Sempra Energy®

STATISTICAL REPORT

Unaudited Supplement to the Financial Report

2005

Sempra Energy®

2005 Statistical Report

(unaudited)

Supplement to the 2005 Annual Report

Sempra Energy (NYSE: SRE), based in San Diego, is a Fortune 500 energy services holding company with more than 13,000 employees and $11.7 billion of revenues.

Through its principal business units -- Southern California Gas Company, San Diego Gas & Electric Company, Sempra Commodities, Sempra Generation and Sempra Pipelines & Storage -- Sempra Energy serves more than 10 million customers in the United States, Europe, Canada, Mexico, South America and Asia.

Shareholder Services

Investors with general questions regarding Sempra Energy, San Diego Gas & Electric Company, Southern California Gas Company or Pacific Enterprises securities should contact the company at:

Sempra Energy
Shareholder Services
101 Ash Street
San Diego, CA 92101-3017
Telephone: 877-736-7727
Fax: 619-696-2374
E-mail: investor@sempra.com
Internet: www.sempra.com

Investor Relations

Security analysts, portfolio managers and other members of the financial community should contact:

Dennis Arriola
Vice President, Communications and Investor Relations
Telephone: 619-696-2901
Fax: 619-696-2374

Sempra Energy Common Stock:
Ticker Symbol: SRE
Stock Exchange Listings:
New York Stock Exchange
Pacific Stock Exchange

Sempra Energy®

Table of Contents

Sempra Commodities, Sempra Generation and Sempra Pipelines & Storage are not the same companies as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of these companies' products and services.

Selected Financial Data 2001-2005

Sempra Energy®

(Dollars in millions, except per share amounts)	Years ended December 31, 2005	2004	2003	2002	2001
Operating revenues					
California utilities:					
Natural gas	$ 5,253	$ 4,537	$ 4,005	$ 3,255	$ 4,365
Electric	1,789	1,658	1,786	1,282	1,673
Sempra Global and parent	4,695	3,239	2,100	1,520	1,695
Total	$ 11,737	$ 9,434	$ 7,891	$ 6,057	$ 7,733
Operating income	$ 1,111	$ 1,281	$ 943	$ 973	$ 1,014
Net income	$ 920	$ 895	$ 649	$ 591	$ 518
Net income per common share:					
Basic	$ 3.74	$ 3.92	$ 3.07	$ 2.88	$ 2.54
Diluted	$ 3.65	$ 3.83	$ 3.03	$ 2.87	$ 2.52
Dividends declared per common share	$ 1.16	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Weighted average number of common shares outstanding (diluted, in millions)	252.1	233.9	214.5	206.1	205.3
Return on common equity	16.7%	20.5%	19.3%	21.4%	19.5%
Effective income tax rate	5%	18%	7%	20%	32%
Price range of common shares	$ 47.86-35.53	$ 37.93-29.51	$ 30.90-22.25	$ 26.25-15.50	$ 28.61-17.31
At December 31,					
Current assets	$ 13,318	$ 8,776	$ 7,866	$ 7,010	$ 4,692
Total assets	$ 29,213	$ 23,775	$ 21,988	$ 20,242	$ 17,378
Current liabilities	$ 12,157	$ 9,082	$ 8,569	$ 7,554	$ 5,629
Long-term debt (excludes current portion)	$ 4,823	$ 4,192	$ 3,841	$ 4,083	$ 3,436
Shareholders' equity	$ 6,160	$ 4,865	$ 3,890	$ 2,825	$ 2,692
Common shares outstanding (in millions)	257.2	234.2	226.6	204.9	204.5
Book value per common share	$ 23.95	$ 20.77	$ 17.17	$ 13.79	$ 13.16

Comparative Statistics 2001-2005 - California Utilities

Sempra Energy®

(Dollars in millions, except average cost of natural gas)	Years ended December 31, 2005	2004	2003	2002	2001
Natural gas operations					
Revenues					
Residential	$ 3,199	$ 2,911	$ 2,486	$ 2,097	$ 2,803
Commercial and industrial	1,447	1,211	1,052	818	1,077
Electric generation plants	91	92	82	43	104
Wholesale	6	6	4	12	10
Natural gas revenues in rates	4,743	4,220	3,624	2,970	3,994
Balancing accounts and other	510	317	381	285	371
Total natural gas revenues	$ 5,253	$ 4,537	$ 4,005	$ 3,255	$ 4,365
Volumes delivered (billion cubic feet)					
Residential	272	289	275	291	299
Commercial and industrial	396	402	398	411	375
Electric generation plants	202	252	241	264	417
Wholesale	19	20	20	16	40
Total	889	963	934	982	1,131
Core	392	410	386	408	412
Noncore	497	553	548	574	719
Total	889	963	934	982	1,131
At December 31,					
Customers					
Residential	6,085,907	6,000,853	5,916,482	5,835,458	5,760,594
Commercial	268,462	267,130	265,246	263,312	262,177
Industrial	28,078	28,207	28,118	28,107	28,509
Off-system sales and transportation	364	210	184	281	1,115
Electric generation plants and wholesale	220	148	197	178	148
Total	6,383,031	6,296,548	6,210,227	6,127,336	6,052,543
Average cost of natural gas (per million British thermal units)	$ 7.83	$ 5.94	$ 5.06	$ 3.12	$ 5.99

Electric operations (provided on page 17)

Statements of Consolidated Income

Sempra Energy®

(Dollars in millions, except per share amounts)	Years ended December 31, 2005	2004	2003	2002	2001
OPERATING REVENUES					
California utilities	$ 7,042	$ 6,195	$ 5,791	$ 4,537	$ 6,038
Sempra Global and parent	4,695	3,239	2,100	1,520	1,695
Total operating revenues	11,737	9,434	7,891	6,057	7,733
OPERATING EXPENSES					
California utilities:					
Cost of natural gas	3,232	2,593	2,071	1,381	2,549
Cost of electric fuel and purchased power	624	576	541	297	782
Other cost of sales	2,715	1,741	1,204	709	873
Litigation expense	551	150	72	36	6
Other operating expenses	2,634	2,243	2,108	1,857	1,720
Depreciation and amortization	646	621	615	596	579
Franchise fees and other taxes	251	236	230	177	190
Gains on sale of assets, net	(112)	(15)	(15)	(2)	(20)
Impairment losses	85	8	122	33	40
Total operating expenses	10,626	8,153	6,948	5,084	6,719
Operating income	1,111	1,281	943	973	1,014
Other income (expense), net	51	33	(40)	48	(74)
Interest income	75	69	104	42	83
Interest expense	(311)	(322)	(308)	(294)	(323)
Preferred dividends of subsidiaries	(10)	(10)	(10)	(11)	(11)
Trust preferred distributions of subsidiary	-	-	(9)	(18)	(18)
Income from continuing operations before income taxes and equity in earnings of certain unconsolidated subsidiaries	916	1,051	680	740	671
Income tax expense	42	193	47	146	213
Equity in earnings of certain unconsolidated subsidiaries	55	62	62	(19)	60
Income from continuing operations	929	920	695	575	518
Discontinued operations, net of tax	(9)	(25)	-	-	-
Income before extraordinary item and cumulative effect of changes in accounting principles	920	895	695	575	518
Extraordinary item (2002) and cumulative effect of changes in accounting principles (2003), net of tax	-	-	(46)	16	-
Net income	$ 920	$ 895	$ 649	$ 591	$ 518
Basic earnings per share:					
Income from continuing operations	$ 3.78	$ 4.03	$ 3.29	$ 2.80	$ 2.54
Discontinued operations, net of tax	(0.04)	(0.11)	-	-	-
Extraordinary item (2002) and cumulative effect of changes in accounting principles (2003), net of tax	-	-	(0.22)	0.08	-
Net income	$ 3.74	$ 3.92	$ 3.07	$ 2.88	$ 2.54
Weighted-average number of shares outstanding (thousands)	245,906	228,271	211,740	205,003	203,593
Diluted earnings per share:					
Income from continuing operations	$ 3.69	$ 3.93	$ 3.24	$ 2.79	$ 2.52
Discontinued operations, net of tax	(0.04)	(0.10)	-	-	-
Extraordinary item (2002) and cumulative effect of changes in accounting principles (2003), net of tax	-	-	(0.21)	0.08	-
Net income	$ 3.65	$ 3.83	$ 3.03	$ 2.87	$ 2.52
Weighted-average number of shares outstanding (thousands)	252,088	233,852	214,482	206,062	205,338
Dividends declared per share of common stock	$ 1.16	$ 1.00	$ 1.00	$ 1.00	$ 1.00

