Sempra Energy

Fourth Quarter 2019 Earnings Results

February 27, 2020

Information Regarding Forward-Looking Statements

This presentation contains statements that are not historical fact and constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are based on assumptions with respect to the future, involve risks and uncertainties, and are not guarantees of performance. Future results may differ materially from those expressed in the forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of February 27, 2020. We assume no obligation to update or revise any forward-looking statement as a result of new information, future events or other factors.

In this presentation, forward-looking statements can be identified by words such as "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "should," "could," "would," "will," "confident," "may," "can," "potential," "possible," "proposed," "target," "pursue," "outlook," "maintain," or similar expressions, or when we discuss our guidance, strategy, goals, vision, mission, opportunities, projections or intentions.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: California wildfires and the risk that we may be found liable for damages regardless of fault and the risk that we may not be able to recover any such costs from insurance, the wildfire fund established by California Assembly Bill 1054 or in rates from customers; decisions, investigations, regulations, issuances of permits and other authorizations, renewal of franchises, and other actions by the Comisión Federal de Electricidad, California Public Utilities Commission, U.S. Department of Energy, Public Utility Commission of Texas, regulatory and governmental bodies and jurisdictions in the U.S. and other countries in which we operate; the success of business development efforts, construction projects and major acquisitions and divestitures, including risks in (i) the ability to make a final investment decision and completing construction projects on schedule and budget; (ii) obtaining the consent of partners; (iii) counterparties' financial or other ability to fulfill contractual commitments; (iv) the ability to complete contemplated acquisitions and/or divestitures; and (v) the ability to realize anticipated benefits from any of these efforts once completed; the resolution of civil and criminal litigation, regulatory investigations and proceedings and arbitrations; actions by credit rating agencies to downgrade our credit ratings or to place those ratings on negative outlook and our ability to borrow at favorable interest rates; moves to reduce or eliminate reliance on natural gas; weather, natural disasters, accidents, equipment failures, computer system outages and other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires and subject us to liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance (including costs in excess of applicable policy limits), may be disputed by insurers or may otherwise not be recoverable through regulatory mechanisms or may impact our ability to obtain satisfactory levels of affordable insurance; the availability of electric power and natural gas and natural gas storage capacity, including disruptions caused by failures in the transmission grid, limitations on the withdrawal or injection of natural gas from or into storage facilities, and equipment failures; cybersecurity threats to the energy grid, storage and pipeline infrastructure, the information and systems used to operate our businesses, and the confidentiality of our proprietary information and the personal information of our customers and employees; expropriation of assets, the failure of foreign governments and state-owned entities to honor the terms of contracts, and property disputes; the impact at San Diego Gas & Electric Company on competitive customer rates and reliability due to the growth in distributed power generation and from departing retail load resulting from customers transferring to Direct Access, Community Choice Aggregation or other forms of distributed power generation and the risk of nonrecovery for stranded assets and contractual obligations; Oncor Electric Delivery Company LLC's (Oncor) ability to eliminate or reduce its quarterly dividends due to regulatory and governance requirements and commitments, including by actions of Oncor's independent directors or a minority member director; volatility in foreign currency exchange, interest and inflation rates and commodity prices and our ability to effectively hedge the risk of such volatility; changes in trade policies, laws and regulations, including tariffs and revisions to or replacement of international trade agreements, such as the North American Free Trade Agreement, that may increase our costs or impair our ability to resolve trade disputes; the impact of changes to federal and state tax laws and our ability to mitigate adverse impacts; and other uncertainties, some of which may be difficult to predict and are beyond our control.

These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the U.S. Securities and Exchange Commission (SEC). These reports are available through the EDGAR system free-of charge on the SEC's website, www.sec.gov, and on the company's website at www.sempra.com.

Sempra South American Utilities, Sempra North American Infrastructure, Sempra LNG, Sempra Mexico, Sempra Texas Utilities, Oncor and Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) are not the same companies as the California utilities, San Diego Gas & Electric Company (SDG&E) or Southern California Gas Company (SoCalGas), and Sempra South American Utilities, Sempra North American Infrastructure, Sempra LNG, Sempra Mexico, Sempra Texas Utilities, Oncor and IEnova are not regulated by the California Public Utilities Commission.

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Executive Summary

- Sharpened strategic focus on North America's most attractive markets has led to successful execution and strong financial results
- Reporting FY-2019 adjusted earnings per common share (EPS) of $6.78[1] compared to FY-2018 adjusted EPS of $5.57[1], a year-over-year increase of ~22%[1]
- Reporting Q4-2019 EPS of $1.55 compared to Q4-2018 adjusted EPS of $1.56[1]
- Affirming FY-2020 adjusted EPS guidance range of $6.70 - $7.50[2]
- Announcing FY-2021 EPS guidance range of $7.50 - $8.10
- Raising the annualized dividend by 8% to $4.18 from $3.87 per share[3]

1) Sempra Energy Adjusted EPS and Full-Year Adjusted EPS Growth Rate are non-GAAP financial measures. GAAP EPS for FY-2019, FY-2018 and Q4-2018 were $7.29, $3.42, and $3.03, respectively. Full-Year GAAP EPS Growth Rate was ~113%. See Appendix for information regarding non-GAAP financial measures.
2) Sempra Energy 2020 Adjusted EPS Guidance Range is a non-GAAP financial measure. GAAP EPS Guidance Range for 2020 is $12.78 - $14.26 and includes the estimated gain on sale of the South American businesses. See Appendix for information regarding non-GAAP financial measures.
3) The amount and timing of dividends payable and the dividend policy are at the sole discretion of the Sempra Energy Board of Directors and, if declared and paid, dividends may be in amounts that are less than projected.

