Sempra Energy

Second Quarter 2020 Earnings Results

August 5, 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 August 5, 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 (i) the Comisión Federal de Electricidad, California Public Utilities Commission (CPUC), U.S. Department of Energy, Public Utility Commission of Texas, and other regulatory and governmental bodies and (ii) states, cities, counties and other jurisdictions in the U.S., Mexico and other countries in which we operate or do business; 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 (v) the ability to realize anticipated benefits from any of these efforts once completed; the impact of the COVID-19 pandemic on our (i) ability to commence and complete capital and other projects and obtain regulatory approvals, (ii) supply chain and current and prospective counterparties, contractors, customers, employees and partners, (iii) liquidity, resulting from bill payment challenges experienced by our customers, including in connection with a CPUC-ordered suspension of service disconnections, decreased stability and accessibility of the capital markets and other factors, and (iv) ability to sustain operations and satisfy compliance requirements due to social distancing measures or if employee absenteeism were to increase significantly; the resolution of civil and criminal litigation, regulatory inquiries, 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 and the impact of the extreme volatility and unprecedented decline of oil prices on our businesses and development projects; 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 (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, Community Choice Aggregation or other forms of distributed or local 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 newly effective United States-Mexico-Canada Agreement, that may increase our costs or impair our ability to resolve trade disputes; the impact of changes to U.S. federal and state and foreign 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, 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 Southern California Gas Company, 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

- Strategic repositioning of our business has improved earnings quality and visibility to future growth
  - Completed two-year capital rotation program with total gross proceeds of ~$8.3B[1]
  - Continued to execute on utility-centered capital program and deferred $500M of infrastructure capital
  - Executed $500M share buyback as a result of disciplined capital allocation process; announcing incremental $2B authorization[2]
- Reached substantial completion at Cameron LNG Train 3
- Delivered strong financial results
  - Reporting Q2-2020 adjusted earnings per share (EPS) of $1.65 compared to Q2-2019 adjusted EPS of $1.10[3]
  - Reporting YTD-2020 adjusted EPS of $4.76 compared to YTD-2019 adjusted EPS of $3.03[3]
  - Reaffirming increased FY-2020 adjusted EPS guidance range of $7.20 – $7.80[3]
  - Reaffirming our FY-2021 EPS guidance range of $7.50 – $8.10

1) Subject to post-closing adjustments in regard to Chile and includes $509M of cash sold.
2) Common stock share repurchase program completed on August 4, 2020.
3) Adjusted EPS and Adjusted EPS Guidance Range represent non-GAAP financial measures. GAAP EPS for Q2-2020 and Q2-2019 were $7.61 and $1.26, respectively. GAAP EPS for YTD-2020 and YTD-2019 were $9.91 and $2.85, respectively. GAAP EPS Guidance Range for FY-2020 is $12.59 – $13.19. See Appendix for information regarding non-GAAP financial measures.

Building North America's Premier Energy Infrastructure Company

Delivering superior operational and financial results while completing a robust capital rotation program

Geographic Focus

2-Year Capital Recycling Program

	Excellence in Execution	Enterprise Value[1]
✓	Purchased ~80% int. in Oncor	~$15.3B[2]
✓	Sold U.S. solar assets	~$2.1B[3]
✓	Sold non-utility U.S. natural gas storage	~$0.3B[3]
✓	Sold U.S. wind assets	~$0.9B[3]
✓	Purchased 50% int. in Sharyland + Oncor's int. in InfraREIT	~$2.0B[4]
✓	Sold Peruvian businesses	~$4.2B[3]
✓	Sold Chilean businesses[5]	~$2.6B[3]
Total		**~$27B**

1) Net of transaction costs. Enterprise value is defined as the measure of a company's total value and includes in its calculation the market capitalization of a company but also short-term and long-term debt as well as any cash on the company's balance sheet.
2) Represents acquisition of Energy Future Holdings Corp., which indirectly owns 100% of Oncor Holdings, that has 80.03% interest in Oncor Delivery and 0.22% from OMI.
3) Represents Sempra's share.
4) Represents Sempra's Interest in InfraREIT.
5) Subject to post-closing adjustments.

Strong + Sustainable Business Model
Safety + Operations

At Sempra, we have built a business model capable of successfully operating in a variety of challenging environments

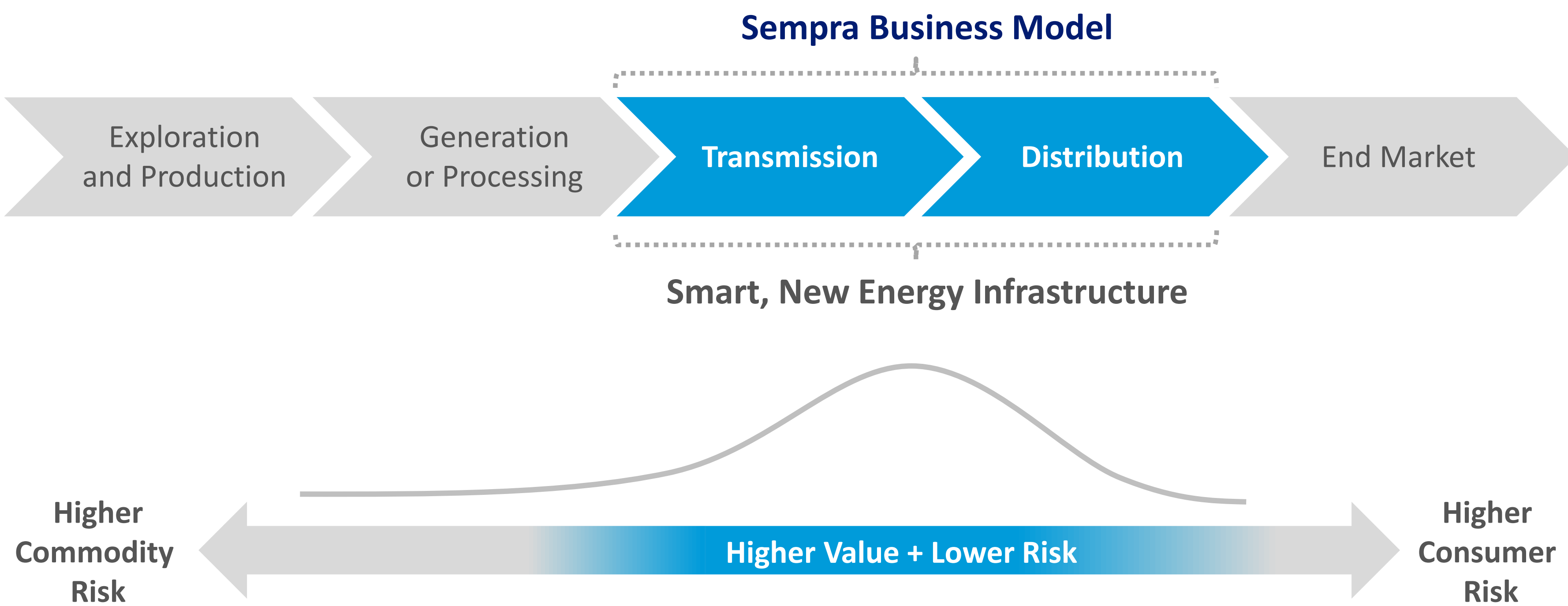
Safety + Sustainability	T+D Operations
Continuing to engage with public health authorities to implement current health, safety + security guidelines	California Utilities | Decoupled revenues with no earnings exposure to changes in volumes or commodity prices
Strong safety and performance culture throughout organization	Texas Utilities | Pure T+D with no exposure to generation and regulatory protection for certain retail risks
Supporting our communities during the pandemic with over $13M in charitable giving[(1)]	Sempra LNG | Take-or-pay tolling arrangements at Cameron LNG; development projects will be take-or-pay
Providing employees additional resources; continuing a thoughtful approach to office re-entry based on science and circumstances	Sempra Mexico | Majority of contracts take-or-pay + U.S. dollar denominated; 21-year average remaining contract term