Consolidated Balance Sheets

Sempra Energy®

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Current assets:					
Cash and cash equivalents	$ 772	$ 419	$ 409	$ 427	$ 572
Short-term investments	12	15	386	* 28	33
Trade accounts receivable, net	998	950	749	668	639
Other accounts and notes receivable, net	194	82	125	131	94
Due from unconsolidated affiliates	3	4	-	80	57
Deferred income taxes	132	15	-	20	-
Interest receivable	29	80	62	3	4
Trading assets	10,370	6,492	5,377	5,154	2,801
Regulatory assets	255	255	233	226	243
Inventories	212	172	147	130	120
Other	291	222	158	143	129
Current assets of continuing operations	13,268	8,706	7,646	7,010	4,692
Current assets of discontinued operations	50	70	220	-	-
Total current assets	13,318	8,776	7,866	7,010	4,692
Investments and other assets:					
Due from unconsolidated affiliates	21	42	55	55	-
Regulatory assets arising from fixed-price contracts and other derivatives	398	500	650	812	784
Other regulatory assets	713	751	552	532	1,004
Nuclear decommissioning trusts	638	612	570	494	526
Investments	1,104	1,164	1,112	1,313	1,169
Sundry	920	844	707	708	591
Total investments and other assets	3,794	3,913	3,646	3,914	4,074
Property, plant and equipment:					
Property, plant and equipment	17,564	16,203	15,319	13,816	12,806
Accumulated depreciation and amortization	(5,463)	(5,117)	(4,843)	(4,498)	(4,194)
Property, plant and equipment, net	12,101	11,086	10,476	9,318	8,612
Total assets	$ 29,213	$ 23,775	$ 21,988	$ 20,242	$ 17,378

* Represents the collateralized U.S. Treasury obligations on the Mesquite synthetic lease.

Consolidated Balance Sheets (continued)

Sempra Energy®

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Liabilities and Shareholders' Equity					
Current liabilities:					
Short-term debt	$ 1,062	$ 405	$ 28	$ 570	$ 875
Accounts payable - trade	1,272	1,020	725	655	701
Accounts payable - other	140	106	63	50	102
Income taxes payable	68	187	336	328	164
Deferred income taxes	-	-	31	-	62
Trading liabilities	8,007	5,179	4,517	4,137	1,804
Dividends and interest payable	140	123	136	133	133
Regulatory balancing accounts, net	192	509	424	578	733
Fixed-price contracts and other derivatives	130	157	148	153	171
Current portion of long-term debt	101	398	1,433	281	242
Due to unconsolidated affiliates	-	205	1	-	-
Other	1,035	776	675	669	642
Current liabilities of continuing operations	12,147	9,065	8,517	7,554	5,629
Current liabilities of discontinued operations	10	17	52	-	-
Total current liabilities	12,157	9,082	8,569	7,554	5,629
Long-term debt	4,823	4,192	3,841	4,083	3,436
Deferred credits and other liabilities:					
Due to unconsolidated affiliates	162	162	362	162	162
Customer advances for construction	110	97	89	91	72
Postretirement benefits other than pensions	121	129	131	136	145
Deferred income taxes	245	420	368	457	566
Deferred investment tax credits	73	78	84	90	95
Regulatory liabilities arising from removal obligations	2,313	2,692	2,541	2,486	2,396
Asset retirement obligations	958	326	313	-	-
Other regulatory liabilities	200	199	109	121	86
Fixed-price contracts and other derivatives	400	500	680	813	788
Deferred credits and other	1,312	854	832	1,020	907
Total deferred credits and other liabilities	5,894	5,457	5,509	5,376	5,217
Preferred stock of subsidiaries	179	179	179	204	204
Mandatorily redeemable trust preferred securities*	-	-	-	200	200
Shareholders' Equity					
Common stock	2,958	2,301	2,028	1,436	1,495
Retained earnings	3,588	2,961	2,298	1,861	1,475
Deferred compensation relating to ESOP	(28)	(32)	(35)	(33)	(36)
Accumulated other comprehensive income (loss)	(358)	(365)	(401)	(439)	(242)
Total shareholders' equity	6,160	4,865	3,890	2,825	2,692
Total liabilities and shareholders' equity	$ 29,213	$ 23,775	$ 21,988	$ 20,242	$ 17,378

* Reclassified to Due To Unconsolidated Affiliates in 2003 due to the adoption of Interpretation No. 46 of the Financial Accounting Standards Board. These securities were redeemed in February 2005.

Statements of Consolidated Cash Flows

Sempra Energy®

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income	$ 920	$ 895	$ 649	$ 591	$ 518
Adjustments to reconcile net income to net cash provided by operating activities:					
Loss from discontinued operations, net of tax	9	25	-	-	-
Depreciation and amortization	646	621	615	596	579
Gains on sale of assets, net	(112)	(15)	(15)	(2)	(20)
Impairment losses	85	8	122	33	40
Deferred income taxes and investment tax credits	(283)	13	(118)	(143)	106
Non-cash rate reduction bond expense	68	75	68	82	66
Equity in (income) losses of unconsolidated affiliates	(66)	(36)	(5)	55	(12)
Extraordinary item, net of tax	-	-	-	(16)	-
Cumulative effect of changes in accounting principles, net of tax	-	-	46	-	-
Other	(50)	(6)	27	(66)	(36)
Net changes in other working capital components	(1,169)	(395)	(158)	195	(201)
Customer refunds paid	-	-	-	-	(127)
Changes in other assets	27	(127)	(18)	130	(191)
Changes in other liabilities	451	(27)	(28)	15	78
Net cash provided by continuing operations	526	1,031	1,185	1,470	800
Net cash used in discontinued operations	(5)	(30)	-	-	-
Net cash provided by operating activities	521	1,001	1,185	1,470	800
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(1,404)	(1,083)	(1,049)	(1,214)	(1,068)
Proceeds from sale of assets	277	377	29	-	128
Proceeds from disposal of discontinued operations	5	157	-	-	-
Investments in and acquisitions of subsidiaries, net of cash acquired	(86)	(74)	(202)	(429)	(111)
Purchases of nuclear decommissioning and other trust assets	(299)	(319)	(330)	(459)	(85) *
Proceeds from sales by nuclear decommissioning and other trusts	262	262	283	420	10 *
Dividends received from unconsolidated affiliates	72	59	72	11	80
Increase in loans to affiliates, net	-	-	(99)	(82)	(57)
Other	(12)	10	4	1	(17)
Net cash used in investing activities	(1,185)	(611)	(1,292)	(1,752)	(1,120)
Cash Flows from Financing Activities					
Common dividends paid	(268)	(195)	(182)	(201)	(187)
Issuances of common stock	694	110	505	9	24
Repurchases of common stock	(95)	(5)	(7)	(17)	(3)
Issuances of long-term debt	762	997	900	1,150	675
Payments on long-term debt	(532)	(1,670)	(601)	(479)	(681)
Redemption of mandatorily redeemable preferred securities	(200)	-	-	-	-
Increase (decrease) in short-term debt, net	662	397	(518)	(307)	310
Loan from unconsolidated affiliate	-	-	-	-	160
Other	(6)	(14)	(8)	(18)	(26)
Net cash provided by (used in) financing activities	1,017	(380)	89	137	272
Increase (decrease) in cash and cash equivalents	353	10	(18)	(145)	(48)
Cash and cash equivalents, January 1	419	409	427	572	620
Cash and cash equivalents, December 31	$ 772	$ 419	$ 409	$ 427	$ 572

* Investment transactions within the trusts are not reflected.

