



SEMPRA

Second Quarter 2021 Earnings Results

August 5, 2021

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This presentation contains statements that 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. Future results may differ materially from those expressed in any forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of August 5, 2021. 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,” “in process,” “under construction,” “in development,” “target,” “outlook,” “maintain,” “continue,” “goal,” “aim,” “commit,” or similar expressions, or when we discuss our guidance, priorities, strategy, goals, vision, mission, opportunities, projections, intentions or expectations.

Factors, among others, that could cause actual results and events to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: California wildfires, including the risks that we may be found liable for damages regardless of fault and that we may not be able to recover costs from insurance, the wildfire fund established by California Assembly Bill 1054 or in rates from customers; decisions, investigations, regulations, issuances or revocations of permits and other authorizations, renewals of franchises, and other actions by (i) the Comisión Federal de Electricidad, California Public Utilities Commission (CPUC), U.S. Department of Energy, U.S. Federal Energy Regulatory Commission, Public Utility Commission of Texas, and other regulatory and governmental bodies and (ii) states, counties, cities and other jurisdictions in the U.S., Mexico and other countries in which we do business; the success of business development efforts, construction projects and acquisitions and divestitures, including risks in (i) the ability to make a final investment decision, (ii) completing construction projects or other transactions on schedule and budget, (iii) the ability to realize anticipated benefits from any of these efforts if completed, and (iv) obtaining the consent of partners or other third parties; the resolution of civil and criminal litigation, regulatory inquiries, investigations and proceedings, and arbitrations, including, among others, those related to the natural gas leak at Southern California Gas Company’s (SoCalGas) Aliso Canyon natural gas storage facility; actions by credit rating agencies to downgrade our credit ratings or to place those ratings on negative outlook and our ability to borrow on favorable terms and meet our substantial debt service obligations; actions to reduce or eliminate reliance on natural gas, including any deterioration of or increased uncertainty in the political or regulatory environment for local natural gas distribution companies operating in California; weather, natural disasters, pandemics, accidents, equipment failures, explosions, acts of terrorism, information system outages or other events that disrupt our operations, damage our facilities and systems, cause the release of harmful materials, cause fires or subject us to liability for property damage or personal injuries, fines and penalties, some of which may not be covered by insurance, 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 or limitations on the withdrawal of natural gas from storage facilities; the impact of the COVID-19 pandemic on capital projects, regulatory approvals and the execution of our operations; cybersecurity threats to the energy grid, storage and pipeline infrastructure, information and systems used to operate our businesses, and confidentiality of our proprietary information and personal information of our customers and employees, including ransomware attacks on our systems and the systems of third-party vendors and other parties with which we conduct business; expropriation of assets, failure of foreign governments and state-owned entities to honor their contracts, and property disputes; the impact at San Diego Gas & Electric Company (SDG&E) on competitive customer rates and reliability due to the growth in distributed and local power generation, including from departing retail load resulting from customers transferring to Direct Access and Community Choice Aggregation, 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, inflation and interest rates and commodity prices and our ability to effectively hedge these risks; changes in tax and trade policies, laws and regulations, including tariffs and revisions to international trade agreements that may increase our costs, reduce our competitiveness, or impair our ability to resolve trade disputes; 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 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, www.sempra.com. Investors should not rely unduly on any forward-looking statements.

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, SDG&E or SoCalGas, and Sempra North American Infrastructure, Sempra LNG, Sempra Mexico, Sempra Texas Utilities, Oncor and IEnova are not regulated by the CPUC.

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EXECUTIVE SUMMARY

Executing across our three growth platforms in what we believe are the most attractive markets in North America

- Announcing higher projected 5-year capital plan at Oncor of \$14.0B¹
- Progressing series of Sempra Infrastructure transactions²

Reporting Q2-2021 adjusted earnings per common share (EPS) of \$1.63 and YTD-2021 adjusted EPS of \$4.58³

Affirming recently increased FY-2021 adjusted EPS guidance range of \$7.75 – \$8.35 and FY-2022 EPS guidance range of \$8.10 – \$8.70^{3,4}