1) The over $13M donated by the Sempra Energy family of companies includes $1.75M donated by the Nonprofit Hardship Fund created by the Sempra Energy Foundation.

Strong + Sustainable Business Model

Higher-Value, Lower-Risk Infrastructure

In addition to focusing on the best markets in North America, we are investing in the portion of the energy value chain that we believe will provide the most attractive risk-adjusted returns



Disciplined Capital Allocation

Focused strategy supports improved earnings visibility, strengthens our balance sheet and returns value to shareholders

Executing Capital Plan

- Progressed our record ~$32B 5-year capital plan centered around our U.S. utilities[(1)]
- Projected rate base growth across all U.S. utilities is ~9% CAGR through 2024[(2)]

Strengthening Balance Sheet + Targeting Key Credit Metrics

- 16% FFO-to-Debt[(3)]
- 50% Total Debt-to-Capitalization[(4)]
- 25% HoldCo Debt-to-Total Debt[(4)]

Returning Value to Shareholders

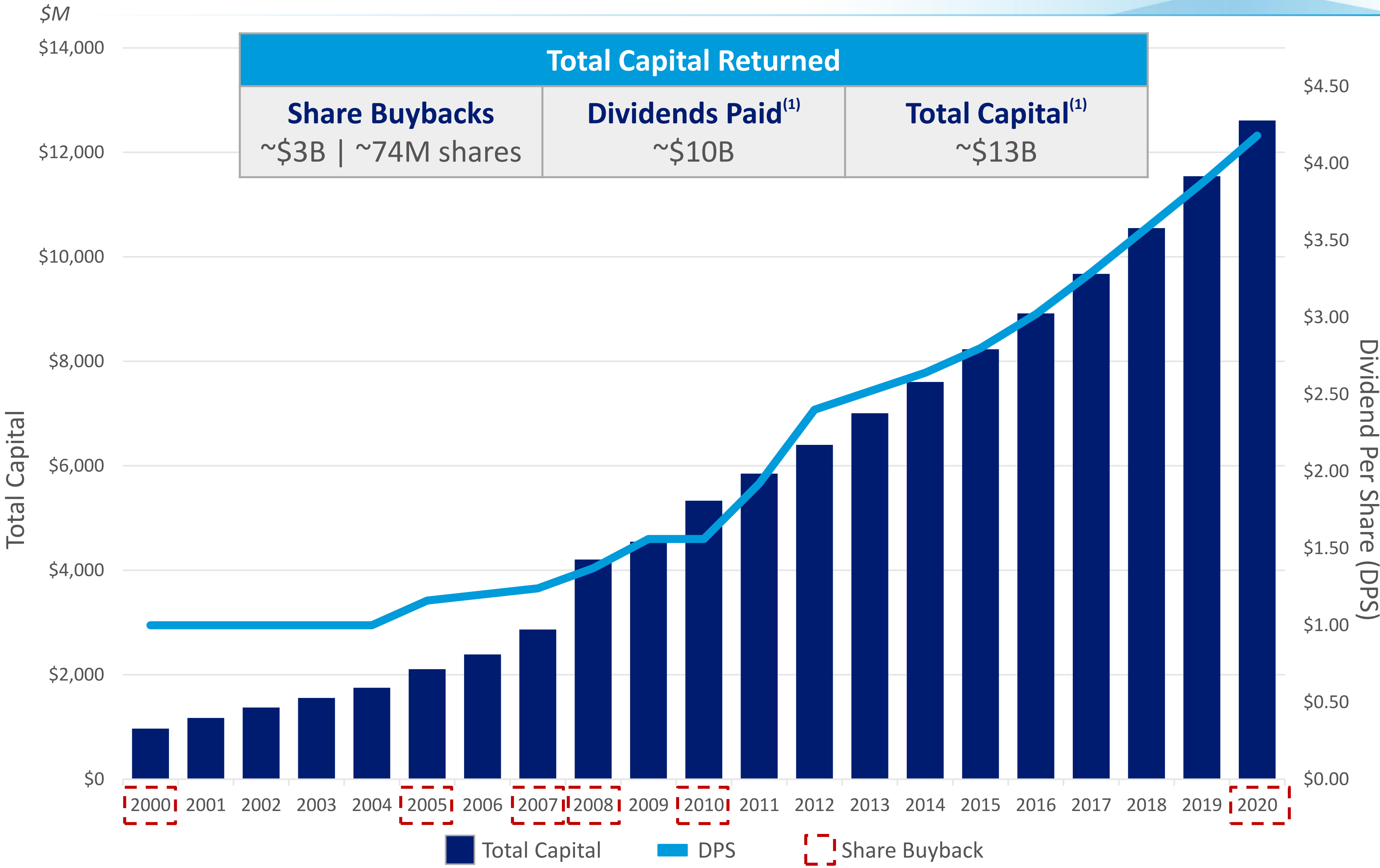
- Raised the annualized dividend by 8% to $4.18 from $3.87 per share[(5)]
- Completed $500M accelerated share repurchase program for ~4.1M shares[(6)]
- Obtained Board authorization for up to $2B of potential future share repurchases