Statements of Consolidated Cash Flows (continued)

Sempra Energy®

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Changes in Other Working Capital Components					
(Excluding cash and cash equivalents, and debt due within one year)					
Accounts and notes receivable	$ (92)	$ (303)	$ (191)	$ (121)	$ 353
Net trading assets	(1,062)	(454)	59	66	(362)
Income taxes, net	(86)	(64)	72	137	(121)
Inventories	(40)	(26)	(12)	(11)	33
Regulatory balancing accounts	(321)	79	(155)	170	88
Regulatory assets and liabilities	(4)	(23)	(30)	1	39
Other current assets	(38)	(31)	(9)	51	33
Accounts payable	283	300	75	(103)	(302)
Other current liabilities	191	127	33	5	38
Net changes in other working capital components	$ (1,169)	$ (395)	$ (158)	$ 195	$ (201)
Supplemental Disclosure of Cash Flow Information					
Interest payments, net of amounts capitalized	$ 295	$ 318	$ 296	$ 279	$ 302
Income tax payments, net of refunds	$ 429	$ 254	$ 118	$ 140	$ 138

Statements of Consolidated Changes in Shareholders' Equity

Sempra Energy®

(Dollars in millions)	Comprehensive Income	Common Stock	Retained Earnings	Deferred Compensation Relating to ESOP	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2001		$ 1,495	$ 1,475	$ (36)	$ (242)	$ 2,692
Net income	$ 591		591			591
Comprehensive income adjustments:						
Foreign-currency translation losses	(162)				(162)	(162)
Pension	(35)				(35)	(35)
Comprehensive income	$ 394					
Common stock dividends declared			(205)			(205)
Issuance of equity units		(61)				(61)
Issuance of common stock		18				18
Repurchase of common stock		(16)				(16)
Common stock released from ESOP				3		3
Balance at December 31, 2002		1,436	1,861	(33)	(439)	2,825
Net income	$ 649		649			649
Comprehensive income adjustments:						
Foreign-currency translation gains	57				57	57
Pension	(16)				(16)	(16)
SFAS 133	(3)				(3)	(3)
Comprehensive income	$ 687					
Common stock dividends declared			(212)			(212)
Equity units adjustment		6				6
Quasi-reorganization adjustment		19				19
Issuance of common stock		553				553
Tax benefit related to employee stock options		13				13
Repurchase of common stock		(6)				(6)
Common stock released from ESOP		7		(2)		5
Balance at December 31, 2003		2,028	2,298	(35)	(401)	3,890
Net income	$ 895		895			895
Comprehensive income adjustments:						
Foreign-currency translation gains	40				40	40
Pension	28				28	28
Available-for-sale securities	4				4	4
SFAS 133	(36)				(36)	(36)
Comprehensive income	$ 931					
Common stock dividends declared			(232)			(232)
Quasi-reorganization adjustment		86				86
Issuance of common stock		172				172
Tax benefit related to employee stock options		16				16
Repurchase of common stock		(5)				(5)
Common stock released from ESOP		4		3		7
Balance at December 31, 2004		2,301	2,961	(32)	(365)	4,865
Net income	$ 920		920			920
Comprehensive income adjustments:						
Foreign-currency translation gains	30				30	30
Available-for-sale securities	(4)				(4)	(4)
SFAS 133	(19)				(19)	(19)
Comprehensive income	$ 927					
Common stock dividends declared			(293)			(293)
Issuance of common stock		720				720
Tax benefit related to employee stock options		26				26
Repurchase of common stock		(95)				(95)
Common stock released from ESOP		6		4		10
Balance at December 31, 2005		$ 2,958	$ 3,588	$ (28)	$ (358)	$ 6,160

Schedule of Capitalization

(Dollars in millions)	December 31, 2005		December 31, 2004		December 31, 2003		December 31, 2002		December 31, 2001	
Capitalization										
Short-term debt	$ 1,062	8.6 %	$ 405	4.0 %	$ 28	0.3 %	$ 570	7.0 %	$ 875	11.4 %
Current portion of long-term debt	101	0.8	398	4.0	1,433	15.3	281	3.4	242	3.2
Long-term debt	4,823	39.1	4,192	41.7	3,841	41.0	4,083	50.0	3,436	44.9
Total debt	5,986	48.5	4,995	49.7	5,302	56.6	4,934	60.4	4,553	59.5
Preferred stock of subsidiaries	179	1.5	179	1.8	179	1.9	204	2.5	204	2.7
Mandatorily redeemable trust preferred securities*	-	-	-	-	-	-	200	2.5	200	2.6
Shareholders' equity:										
Common stock	2,958	24.0	2,301	22.9	2,028	21.7	1,436	17.6	1,495	19.5
Retained earnings	3,588	29.1	2,961	29.5	2,298	24.5	1,861	22.8	1,475	19.3
Deferred compensation relating to ESOP	(28)	(0.2)	(32)	(0.3)	(35)	(0.4)	(33)	(0.4)	(36)	(0.5)
Accumulated other comprehensive income (loss)	(358)	(2.9)	(365)	(3.6)	(401)	(4.3)	(439)	(5.4)	(242)	(3.1)
Total shareholders' equity	6,160	50.0	4,865	48.5	3,890	41.5	2,825	34.6	2,692	35.2
Total capitalization	$ 12,325	100.0 %	$ 10,039	100.0 %	$ 9,371	100.0 %	$ 8,163	100.0 %	$ 7,649	100.0 %

* Reclassified to Due To Affiliates in 2003.

Schedule of Coverage Ratios and Common Stock

Sempra Energy®

	Years ended December 31,				
	2005	2004	2003	2002	2001
Interest coverage ratios *					
Before income taxes	4.09	4.38	3.41	3.45	3.26
After income taxes	3.96	3.78	3.26	2.96	2.60
Market price of common stock					
High	$ 47.86	$ 37.93	$ 30.90	$ 26.25	$ 28.61
Low	$ 35.53	$ 29.51	$ 22.25	$ 15.50	$ 17.31
Close	$ 44.84	$ 36.68	$ 30.06	$ 23.65	$ 24.55
Dividends declared per common share	$ 1.16	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Dividend yield on common stock (at year-end)	2.6%	2.7%	3.3%	4.2%	4.1%
Dividend payout ratio (diluted) *	31.8%	26.1%	30.9%	35.8%	39.7%
Book value at year-end	$ 23.95	$ 20.77	$ 17.17	$ 13.79	$ 13.16
Return on common equity	16.7%	20.5%	19.3%	21.4%	19.5%
Ratio of market price to book value per share at year-end	1.87	1.77	1.75	1.72	1.87
Common shares outstanding at year-end (millions)	257.2	234.2	226.6	204.9	204.5
Weighted average number of shares outstanding (diluted, in millions)	252.1	233.9	214.5	206.1	205.3
Average daily trading volume (shares)	1,104,518	951,297	993,072	991,588	702,559
Common shareholders at year-end (estimate)	240,000	220,000	200,000	175,000	175,000

* Based on income before interest expense, extraordinary item and cumulative effect of changes in accounting principles.

Schedule of Long-term Debt

(Dollars in millions)	Original issue Date	Original issue Amount	Outstanding at 12/31/05	Redemption prices (at 12/31/05 unless otherwise noted)
First mortgage bonds				
Variable rate (4.04% at December 31, 2005) December 1, 2009	12/10/04	$ 100	$ 100	
4.375 % January 15, 2011	12/15/03	100	100	
Variable rates after fixed-to-floating rate swaps				
(3.62% at December 31, 2005) January 15, 2011	12/15/03	150	150	
4.8% October 1, 2012	10/2/02	250	250	
6.8% June 1, 2015	6/1/91	14	14	
5.3% November 15, 2015	11/17/05	250	250	
5.45% April 15, 2018	10/17/03	250	250	
5.9% June 1, 2018	6/1/93	71	68	100.00%
5.9% September 1, 2018	9/1/93	93	93	100.00%
5.85% June 1, 2021	6/1/93	60	60	100.00%
5% to 5.25% December 1, 2027	12/15/92	150	150	$105 on 12/01/15 at 102.00%; $45 on 12/02/13 at 102.00%
2.516% to 2.832%* January and February 2034	6/15/04	176	176	100.00%
5.35% May 15, 2035	5/19/05	250	250	
5.75% November 15, 2035	11/18/05	250	250	
2.8275%* May 1, 2039	6/15/04	75	75	100.00%
Total			2,236	
Other long-term debt (unsecured unless otherwise noted)				
4.621% Notes May 17, 2007	4/25/02	600	600	
6.0% Notes February 1, 2013	1/31/03	400	400	
Notes at variable rates after fixed-to-floating swap				
(7.81% at December 31, 2005) March 1, 2010	2/25/00	300	300	
Notes at variable rates (4.46% at December 31, 2005) May 21, 2008	5/20/04	300	300	100.00% at 05/21/06
4.75% Notes May 15, 2009	5/21/04	300	300	
7.95% Notes March 1, 2010	2/25/00	200	200	
Rate-reduction bonds, 6.31% to 6.37% at December 31, 2005 payable annually				
through 2007	12/16/97	658	132	
5.9% June 1, 2014	7/2/96	130	130	
Employee Stock Ownership Plan				
Bonds at 4.213% November 1, 2014	11/19/99	82	82	100.00% at 07/02/07
Bonds at variable rates (4.59% at December 31, 2005) November 1, 2014	11/19/99	48	22	100.00%
5.5% December 1, 2021	11/21/96	60	60	102.00% at 06/02/14
Debt incurred to acquire limited partnerships, secured by real estate, at 7.13%				
to 9.35% annually through 2009	Various	284	48	
5.3% July 1, 2021	8/2/96	39	39	102.00% at 06/02/14
4.9% March 1, 2023	10/1/97	25	25	102.00% at 03/01/14
6.375% May 14, 2006	5/14/96	75	8	100.00% at 05/14/06
5.67% January 18, 2028	1/15/98	75	5	
Other debt	Various	40	40	
Capitalized leases	Various	44	4	
Market value adjustments for interest-rate swaps, net (expiring 2009 - 2011)			(1)	
Total			4,930	
Current portion of long-term debt			(101)	
Unamortized discount on long-term debt			(6)	
Total			$ 4,823	

* After floating-to-fixed rate swaps expiring in 2009.