1. Amount is approximate. Reflects 100% of Oncor's current projected capital expenditures for 2022 – 2026 which Oncor will present to its board of directors in October 2021. Actual amounts/results may differ materially. Capital plan is higher compared to the previously announced 2021 – 2025 capital plan of \$12.2B.
2. The ability to complete these transactions is subject to closing conditions and a number of risks and uncertainties. Please refer to "Risk Factors" in our most recent Annual Report on Form 10-K and "Capital Resources and Liquidity" in our most recent Quarterly Report on Form 10-Q for a description of the risks and other factors associated with these transactions.
3. Adjusted EPS and Adjusted EPS Guidance Range represent non-GAAP financial measures (GAAP means generally accepted accounting principles in the United States of America). GAAP EPS for Q2-2021 and YTD-2021 were \$1.37 and \$4.24, respectively. GAAP EPS Guidance Range for FY-2021 was updated to \$7.41 – \$8.01. See Appendix for information regarding non-GAAP financial measures.
4. EPS Guidance Range includes impact of Sempra Infrastructure transactions, which include the sale of noncontrolling interest (NCI) in Sempra Infrastructure Partners and acquisition of approximately 30% of Sempra Mexico's NCI.

BUSINESS UPDATES

SEMPRA CALIFORNIA

- SDG&E received CPUC approval of 2021 Wildfire Mitigation Plan Update in July
- SoCalGas began RNG flows at two additional biomethane projects in support of goal to provide 20% RNG by 2030¹

SEMPRA TEXAS

- Oncor announced 2022 – 2026 capital plan of \$14.0B, \$1.8B increase over the previous 5-year capital plan²
- Oncor rate case filing deadline moved from Oct 1, 2021 to Jun 1, 2022³

SEMPRA INFRASTRUCTURE

- Completed exchange offer for IEnova shares in May, resulting in 96.4% ownership; plan to launch cash tender offer to acquire remaining interest
- Advancing sale of 20% NCI to KKR for \$3.37B; expect to close around the end of Q3-2021⁴
- IEnova's Mexico City storage terminal reached COD in July⁵

1. Renewable Natural Gas (RNG). Specifically, SoCalGas aims to provide 20% RNG to core customers as defined in SoCalGas' Tariff Rule No. 23, by 2030. SoCalGas will need the support of state regulations, such as the RNG targets or goals to be considered by the CPUC as part of Senate Bill 1440, in order to meet its 2030 goal.

2. Amounts are approximate. Reflects 100% of Oncor's current projected capital expenditures for 2022 – 2026 which Oncor will present to its board of directors in October 2021. Actual amounts/results may differ materially. Capital plan is higher compared to the previously announced 2021 – 2025 capital plan of \$12.2B.

3. Public Utility Commission of Texas Docket No. 52100.

4. Subject to adjustments. KKR Pinnacle Aggregator L.P., an affiliate of Kohlberg Kravis Roberts & Co. L.P. (KKR). The ability to complete this transaction is subject to closing conditions and a number of risks and uncertainties. Please refer to "Risk Factors" in our most recent Annual Report on Form 10-K and "Capital Resources and Liquidity" in our most recent Quarterly Report on Form 10-Q for a description of the risks and other factors associated with these transactions.

5. Commercial operation date (COD).

ONCOR CAPITAL UPDATE

Oncor Projected Capital Plan¹



ECONOMIC DEVELOPMENT

- Prospects for new relocations, expansions, and electric service for 2021 expected to exceed 2020 by 70% and 2019 by 170%

GENERATION INTERCONNECTIONS

- Active generation interconnection requests for over 47 GW of capacity, predominantly solar, wind + storage²

PREMISE GROWTH

- Continued strong organic growth with 43,000 premises connected YTD-2021 vs 38,000 premises YTD-2020²