Business Review

Focused Business Model

Sempra's strategic focus concentrates our operations and investments in the most attractive markets in North America, helping improve capital discipline and increase shareholder value

- Sempra management and our Board continually review our businesses and strategy
- Recent reviews concluded:
  - Sempra's current portfolio focused in California, Texas, Mexico + LNG offers robust, visible growth in the 5-year plan
  - Sempra's LNG business has the potential to provide additional value to Sempra through its Cameron + four LNG development projects
- 2018 + 2019 reviews led to refocusing Sempra's business on the most attractive markets in North America
  - Completed sales of our U.S. renewables + certain non-utility natural gas storage assets, resulting in ~$2.5B of net proceeds
  - Announced sale of our South American businesses with expected net proceeds of ~$4.55B - ~$4.85B at the close of the transactions[1]

1) Subject to customary closing conditions.

2019 Accomplishments

California + Texas

- ✓ Elected to participate in the wildfire fund at SDG&E
- ✓ Announced Fire Safe 3.0 initiative at SDG&E
- ✓ Received constructive final decision in the 2019 California GRC
- ✓ Received final decision on CPUC cost of capital with ROEs of 10.2% for SDG&E + 10.05% for SoCalGas
- ✓ Closed Oncor's acquisition of InfraREIT + Sempra's acquisition of an indirect 50% equity interest in Sharyland
- ✓ Announced new five-year capital plan at Oncor of ~$11.9B[1]

Sempra LNG + Sempra Mexico

- ✓ Signed HOA[2] with Aramco Services Company at Port Arthur LNG[3]
- ✓ Reached COD at Cameron Train 1 + started LNG production at Cameron Train 2[3]
- ✓ Placed Marine Pipeline into service with 2.6 Bcf/d of capacity
- ✓ Refinanced $3B of Cameron LNG's project-level debt, increasing the project NPV
- ✓ Signed MOU[2] with Mitsui for potential offtake at Cameron LNG Phase 2[3] + ECA LNG Phase 2[3]
- ✓ Progressed construction of ~8M barrels of refined product storage terminals in Mexico

1) Represents Oncor's 100% share with Sempra's proportionate ownership share at ~$9.5B.
2) Subject to negotiating and reaching definitive agreements. The HOA and MOU do not commit any party to enter into a definitive agreement or otherwise participate in these projects.
3) The ability to successfully complete major construction projects, such as the Cameron LNG facility currently under construction and LNG development projects are subject to a number of risks and uncertainties. Please refer to "Risk Factors" and "Capital Resources and Liquidity" in our most recent Annual Report on Form 10-K for a description of the risks, uncertainties and other factors associated with the Cameron LNG facility currently under construction, the proposed Cameron LNG expansion (Phase 2), the Port Arthur LNG opportunity, and Energía Costa Azul LNG mid-scale (Phase 1) and large-scale (Phase 2) opportunities.

2020 Updates

Business	Status
California Utilities | Continuing to invest in safety + reliability	
■ GRC Cycle | Final decision approving transitional 5-year GRC cycle for SDG&E + SoCalGas (2019 – 2023); 4-year GRC cycle thereafter	✓
■ Filed 2020 – 2022 Wildfire Mitigation Plan	✓
■ Line 1600 | Received approval to commence construction + proceed to Phase 2	✓
Texas Utilities | Expanding footprint in Texas	
■ Acquired Hunt's 1% indirect interest in Texas Transmission Investment LLC(1)	✓
Cameron LNG Phase 1(2) | Train 1 in-service; Train 2 + 3 on schedule	
■ Train 2 achieved substantial completion; COD expected in the coming days	✓
■ Train 3 expected COD in Q3-2020	On-Track
Port Arthur LNG(2) | Continuing to advance	
■ Sempra LNG + Aramco Services Company signed Interim Project Participation Agreement(3)	✓
Energía Costa Azul LNG(2) | Expecting FID in Q1-2020	
■ TechnipFMC selected as EPC contractor for ECA LNG Phase 1; expect to sign agreement in the coming days(2),(4)	✓
South American Sales | Continuing to advance	
■ Expect to close within 4 – 8 weeks(5)	On-Track