At the company's option, certain bonds are callable at various dates: $802 million in 2006, $82 million in 2007 and $274 million after 2010. In addition, $2.7 billion of bonds are callable subject to make-whole provisions.

Excluding market value adjustments for interest-rate swaps and capital leases, maturities of long-term debt are $100 million in 2006, $684 million in 2007, $308 million in 2008, $424 million in 2009, $512 million in 2010 and $2.9 billion thereafter.

Selected Financial Data and Comparative Statistics 2001-2005

Southern California Gas Company A Sempra Energy utility℠

(Dollars in millions, except average cost of natural gas)	Years ended December 31, 2005	2004	2003	2002	2001
Net income (before preferred dividends)	$ 212	$ 233	$ 210	$ 213	$ 208
Common dividends to parent	$ 200	$ 200	$ 200	$ 200	$ 190
Capital expenditures	$ 361	$ 311	$ 318	$ 331	$ 294
Weighted average rate base	$ 2,386	$ 2,351	$ 2,268	$ 2,222	$ 2,262
Authorized rate of return on:					
Rate base	8.68%	8.68%	8.68%	9.49%	9.49%
Common equity	10.82%	10.82%	10.82%	11.60%	11.60%
Achieved return on common equity	15.18%	16.94%	15.64%	16.16%	15.97%
Natural gas revenues					
Residential	$ 2,818	$ 2,579	$ 2,195	$ 1,850	$ 2,342
Commercial and industrial	1,269	1,066	925	705	827
Electric generation plants	49	54	49	38	86
Wholesale	61	45	34	23	36
Natural gas revenues in rates	4,197	3,744	3,203	2,616	3,291
Balancing accounts and other	420	253	338	234	419
Total operating revenues	$ 4,617	$ 3,997	$ 3,541	$ 2,850	$ 3,710
Natural gas volumes delivered (billion cubic feet)					
Residential	241	256	243	258	265
Commercial and industrial	375	381	379	389	353
Electric generation plants	142	178	179	201	361
Wholesale	141	156	138	156	174
Total	899	971	939	1,004	1,153
Core	343	358	339	355	360
Noncore	556	613	600	649	793
Total	899	971	939	1,004	1,153
Average cost of natural gas (dollars per million British thermal units)	$ 7.71	$ 5.92	$ 5.05	$ 3.03	$ 5.62
Heating degree days	1,227	1,382	1,342	1,487	1,677
Customers at December 31,					
Residential	5,292,256	5,218,953	5,146,177	5,076,131	5,015,329
Commercial	238,862	237,500	235,714	234,104	233,628
Industrial	28,062	28,189	28,096	28,075	28,462
Electric generation plants and wholesale	220	148	197	178	148
Total number of customers	5,559,400	5,484,790	5,410,184	5,338,488	5,277,567

Statements of Consolidated Income

Southern California Gas Company A Sempra Energy utility℠

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Operating revenues	$ 4,617	$ 3,997	$ 3,541	$ 2,850	$ 3,710
Operating expenses					
Cost of natural gas	2,830	2,283	1,830	1,192	2,117
Other operating expenses	954	908	916	850	788
Depreciation	264	255	289	276	268
Income taxes	96	163	141	183	165
Franchise fees and other taxes	121	114	106	93	101
Litigation expense	99	41	34	5	(3)
Gain on sale of assets	-	(15)	-	-	-
Impairment losses	2	2	1	8	1
Total operating expenses	4,366	3,751	3,317	2,607	3,437
Operating income	251	246	224	243	273
Other income (expense), net					
Interest income	12	4	34	5	22
Regulatory interest, net	(3)	9	3	(4)	(19)
Allowance for equity funds used during construction	5	5	9	10	6
Income taxes on non-operating income	(1)	9	(9)	5	(4)
Sundry, net	(4)	(1)	(6)	(2)	(2)
Total	9	26	31	14	3
Interest charges					
Long-term debt	42	35	41	40	63
Other	8	5	7	7	7
Allowance for borrowed funds used during construction	(2)	(1)	(3)	(3)	(2)
Total	48	39	45	44	68
Net income	212	233	210	213	208
Preferred dividend requirements	1	1	1	1	1
Earnings applicable to common shares	$ 211	$ 232	$ 209	$ 212	$ 207

Consolidated Balance Sheets

Southern California Gas Company A Sempra Energy utility℠

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Utility plant, at original cost	$ 7,646	$ 7,254	$ 7,007	$ 6,701	$ 6,466
Accumulated depreciation	(2,996)	(2,863)	(2,739)	(2,590)	(2,457)
Utility plant, net	4,650	4,391	4,268	4,111	4,009
Current assets:					
Cash and cash equivalents	90	34	32	22	13
Accounts receivable - trade	694	673	509	458	413
Accounts and notes receivable - other	37	13	36	44	21
Interest receivable	9	31	30	-	-
Due from affiliates	1	-	22	81	2
Income taxes receivable	85	-	1	28	-
Deferred income taxes	20	17	-	87	62
Regulatory assets arising from fixed-price contracts and other derivatives	52	97	85	92	85
Other regulatory assets	36	26	8	-	-
Inventories	121	72	74	76	42
Fixed-price contracts and other derivatives	-	-	-	-	59
Other	15	10	9	20	4
Total current assets	1,160	973	806	908	701
Other assets:					
Regulatory assets arising from fixed-price contracts and other derivatives	-	52	148	233	150
Other regulatory assets	143	132	-	-	-
Sundry	54	85	127	151	126
Total other assets	197	269	275	384	276
Total assets	$ 6,007	$ 5,633	$ 5,349	$ 5,403	$ 4,986

Consolidated Balance Sheets (continued)

Southern California Gas Company A Sempra Energy utility℠

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Capitalization and Liabilities					
Capitalization:					
Common stock (100 million shares authorized; 91 million shares outstanding)	$ 866	$ 866	$ 866	$ 836	$ 835
Retained earnings	534	523	491	482	470
Accumulated other comprehensive income (loss)	(5)	(4)	(3)	-	-
Total common equity	1,395	1,385	1,354	1,318	1,305
Preferred stock	22	22	22	22	22
Total shareholders' equity	1,417	1,407	1,376	1,340	1,327
Long-term debt	1,100	864	762	657	579
Total capitalization	2,517	2,271	2,138	1,997	1,906
Current liabilities:					
Short-term debt	88	30	-	-	50
Accounts payable - trade	344	314	227	199	160
Accounts payable - other	76	65	44	36	80
Due to affiliates	102	55	55	31	27
Income taxes payable	-	63	-	-	32
Deferred income taxes	-	-	15	-	-
Regulatory balancing accounts, net	13	178	86	184	158
Regulatory liabilities	-	-	-	16	18
Fixed-price contracts and other derivatives	52	97	86	96	85
Customer deposits	80	49	43	108	42
Current portion of long-term debt	8	-	175	175	100
Other	280	267	280	288	302
Total current liabilities	1,043	1,118	1,011	1,133	1,054
Deferred credits and other liabilities:					
Customer advances for construction	74	55	40	37	29
Postretirement benefits other than pensions	65	64	-	-	-
Deferred income taxes	145	147	136	201	156
Deferred investment tax credits	38	41	44	47	50
Regulatory liabilities arising from removal obligations	1,097	1,446	1,392	1,324	1,253
Asset retirement obligations	504	8	10	-	-
Other regulatory liabilities	200	199	181	201	174
Fixed-price contracts and other derivatives	2	52	148	233	154
Deferred credits and other	322	232	249	230	210
Total deferred credits and other liabilities	2,447	2,244	2,200	2,273	2,026
Total liabilities and shareholders' equity	$ 6,007	$ 5,633	$ 5,349	$ 5,403	$ 4,986