1) Actual amounts expended will depend on a number of factors and may differ materially from the amounts reflected in our 5-year capital plan for 2020 – 2024. Amount 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. Amount is before noncontrolling interests.
2) Actual amounts/results may differ materially.
3) Targeted YE-2020. Includes projected intercompany debt. Funds from Operations (FFO), and thereby the ratio of FFO to Debt, are non-GAAP financial measures. As defined and used by management, FFO, which is comprised of Net Cash Provided by Operating Activities (also referred to as operating cash flows), which we consider to be the most directly comparable GAAP measure, is adjusted to exclude changes in working capital. Targeted FFO-to-Debt represents a non-GAAP financial measure. A quantitative reconciliation to the most directly comparable GAAP financial measure is not accessible on a forward-looking basis.
4) Targeted YE-2020. Total debt for 2020 includes $7.7B of our proportionate ownership share of 80.25% in Oncor's debt. Actual amount may differ materially and does not include potential financing options.
5) 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.
6) Common stock share repurchase program completed on August 4, 2020.

~$13B of Capital Returned to Shareholders

Sempra Energy

Total Capital Returned		
Share Buybacks	**Dividends Paid[1]**	**Total Capital[1]**
~$3B | ~74M shares	~$10B	~$13B



1) For 2020, includes only dividends paid from Q1-2020 and Q2-2020.

U.S. Utility Infrastructure

Sempra Energy

Continuing Strong Execution in California + Texas
SDG&E ▪ CPUC approved Wildfire Mitigation Plan ▪ Successfully procured in excess of the required $1B of wildfire insurance under a balanced program to comply with AB 1054 wildfire fund requirements ▪ Continuing to execute Fire Safe 3.0; invested over $2B in wildfire mitigation since 2007
SoCalGas ▪ Received Proposed Decision for recovery of $806M of spending related to Pipeline Safety Enhancement Plan ▪ On-track to meet goal of 5% renewable natural gas (RNG) deliveries for Core Customers by 2022; continuing to advance a program that will allow customers to opt in to buy RNG ▪ Continuing to work with multiple partners on a series of hydrogen demonstration projects
Oncor ▪ ~20,000 new premises added in Q2-2020 and ~38,000 year-to-date ▪ On pace to surpass the number of new requests received for transmission interconnections in 2019 ▪ 2020 capital plan remains on-track

North American Infrastructure

Across our infrastructure business, we are taking a disciplined approach towards capital allocation; we have deferred ~$500M of capital in 2020

Operations	Status
Cameron LNG Phase 1 | Construction complete[(1)]	
▪ First cash distribution received in Q2-2020; full run-rate cash flows in coming days	✓
▪ Train 1 + Train 2 reached commercial operations under tolling arrangement	✓
▪ Train 3 reached substantial completion on July 31	✓
IEnova | Infrastructure to support energy needs in Mexico	
▪ Deferring capital and executing on share repurchase program	Ongoing

Disciplined Approach to Development Projects	
ECA LNG Phase 1 | 100% of offtake capacity sold[(1)]	
▪ Signed 20-year SPAs with Total and Mitsui for 2.5 Mtpa	✓
▪ FID subject to receiving Mexican export permit	Ongoing
Cameron LNG Phase 2 | Continuing to advance development[(1)]	
▪ MOUs with Total, Mitsui and Mitsubishi for 100% of project's offtake capacity under tolling model with same equity ownership as Phase 1[(2)]	✓
Port Arthur LNG | Continuing to advance development under disciplined approach[(1)]	
▪ FID targeted in 2021	Ongoing

1) The ability to successfully complete major construction and LNG projects is subject to a number of risks and uncertainties, including uncertainty relating to disruptions caused by the COVID-19 pandemic. Please also refer to "Risk Factors" and "Capital Resources and Liquidity" in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q for a description of the risks and other factors associated with LNG development, construction and other opportunities.
2) Subject to negotiating and reaching definitive agreements. The MOUs do not commit any party to enter into a definitive agreement, or otherwise participate in these projects.