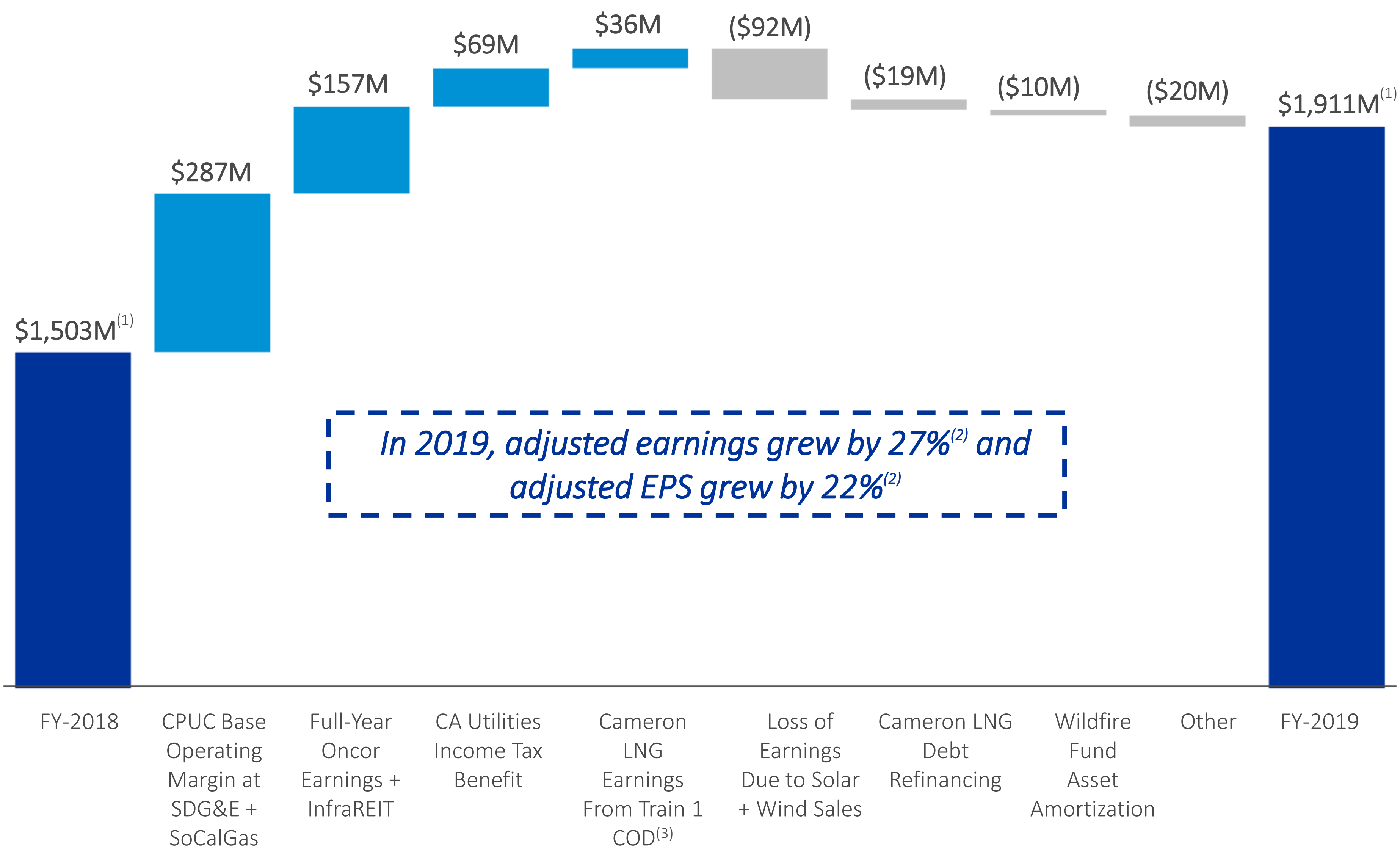
1) Texas Transmission Investment LLC (TTI) owns 19.75% of Oncor.
2) The ability to successfully complete major construction projects, such as the Cameron LNG facility currently under construction and LNG development projects are subject to a number of risks and uncertainties. Please refer to "Risk Factors" and "Capital Resources and Liquidity" in our most recent Annual Report on Form 10-K for a description of the risks, uncertainties and other factors associated with the Cameron LNG facility currently under construction, the proposed Cameron LNG expansion (Phase 2), the Port Arthur LNG opportunity, and Energía Costa Azul LNG mid-scale (Phase 1) and large-scale (Phase 2) opportunities.
3) Subject to negotiating and reaching a definitive agreement. The IPPA does not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
4) If executed, we have no obligation to move forward on the EPC contract, and we may release the EPC contractor to perform portions of the work pursuant to limited notices to proceed. We expect to fully release the EPC contractor to perform all work to construct the project only after we reach a final investment decision and after certain other conditions are met.
5) Subject to customary closing conditions including anti-trust approvals.

Q4 + 2019 Full-Year Financial Results

(Dollars, except EPS, and shares, in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018[1]	Years ended December 31, 2019	Years ended December 31, 2018[1]
	(Unaudited)			
GAAP Earnings	$ 447	$ 864	$ 2,055	$ 924
Tax Impacts from Expected Sale of South American Businesses	-	-	(99)	-
Gain on Sale of Certain Sempra Renewables Assets	-	(367)	(45)	(367)
(Adjustment)/Impairment of U.S. Non-utility Natural Gas Storage Assets	-	(126)	-	629
Impairment of U.S. Wind Equity Method Investments	-	-	-	145
Impact from the Tax Cuts and Jobs Act of 2017	-	60	-	85
Impairment of Investment in RBS Sempra Commodities	-	-	-	65
Impacts Associated with Aliso Canyon Litigation	-	-	-	22
Adjusted Earnings[2]	$ 447	$ 431	$ 1,911	$ 1,503
Diluted Weighted-Average Common Shares Outstanding	289	296	282	270
GAAP Earnings Per Diluted Common Share	$ 1.55	$ 3.03[3]	$ 7.29	$ 3.42
Adjusted Diluted Weighted-Average Common Shares Outstanding[2]	289	276[3]	282	270
Adjusted Earnings Per Diluted Common Share[2]	$ 1.55	$ 1.56	$ 6.78	$ 5.57

1) Amounts have been retrospectively adjusted for discontinued operations.
2) Sempra Energy Adjusted Earnings, Adjusted EPS and Adjusted Diluted Weighted-Average Common Shares Outstanding are non-GAAP financial measures. See Appendix for information regarding non-GAAP financial measures and descriptions of the adjustments above.
3) Due to the dilutive effect of the mandatory convertible preferred stock for GAAP earnings, the numerator used to calculate GAAP EPS includes an add-back of $36M of mandatory preferred stock dividends declared in the quarter. However, because the assumed conversion is antidilutive for the lower Adjusted Earnings, ~20M preferred stock shares are not included in the denominator used to calculate Adjusted EPS for the quarter.

2019 Full-Year Adjusted Earnings[1] Drivers



1) Attributable to common shares. Sempra Energy Adjusted Earnings is a non-GAAP financial measure. FY-2019 and FY-2018 GAAP Earnings were $2,055M and $924M, respectively. See Appendix for information regarding non-GAAP financial measures.
2) Sempra Energy Full-Year Adjusted Earnings Growth Rate and Full-Year Adjusted EPS Growth Rate are non-GAAP financial measures. Full-Year GAAP Earnings Growth Rate was ~122% and Full-Year GAAP EPS Growth Rate was ~113%. See Appendix for information regarding non-GAAP financial measures.
3) Excludes debt refinancing.