Statements of Consolidated Cash Flows

Southern California Gas Company A Sempra Energy utility℠

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income	$ 212	$ 233	$ 210	$ 213	$ 208
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation	264	255	289	276	268
Deferred income taxes and investment tax credits	(9)	(17)	44	23	9
Gain on sale of assets	-	(15)	-	-	-
Impairment losses	2	2	1	8	1
Changes in other assets	15	1	(6)	12	(12)
Changes in other liabilities	115	(25)	(39)	8	12
Changes in working capital components:					
Accounts and interest receivable	(20)	(145)	(74)	(67)	244
Fixed-price contracts and other derivatives	-	(2)	(2)	6	(2)
Inventories	(49)	2	2	(34)	25
Other current assets	(1)	1	13	(4)	4
Accounts payable	49	107	36	(5)	(171)
Income taxes	(148)	62	42	(52)	(58)
Due to/from affiliates, net	(9)	(26)	37	12	5
Regulatory balancing accounts	(168)	93	(99)	80	(338)
Regulatory assets and liabilities	-	(23)	(24)	1	39
Customer deposits	31	6	(64)	66	8
Other current liabilities	(20)	(8)	19	(16)	38
Net cash provided by operating activities	264	501	385	527	280
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(361)	(311)	(318)	(331)	(294)
Decrease (increase) in loans to affiliates, net	-	51	34	(86)	233
Net proceeds from sale of assets	-	7	5	-	-
Net cash used in investing activities	(361)	(253)	(279)	(417)	(61)
Cash Flows from Financing Activities					
Common dividends paid	(150)	(200)	(200)	(200)	(190)
Preferred dividends paid	(1)	(1)	(1)	(1)	(1)
Issuances of long-term debt	250	100	500	250	-
Payments on long-term debt	-	(175)	(395)	(100)	(270)
Increase (decrease) in short-term debt	58	30	-	(50)	50
Other	(4)	-	-	-	-
Net cash provided by (used in) financing activities	153	(246)	(96)	(101)	(411)
Increase (decrease) in cash and cash equivalents	56	2	10	9	(192)
Cash and cash equivalents, January 1	34	32	22	13	205
Cash and cash equivalents, December 31	$ 90	$ 34	$ 32	$ 22	$ 13
Supplemental Disclosure of Cash Flow Information					
Interest payments, net of amounts capitalized	$ 40	$ 43	$ 47	$ 36	$ 65
Income tax payments, net of refunds	$ 254	$ 111	$ 99	$ 206	$ 216

Selected Financial Data and Comparative Statistics 2001-2005

SDGE A Sempra Energy utility℠

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Net income (before preferred dividends)	$ 267	$ 213	$ 340	$ 209	$ 183
Common dividends to parent	$ 75	$ 205	$ 200	$ 200	$ 150
Capital expenditures	$ 464	$ 414	$ 444	$ 400	$ 307
Weighted average rate base	$ 2,902	$ 2,755	$ 2,619	$ 2,452	$ 2,334
Authorized rate of return on:					
Rate base	8.18%	8.77%	8.77%	8.75%	8.75%
Common equity	10.37%	10.90%	10.90%	10.60%	10.60%
Achieved return on common equity	18.85%	16.24%	27.74%	18.21%	16.50%
Electric revenues					
Residential	$ 738	$ 692	$ 731	$ 649	$ 775
Commercial	654	644	674	633	753
Industrial	142	134	162	161	325
Other	125	116	98	126	182
Electric revenues	1,659	1,586	1,665	1,569	2,035
Balancing accounts and other	144	92	136	(275)	(362)
Total electric revenues	$ 1,803	$ 1,678	$ 1,801	$ 1,294	$ 1,673
Electric volumes (millions of kWhs)					
Residential	7,075	7,038	6,702	6,266	6,011
Commercial	6,674	6,592	6,263	6,053	6,107
Industrial	2,159	2,084	1,987	1,893	2,792
Other	3,306	3,538	3,421	3,541	2,966
Total	19,214	19,252	18,373	17,753	17,876
Cooling degree days	862	1,087	1,046	732	932
Electric customers at December 31,					
Residential	1,188,040	1,169,744	1,149,445	1,130,143	1,109,059
Commercial	140,858	138,706	136,149	133,869	131,970
Industrial	479	458	457	449	422
Other	8,695	9,605	10,195	13,471	16,574
Total number of electric customers	1,338,072	1,318,513	1,296,246	1,277,932	1,258,025

Selected Financial Data and Comparative Statistics 2001-2005 (continued)

SDGE A Sempra Energy utility℠

(Dollars in millions, except average cost of natural gas)	Years ended December 31, 2005	2004	2003	2002	2001
Natural gas revenues					
Residential	$ 381	$ 332	$ 291	$ 247	$ 461
Commercial and industrial	179	146	132	105	251
Electric generation plants	42	38	33	24	23
Natural gas revenues in rates	602	516	456	376	735
Balancing accounts and other	107	80	51	55	(49)
Total natural gas revenues	$ 709	$ 596	$ 507	$ 431	$ 686
Natural gas volumes delivered (billion cubic feet)					
Residential	31	33	32	33	34
Commercial and industrial	21	22	21	22	22
Electric generation plants	60	74	62	85	99
Total	112	129	115	140	155
Core	49	52	49	52	52
Noncore	63	77	66	88	103
Total	112	129	115	140	155
Average cost of natural gas (dollars per million British thermal units)	$ 8.67	$ 6.11	$ 5.14	$ 3.76	$ 8.62
Heating degree days	1,153	1,286	1,288	1,478	1,505
Natural gas customers at December 31,					
Residential	793,651	781,900	770,305	759,327	745,265
Commercial	29,600	29,630	29,532	29,208	28,549
Industrial	16	18	22	32	47
Off-system sales and transportation	364	210	184	281	1,115
Total number of natural gas customers	823,631	811,758	800,043	788,848	774,976

Statements of Consolidated Income

SDGE A Sempra Energy utility℠

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Operating revenues					
Electric	$ 1,803	$ 1,678	$ 1,801	$ 1,294	$ 1,673
Natural gas	709	596	507	431	686
Total operating revenues	2,512	2,274	2,308	1,725	2,359
Operating expenses					
Cost of electric fuel and purchased power	624	576	541	297	782
Cost of natural gas	456	347	274	205	457
Other operating expenses	603	574	611	545	486
Depreciation and amortization	264	259	242	230	207
Income taxes	110	137	127	93	122
Franchise fees and other taxes	119	113	114	78	82
Litigation expense	52	19	17	13	-
Gain on sale of assets	(1)	(1)	(9)	-	(22)
Impairment losses (adjustments)	2	(6)	3	8	4
Total operating expenses	2,229	2,018	1,920	1,469	2,118
Operating income	283	256	388	256	241
Other income (expense), net					
Interest income	23	25	42	10	21
Regulatory interest, net	(3)	(6)	(5)	(7)	5
Allowance for equity funds used during construction	9	9	12	15	5
Income taxes on non-operating income	21	(11)	(21)	2	(19)
Sundry, net	8	8	(3)	10	22
Total	58	25	25	30	34
Interest charges					
Long-term debt	65	61	67	75	84
Other	12	10	11	8	12
Allowance for borrowed funds used during construction	(3)	(3)	(5)	(6)	(4)
Total	74	68	73	77	92
Net income	267	213	340	209	183
Preferred dividend requirements	5	5	6	6	6
Earnings applicable to common shares	$ 262	$ 208	$ 334	$ 203	$ 177