GRID RESILIENCY

- Capacity expansions to meet seasonal conditions and grid hardening

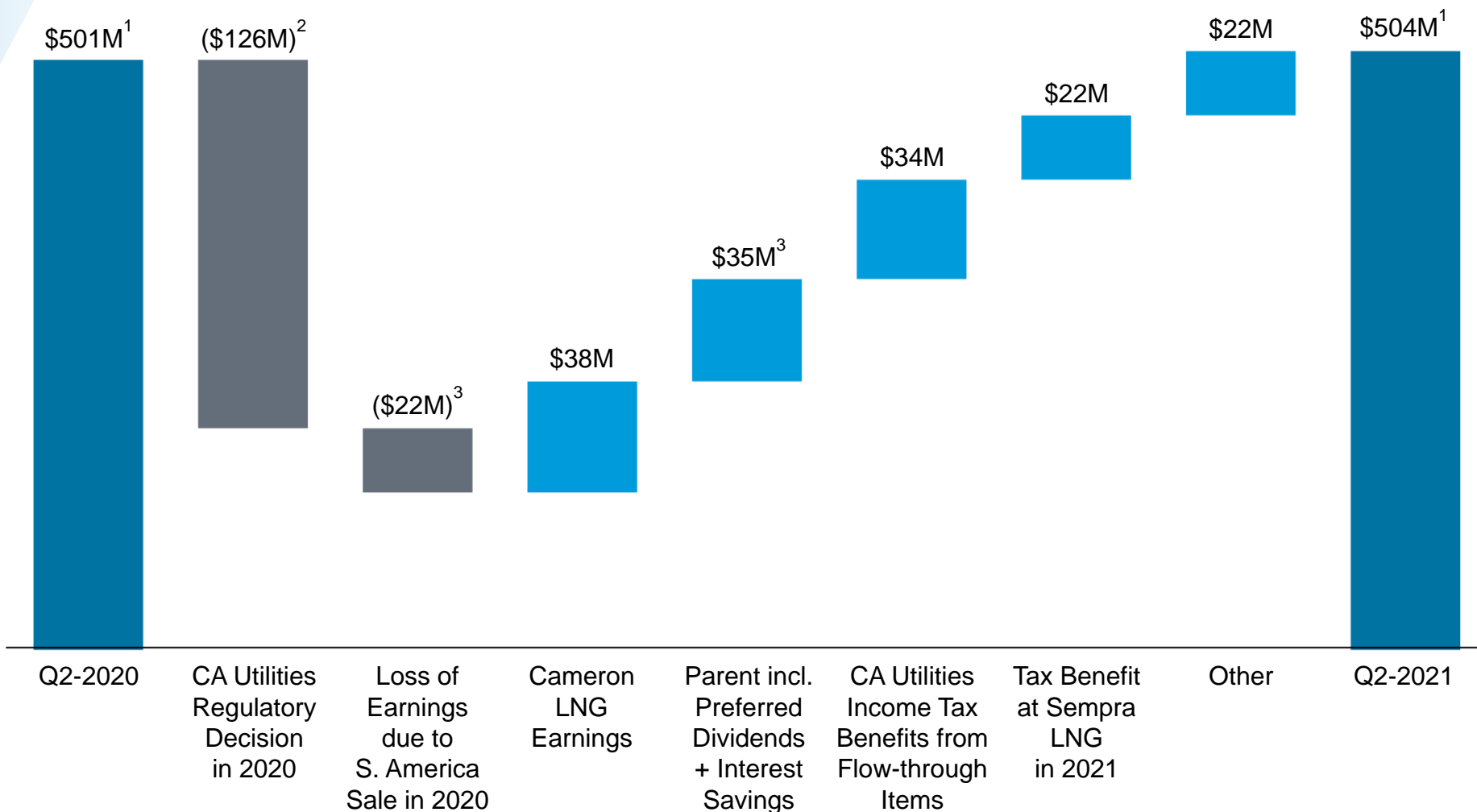
1. Amounts are approximate. Capital plan of \$12.2B reflects the previously announced 2021 – 2025 long-term capital plan presented to Oncor's board of directors in October 2020. Capital plan of \$14.0B reflects Oncor's current projected capital expenditures for 2022 – 2026 which Oncor will present to its board of directors in October 2021. Reflects 100% of Oncor's projected capital expenditures. Actual amounts/results may differ materially.
2. Amounts are approximate and as of June 30.

Q2-2021 FINANCIAL RESULTS

	Three months ended		Six months ended	
	June 30,		June 30,	
(Dollars, except EPS, and shares in millions)	2021	2020	2021	2020
	<i>(Unaudited)</i>			
GAAP Earnings	\$ 424	\$ 2,239	\$ 1,298	\$ 2,999
Impact from Foreign Currency and Inflation and Associated Undesignated Derivatives ¹	72	21	69	(129)
Net Unrealized Losses (Gains) on Commodity Derivatives ¹	58	(5)	87	(46)
Impacts Associated with Aliso Canyon Litigation	-	-	-	72
Gain on Sale of South American Businesses	-	(1,754)	-	(1,754)
(Earnings) Losses from Investment in RBS Sempra Commodities LLP	(50)	-	(50)	100
Adjusted Earnings²	\$ 504	\$ 501	\$ 1,404	\$ 1,242
Diluted Weighted-Average Common Shares Outstanding	309	294	306	308
GAAP EPS ³	\$ 1.37	\$ 7.61	\$ 4.24	\$ 9.91
Diluted Weighted-Average Common Shares Outstanding ⁴	309	294	311	308
Adjusted EPS^{2,3,5}	\$ 1.63	\$ 1.71	\$ 4.58	\$ 4.20