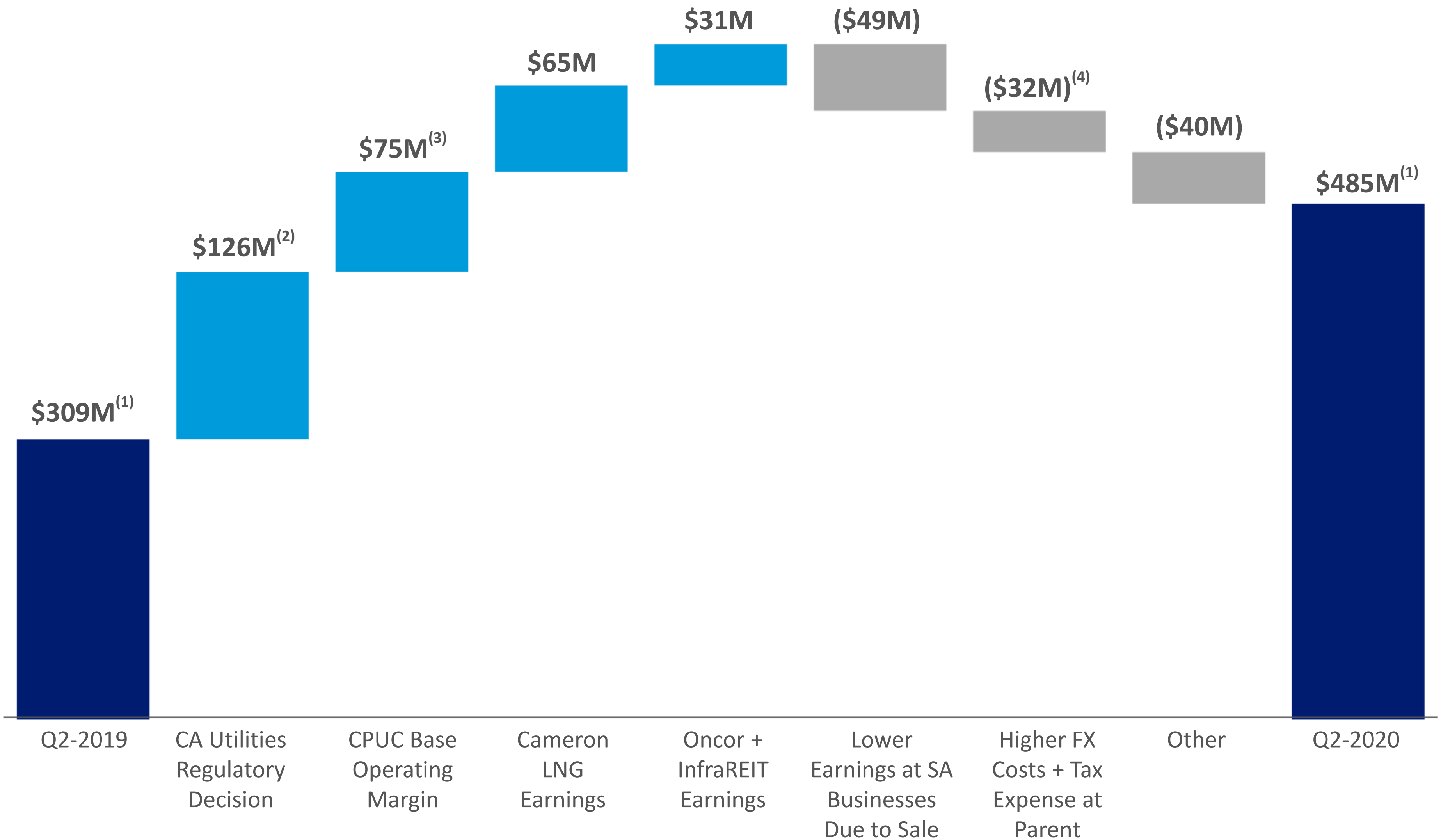
Second Quarter 2020 Results

Strong improvement in operating earnings helps drive over 50% increase in year-to-date adjusted EPS over the same period last year[1]

(Dollars, except EPS, and shares, in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
	(Unaudited)			
GAAP Earnings	$ 2,239	$ 354	$ 2,999	$ 795
Gain on Sale of South American Businesses	(1,754)	-	(1,754)	-
Losses from Investment in RBS Sempra Commodities LLP	-	-	100	-
Impacts Associated with Aliso Canyon Litigation	-	-	72	-
Tax Impacts from Expected Sale of South American Businesses	-	-	-	93
Gain on Sale of U.S. Wind Assets	-	(45)	-	(45)
Adjusted Earnings[2]	$ 485	$ 309	$ 1,417	$ 843
GAAP Diluted Weighted-Average Common Shares Outstanding	294	280	308	278
GAAP Earnings Per Diluted Common Share[3]	$ 7.61	$ 1.26	$ 9.91	$ 2.85
Adjusted Diluted Weighted-Average Common Shares Outstanding[2]	294	280	313	278
Adjusted Earnings Per Diluted Common Share[2],[4]	$ 1.65	$ 1.10	$ 4.76	$ 3.03

1) Adjusted EPS growth rate from YTD-2019 to YTD-2020 represent a non-GAAP financial measure. GAAP EPS growth rate from YTD-2019 to YTD-2020 is 248%. See Appendix for information regarding non-GAAP financial measures.
2) Represents a non-GAAP financial measure. See Appendix for information regarding non-GAAP financial measures.
3) To calculate YTD-2020 GAAP EPS, preferred dividends of $52M are added back to GAAP Earnings because of the dilutive effect of Series A mandatory convertible preferred stock.
4) To calculate YTD-2020 Adjusted EPS, preferred dividends of $71M are added back to Adjusted Earnings because of the dilutive effect of Series A and Series B mandatory convertible preferred stock.

Q2-2020 Adjusted Earnings[1] Drivers



1) Represents a non-GAAP financial measure. GAAP Earnings for Q2-2020 and Q2-2019 were $2,239M and $354M, respectively. See Appendix for information regarding non-GAAP financial measures.
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) Includes $30M and $46M at SDG&E and SoCalGas, respectively, of lower CPUC base operating margin in 2019 due to the delay in issuance of the final decision in the 2019 General Rate Case (2019 GRC FD).
4) Includes $20M income tax expense in 2020 compared to $1M income tax benefit in 2019 and $11M loss from foreign currency derivatives in 2020.

Sempra is a Leader in Sustainability

Sempra Energy

Sempra Continues to Lead the Sector with Strong Sustainability Ratings

- MSCI ESG rating of A compared to BBB of our peers
- CDP score of A- compared to C of our peers
- Only U.S. Utility on Dow Jones Sustainability World Index

Recently Released Sustainability Report Framework

- Achieving world-class safety
- Championing people
- Driving resilient operations
- Enabling the energy transition

https://www.sempra.com/sustainability

Summary

- Strategic repositioning of our business has improved earnings quality and visibility to future growth
  - Completed two-year capital rotation program with total gross proceeds of ~$8.3B[1]
  - Continued to execute on utility-centered capital program and deferred $500M of infrastructure capital
  - Executed $500M share buyback as a result of disciplined capital allocation process; announcing incremental $2B authorization[2]
- Reached substantial completion at Cameron LNG Train 3
- Delivered strong financial results
  - Reporting Q2-2020 adjusted EPS of $1.65 compared to Q2-2019 adjusted EPS of $1.10[3]
  - Reporting YTD-2020 adjusted EPS of $4.76 compared to YTD-2019 adjusted EPS of $3.03[3]
  - Reaffirming increased FY-2020 adjusted EPS guidance range of $7.20 – $7.80[3]
  - Reaffirming our FY-2021 EPS guidance range of $7.50 – $8.10

1) Subject to post-closing adjustments in regard to Chile and includes $509M of cash sold.
2) Common stock share repurchase program completed on August 4, 2020.
3) Adjusted EPS and Adjusted EPS Guidance Range represent non-GAAP financial measures. GAAP EPS for Q2-2020 and Q2-2019 were $7.61 and $1.26, respectively. GAAP EPS for YTD-2020 and YTD-2019 were $9.91 and $2.85, respectively. GAAP EPS Guidance Range for FY-2020 is $12.59 – $13.19. See Appendix for information regarding non-GAAP financial measures.