Consolidated Balance Sheets

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Utility plant, at original cost	$ 6,927	$ 6,345	$ 5,773	$ 5,408	$ 5,009
Accumulated depreciation and amortization	(1,956)	(1,821)	(1,737)	(1,613)	(1,499)
Utility plant, net	4,971	4,524	4,036	3,795	3,510
Nuclear decommissioning trusts	638	612	570	494	526
Current assets:					
Cash and cash equivalents	236	9	148	159	322
Accounts receivable - trade	188	185	173	163	160
Accounts receivable - other	83	30	17	18	27
Interest receivable	17	55	37	-	-
Due from affiliates	32	30	151	292	28
Income taxes receivable	-	-	-	-	73
Deferred income taxes	7	-	-	-	-
Regulatory assets arising from fixed-price contracts and other derivatives	76	55	59	59	83
Other regulatory assets	91	77	81	75	75
Inventories	78	88	60	46	70
Other	39	31	27	11	4
Total current assets	847	560	753	823	842
Other assets:					
Deferred taxes recoverable in rates	294	278	271	190	162
Regulatory assets arising from fixed-price contracts and other derivatives	398	448	502	579	634
Other regulatory assets	276	341	281	342	842
Sundry	68	71	48	62	26
Total other assets	1,036	1,138	1,102	1,173	1,664
Total assets	$ 7,492	$ 6,834	$ 6,461	$ 6,285	$ 6,542

Consolidated Balance Sheets (continued)

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Capitalization and Liabilities					
Capitalization:					
Common stock (255 million shares authorized, 117 million shares outstanding)	$ 938	$ 938	$ 938	$ 943	$ 857
Retained earnings	559	372	369	235	232
Accumulated other comprehensive income (loss)	(14)	(13)	(43)	(34)	(3)
Total common equity	1,483	1,297	1,264	1,144	1,086
Preferred stock not subject to mandatory redemption	79	79	79	79	79
Total shareholders' equity	1,562	1,376	1,343	1,223	1,165
Preferred stock subject to mandatory redemption	-	-	-	25	25
Long-term debt	1,455	1,022	1,087	1,153	1,229
Total capitalization	3,017	2,398	2,430	2,401	2,419
Current liabilities:					
Accounts payable	243	200	193	159	138
Due to affiliates	441	15	-	3	-
Income taxes payable	6	225	217	261	207
Deferred income taxes	-	15	26	53	128
Regulatory balancing accounts, net	179	331	338	394	575
Fixed-price contracts and other derivatives	76	55	59	59	84
Customer deposits	52	45	40	28	24
Current portion of long-term debt	66	66	66	66	93
Other	282	256	242	154	163
Total current liabilities	1,345	1,208	1,181	1,177	1,412
Deferred credits and other liabilities:					
Due to affiliates	-	267	21	16	5
Customer advances for construction	39	45	49	54	42
Deferred income taxes	591	522	485	382	431
Deferred investment tax credits	34	37	40	42	45
Regulatory liabilities arising from removal obligations	1,216	1,246	1,149	1,162	1,143
Asset retirement obligations	444	318	303	-	-
Fixed-price contracts and other derivatives	398	448	502	579	634
Mandatorily redeemable preferred securities	16	19	21	-	-
Deferred credits and other	392	326	280	472	411
Total deferred credits and other liabilities	3,130	3,228	2,850	2,707	2,711
Total liabilities and shareholders' equity	$ 7,492	$ 6,834	$ 6,461	$ 6,285	$ 6,542

Statements of Consolidated Cash Flows

SDGE A Sempra Energy utility℠

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income	$ 267	$ 213	$ 340	$ 209	$ 183
Adjustments to reconcile net income to net cash provided by operating activities:					
Depreciation and amortization	264	259	242	230	207
Customer refunds paid	-	-	-	-	(127)
Deferred income taxes and investment tax credits	37	-	(29)	(127)	(9)
Non-cash rate reduction bond expense	68	75	68	82	66
Other	(3)	(7)	(6)	8	(18)
Changes in other assets	13	(53)	(3)	123	(142)
Changes in other liabilities	37	(25)	(7)	21	(16)
Changes in working capital components:					
Accounts and interest receivable	(17)	(42)	(46)	6	66
Due to/from affiliates, net	(1)	13	2	(61)	(3)
Inventories	10	(27)	(14)	23	(20)
Other current assets	(16)	(1)	(23)	(6)	7
Income taxes	(231)	15	8	127	163
Accounts payable	28	6	34	21	(268)
Regulatory balancing accounts	(152)	(15)	(56)	89	426
Other current liabilities	34	24	57	(5)	25
Net cash provided by operating activities	338	435	567	740	540
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(464)	(414)	(444)	(400)	(307)
Purchases of nuclear decommissioning and other trust assets	(230)	(244)	(271)	(414)	(5) *
Proceeds from sales by nuclear decommissioning and other trusts	234	247	277	419	10 *
Net proceeds from sale of assets	1	-	4	-	42
Decrease (increase) in loans to affiliate, net	1	122	129	(199)	(33)
Net cash used in investing activities	(458)	(289)	(305)	(594)	(293)
Cash Flows from Financing Activities					
Common dividends paid	(75)	(205)	(200)	(200)	(150)
Preferred dividends paid	(5)	(5)	(6)	(6)	(6)
Payments on long-term debt	(66)	(317)	(66)	(103)	(118)
Issuances of long-term debt	500	251	-	-	93
Redemptions of preferred stock	(3)	(3)	(1)	-	-
Other	(4)	(6)	-	-	-
Net cash provided by (used in) financing activities	347	(285)	(273)	(309)	(181)
Increase (decrease) in cash and cash equivalents	227	(139)	(11)	(163)	66
Cash and cash equivalents, January 1	9	148	159	322	256
Cash and cash equivalents, December 31	$ 236	$ 9	$ 148	$ 159	$ 322
Supplemental Disclosure of Cash Flow Information					
Interest payments, net of amounts capitalized	$ 66	$ 63	$ 68	$ 71	$ 83
Income tax payments (refunds), net	$ 291	$ 129	$ 167	$ 92	$ (11)

* Investment transactions within the trusts are not reflected.

Selected Financial Data and Comparative Statistics 2001-2005

Sempra Commodities

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Margin *					
Geographical					
North America	$ 1,091	$ 689	$ 439	$ 400	$ 643
Europe and Asia	255	338	172	165	79
Total	$ 1,346	$ 1,027	$ 611	$ 565	$ 722
Product line					
Gas	$ 439	$ 318	$ 146	$ 170	$ 205
Power	443	170	137	191	356
Oil - crude and products	292	268	128	74	135
Metals	54	180	96	78	-
Other	118	91	104	52	26
Total	$ 1,346	$ 1,027	$ 611	$ 565	$ 722
Net income	$ 460	$ 320	$ 128 **	$ 165	$ 200
Physical volumes					
Natural gas (billions of cubic feet/day)	11.7	13.0	13.3	10.0	10.6
Electricity (billions of kWhs)	413.2	373.7	324.4	162.2	75.5
Oil and liquid products (millions of bbls/day)	2.0	2.1	1.7	1.9	2.6
At December 31,					
Trading assets	$ 10,414	$ 6,510	$ 5,450	$ 5,180	$ 2,838
Trading liabilities	8,107	5,188	4,525	4,141	1,806
Net trading assets	$ 2,307	$ 1,322	$ 925	$ 1,039	$ 1,032

* Margin consists of net revenues less related costs (primarily brokerage, transportation and storage) plus or minus net interest expense/income, and is used by management in evaluating its geographical and product line performance.

** After a $29 charge for the cumulative effect of change in accounting principle from implementing a new accounting pronouncement.

Sempra Commodities is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Commodities' products and services.

Statements of Consolidated Income

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Operating revenues	$ 2,724	$ 1,689	$ 1,227	$ 927	$ 1,094
Operating expenses					
Cost of goods sold	1,267	597	542	293	320
Litigation expense	38	17	15	18	13
Other operating expenses	811	556	414	337	394
Depreciation and amortization	28	23	23	21	27
Gains on sale of assets, net	(106)	-	(10)	-	-
Total operating expenses	2,038	1,193	984	669	754
Operating income	686	496	243	258	340
Other income (expense), net	1	-	-	-	(1)
Interest income	14	8	12	11	11
Interest expense	(49)	(23)	(31)	(45)	(15)
Income before income taxes	652	481	224	224	335
Income tax expense	192	161	67	75	135
Income before extraordinary item and cumulative effect of a change in accounting principle	460	320	157	149	200
Extraordinary item (2002) and cumulative effect of change in accounting principle (2003), net of tax	-	-	(29)	16	-
Net income	$ 460	$ 320	$ 128	$ 165	$ 200

Sempra Commodities is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Commodities' products and services.