1. Q2-2020 and YTD-2020 Adjusted Earnings and Adjusted EPS have been updated to exclude this item to conform to current year presentation.
2. Represents a non-GAAP financial measure. See Appendix for information regarding non-GAAP financial measures and descriptions of adjustments.
3. To calculate YTD-2020 GAAP EPS and Adjusted EPS, preferred dividends of \$52M are added back to GAAP Earnings and Adjusted Earnings because of the dilutive effect of Series A mandatory convertible preferred stock.
4. YTD-2020 Diluted Weighted-Average Common Shares Outstanding has been updated for the exclusion of additional items to conform to current year presentation.
5. To calculate YTD-2021 Adjusted EPS, preferred dividends of \$19M are added back to Adjusted Earnings because of the dilutive effect of Series B mandatory convertible preferred stock.

Q2-2021 ADJUSTED EARNINGS DRIVERS



1. Represents a non-GAAP financial measure. GAAP Earnings for Q2-2020 and Q2-2021 were \$2,239M and \$424M, respectively. Q2-2020 Adjusted Earnings has been updated to exclude additional items to conform to current year presentation. See Appendix for information regarding non-GAAP financial measures and descriptions of adjustments.
2. Includes \$62M and \$64M at SDG&E and SoCalGas, respectively, release of a regulatory liability in 2020 related to 2016 – 2018 income tax expense forecasting differences.
3. Represents a non-GAAP financial measure. See Appendix for information regarding non-GAAP financial measures.

SUMMARY

Executing across our three growth platforms in what we believe are the most attractive markets in North America

- Announcing higher projected 5-year capital plan at Oncor of \$14.0B¹
- Progressing series of Sempra Infrastructure transactions²

Reporting Q2-2021 adjusted EPS of \$1.63 and YTD-2021 adjusted EPS of \$4.58³

Our top-tier T+D infrastructure platforms and narrowed strategic focus in growing markets continue to provide strong financial and operational results

1. Amount is approximate. Reflects 100% of Oncor's current projected capital expenditures for 2022 – 2026 which Oncor will present to its board of directors in October 2021. Actual amounts/results may differ materially. Capital plan is higher compared to the previously announced 2021 – 2025 capital plan of \$12.2B.
2. The ability to complete these transactions is subject to closing conditions and a number of risks and uncertainties. Please refer to "Risk Factors" in our most recent Annual Report on Form 10-K and "Capital Resources and Liquidity" in our most recent Quarterly Report on Form 10-Q for a description of the risks and other factors associated with these transactions.
3. Adjusted EPS represents a non-GAAP financial measure. GAAP EPS for Q2-2021 and YTD-2021 were \$1.37 and \$4.24, respectively. See Appendix for information regarding non-GAAP financial measures.

APPENDIX

Business Unit Earnings

SEMPRA CALIFORNIA | SDG&E

<i>(Unaudited, dollars in millions)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
SDG&E GAAP Earnings	\$ 186	\$ 193	\$ 398	\$ 455

Q2-2021 earnings are lower than Q2-2020 primarily due to:

- \$62M decrease due to the release of a regulatory liability in 2020 related to 2016-2018 income tax expense forecasting differences, **partially offset by**
- \$20M higher income tax benefits from forecasted flow-through items,
- \$15M charge in 2020 for amounts expected to be refunded to customers related to the Energy Efficiency Program inquiry,
- \$7M higher electric transmission margin, and
- \$6M higher CPUC base operating margin, net of operating expenses

SEMPRA CALIFORNIA | SOCALGAS

<i>(Unaudited, dollars in millions)</i>	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
SoCalGas GAAP Earnings	\$ 94	\$ 146	\$ 501	\$ 449
Impacts Associated with Aliso Canyon Litigation	-	-	-	72
SoCalGas Adjusted Earnings ¹	\$ 94	\$ 146	\$ 501	\$ 521

Q2-2021 earnings are lower than Q2-2020 primarily due to:

- \$64M decrease due to the release of a regulatory liability in 2020 related to 2016-2018 income tax expense forecasting differences, and
- \$9M lower CPUC base operating margin, net of operating expenses, **partially offset by**
- \$14M higher income tax benefits from forecasted flow-through items

1. Adjusted Earnings represents a non-GAAP financial measure. See Appendix for information regarding non-GAAP financial measures and description of the adjustment above.