Appendix

Enabling the Energy Transition

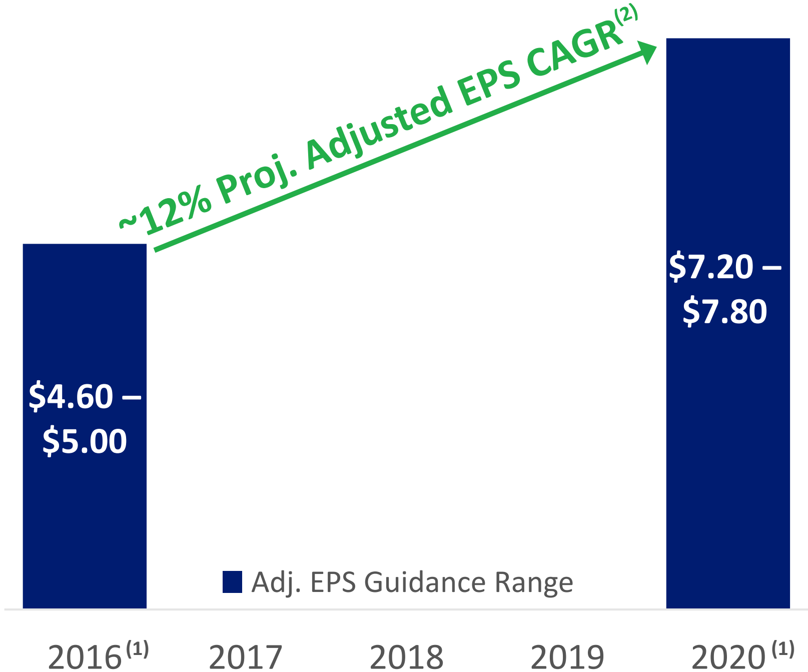
Sempra is helping lead the energy transition in every market where we operate

Segment	Current	Future Goal
California | Helping to decarbonize California's energy system		
SDGE	▪ Currently ~14% rooftop solar ▪ Over 5,000 electric vehicle chargers	▪ Continue to integrate renewable energy onto system ▪ Support CA goal of 5M electric vehicles by 2030
SoCalGas	▪ Reduced GHG emissions from leaks and vented emissions by ~18% since 2015[1] ▪ On-track to meet goal of ~5% RNG by 2022[2]	▪ Goal of 5% RNG by 2022[2] ▪ Goal of 20% RNG by 2030[2] ▪ Goal of demonstration hydrogen project in 2 years
Texas | Connecting customers to clean, renewable energy		
ONCOR	▪ ~24 GW of wind | ~2 GW of solar installed capacity[3] ▪ Connects 11 GW | 60+ renewable energy generators	▪ ~117 GW of solar, wind and storage under-study in ERCOT[4]
Sempra LNG | Helping displace carbon-intensive coal and oil around the world		
Sempra LNG	▪ Cameron LNG operating below permitted CO2 emissions targets ▪ Cameron LNG continues to ship cargoes to world markets, displacing higher carbon fuels	▪ Extend global access to cleaner U.S. LNG from Gulf and Pacific coasts while reducing GHG intensity of North American LNG infrastructure ▪ Lead and collaborate across the LNG value chain to drive further reductions in life-cycle GHG emissions
Sempra Mexico | Enhancing affordable access to lower-carbon energy		
IEnova Infraestructura Energética Una empresa de Sempra	▪ Among the top renewable generators in Mexico with 1,041 MW of capacity[5] ▪ 1st energy company to be listed on the Mexican Stock Exchange Sustainability Index	▪ Mexico goal of 40% renewable power generation by 2035[6] ▪ Goal of increasing access to natural gas; currently only 7% of households have access

1) 2020 Natural Gas Leak Abatement (NGLA) Emissions Report submitted June 15, 2020.
2) Related to core customer deliveries.
3) ERCOT Fact Sheet: February 2020.
4) ERCOT Monthly Generator Interconnection Status Report: February 2020.
5) Includes total capacity of assets in joint ventures and projects under development.
6) Mexican Energy Transition Law.

Committed to our Financial Goals

At our 2016 Investor Day, we laid out our 2020 EPS guidance range of $7.20 – $7.80; since then, we improved the quality and visibility of future earnings while remaining on-track to deliver our $7.20 – $7.80 adjusted EPS guidance range(1)



	June 30, 2016	June 30, 2020
SRE Stock Price	$114.02	$117.23
10Y Treasury	1.47%	0.66%

- Narrowed strategic focus on T+D infrastructure in the most attractive markets in North America
- Completed 2-year capital rotation program with total enterprise value of ~$27B(3)
- Established high quality earnings with strong visibility to future growth
- Projected top-tier EPS growth and DPS growth at attractive current valuation(4)

1) Adjusted EPS guidance ranges for 2016 and 2020 and Projected Adjusted EPS CAGR for the period 2016 – 2020 are non-GAAP financial measures. GAAP EPS Guidance Ranges for 2016 and 2020 are $5.00 – $5.40 and $12.59 – $13.19, respectively. Projected GAAP EPS CAGR for the period 2016 – 2020 is 25%. See Appendix for information regarding non-GAAP financial measures.
2) Projected Adjusted EPS CAGR is calculated from the midpoint of the 2016 Adjusted EPS guidance range to the midpoint of the 2020 Adjusted EPS guidance range. Growth rates for each individual year will vary.
3) Net of transaction costs. Enterprise value is defined as the measure of a company's total value and includes in its calculation the market capitalization of a company but also short-term and long-term debt as well as any cash on the company's balance sheet.
4) 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 materially less than projected.

