



Sempra Energy Trading Acquires Enron Metals Limited

Company to Capitalize on Synergies Between Energy and Metals Trading Markets

STAMFORD, Conn., Jan. 29, 2002 - Sempra Energy Trading, the wholesale energy trading subsidiary of Sempra Energy (NYSE: SRE), today announced that it is acquiring London-based Enron Metals Limited, the leading metals trader on the London Metals Exchange (LME).

Sempra Energy stated that it is purchasing the business for a cash price of approximately \$145 million, subject to a final audit of the net assets. The transaction is expected to be completed Feb. 4, 2002.

"This acquisition further expands Sempra Energy's trading and risk-management capabilities in the global marketplace and enhances Sempra Energy Trading's position as a premier commodity trading firm," said Donald E. Felsing, group president of Sempra Energy Global Enterprises, the umbrella for Sempra Energy's growth businesses, including Sempra Energy Trading. "Enron Metals Limited is active in metal brokering and market making. Since its inception, this has been a profitable company and we expect this track record of success to continue, adding new value for our shareholders."

Felsing said the transaction is expected to be accretive to Sempra Energy's earnings in 2002.

Upon closing of the transaction, Enron Metals Limited will be renamed Sempra Metals Limited and continue to be based in London.

Enron Metals Limited is the former Metallgesellschaft Limited brokering and market-making business that was founded in 1970 and was the largest segment of MG plc, which was floated on the London Stock Exchange in September 1999. MG plc subsequently was purchased by Enron Corporation in July 2000.

Sempra Energy Trading has retained Thomas McKeever, the former chairman of MG plc, to lead Sempra Metals Limited. Michael Hutchinson continues as president and chief executive officer and Tim Jones as managing director. David Tregar is returning as chief financial officer. Both McKeever and Tregar left Enron in July 2001. McKeever will report to David Messer, president of Sempra Energy Trading.

"We are pleased to have on board one of the most experienced and successful metals-trading management groups in the industry," said Messer. "This acquisition is strategic for our company, because there are natural synergies between the energy and metals trading businesses -- some of the largest energy users are metals producers. We see tremendous opportunity to expand risk-management services for our current customer base, as well as attract new customers with our ability to structure cross-commodity deals."

Enron Metals Limited, which is subject to regulation under the United Kingdom's Financial Services Authority (FSA) and the LME, has maintained its strong capital base, and net trading revenues are currently running at an annual rate in excess of \$50 million, with approximately 95 percent of revenues generated from international customers.

"Joining the Sempra Energy companies, with their global reach and strong balance sheet, will create new opportunities for us and our customers," said McKeever. "We will look to grow the business and participate in other parts of the global metals market, such as trading refined metals. We are focused on continuing our strong operational performance, achieved by an enduring, motivated team that values and nurtures long-standing customers."

Enron Metals Limited has offices in London; New York; Tokyo; Stockholm, Sweden; Madrid, Spain; Hamburg, German