SEMPRA TEXAS | SEMPRA TEXAS UTILITIES

<i>(Unaudited, dollars in millions)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Sempra Texas Utilities GAAP Earnings	\$ 138	\$ 144	\$ 273	\$ 249

Q2-2021 earnings are lower than Q2-2020 primarily due to lower equity earnings driven by:

- Increased operating costs and expenses attributable to invested capital, **partially offset by**
- Increased revenues from rate updates to reflect increases in invested capital and customer growth (net of lower consumption due to weather)

SEMPRA INFRASTRUCTURE | SEMPra MEXICO

<i>(Unaudited, dollars in millions)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Sempra Mexico GAAP Earnings	\$ 4	\$ 61	\$ 61	\$ 252
Impact from Foreign Currency and Inflation and Associated Undesignated Derivatives ¹	70	9	67	(118)
Net Unrealized Losses (Gains) on Commodity Derivatives ¹	1	(2)	10	-
Sempra Mexico Adjusted Earnings ²	\$ 75	\$ 68	\$ 138	\$ 134

Q2-2021 adjusted earnings are in-line with Q2-2020²

1. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude this item to conform to the current year presentation.
2. Adjusted Earnings represents a non-GAAP financial measure. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude items to conform to the current year presentation. See Appendix for information regarding non-GAAP financial measures and description of the adjustments above.

SEMPRA INFRASTRUCTURE | SEMPra LNG

<i>(Unaudited, dollars in millions)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Sempra LNG GAAP Earnings	\$ 47	\$ 61	\$ 193	\$ 136
Impact from Foreign Currency and Inflation and Associated Undesignated Derivatives ¹	2	-	2	1
Net Unrealized Losses (Gains) on Commodity Derivatives ¹	57	(3)	77	(46)
Sempra LNG Adjusted Earnings ²	\$ 106	\$ 58	\$ 272	\$ 91

Q2-2021 adjusted earnings are higher than Q2-2020 primarily due to:²

- \$38M higher equity earnings from Cameron LNG JV primarily due to the three-train liquefaction project achieving full commercial operations in August 2020, and
- \$22M income tax benefit in 2021 from the remeasurement of certain deferred income taxes

1. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude this item to conform to the current year presentation.

2. Adjusted Earnings represents a non-GAAP financial measure. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude items to conform to the current year presentation. See Appendix for information regarding non-GAAP financial measures and description of the adjustments above.

PARENT & OTHER

<i>(Unaudited, dollars in millions)</i>	Three months ended		Six months ended	
	June 30,		June 30,	
	2021	2020	2021	2020
Parent & Other GAAP Losses	\$ (45)	\$ (141)	\$ (128)	\$ (389)
Impact from Foreign Currency and Inflation and Associated Undesignated Derivatives ¹	-	11	-	3
(Earnings) Losses from Investment in RBS Sempra Commodities LLP	(50)	-	(50)	100
Parent & Other Adjusted Losses ²	\$ (95)	\$ (130)	\$ (178)	\$ (286)

Q2-2021 adjusted losses are lower than Q2-2020 primarily due to:²

- \$17M lower preferred stock dividends as a result of \$26M lower dividends due to the mandatory conversion of all Series A preferred stock in January 2021, offset by \$9M higher dividends due to the issuance of Series C preferred stock in June 2020, and
- \$14M lower net interest expense

1. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude this item to conform to the current year presentation.

2. Adjusted Earnings represents a non-GAAP financial measure. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude items to conform to the current year presentation. See Appendix for information regarding non-GAAP financial measures and description of the adjustments above.