Appendix
Business Unit Earnings

SDG&E

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
SDG&E GAAP Earnings	$ 193	$ 143	$ 455	$ 319

- Q2-2020 earnings are higher than Q2-2019 primarily due to:
  - $62M due to the release of a regulatory liability in 2020 related to 2016-2018 income tax expense forecasting differences,
  - $19M higher CPUC base operating margin, net of operating expenses, including $30M lower CPUC base operating margin in 2019 due to the delay in the issuance of the 2019 GRC FD and
  - $6M higher electric transmission margin, **partially offset by**
  - $15M expected to be refunded to customers related to the Energy Efficiency Program inquiry,
  - $8M higher income tax expense primarily from lower flow-through deductions and
  - $5M amortization of Wildfire Fund asset

SoCalGas

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
SoCalGas GAAP Earnings	$ 146	$ 30	$ 449	$ 294
Impacts Associated with Aliso Canyon Litigation	-	-	72	-
SoCalGas Adjusted Earnings[1]	$ 146	$ 30	$ 521	$ 294

- Q2-2020 earnings are higher than Q2-2019 primarily due to:
  - $64M due to the release of a regulatory liability in 2020 related to 2016-2018 income tax expense forecasting differences and
  - $56M higher CPUC base operating margin, net of operating expenses, including $46M lower CPUC base operating margin in 2019 due to the delay in the issuance of the 2019 GRC FD

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 Utilities

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Sempra Texas Utilities GAAP Earnings	$ 144	$ 113	$ 249	$ 207

- Q2-2020 earnings are $31M higher than Q2-2019 primarily due to higher revenues from increased consumption as a result of weather, rate updates to reflect increases in invested capital and customer growth, and the impact of Oncor’s acquisition of InfraREIT in May 2019 offset by higher operating costs

Sempra LNG

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Sempra LNG GAAP Earnings	$ 61	$ 6	$ 136	$ 11

- Q2-2020 earnings are higher than Q2-2019 primarily due to $65M higher earnings from Cameron LNG JV mainly due to Train 1 and Train 2 commencing commercial operations under their tolling agreements in August 2019 and February 2020, respectively

Sempra Mexico[(1)]

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Sempra Mexico GAAP Earnings	$ 61	$ 73	$ 252	$ 130

- Q2-2020 earnings are lower than Q2-2019 primarily due to:
  - $6M lower earnings at the Guaymas-El Oro segment of the Sonora pipeline primarily from force majeure payments that ended in August 2019,
  - $4M higher interest expense,
  - $3M lower earnings from the renewables business including from lower volumes at the Ventika wind power generation facilities, and
  - $2M unfavorable impact from foreign currency and inflation effects net of foreign currency derivatives effects, **partially offset by**
  - $8M 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

1) All variance explanations are shown after noncontrolling interests.

Discontinued Operations (Sempra South American Utilities)[1]

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Discontinued Operations GAAP Earnings	$ 1,775	$ 70	$ 1,847	$ 19
Gain on Sale of South American Businesses	(1,754)	-	(1,754)	-
Change in Indefinite Reinvestment Assertion of Basis Differences in Discontinued Operations	-	-	-	103
Discontinued Operations Adjusted Earnings[2]	$ 21	$ 70	$ 93	$ 122

- Q2-2020 adjusted earnings are lower than Q2-2019 primarily due to the sale of our Peruvian businesses in April 2020[2]

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 represents a non-GAAP financial measure. See Appendix for information regarding non-GAAP financial measures and description of the adjustments above.

Parent & Other

(Unaudited, dollars in millions)	Three months ended June 30, 2020	Three months ended June 30, 2019	Six months ended June 30, 2020	Six months ended June 30, 2019
Parent & Other GAAP Losses	$ (141)	$ (127)	$ (389)	$ (244)
Losses from Investment in RBS Sempra Commodities LLP	-	-	100	-
Reduction in Tax Valuation Allowance Against Certain NOL Carryforwards	-	-	-	(10)
Parent & Other Adjusted Losses[1]	$ (141)	$ (127)	$ (289)	$ (254)

- Losses in Q2-2020 are higher than Q1-2019 primarily due to:
  - $20M income tax expense in 2020 compared to $1M income tax benefit in 2019, primarily due to an increase in valuation allowance against certain foreign tax credits and California state income tax expense in 2020 associated with income from our investments in LNG entities and
  - $11M loss from foreign currency derivatives in 2020 used to hedge exposure to fluctuations in the Peruvian sol and Chilean peso related to the sale of our South American businesses, **partially offset by**
  - $13M lower settlement charges from one of our nonqualified pension plans

1) Adjusted Losses represents a non-GAAP financial measure. 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)

Adjusted Earnings (Losses) and Adjusted EPS exclude items (after the effects of income taxes and, if applicable, noncontrolling interests) in 2020 and 2019 as follows:

In the three months ended June 30, 2020:
- $1,754M gain on the sale of our South American businesses

In the three months ended June 30, 2019:
- $45M gain on the sale of certain Sempra Renewables assets

In the six months ended June 30, 2020:
- $(72)M from impacts associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- $(100)M equity losses at RBS Sempra Commodities LLP, which represent an estimate of our obligations to settle pending tax 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

In the six months ended June 30, 2019:
- $45M gain on the sale of certain Sempra Renewables assets

Associated with holding the South American businesses for sale:
- $(103)M income tax expense 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
- $10M 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