Sempra Energy

Investor Day Preview

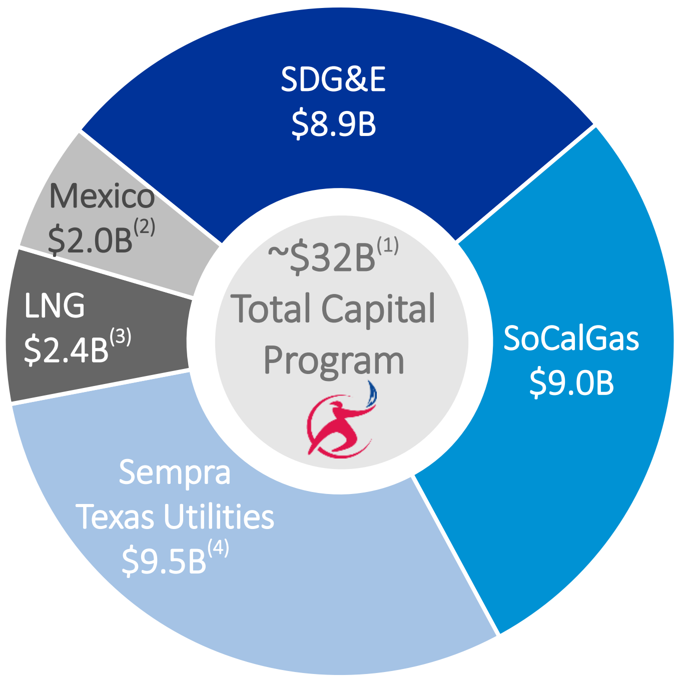
In 2018 and 2019, we focused our business on the most attractive markets in North America. We are excited to discuss our high-graded portfolio at our 2020 Investor Day in San Diego March 23rd – 24th

1. Review of our strategic vision
2. Discussion of our more focused portfolio
3. Update on each operating company
4. Greater visibility into our long-term financial plan

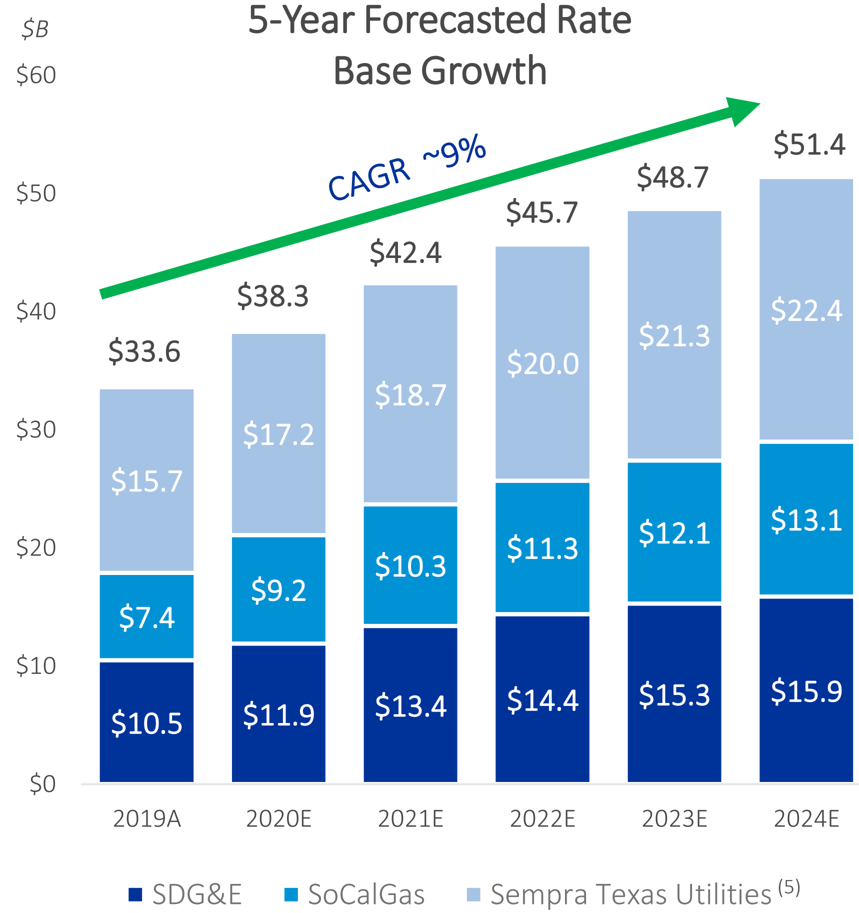
Investor Day Preview

Increased 5-year capital plan from ~$25B to ~$32B[1] since our March 2019 Investor Day; plan will be funded in a balanced manner to help maximize value and maintain a strong balance sheet

5-Year Capital Plan 2020 – 2024



5-Year Forecasted Rate Base Growth



1) Represents our proportionate ownership share and includes $9.0B of capex that will be funded by unconsolidated entities, including Oncor, Sharyland and our unconsolidated JVs. Amounts are before noncontrolling interests.
2) Includes $0.1B of capex that will be funded by Sempra Mexico's unconsolidated JVs. Amounts are before noncontrolling interest.
3) Includes $0.1B of capex that will be funded by Sempra LNG's unconsolidated JV, Cameron LNG JV. Amounts are before noncontrolling interest.
4) Represents our proportionate ownership share and includes $8.8B of capex that will be funded by Sempra Texas Utilities' unconsolidated entities, Oncor and Sharyland.
5) Reflects 100% of Oncor and Sharyland's projected year-end rate base.

Key Takeaways

- Sharpened strategic focus on North America's most attractive markets has led to successful execution and strong financial results
- Reporting FY-2019 adjusted EPS of $6.78[1] compared to FY-2018 adjusted EPS of $5.57[1], a year-over-year increase of ~22%[1]
- Reporting Q4-2019 EPS of $1.55 compared to Q4-2018 adjusted EPS of $1.56[1]
- Affirming FY-2020 adjusted EPS guidance range of $6.70 - $7.50[2]
- Announcing FY-2021 EPS guidance range of $7.50 - $8.10
- Raising the annualized dividend by 8% to $4.18 from $3.87 per share[3]

1) Sempra Energy Adjusted EPS and Full-Year Adjusted EPS Growth Rate are non-GAAP financial measures. GAAP EPS for FY-2019, FY-2018 and Q4-2018 were $7.29, $3.42, and $3.03, respectively. Full-Year GAAP EPS Growth Rate was ~113%. See Appendix for information regarding non-GAAP financial measures.
2) Sempra Energy 2020 Adjusted EPS Guidance Range is a non-GAAP financial measure. GAAP EPS Guidance Range for 2020 is $12.78 - $14.26 and includes the estimated gain on sale of the South American businesses. See Appendix for information regarding non-GAAP financial measures.
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APPENDIX

Market Recognition

Representative recognition includes:

- Only U.S. utility company on the Dow Jones Sustainability World Index
- MSCI[1]: A, compared to sector average of BBB
- CDP[2]: A-, compared to North America sector average of C, and global sector average of C
- America's 100 Most Sustainable Companies (Barron's)
- 2019 Best ESG Companies (Investor's Business Daily)
- Most Admired Companies (Fortune)
- America's Best Employers for Diversity (Bloomberg)
- 2020 will be our 12th sustainability report

1) Morgan Stanley Capital International (MSCI).
2) Carbon Disclosure Project (CDP).