DISCONTINUED OPERATIONS (SEMPRA SOUTH AMERICAN UTILITIES)¹

<i>(Unaudited, dollars in millions)</i>	Three months ended June 30,		Six months ended June 30,	
	2021	2020	2021	2020
Discontinued Operations GAAP Earnings	\$ -	\$ 1,775	\$ -	\$ 1,847
Impact from Foreign Currency and Inflation and Associated Undesignated Derivatives ²	-	1	-	(15)
Gain on Sale of South American Businesses	-	(1,754)	-	(1,754)
Discontinued Operations Adjusted Earnings ³	\$ -	\$ 22	\$ -	\$ 78

Q2-2021 earnings are lower than Q2-2020 adjusted earnings due to the sales of our Peruvian businesses in April 2020 and Chilean businesses in June 2020³

1. Discontinued Operations include the operations of Sempra's South American businesses and income tax impacts associated with holding those businesses for sale.
2. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude this item to conform to the current year presentation.
3. Adjusted Earnings represents a non-GAAP financial measure. Adjusted Earnings for Q2-2020 and YTD-2020 have been updated to exclude items to conform to the current year presentation. See Appendix for information regarding non-GAAP financial measures and description of the adjustments above.

APPENDIX

Non-GAAP Financial Measures

ADJUSTED EARNINGS AND ADJUSTED EPS (UNAUDITED)

Sempra Adjusted Earnings and Adjusted EPS exclude items (after the effects of income taxes and, if applicable, noncontrolling interests) in 2021 and 2020 as follows:

In the three months ended June 30, 2021:

- \$(72)M impact from foreign currency and inflation and associated undesignated derivatives
- \$(58)M net unrealized losses on commodity derivatives
- \$50M equity earnings from investment in RBS Sempra Commodities LLP, which represents a reduction to an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and Other

In the three months ended June 30, 2020:

- \$(21)M impact from foreign currency and inflation and associated undesignated derivatives
- \$5M net unrealized gains on commodity derivatives
- \$1,754M gain on the sale of our South American businesses

In the six months ended June 30, 2021:

- \$(69)M impact from foreign currency and inflation and associated undesignated derivatives
- \$(87)M net unrealized losses on commodity derivatives
- \$50M equity earnings from investment in RBS Sempra Commodities LLP, which represents a reduction to an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and other

In the six months ended June 30, 2020:

- \$129M impact from foreign currency and inflation and associated undesignated derivatives
- \$46M net unrealized gains on commodity derivatives
- \$(72)M from impacts associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- \$(100)M equity losses from investment in RBS Sempra Commodities LLP, which represents an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and Other
- \$1,754M gain on the sale of our South American businesses

Sempra Adjusted Earnings and Adjusted EPS are non-GAAP financial measures (GAAP represents generally accepted accounting principles in the United States of America). These non-GAAP financial measures exclude significant items that are generally not related to our ongoing business activities and/or are infrequent in nature. These non-GAAP financial measures also exclude the impact from foreign currency and inflation effects and associated undesignated derivatives and unrealized gains and losses on commodity derivatives, which we expect to occur in future periods, and which can vary significantly from one period to the next. Exclusion of these items is useful to management and investors because it provides a meaningful comparison of the performance of Sempra'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 table below reconciles for historical periods these non-GAAP financial measures to Sempra GAAP Earnings and GAAP EPS, which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

ADJUSTED EARNINGS AND ADJUSTED EPS (UNAUDITED)