Adjusted Earnings (Losses), Weighted-Average Common Shares Outstanding – Adjusted, Adjusted EPS and 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 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 EPS and GAAP EPS Growth Rate, 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]	Earnings
	Three months ended June 30, 2020			Three months ended June 30, 2019		
Sempra Energy GAAP Earnings			$ 2,239			$ 354
Excluded items:						
Gain on sale of South American businesses	$ (2,915)	$ 1,161	(1,754)	$ -	$ -	-
Gain on sale of certain Sempra Renewables assets	-	-	-	(61)	16	(45)
Sempra Energy Adjusted Earnings			$ 485			$ 309
Diluted EPS:						
Weighted-average common shares outstanding, diluted			294,155			279,619
Sempra Energy GAAP EPS			$ 7.61			$ 1.26
Sempra Energy Adjusted EPS			$ 1.65			$ 1.10
	Six months ended June 30, 2020			Six months ended June 30, 2019		
Sempra Energy GAAP Earnings			$ 2,999			$ 795
Excluded items:						
Impacts associated with Aliso Canyon litigation	$ 100	$ (28)	72	$ -	$ -	-
Losses from investment in RBS Sempra Commodities LLP	100	-	100	-	-	-
Gain on sale of South American businesses	(2,915)	1,161	(1,754)	-	-	-
Gain on sale of certain Sempra Renewables assets	-	-	-	(61)	16	(45)
Associated with holding the South American businesses for sale:						
Change in indefinite reinvestment assertion of basis differences in discontinued operations	-	-	-	-	103	103
Reduction in tax valuation allowance against certain NOL carryforwards	-	-	-	-	(10)	(10)
Sempra Energy Adjusted Earnings			$ 1,417			$ 843
Diluted EPS:						
Sempra Energy GAAP Earnings			$ 2,999			$ 795
Add back dividends for dilutive series A preferred stock			52			-
Sempra Energy GAAP Earnings for GAAP EPS			$ 3,051			$ 795
Weighted-average common shares outstanding, diluted – GAAP			307,962			278,424
Sempra Energy GAAP EPS			$ 9.91			$ 2.85
Sempra Energy Adjusted Earnings			$ 1,417			$ 843
Add back dividends for dilutive series A and series B preferred stock			71			-
Sempra Energy Adjusted Earnings for Adjusted EPS			$ 1,488			$ 843
Weighted-average common shares outstanding, diluted – Adjusted[2]			312,575			278,424
Sempra Energy Adjusted EPS			$ 4.76			$ 3.03
Sempra Energy GAAP EPS Growth Rate (YTD 2019 to YTD 2020)						248%
Sempra Energy Adjusted EPS Growth Rate (YTD 2019 to YTD 2020)						57%

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes were primarily calculated based on applicable statutory tax rates. We did not record 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) In the six months ended June 30, 2020, the denominator used to calculate Adjusted EPS includes an add-back of an additional 4,613 shares for the dilutive effect of the series B mandatory convertible preferred stock.

Adjusted Earnings (Losses) by Business Units (Unaudited)[1]

Three months ended June 30, 2020

(Dollars in millions)	SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico		Sempra LNG	Parent & Other	Discontinued Operations	Sempra Energy Consolidated
GAAP Earnings (Losses)	$ 193	$ 146	$ 144	$ 61		$ 61	$ (141)	$ 1,775	$ 2,239
Gain on Sale of South American Businesses, Net of $1,161 Income Tax Expense								(1,754)	(1,754)
Adjusted Earnings (Losses)	$ 193	$ 146	$ 144	$ 61		$ 61	$ (141)	$ 21	$ 485

Three months ended June 30, 2019

	SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra Renewables	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Energy Consolidated
GAAP Earnings (Losses)	$ 143	$ 30	$ 113	$ 73	$ 46	$ 6	$ (127)	$ 70	$ 354
Gain on Sale of Certain Sempra Renewables Assets, Net of $16 Income Tax Expense					(45)				(45)
Adjusted Earnings (Losses)	$ 143	$ 30	$ 113	$ 73	$ 1	$ 6	$ (127)	$ 70	$ 309

Six months ended June 30, 2020

	SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico		Sempra LNG	Parent & Other	Discontinued Operations	Sempra Energy Consolidated
GAAP Earnings (Losses)	$ 455	$ 449	$ 249	$ 252		$ 136	$ (389)	$ 1,847	$ 2,999
Impacts Associated with Aliso Canyon Litigation, Net of $28 Income Tax Benefit		72							72
Losses from Investment in RBS Sempra Commodities LLP							100		100
Gain on Sale of South American Businesses, Net of $1,161 Income Tax Expense								(1,754)	(1,754)
Adjusted Earnings (Losses)	$ 455	$ 521	$ 249	$ 252	$ -	$ 136	$ (289)	$ 93	$ 1,417

Six months ended June 30, 2019

	SDG&E	SoCalGas	Sempra Texas Utilities	Sempra Mexico	Sempra Renewables	Sempra LNG	Parent & Other	Discontinued Operations	Sempra Energy Consolidated
GAAP Earnings (Losses)	$ 319	$ 294	$ 207	$ 130	$ 59	$ 11	$ (244)	$ 19	$ 795
Gain on Sale of Certain Sempra Renewables Assets, Net of $16 Income Tax Expense					(45)				(45)
Tax Impacts from Expected Sale of South American Businesses							(10)	103	93
Adjusted Earnings (Losses)	$ 319	$ 294	$ 207	$ 130	$ 14	$ 11	$ (254)	$ 122	$ 843

[1] *Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes were primarily calculated based on applicable statutory tax rates. We did not record 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.*

2020 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy

Sempra Energy 2020 Adjusted EPS Guidance Range of $7.20 to $7.80 excludes items (after the effects of income taxes and, if applicable, noncontrolling interests) as follows:

- $(72)M from impacts associated with Aliso Canyon natural gas storage facility litigation at SoCalGas
- $(100)M equity losses at RBS Sempra Commodities LLP, which represents an estimate of our obligations to settle pending tax 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, plus estimated post-closing adjustments with respect to the sale of our Chilean businesses

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(1)	$ 12.59	to	$ 13.19
Excluded items:			
Impacts associated with Aliso Canyon litigation	0.25		0.25
Losses from investment in RBS Sempra Commodities LLP	0.34		0.34
Gain on sale of South American businesses	(5.98)		(5.98)
Sempra Energy Adjusted EPS Guidance Range(2)	$ 7.20	to	$ 7.80
Weighted-average common shares outstanding, diluted (millions)(3)			293

(1) As a result of enhanced visibility into earnings growth related to progress made on the company's strategic plan, on June 30, 2020, Sempra Energy raised GAAP EPS guidance range for full-year 2020 from $11.88 to $13.02, to $12.38 to $13.32. The range announced on June 30, 2020 has since been updated to reflect the actual gain on sale of our South American businesses, plus estimated post-closing adjustments with respect to the sale of our Chilean businesses, as well as a decrease in weighted-average common shares outstanding from recent repurchases of Sempra Energy common stock under an accelerated share repurchase program.