LNG Overview[1]

Opportunities[1]	Nameplate Capacity[2]	Offtake Capacity[3]	Status
Cameron LNG Phase 1	~15 Mtpa	~12 Mtpa	▪ Train 1 COD under tolling agreements in Q3-2019 ▪ Train 2 achieved substantial completion; COD expected in the coming days ▪ Train 3 first LNG production targeted in Q2-2020; COD targeted Q3-2020
Cameron LNG Phase 2	~10 Mtpa	~8 Mtpa	▪ FERC permits received; extension requested ▪ DOE FTA and Non-FTA authorizations received ▪ MOUs signed with Total and Mitsui for a portion of the offtake[4]
ECA LNG Phase 1	~3.25 Mtpa	~2.5 Mtpa	▪ TechnipFMC selected as EPC contractor; agreement to be signed in the coming days[5] ▪ HOAs signed for 100% of offtake capacity[4] ▪ Goal of reaching FID in Q1-2020 ▪ DOE FTA and Non-FTA authorizations received
ECA LNG Phase 2	~14 Mtpa	~12 Mtpa	▪ MOUs signed with Total and Mitsui[4] ▪ DOE FTA and Non-FTA authorizations received
Port Arthur LNG	~13.5 Mtpa	~10 Mtpa	▪ Interim Project Participation Agreement (IPPA) with Aramco Services Company for 5 Mtpa + 25% equity[4] ▪ Definitive LNG SPA for sale of 2 Mtpa per year to PGNiG[6] ▪ EPC contract in the final stages of negotiating and finalizing[5] ▪ FERC authorization received ▪ FID expected Q3-2020 ▪ DOE FTA and Non-FTA authorizations received

Note: All but Cameron LNG Phase 1 capacities are illustrative and estimated, as final design has not been completed.

1) The ability to successfully complete major construction projects, such as the Cameron LNG facility currently under construction and LNG development projects are subject to a number of risks and uncertainties. Please refer to "Risk Factors" and "Capital Resources and Liquidity" in our most recent Annual Report on Form 10-K for a description of the risks, uncertainties and other factors associated with the Cameron LNG facility currently under construction, the proposed Cameron LNG expansion (Phase 2), the Port Arthur LNG opportunity, and Energía Costa Azul LNG mid-scale (Phase 1) and large-scale (Phase 2) opportunities.
2) Represents 100% of project, not Sempra's ownership. Size represents nameplate capacity; LNG amount the plant can produce under standard atmospheric conditions running 365 days per year at full load. Cameron LNG Phase 1 represents FERC-permitted export capacity.
3) Represents 100% of project, not Sempra's ownership.
4) Subject to negotiating and reaching definitive agreements. The IPPA, HOAs and MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.
5) If executed, we have no obligation to move forward on these EPC contracts, and we may release the EPC contractor to perform portions of the work pursuant to limited notices to proceed. We expect to fully release the EPC contractor to perform all work to construct each project only after we reach a final investment decision and after certain other conditions are met.
6) The SPA with PGNiG is subject to certain conditions precedent, including Sempra Energy making a final investment decision within certain agreed timelines.

APPENDIX

Business Unit Earnings

SDG&E

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
SDG&E GAAP Earnings	$ 185	$ 148	$ 767	$ 669

- Q4-2019 earnings are higher than Q4-2018 earnings primarily due to:
  - $33M higher CPUC base operating margin authorized for 2019, net of operating expenses, and
  - $15M higher margin from electric transmission operations, **partially offset by**
  - $4M amortization of the Wildfire Fund asset
- FY-2019 earnings are higher than FY-2018 earnings primarily due to:
  - $71M higher CPUC base operating margin authorized for 2019, net of operating expenses,
  - $31M income tax benefit from the release of a regulatory liability established in connection with 2017 tax reform for excess deferred income tax balances that the CPUC directed to be allocated to shareholders in a January 2019 decision, and
  - $11M higher margin from electric transmission operations, net of a FERC formulaic rate adjustment benefit in 2018, **partially offset by**
  - $10M amortization of Wildfire Fund asset

SoCalGas

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
SoCalGas GAAP Earnings	$ 204	$ 156	$ 641	$ 400
Impacts Associated with Aliso Canyon Litigation	-	-	-	22
SoCalGas Adjusted Earnings[1]	$ 204	$ 156	$ 641	$ 422

- Q4-2019 earnings are higher than Q4-2018 earnings primarily due to:
  - $61M higher CPUC base operating margin authorized for 2019, net of operating expenses; **partially offset by**
  - $15M lower income tax benefits
- FY-2019 earnings are higher than FY-2018 adjusted earnings[1] primarily due to:
  - $216M higher CPUC base operating margin authorized for 2019, net of operating expenses,
  - $38M income tax benefit from the impact of the January 2019 CPUC decision allocating certain excess deferred income tax balances to shareholders, and
  - $14M higher income tax benefits, **partially offset by**
  - $21M impairment of non-utility native gas assets in 2019,
  - $18M higher net interest expense, and
  - $8M in penalties in 2019 related to the SoCalGas Billing Practices OII

1) SoCalGas Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 25 for information regarding non-GAAP financial measures and a description of the adjustment above.