	Pretax amount	Income tax expense (benefit) ¹	Non-controlling interests	Earnings	Pretax amount	Income tax expense (benefit) ¹	Non-controlling interests	Earnings
	Three months ended June 30, 2021				Three months ended June 30, 2020			
Sempra GAAP Earnings				\$ 424				\$ 2,239
Excluded items:								
Impact from foreign currency and inflation and associated undesignated derivatives	\$ 2	\$ 83	\$ (13)	72	\$ (1)	\$ 31	\$ (9)	21
Net unrealized losses (gains) on commodity derivatives	79	(22)	1	58	(6)	1	-	(5)
Gain on sale of South American businesses	-	-	-	-	(2,915)	1,161	-	(1,754)
Earnings from investment in RBS Sempra Commodities LLP	(50)	-	-	(50)	-	-	-	-
Sempra Adjusted Earnings²				<u>\$ 504</u>				<u>\$ 501</u>
Diluted EPS:								
Sempra GAAP Earnings				\$ 424				\$ 2,239
Weighted-average common shares outstanding, diluted				308,607				294,155
Sempra GAAP EPS				<u>\$ 1.37</u>				<u>\$ 7.61</u>
Sempra Adjusted Earnings ²				\$ 504				\$ 501
Weighted-average common shares outstanding, diluted				308,607				294,155
Sempra Adjusted EPS ²				<u>\$ 1.63</u>				<u>\$ 1.71</u>
	Six months ended June 30, 2021				Six months ended June 30, 2020			
Sempra GAAP Earnings				\$ 1,298				\$ 2,999
Excluded items:								
Impact from foreign currency and inflation and associated undesignated derivatives	\$ 32	\$ 41	\$ (4)	69	\$ 94	\$ (322)	\$ 99	(129)
Net unrealized losses (gains) on commodity derivatives	125	(35)	(3)	87	(63)	17	-	(46)
Impacts associated with Aliso Canyon litigation	-	-	-	-	100	(28)	-	72
Gain on sale of South American businesses	-	-	-	-	(2,915)	1,161	-	(1,754)
(Earnings) losses from investment in RBS Sempra Commodities LLP	(50)	-	-	(50)	100	-	-	100
Sempra Adjusted Earnings²				<u>\$ 1,404</u>				<u>\$ 1,242</u>
Diluted EPS:								
Sempra GAAP Earnings				\$ 1,298				\$ 2,999
Add back dividends for dilutive series A preferred stock				-				52
Sempra GAAP Earnings for GAAP EPS				<u>\$ 1,298</u>				<u>\$ 3,051</u>
Weighted-average common shares outstanding, diluted - GAAP				306,284				307,962
Sempra GAAP EPS				<u>\$ 4.24</u>				<u>\$ 9.91</u>
Sempra Adjusted Earnings ²				\$ 1,404				\$ 1,242
Add back dividends for dilutive series A preferred stock				-				52
Add back dividends for dilutive series B preferred stock				19				-
Sempra Adjusted Earnings for Adjusted EPS ²				<u>\$ 1,423</u>				<u>\$ 1,294</u>
Weighted-average common shares outstanding, diluted - Adjusted ³				310,541				307,962
Sempra Adjusted EPS ²				<u>\$ 4.58</u>				<u>\$ 4.20</u>

1. Income taxes were primarily calculated based on applicable statutory tax rates. We did not record an income tax expense for the equity earnings or an income tax benefit for the equity losses from our investment in RBS Sempra Commodities LLP because, even though a portion of the liabilities may be deductible under United Kingdom tax law, it is not probable that the deduction will reduce United Kingdom taxes.

2. Adjusted Earnings, Adjusted Earnings for Adjusted EPS and Adjusted EPS have been updated to reflect impact from foreign currency and inflation and associated undesignated derivatives and net unrealized gains on commodity derivatives for the three months and six months ended June 30, 2020.

3. In the six months ended June 30, 2021, because the assumed conversion of the series B preferred stock is dilutive for Adjusted Earnings, 4,257 series B preferred stock shares are added back to the denominator used to calculate Adjusted EPS.

ADJUSTED EARNINGS (LOSSES) BY BUSINESS UNITS (UNAUDITED)^{1,2}

(Dollars in millions)

GAAP Earnings (Losses)

Impact from foreign currency and inflation and associated undesignated derivatives, net of \$83 income tax expense

Net unrealized losses on commodity derivatives, net of \$22 income tax benefit

Earnings from investment in RBS Sempra Commodities LLP

Adjusted Earnings (Losses)

Three months ended June 30, 2021							
SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Consolidated
\$ 186	\$ 94	\$ 138	\$ 4	\$ 47	\$ (45)	\$ -	\$ 424
			70	2			72
			1	57			58
					(50)		(50)
\$ 186	\$ 94	\$ 138	\$ 75	\$ 106	\$ (95)	\$ -	\$ 504

GAAP Earnings (Losses)

Impact from foreign currency and inflation and associated undesignated derivatives, net of \$31 income tax expense³

Net unrealized gains on commodity derivatives, net of \$1 income tax expense³

Gain on sale of South American businesses, net of \$1,161 income tax expense

Adjusted Earnings (Losses)⁴

Three months ended June 30, 2020							
SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Consolidated
\$ 193	\$ 146	\$ 144	\$ 61	\$ 61	\$ (141)	\$ 1,775	\$ 2,239
			9		11	1	21
			(2)	(3)			(5)
						(1,754)	(1,754)
\$ 193	\$ 146	\$ 144	\$ 68	\$ 58	\$ (130)	\$ 22	\$ 501

GAAP Earnings (Losses)

Impact from foreign currency and inflation and associated undesignated derivatives, net of \$41 income tax expense

Net unrealized losses on commodity derivatives, net of \$35 income tax benefit

Earnings from investment in RBS Sempra Commodities LLP

Adjusted Earnings (Losses)