(2) On June 30, 2020, Sempra Energy raised full-year 2020 adjusted EPS guidance range from $6.70 to $7.50, to $7.20 to $7.80.

(3) Weighted-average common shares outstanding does not include the dilutive effect of mandatory convertible preferred stock, as they are assumed to be antidilutive for full-year 2020. If such mandatory convertible preferred stock were dilutive for the full year, the 2020 GAAP EPS Guidance Range would differ from the range presented above.

2016 Adjusted EPS Guidance Range (Unaudited)

Sempra Energy 2016 Adjusted EPS Guidance Range of $4.60 to $5.00 excludes items (after the effects of taxes and, if applicable, noncontrolling interests) as follows:

- $350M noncash gain from the remeasurement of our equity method investment in IEnova Pipelines (formerly Gasoductos de Chihuahua or GdC), net of $185M income tax expense and $82M of noncontrolling interests
- $78M gain on the sale of EnergySouth Inc., net of $52M of income tax expense
- $(123)M losses from the permanent release of pipeline capacity at Sempra LNG, net of $83M income tax benefit
- any earnings impact from any transaction to sell Termoeléctrica de Mexicali (TdM) in Mexico, including a $(90)M impairment charge (net of $20M income tax benefit and $21M of noncontrolling interests) and a $(1)M deferred income tax expense recorded in the nine months ended September 30, 2016
- $(80)M adjustments related to tax repair deductions reallocated to ratepayers as a result of the 2016 General Rate Case Final Decision (2016 GRC FD) at the California Utilities, net of $55M income tax benefit
- $(27)M impairment charge related to Sempra LNG's investment in Rockies Express Pipeline LLC (Rockies Express), net of $17M income tax benefit

Sempra Energy 2016 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 2016 Adjusted EPS Guidance should not be considered an alternative to Sempra Energy 2016 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 2016 Adjusted EPS Guidance Range to Sempra Energy 2016 GAAP EPS Guidance Range, which we consider to be the most directly comparable financial measure calculated in accordance with GAAP.

	Full-Year 2016		
Sempra Energy GAAP EPS Guidance Range[(1)]	$ 5.00	to	$ 5.40
Excluded items:			
Remeasurement gain in connection with GdC	(1.38)		(1.38)
Gain on sale of EnergySouth Inc.	(0.31)		(0.31)
Permanent release of pipeline capacity	0.49		0.49
Losses related to TdM held for sale	0.36		0.36
Tax repairs adjustments related to 2016 GRC FD	0.33		0.33
Impairment of investment in Rockies Express	0.11		0.11
Sempra Energy Adjusted EPS Guidance Range	$ 4.60	to	$ 5.00
Weighted-average common shares outstanding, diluted (millions)			253
Sempra Energy Projected GAAP EPS CAGR (FY-2016 GAAP EPS Guidance Range Midpoint to FY-2020 GAAP EPS Guidance Range Midpoint)			25%
Sempra Energy Projected Adjusted EPS CAGR (FY-2016 Adjusted EPS Guidance Range Midpoint to FY-2020 Adjusted EPS Guidance Range Midpoint)			12%

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes were primarily calculated based on applicable statutory tax rates. Income taxes on the impairment of TdM were calculated based on the applicable statutory tax rate, including translation from historic to current exchange rates.

2017 Adjusted Earnings and Adjusted EPS (Unaudited)

Sempra Energy Adjusted Earnings and Adjusted EPS exclude items (after the effects of income taxes and, if applicable, noncontrolling interests) in 2017 as follows:

- $(870)M income tax expense from the impact of the Tax Cuts and Jobs Act of 2017 (TCJA)
- $(208)M write-off of wildfire regulatory asset at SDG&E
- $(47)M impairment of TdM assets held for sale
- $(20)M associated with Aliso Canyon litigation reserves at SoCalGas
- $5M deferred income tax benefit on the TdM assets held for sale
- $28M of recoveries related to 2016 permanent releases of pipeline capacity at Sempra LNG

Sempra Energy Adjusted Earnings, Adjusted EPS and Projected Adjusted EPS Growth Rate are non-GAAP financial measures. 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 table below reconciles for historical periods these non-GAAP financial measures to Sempra Energy GAAP Earnings, GAAP EPS and Projected GAAP EPS Growth Rate, which we consider to be the most directly comparable financial measures calculated in accordance with GAAP.

2017 Adjusted Earnings and Adjusted EPS (Unaudited)

(Dollars in millions, except per share amounts; shares in thousands)	Pretax amount	Income tax expense (benefit)[1]	Non-controlling interests	Earnings
	Year ended December 31, 2017			
Sempra Energy GAAP Earnings				$ 256
Excluded items:				
Impact from the TCJA	$ -	$ 870	$ -	870
Write-off of wildfire regulatory asset	351	(143)	-	208
Impairment of TdM assets held for sale	71	-	(24)	47
Aliso Canyon litigation reserves	20	-	-	20
Deferred income tax (benefit) expense associated with TdM	-	(8)	3	(5)
Recoveries related to 2016 permanent releases of pipeline capacity	(47)	19	-	(28)
Sempra Energy Adjusted Earnings				$ 1,368
Diluted earnings per common share:				
Weighted-average common shares outstanding, diluted				252,300
Sempra Energy GAAP EPS				$ 1.01
Sempra Energy Adjusted EPS				$ 5.42
Sempra Energy Projected GAAP EPS Growth Rate (FY-2017 GAAP EPS to FY-2020 GAAP EPS Guidance Range Midpoint)				1176%
Sempra Energy Projected Adjusted EPS Growth Rate (FY-2017 Adjusted EPS to FY-2020 Adjusted EPS Guidance Range Midpoint)				38%

(1) Except for adjustments that are solely income tax and tax related to outside basis differences, income taxes were primarily calculated based on applicable statutory tax rates. Income taxes on the impairment of TdM were calculated based on the applicable statutory tax rate, including translation from historic to current exchange rates. An income tax benefit of $12M associated with the 2017 impairment has been fully reserved.