(9)	-	8
Total	<u>\$ 212</u>	<u>\$ 60</u>	<u>\$ 889</u>

Financial Information

(in millions of US dollars)

<i>RBS Sempra Commodities LLP</i>	Three months ended September 30, 2009		Three months ended September 30, 2008		Nine months ended September 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	\$ 212		\$ 60		\$ 889	
Operating and other expenses	(129)		(93)		(510)	
Joint Venture distributable income	<u>\$ 83</u>		<u>\$ (33)</u>		<u>\$ 379</u>	
Preferred return on capital	\$ 85	\$ 61	\$ 131	\$ 60	\$ 246	\$ 180
1st allocation - 70% Sempra / 30% RBS***	(2)	(1)	(103)	(71)	133	96
2nd allocation - 30% Sempra / 70% RBS	-	-	(61)	(18)	-	-
Distributable income	<u>\$ 83</u>	<u>\$ 60</u>	<u>\$ (33)</u>	<u>\$ (29)</u>	<u>\$ 379</u>	<u>\$ 276</u>

Sempra Commodities Earnings

(in millions of US dollars)

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009
Sempra share of distributable income - IFRS basis	\$ 60	\$ (29)	\$ 276
U.S. GAAP conversion impact	45	25	108
Sempra equity earnings before income taxes - U.S. GAAP basis	105	(4)	384
Income tax expense	(30)	1	(106)
Sempra equity earnings from RBS Sempra Commodities LLP	75	(3)	278
Other segment activity	-	(5)	(4)
Sempra Commodities earnings	<u>\$ 75</u>	<u>\$ (8)</u>	<u>\$ 274</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 September 30, 2009

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 773	\$ 662	\$ 24	\$ 250	\$ 98	\$ 68	\$ (22)	\$ 1,853
Cost of Sales and Other Expenses	(520)	(457)	(23)	(167)	(74)	(60)	(2)	(1,303)
Depreciation & Amortization	(81)	(73)	-	(14)	(13)	(10)	(5)	(196)
Equity Earnings (Losses) Recorded Before Income Tax	-	-	105	4	18	-	(4)	123
Other Income (Expense), Net	1	(1)	-	(1)	-	-	25	24
Income (Loss) Before Interest & Tax ⁽¹⁾	173	131	106	72	29	(2)	(8)	501
Net Interest (Expense) Income ⁽²⁾	(30)	(15)	(1)	1	(4)	(8)	(36)	(93)
Income Tax (Expense) Benefit	(53)	(42)	(30)	(30)	9	10	8	(128)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	20	-	-	20
(Earnings) Losses Attributable to Noncontrolling Interests	18	-	-	-	-	-	(1)	17
Earnings (Losses)	\$ 108	\$ 74	\$ 75	\$ 43	\$ 54	\$ -	\$ (37)	\$ 317

Three Months Ended September 30, 2008

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 949	\$ 1,077	\$ 13	\$ 498	\$ 127	\$ 49	\$ (21)	\$ 2,692
Cost of Sales and Other Expenses	(689)	(879)	(15)	(349)	(112)	(31)	(11)	(2,086)
Depreciation & Amortization	(68)	(67)	-	(14)	(5)	(6)	(2)	(162)
Equity Earnings (Losses) Recorded Before Income Tax	-	-	(4)	8	10	-	(4)	10
Other Income (Expense), Net	3	(1)	-	(1)	(2)	(2)	(18)	(21)
Income (Loss) Before Interest & Tax ⁽¹⁾	195	130	(6)	142	18	10	(56)	433
Net Interest (Expense) Income ⁽²⁾	(25)	(12)	(3)	(2)	2	(3)	(14)	(57)
Income Tax (Expense) Benefit	(54)	(41)	1	(46)	(5)	(3)	54	(94)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	18	-	-	18
Losses Attributable to Noncontrolling Interests	7	-	-	-	1	-	-	8
Earnings (Losses)	\$ 123	\$ 77	\$ (8)	\$ 94	\$ 34	\$ 4	\$ (16)	\$ 308

⁽¹⁾ 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.

⁽²⁾ 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

Nine Months Ended September 30, 2009

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 2,136	\$ 2,276	\$ 50	\$ 792	\$ 328	\$ 125	\$ (57)	\$ 5,650
Cost of Sales and Other Expenses	(1,437)	(1,698)	(49)	(551)	(378) ⁽¹⁾	(142)	(10)	(4,265)
Depreciation & Amortization	(239)	(220)	-	(43)	(32)	(23)	(11)	(568)
Equity Earnings (Losses) Recorded Before Income Tax	-	-	384	(2)	39	-	(10)	411
Other Income, Net	45	4	-	-	-	1	47	97
Income (Loss) Before Interest & Tax ⁽²⁾	505	362	385	196	(43)	(39)	(41)	1,325
Net Interest Expense ⁽³⁾	(78)	(49)	(7)	(1)	(10)	(12)	(91)	(248)
Income Tax (Expense) Benefit	(141)	(115)	(104)	(76)	26	32	51	(327)
Equity Earnings Recorded Net of Income Tax	-	-	-	-	59	-	-	59
(Earnings) Losses Attributable to Noncontrolling Interests	(9)	-	-	-	32	-	(1)	22
Earnings (Losses)	\$ 277	\$ 198	\$ 274	\$ 119	\$ 64	\$ (19)	\$ (82)	\$ 831

Nine Months Ended September 30, 2008

(Dollars in millions)	SDG&E	SoCalGas	Commodities	Generation	Pipelines & Storage	LNG	Consolidating Adjustments, Parent & Other	Total
Revenues	\$ 2,449	\$ 3,776	\$ 486	\$ 1,426	\$ 338	\$ 44	\$ (54)	\$ 8,465
Cost of Sales and Other Expenses	(1,796)	(3,225)	(410)	(1,131)	(314)	(75)	(18)	(6,969)
Depreciation & Amortization	(223)	(209)	(6)	(42)	(10)	(8)	(10)	(508)
Gains (Losses) on Sale of Assets	3	-	110	2	-	-	(1)	114
Equity Earnings (Losses) Recorded Before Income Tax	-	-	142	10	30	-	(11)	171
Other Income (Expense), Net	26	1	-	1	1	13	(12)	30
Income (Loss) Before Interest & Tax ⁽²⁾	459	343	322	266	45	(26)	(106)	1,303
Net Interest (Expense) Income ⁽³⁾	(72)	(36)	(12)	(6)	4	(5)	(9)	(136)
Income Tax (Expense) Benefit	(121)	(117)	(132)	(98)	(20)	(2)	67	(423)
Equity Earnings Recorded Net of Income Tax	-	-	3	-	54	-	-	57
Earnings (Losses) Attributable to Noncontrolling Interests	(8)	-	-	-	1	-	-	(7)
Earnings (Losses)	\$ 258	\$ 190	\$ 181	\$ 162	\$ 84	\$ (33)	\$ (48)	\$ 794

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

⁽²⁾ 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.

⁽³⁾ Net Interest (Expense) Income includes Interest Income, Interest Expense and Preferred Dividends of Subsidiaries.