Sempra Texas Utilities

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
Sempra Texas Utilities GAAP Earnings	$ 109	$ 88	$ 528	$ 371

- Q4-2019 earnings are $21M higher than Q4-2018 due to higher equity earnings from Oncor Holdings driven primarily by the impact of Oncor's acquisition of InfraREIT in May 2019 and higher other income, including AFUDC equity
- FY-2019 earnings are $157M higher than FY-2018 due to higher equity earnings from Oncor Holdings, which we acquired in March 2018, driven by the impact of Oncor's acquisition of InfraREIT in May 2019 and higher revenues due to rate updates to reflect increases in invested transmission capital, partially offset by higher operating costs

Sempra Mexico[1]

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
Sempra Mexico GAAP Earnings	$ 39	$ 76	$ 253	$ 237

- Q4-2019 earnings are lower than Q4-2018 earnings primarily due to:
  - $23M lower income tax benefit in 2019 primarily related to a JV investment, and
  - $22M unfavorable impact from foreign currency and inflation effects net of foreign currency derivative effects, **partially offset by**
  - $9M higher earnings, primarily due to the start of commercial operations of the Sur de Texas-Tuxpan marine pipeline at the IMG JV in the third quarter of 2019
- FY-2019 earnings are higher than FY-2018 earnings primarily due to:
  - $12M higher earnings, primarily due to the start of commercial operations of the Sur de Texas-Tuxpan marine pipeline at the IMG JV in the third quarter of 2019, and
  - $11M lower income tax expense in 2019 primarily from a two-year tax abatement that expires in 2020, **partially offset by**
  - $13M lower earnings primarily from force majeure payments that ended on August 22, 2019 with respect to the Guaymas-El Oro segment of the Sonora pipeline

1) All variance explanations are shown after noncontrolling interests.

Sempra Renewables

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
Sempra Renewables GAAP Earnings	$ -	$ 382	$ 59	$ 328
Gain on Sale of U.S. Wind Assets	-	-	(45)	-
Impairment of U.S. Wind Equity Method Investments	-	-	-	145
Gain on Sale of Certain Sempra Renewables Assets	-	(367)	-	(367)
Sempra Renewables Adjusted Earnings[1]	$ -	$ 15	$ 14	$ 106

- Q4-2019 earnings are lower than Q4-2018 adjusted earnings[1] due to the sale of Sempra Renewables' assets in December 2018 and April 2019
- Adjusted earnings[1] for FY-2019 are lower than FY-2018 primarily due to $92M lower earnings from assets sold in December 2018 and April 2019, net of lower general and administrative and other costs due to the wind-down of the business

1) Sempra Renewables Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 25 for information regarding non-GAAP financial measures and a description of the adjustments above.

Sempra LNG

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
Sempra LNG GAAP (Losses) Earnings	$ (19)	$ 147	$ (6)	$ (617)
(Adjustment)/Impairment of U.S. Non-utility Natural Gas Storage Assets	-	(126)	-	629
Impact from the Tax Cuts and Jobs Act of 2017	-	-	-	9
Sempra LNG Adjusted (Losses) Earnings[1]	$ (19)	$ 21	$ (6)	$ 21

- Losses for Q4-2019 compared to adjusted earnings[1] for Q4-2018 primarily due to:
  - $22M lower earnings from our marketing operations mainly driven by changes in natural gas prices and lower turnback cargo revenues,
  - $19M decrease due to the write-off of unamortized debt issuance costs and associated fees related to Cameron LNG JV's debt refinancing, and
  - $9M higher liquefaction project development costs and operating costs, **partially offset by**
  - $23M increase primarily due to Train 1 commencing commercial operation under its tolling agreements in August 2019
- FY-2019 losses compared to FY-2018 adjusted earnings[1] primarily due to:
  - $28M higher liquefaction project development costs and operating costs, and
  - $19M decrease due to the write-off of unamortized debt issuance costs and associated fees related to Cameron LNG JV's debt refinancing, **partially offset by**
  - $36M increase primarily due to Train 1 commencing commercial operation under its tolling agreements in August 2019

1) Sempra LNG Adjusted (Losses) Earnings is a non-GAAP financial measure. See Appendix beginning on page 25 for information regarding non-GAAP financial measures and a description of the adjustments above.

Parent & Other

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018[1]	Years ended December 31, 2019	Years ended December 31, 2018[1]
	(Unaudited)			
Parent & Other GAAP Losses	$ (132)	$ (174)	$ (515)	$ (620)
Impact from the Tax Cuts and Jobs Act of 2017	-	32	-	32
Impairment of Investment in RBS Sempra Commodities	-	-	-	65
Reduction in Tax Valuation Allowance Against Certain NOL Carryforwards	-	-	(10)	-
Parent & Other Adjusted Losses[2]	$ (132)	$ (142)	$ (525)	$ (523)

- Q4-2019 losses are lower than Q4-2018 adjusted losses[2] primarily due to:
  - $23M higher investment gains in 2019 on dedicated assets in support of our employee nonqualified benefit plan obligations, net of deferred compensation expenses, **partially offset by**
  - $11M loss from foreign currency derivatives used to hedge exposure due to fluctuations in the Peruvian Sol related to the sale of our operations in Peru
- FY-2019 adjusted losses[2] are in-line with FY-2018 [2] and included:
  - $48M higher investment gains in 2019 on dedicated assets in support of our employee nonqualified benefit plan obligations, net of deferred compensation expenses, **partially offset by**
  - $17M increase in mandatory convertible preferred stock dividends primarily from the issuance of series B preferred stock in July 2018,
  - $11M increase primarily related to settlement charges from our nonqualified pension plan, and
  - $11M loss from foreign currency derivatives used to hedge exposure due to fluctuations in the Peruvian Sol related to the sale of our operations in Peru

1) Amounts have been retrospectively adjusted for discontinued operations.
2) Parent & Other Adjusted Losses is a non-GAAP financial measure. See Appendix beginning on page 25 for information regarding non-GAAP financial measures and a description of the adjustments above.