Six months ended June 30, 2021							
SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Consolidated
\$ 398	\$ 501	\$ 273	\$ 61	\$ 193	\$ (128)	\$ -	\$ 1,298
			67	2			69
			10	77			87
					(50)		(50)
\$ 398	\$ 501	\$ 273	\$ 138	\$ 272	\$ (178)	\$ -	\$ 1,404

GAAP Earnings (Losses)

Impact from foreign currency and inflation and associated undesignated derivatives, net of \$322 income tax benefit³

Net unrealized gains on commodity derivatives, net of \$17 income tax expense³

Impacts associated with Aliso Canyon litigation, net of \$28 income tax benefit

Gain on sale of South American businesses, net of \$1,161 income tax expense

Losses from investment in RBS Sempra Commodities LLP

Adjusted Earnings (Losses)⁴

Six months ended June 30, 2020							
SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Consolidated
\$ 455	\$ 449	\$ 249	\$ 252	\$ 136	\$ (389)	\$ 1,847	\$ 2,999
			(118)	1	3	(15)	(129)
				(46)			(46)
	72						72
						(1,754)	(1,754)
					100		100
\$ 455	\$ 521	\$ 249	\$ 134	\$ 91	\$ (286)	\$ 78	\$ 1,242

1. Income taxes were primarily calculated based on applicable statutory tax rates. We did not record an income tax expense for the equity earnings or an income tax benefit for the equity losses from our investment in RBS Sempra Commodities LLP because, even though a portion of the liabilities may be deductible under United Kingdom tax law, it is not probable that the deduction will reduce United Kingdom taxes.

2. Amounts are presented after noncontrolling interest.

3. Q2-2020 and YTD-2020 Adjusted Earnings have been updated to exclude this item to conform to current year presentation.

4. Q2-2020 and YTD-2020 Adjusted Earnings have been updated to exclude additional items to conform to current year presentation.

2021 ADJUSTED EPS GUIDANCE RANGE (UNAUDITED)

Sempra 2021 updated Adjusted EPS Guidance Range of \$7.75 to \$8.35 excludes items (after the effects of income taxes and, if applicable, noncontrolling interests) as follows:

- \$(69)M impact from foreign currency and inflation and associated undesignated derivatives for the six months ended June 30, 2021¹
- \$(87)M net unrealized losses on commodity derivatives for the six months ended June 30, 2021
- \$50M equity earnings from investment in RBS Sempra Commodities LLP, which represents a reduction to an estimate of our obligations to settle pending VAT matters and related legal costs at our equity method investment at Parent and Other

Sempra 2021 Adjusted EPS Guidance is a non-GAAP financial measure. This non-GAAP financial measure excludes the impact from foreign currency and inflation and associated undesignated derivatives and unrealized gains and losses on commodity derivatives, which we expect to occur in future periods, and which can vary significantly from one period to the next. Exclusion of these items is useful to management and investors because it provides a meaningful comparison of the performance of Sempra's business operations to prior and future periods. Sempra 2021 Adjusted EPS Guidance Range should not be considered an alternative to Sempra 2021 GAAP EPS Guidance Range. 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 2021 Adjusted EPS Guidance Range to Sempra 2021 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

	Full-Year 2021	
Sempra GAAP EPS Guidance Range ²	\$ 7.41	to \$ 8.01
Excluded items:		
Impact from foreign currency and inflation and associated undesignated derivatives ¹	0.22	0.22
Net unrealized losses on commodity derivatives	0.28	0.28
Earnings from investment in RBS Sempra Commodities LLP	(0.16)	(0.16)
Sempra Adjusted EPS Guidance Range	\$ 7.75	to \$ 8.35
Weighted-average common shares outstanding, diluted (millions) ^{3,4}		315

1. Amounts include impacts recorded in equity earnings from our unconsolidated equity method investments.
2. Sempra's prior GAAP EPS Guidance Range for full-year 2021 has been updated to reflect the impact from foreign currency and inflation and associated undesignated derivatives, net unrealized losses on commodity derivatives and equity earnings from investment in RBS Sempra Commodities LLP for the six months ended June 30, 2021.
3. Weighted-average common shares outstanding reflects the conversion of the series A preferred stock that converted on January 15, 2021 and series B preferred stock that converted on July 15, 2021.
4. Includes the impact of the Infraestructura Energética Nova, S.A.B. de C.V. (IEnova) exchange offer.