Consolidated Balance Sheets

Sempra Commodities

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Current assets:					
Cash and cash equivalents	$ 143	$ 272	$ 91	$ 169	$ 62
Due from affiliates	179	245	181	60	114
Trading assets	10,414	6,510	5,450	5,180	2,838
Income taxes receivable	-	5	46	-	5
Other	205	161	96	102	16
Total current assets	10,941	7,193	5,864	5,511	3,035
Property, plant and equipment, net	88	209	101	81	72
Goodwill and other assets	233	172	179	188	205
Total assets	$ 11,262	$ 7,574	$ 6,144	$ 5,780	$ 3,312
Liabilities and Shareholder's Equity					
Current liabilities:					
Short-term debt	$ 82	$ 139	$ -	$ 116	$ 120
Accounts payable and other current liabilities	630	450	234	223	303
Income taxes payable	166	13	49	29	143
Trading liabilities	8,107	5,188	4,525	4,141	1,806
Due to affiliates	668	579	430	466	320
Total current liabilities	9,653	6,369	5,238	4,975	2,692
Other liabilities	22	43	32	57	37
Shareholder's equity	1,587	1,162	874	748	583
Total liabilities and shareholder's equity	$ 11,262	$ 7,574	$ 6,144	$ 5,780	$ 3,312

Sempra Commodities is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Commodities' products and services.

Statements of Consolidated Cash Flows

Sempra Commodities

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income	$ 460	$ 320	$ 128	$ 165	$ 200
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Extraordinary item (2002) and cumulative effect of change in accounting principle (2003), net of tax	-	-	29	(16)	-
Depreciation and amortization	28	23	23	21	27
Gains on sale of assets, net	(106)	-	(10)	-	-
Deferred income taxes and investment tax credits	(111)	57	70	26	-
Changes in other assets	-	-	-	(2)	(1)
Changes in other liabilities	-	-	-	-	14
Net changes in working capital components	(746)	(497)	(17)	(198)	(31)
Net cash provided by (used in) operating activities	(475)	(97)	223	(4)	209
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(57)	(126)	(51)	(21)	(45)
Proceeds from sale of assets	253	-	18	-	38
Investments in and acquisitions of subsidiaries, net of cash acquired	(15)	(5)	-	(119)	(1)
Decrease (increase) in loans to affiliates, net	-	174	(94)	(69)	-
Other	-	-	2	(1)	-
Net cash provided by (used in) investing activities	181	43	(125)	(210)	(8)
Cash Flows from Financing Activities					
Increase (decrease) in short-term debt, net	(52)	133	(116)	(5)	(45)
Increase (decrease) in loans from affiliates, net	217	81	(58)	325	(124)
Issuance of long-term debt	-	21	-	-	-
Other	-	-	(2)	1	-
Net cash provided by (used in) financing activities	165	235	(176)	321	(169)
Increase (decrease) in cash and cash equivalents	(129)	181	(78)	107	32
Cash and cash equivalents, January 1	272	91	169	62	30
Cash and cash equivalents, December 31	$ 143	$ 272	$ 91	$ 169	$ 62

Sempra Commodities is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Commodities' products and services.

Statements of Consolidated Income

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Operating revenues	$ 1,921	$ 1,662	$ 773	$ 437	$ 322
Operating expenses					
Cost of goods sold	1,332	1,198	498	274	277
Litigation expense	43	29	5	-	-
Other operating expenses	146	136	122	78	65
Depreciation and amortization	57	44	21	10	12
Impairment losses	66	-	-	-	-
Other	8	5	11	3	3
Total operating expenses	1,652	1,412	657	365	357
Operating income (loss)	269	250	116	72	(35)
Other income (expense), net	2	2	4	-	(6)
Equity in income (loss) of unconsolidated subsidiaries	24	3	(6)	16	(8)
Interest income	9	7	17	4	9
Interest expense	(29)	(34)	(33)	(10)	(13)
Income (loss) before income taxes	275	228	98	82	(53)
Income tax expense (benefit)	111	91	27	40	(22)
Income (loss) before cumulative effect of change in accounting principle	164	137	71	42	(31)
Cumulative effect of change in accounting principle, net of tax	-	-	9	-	-
Net income (loss)	$ 164	$ 137	$ 80	$ 42	$ (31)
Net income (loss) by type of operation:					
Power generation	$ 152	$ 134	$ 81	$ 56	$ (32)
Oil and gas	9	10	13	4	5
Facilities and services	3	(7)	(14)	(18)	(4)
Net income (loss)	$ 164	$ 137	$ 80	$ 42	$ (31)

Sempra Generation is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Generation's products and services.

Consolidated Balance Sheets

Sempra Generation

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Current assets:					
Cash and cash equivalents	$ 6	$ 8	$ 10	$ 4	$ 30
Short-term investments	-	-	363 *	-	-
Accounts receivable	116	88	115	74	48
Due from affiliates	492	409	90	173	19
Income taxes receivable	-	4	44	19	34
Fixed-price contracts and other derivatives with affiliate	132	17	3	-	-
Other	33	34	16	16	46
Total current assets	779	560	641	286	177
Investments and other assets	492	506	358	588	280
Due from affiliates	-	267	-	-	-
Property, plant and equipment, net	1,498	1,405	1,551 **	759	374
Total assets	$ 2,769	$ 2,738	$ 2,550	$ 1,633	$ 831
Liabilities and Shareholder's Equity					
Current liabilities:					
Short-term debt	$ 19	$ 17	$ 28	$ 33	$ -
Accounts payable	36	95	35	25	22
Due to affiliates	606	1,021	514	908	350
Income taxes payable	28	9	6	-	9
Current portion of long-term debt	3	4	633 **	3	5
Fixed-price contracts and other derivatives with affiliate	80	14	-	-	7
Other	110	31	21	29	24
Total current liabilities	882	1,191	1,237	998	417
Long-term debt	7	10	13	116	19
Due to affiliates	219	-	-	-	-
Other liabilities	183	188	143	68	46
Shareholder's equity	1,478	1,349	1,157	451	349
Total liabilities and shareholder's equity	$ 2,769	$ 2,738	$ 2,550	$ 1,633	$ 831

* Represents the collateralized U.S. Treasury obligations on the Mesquite synthetic lease.

** As a result of implementing FIN 46, the Mesquite Trust was consolidated, which resulted in increases in total assets and total liabilities of $643 and $630, respectively, in 2003.

Sempra Generation is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Generation's products and services.

Statements of Consolidated Cash Flows

Sempra Generation

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income (loss)	$ 164	$ 137	$ 80	$ 42	$ (31)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:					
Cumulative effect of change in accounting principle, net of tax	-	-	(9)	-	-
Depreciation and amortization	57	44	21	10	12
Impairment losses	66	-	-	-	-
Deferred income taxes	3	39	83	5	(6)
Fixed-price contracts and other derivatives (income) loss	(49)	(1)	(3)	(7)	7
Equity in (income) losses of unconsolidated affiliates	(24)	(3)	6	(16)	8
Other	1	(2)	5	1	-
Changes in other assets	(14)	(100)	(13)	(4)	-
Changes in other liabilities	(8)	(6)	(5)	12	3
Net changes in working capital components	9	80	(68)	(49)	25
Net cash provided by (used in) operating activities	205	188	97	(6)	18
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(185)	(141)	(144)	(359)	(241)
Proceeds from sale of assets	-	363	-	-	-
Investments in and acquisitions of subsidiaries, net of cash acquired	(71)	(53)	(156)	(288)	(92)
Dividends received from affiliates	41	4	-	-	34
Other	(24)	-	1	-	-
Net cash provided by (used in) investing activities	(239)	173	(299)	(647)	(299)
Cash Flows from Financing Activities					
Increase in loans from affiliates, net	186	206	291	442	309
Payments on long-term debt	(125)	(633)	(102)	(206)	(3)
Issuance of long-term debt	-	-	-	300	-
Increase (decrease) in short-term debt	3	14	19	31	(1)
Capital contributions	(32)	50	-	60	-
Net cash provided by (used in) financing activities	32	(363)	208	627	305
Increase (decrease) in cash and cash equivalents	(2)	(2)	6	(26)	24
Cash and cash equivalents, January 1	8	10	4	30	6
Cash and cash equivalents, December 31	$ 6	$ 8	$ 10	$ 4	$ 30

Sempra Generation is not the same company as the utility, SDG&E or SoCalGas, and the California Public Utilities Commission does not regulate the terms of Sempra Generation's products and services.