Discontinued Operations[1] (Sempra South American Utilities)

(Dollars in millions)	Three months ended December 31, 2019	Three months ended December 31, 2018	Years ended December 31, 2019	Years ended December 31, 2018
	(Unaudited)			
Discontinued Operations GAAP Earnings	$ 61	$ 41	$ 328	$ 156
Tax Impacts from Expected Sale of South American Businesses	-	-	(89)	-
Impact from the Tax Cuts and Jobs Act of 2017	-	28	-	44
Discontinued Operations Adjusted Earnings[2]	$ 61	$ 69	$ 239	$ 200

- Q4-2019 earnings are lower than Q4-2018 adjusted earnings[2] primarily due to:
  - $19M income tax expense related to the increase in outside basis differences from 2019 earnings, **partially offset by**
  - $15M higher earnings from South American operations mainly from higher authorized rates, lower cost of purchased power at Peru, and including $11 million lower depreciation expense due to assets classified as held for sale
- FY-2019 adjusted earnings[2] are higher than FY-2018 adjusted earnings[2] primarily due to:
  - $91M higher earnings from South American operations mainly from higher authorized rates, lower cost of purchased power at Peru, and including $38 million lower depreciation expense due to assets classified as held for sale, **partially offset by**
  - $51M income tax expense related to the increase in outside basis differences from 2019 earnings since January 25, 2019

1) Discontinued Operations include the operations of Sempra's South American businesses and income tax impacts associated with holding those businesses for sale.
2) Discontinued Operations Adjusted Earnings is a non-GAAP financial measure. See Appendix beginning on page 25 for information regarding non-GAAP financial measures and a description of the adjustments above.

APPENDIX

Non-GAAP Financial Measures

Adjusted Earnings and Adjusted EPS (Unaudited)

Adjusted Earnings (Losses), and Adjusted EPS exclude items (after the effects of income taxes and, if applicable, noncontrolling interests) in 2019 and 2018 as follows:

In the three months ended December 31, 2018:

- $367 million gain on the sale of certain Sempra Renewables assets
- $126 million reduction in the impairment of certain non-utility natural gas storage assets in the southeast U.S. at Sempra LNG
- $(60) million income tax expense in 2018 to adjust the Tax Cuts and Jobs Act of 2017 (TCJA) provisional amounts recorded in 2017

In the year ended December 31, 2019:

- $45 million gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:

- $89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale
- $10 million income tax benefit to reduce a valuation allowance against certain net operating loss (NOL) carryforwards as a result of our decision to sell our South American businesses

In the year ended December 31, 2018:

- $367 million gain on the sale of certain Sempra Renewables assets
- $(22) million impacts associated with Aliso Canyon natural gas storage facility litigation at Southern California Gas Company (SoCalGas)
- $(145) million other-than-temporary impairment of certain U.S. wind equity method investments at Sempra Renewables
- $(629) million impairment of certain non-utility natural gas storage assets at Sempra LNG
- $(65) million impairment of RBS Sempra Commodities LLP (RBS Sempra Commodities) equity method investment at Parent and Other
- $(85) million income tax expense in 2018 to adjust the TCJA provisional amounts recorded in 2017

Adjusted Earnings (Losses), Weighted-Average Common Shares Outstanding – Adjusted, Adjusted EPS, Full-Year Adjusted Earnings Growth Rate and Full-Year Adjusted EPS Growth Rate are non-GAAP financial measures (GAAP represents accounting principles generally accepted in the United States of America). Because of the significance and/or nature of the excluded items, management believes that these non-GAAP financial measures provide a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The tables below reconcile for historical periods these non-GAAP financial measures to GAAP Earnings (Losses), Weighted-Average Common Shares Outstanding – GAAP, GAAP Diluted Earnings Per Common Share (GAAP EPS), Full-Year GAAP Earnings Growth Rate and Full-Year GAAP EPS Growth Rate, and which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

Adjusted Earnings and Adjusted EPS (Unaudited)

(Dollars in millions, except per share amounts; shares in thousands)	Pretax amount	Income tax expense (benefit)[1]	Earnings	Pretax amount	Income tax expense (benefit)[1]	Non-controlling interests	Earnings
	Three months ended December 31, 2019			Three months ended December 31, 2018			
Sempra Energy GAAP Earnings			$ 447				$ 864
Excluded items:							
Gain on sale of certain Sempra Renewables assets	$ -	$ -	-	$ (513)	$ 146	$ -	(367)
Reduction of impairment of non-utility natural gas storage assets	-	-	-	(183)	47	10	(126)
Impact from the TCJA	-	-	-	-	60	-	60
Sempra Energy Adjusted Earnings			$ 447				$ 431
Diluted EPS:							
Sempra Energy GAAP Earnings[2]			$ 447				$ 900
Weighted-average common shares outstanding, diluted - GAAP			288,787				296,429
Sempra Energy GAAP EPS			$ 1.55				$ 3.03
Sempra Energy Adjusted Earnings for Adjusted EPS							$ 431
Weighted-average common shares outstanding, diluted - Adjusted[2]							276,230
Sempra Energy Adjusted EPS							$ 1.56

	Pretax amount	Income tax expense (benefit)[1]	Earnings	Pretax amount	Income tax expense (benefit)[1]	Non-controlling interests	Earnings
	Year ended December 31, 2019			Year ended December 31, 2018			
Sempra Energy GAAP Earnings			$ 2,055[3]				$ 924[3]
Excluded items:							
Gain on sale of certain Sempra Renewables assets	$ (61)	$ 16	(45)	$ (513)	$ 146	$ -	(367)
Associated with holding the South American businesses for sale:							
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	-	(89)	(89)	-	-	-	-
Reduction in tax valuation allowance against certain NOL carryforwards	-	(10)	(10)	-	-	-	-
Impacts associated with Aliso Canyon litigation	-	-	-	1	21	-	22
Impairment of U.S. wind equity method investments	-	-	-	200	(55)	-	145
Impairment of non-utility natural gas storage assets	-	-	-	1,117	(452)	(36)	629
Impairment of investment in RBS Sempra Commodities	-	-	-	65	-	-	65
Impact from the TCJA	-	-	-	-	85	-	85
Sempra Energy Adjusted Earnings			$ 1,911[4]				$ 1,503[4]
Diluted EPS:							
Weighted-average common shares outstanding, diluted - GAAP			282,033				269,852
Sempra Energy GAAP EPS			$ 7.29[3]				$ 3.42[3]
Sempra Energy Adjusted EPS			$ 6.78[4]				$ 5.57[4]

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates.