Selected Financial Data and Comparative Statistics 2001-2005

Sempra Pipelines & Storage

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Net income					
Peru	$ 21	$ 29	$ 25	$ 26	$ 15
Argentina	11	21	20	21	10
Mexico	23	23	16	5	7
Chile	25	16	14	10	21
U.S. operations and other costs	(16)	(26)	(72)	(36)	(28)
Total	$ 64	$ 63	$ 3	$ 26	$ 25
Natural gas operations *					
Revenues					
Argentina	$ 244	$ 206	$ 186	$ 156	$ 577
Mexico	292	237	184	52	49
Chile	18	16	14	12	12
Total	$ 554	$ 459	$ 384	$ 220	$ 638
Volumes delivered (billion cubic feet)					
Argentina	272	251	232	217	223
Mexico	42	42	40	48	42
Chile	3	3	3	3	3
Total	317	296	275	268	268
Customers (in thousands) **					
Argentina	1,495	1,449	1,404	1,355	1,326
Mexico	98	97	95	84	65
Chile	38	37	37	36	34
Total	1,631	1,583	1,536	1,475	1,425
Electric operations *					
Revenues					
Peru	$ 379	$ 327	$ 319	$ 305	$ 320
Chile	231	159	132	124	123
Total	$ 610	$ 486	$ 451	$ 429	$ 443
Volumes (millions of kWhs)					
Peru	4,298	4,044	4,032	3,950	3,696
Chile	2,289	1,959	1,832	1,745	1,683
Total	6,587	6,003	5,864	5,695	5,379
Customers (in thousands) **					
Peru	767	748	732	718	705
Chile	521	508	496	484	471
Total	1,288	1,256	1,228	1,202	1,176

* Represents 100 percent of these subsidiaries, although only the Mexican subsidiaries are 100% owned by Sempra Energy. Except for the Mexican subsidiaries, these subsidiaries are not consolidated within Sempra Energy and the related investments are instead accounted for under the equity method. U.S. operations are not shown due to immateriality.

** At December 31

Sempra Pipelines & Storage is not the same company as the utility, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

Statements of Consolidated Income

Sempra Pipelines & Storage

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Natural gas and other revenues	$ 329	$ 269	$ 210	$ 176	$ 289
Operating expenses					
Cost of natural gas	266	209	166	148	257
Other operating expenses	41	43	43	44	40
Depreciation and amortization	14	14	14	13	13
Impairment losses	6	-	77	6	30
Other	(2)	-	(2)	(2)	2
Total operating expenses	325	266	298	209	342
Operating income (loss)	4	3	(88)	(33)	(53)
Other income, net	6	3	1	72	5
Interest income	17	17	16	17	16
Interest expense	(15)	(17)	(19)	(14)	(13)
Income (loss) before income taxes and equity in earnings of unconsolidated subsidiaries	12	6	(90)	42	(45)
Income taxes	3	5	(31)	(2)	(10)
Equity in income (loss) of unconsolidated subsidiaries	55	62	62	(18)	60
Net income	$ 64	$ 63	$ 3	$ 26	$ 25

Sempra Pipelines & Storage is not the same company as the utility, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

Consolidated Balance Sheets

Sempra Pipelines & Storage

(Dollars in millions)	December 31, 2005	2004	2003	2002	2001
Assets					
Current assets:					
Cash and cash equivalents	$ 113	$ 72	$ 63	$ 63	$ 67
Accounts receivable	45	37	34	22	22
Due from affiliates	23	22	22	31	166
Income taxes receivable	27	9	13	-	17
Other	14	9	9	6	9
Total current assets	222	149	141	122	281
Investments and other assets	707	661	635	548	666
Due from affiliates	494	108	74	56	-
Property, plant and equipment, net	341	334	332	419	371
Total assets	$ 1,764	$ 1,252	$ 1,182	$ 1,145	$ 1,318
Liabilities and Shareholder's Equity					
Current liabilities:					
Accounts payable	$ 30	$ 27	$ 25	$ 15	$ 20
Income taxes payable	-	-	-	7	-
Due to affiliates	524	171	189	192	214
Other	21	18	16	10	19
Total current liabilities	575	216	230	224	253
Long-term debt	12	-	-	-	4
Other noncurrent liabilities:					
Due to affiliates	264	162	162	162	162
Minority interest	4	-	-	18	14
Other	28	2	2	6	45
Total other noncurrent liabilities	296	164	164	186	221
Shareholder's equity	881	872	788	735	840
Total liabilities and shareholder's equity	$ 1,764	$ 1,252	$ 1,182	$ 1,145	$ 1,318

Sempra Pipelines & Storage is not the same company as the utility, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

Statements of Consolidated Cash Flows

Sempra Pipelines & Storage

(Dollars in millions)	Years ended December 31, 2005	2004	2003	2002	2001
Cash Flows from Operating Activities					
Net income	$ 64	$ 63	$ 3	$ 26	$ 25
Adjustments to reconcile net income to net cash provided by (used in) operating activities:					
Depreciation and amortization	14	14	14	13	13
Loss (gain) on sale of assets	(4)	-	(2)	(2)	2
Impairment losses	6	-	77	6	30
Deferred income taxes	27	6	(18)	(20)	2
Equity in (income) losses of unconsolidated affiliates	(55)	(62)	(62)	18	(60)
Foreign currency loss (gain)	-	(1)	8	(64)	-
Changes in other assets	(1)	-	-	-	(1)
Changes in other liabilities	7	-	-	-	1
Net changes in working capital components	(6)	(16)	(24)	(12)	(50)
Net cash provided by (used in) operating activities	52	4	(4)	(35)	(38)
Cash Flows from Investing Activities					
Expenditures for property, plant and equipment	(19)	(22)	(27)	(88)	(136)
Proceeds from sale of assets	4	-	-	-	-
Decrease (increase) in loans to affiliates, net	(485)	29	-	93	-
Dividends received	28	55	71	10	47
Investments in and acquisitions of subsidiaries	-	-	(23)	-	(2)
Net cash provided by (used in) investing activities	(472)	62	21	15	(91)
Cash Flows from Financing Activities					
Increase (decrease) in loans from affiliates, net	445	(57)	(17)	(13)	297
Capital contribution	-	-	-	29	37
Issuance of long-term debt	12	-	-	-	-
Payment on long-term debt	-	-	-	-	(160)
Other	4	-	-	-	(19)
Net cash provided by (used in) financing activities	461	(57)	(17)	16	155
Increase (decrease) in cash and cash equivalents	41	9	-	(4)	26
Cash and cash equivalents, January 1	72	63	63	67	41
Cash and cash equivalents, December 31	$ 113	$ 72	$ 63	$ 63	$ 67

Sempra Pipelines & Storage is not the same company as the utility, SDG&E or SoCalGas, and Sempra Pipelines & Storage is not regulated by the California Public Utilities Commission.

Shareholder Information and Research Coverage

Corporate Headquarters
Sempra Energy
101 Ash Street
San Diego, California
92101-3017

Transfer Agent
Computershare Trust Company, N.A.
P.O. Box 43069
Providence, RI 02940-3069
Telephone: 877-773-6772

News and Information
To hear corporate news reports and stock updates or to request materials, call 877-773-6397. Sempra Energy's annual report to shareholders and annual report to the Securities and Exchange Commission (Form 10-K) are available to shareholders at no charge through the Investor section of Sempra Energy's website (www.sempra.com) or by writing to Shareholder Services.

Preferred and Preference Stock of Subsidiaries
SDG&E preferred and preference stocks are listed on the American Stock Exchange under the ticker symbol SDO. (The 4.6% preferred series and the $1.7625 and $1.70 preference series are not listed.) PE preferred stock is listed on the American and Pacific stock exchanges under the ticker symbol PET. SoCalGas preferred stock is listed on the Pacific Stock Exchange under the ticker symbol SOCGP.

Research Coverage
The following firms provide equity investment research coverage of Sempra Energy:

A.G. Edwards & Sons, Inc.
Argus Research Corp.
Banc of America Securities LLC
Citigroup
Credit Suisse – North America
Goldman Sachs & Co.
Harris Nesbitt
Howard Weil Inc.
Jefferies & Co.
Lehman Brothers
Morgan Stanley
Prudential Equity Group, LLC
RBC Capital Markets
UBS
Wachovia Securities

101 Ash Street, San Diego, California 92101-3017 www.Sempra.com