(2) In the three months ended December 31, 2018, because the assumed conversion of the mandatory convertible preferred stock is dilutive for GAAP Earnings, the numerator used to calculate GAAP EPS included an add-back of $36 million of mandatory convertible preferred stock dividends declared in that quarter. However, because the assumed conversion is antidilutive for the lower Adjusted Earnings, 20,199 mandatory convertible preferred stock shares are not included in the denominator used to calculate Adjusted EPS.

(3) Percentage increase in 2019 compared to 2018 for Full-Year GAAP Earnings and GAAP EPS was 122% and 113%, respectively.

(4) Percentage increase in 2019 compared to 2018 for Full-Year Adjusted Earnings and Adjusted EPS was 27% and 22%, respectively.

Business Unit Adjusted Earnings (Unaudited)[1]

(Dollars in millions)	SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra Renewables	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Energy Consolidated
	Three months ended December 31, 2018								
GAAP Earnings (Losses)	$ 148	$ 156	$ 88	$ 76	$ 382	$ 147	$ (174)	$ 41	$ 864
Gain on sale of certain Sempra Renewables assets, net of $146 income tax expense					(367)				(367)
(Adjustment)/Impairment of U.S. Non-utility Natural Gas Storage Assets, net of $47 income tax expense and $10 NCI						(126)			(126)
Impact from the TCJA							32	28	60
Adjusted Earnings (Losses)	$ 148	$ 156	$ 88	$ 76	$ 15	$ 21	$ (142)	$ 69	$ 431
	Year ended December 31, 2019								
GAAP Earnings (Losses)	$ 767	$ 641	$ 528	$ 253	$ 59	$ (6)	$ (515)	$ 328	$ 2,055
Gain on sale of U.S. Wind Assets, net of $16 income tax expense					(45)				(45)
Tax Impacts from Expected Sale of South American Businesses							(10)	(89)	(99)
Adjusted Earnings (Losses)	$ 767	$ 641	$ 528	$ 253	$ 14	$ (6)	$ (525)	$ 239	$ 1,911
	Year ended December 31, 2018								
GAAP Earnings (Losses)	$ 669	$ 400	$ 371	$ 237	$ 328	$ (617)	$ (620)	$ 156	$ 924
Impacts Associated with Aliso Canyon Litigation, net of $21 income tax expense		22							22
Impairment of U.S. Wind Equity Method Investments, net of $55 income tax benefit					145				145
Gain on Sale of Certain Sempra Renewables Assets, net of $146 income tax expense					(367)				(367)
(Adjustment)/Impairment of U.S. Non-utility Natural Gas Storage Assets, net of $452 income tax benefit and $36 NCI						629			629
Impairment of Investment in RBS Sempra Commodities							65		65
Impact from the TCJA						9	32	44	85
Adjusted Earnings (Losses)	$ 669	$ 422	$ 371	$ 237	$ 106	$ 21	$ (523)	$ 200	$ 1,503

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes on pretax amounts were primarily calculated based on applicable statutory tax rates

Sempra Energy®

2019 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy 2019 Adjusted EPS Guidance Range of $6.00 to $6.50 excludes items as follows:

- $45 million gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:

- $89 million income tax benefit from outside basis differences in our South American businesses primarily related to the change in our indefinite reinvestment assertion from our decision in January 2019 to hold those businesses for sale and a change in the anticipated structure of the sale
- $10 million income tax benefit to reduce a valuation allowance against certain NOL carryforwards as a result of our decision to sell our South American businesses

Sempra Energy 2019 Adjusted EPS Guidance is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Sempra Energy 2019 Adjusted EPS Guidance should not be considered an alternative to Sempra Energy 2019 GAAP EPS Guidance. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles Sempra Energy 2019 Adjusted EPS Guidance Range to Sempra Energy 2019 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure in accordance with GAAP.

	Full-Year 2019		
Sempra Energy GAAP EPS Guidance Range	$ 6.50	to	$ 7.00
Excluded items:			
Gain on sale of certain Sempra Renewables assets	(0.16)		(0.16)
Associated with holding the South American businesses for sale:			
Change in indefinite reinvestment assertion of basis differences and structure of sale of discontinued operations	(0.31)		(0.31)
Reduction in tax valuation allowance against certain NOL carryforwards	(0.03)		(0.03)
Sempra Energy Adjusted EPS Guidance Range	$ 6.00	to	$ 6.50
Weighted-average common shares outstanding, diluted (millions)			283

2020 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy 2020 Adjusted EPS Guidance Range of $6.70 to $7.50 excludes approximately $1.8 billion to $2.0 billion estimated after-tax gain on the sale of our South American businesses, net of approximately $1.2 billion of income tax expense, which was calculated primarily based on applicable statutory tax rates.

Sempra Energy 2020 Adjusted EPS Guidance is a non-GAAP financial measure. Because of the significance and/or nature of the excluded items, management believes that this non-GAAP financial measure provides a meaningful comparison of the performance of Sempra Energy's business operations to prior and future periods. Sempra Energy 2020 Adjusted EPS Guidance should not be considered an alternative to Sempra Energy 2020 GAAP EPS Guidance. Non-GAAP financial measures are supplementary information that should be considered in addition to, but not as a substitute for, the information prepared in accordance with GAAP. The table below reconciles Sempra Energy 2020 Adjusted EPS Guidance Range to Sempra Energy 2020 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure in accordance with GAAP.

	Full-Year 2020		
Sempra Energy GAAP EPS Guidance Range	$ 12.78	to	$ 14.26
Excluded item:			
Estimated gain on sale of South American businesses	(6.08)		(6.76)
Sempra Energy Adjusted EPS Guidance Range	$ 6.70	to	$ 7.50
Weighted-average common shares outstanding, diluted (millions)			295