



2005



Sempra Financial Overview

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Analyst Conference

March 8, 2005

Building Value. Delivering Results.

Earnings Estimates

(\$ in millions, except per share amounts)	2004 Actual	2005 Outlook	2006 Outlook	2009 Target
California Utilities	\$ 440	\$ 420 - \$ 460	\$ 430 - \$ 480	\$ 475 - \$ 525
Generation	137	130 - 170	135 - 175	140 - 180
Pipelines and Storage	63	50 - 55	50 - 55	80 - 90
LNG	(8)	(20) - (15)	(20) - (10)	90 - 150
Subtotal Regulated & Contracted	632	580 - 670	595 - 700	785 - 945
Commodities	320	150 - 220	175 - 250	175 - 275
Parent & Other	(57)	(70) - (40)	(70) - (40)	(90) - (50)
Total	\$ 895	\$ 660 - \$ 850	\$ 700 - \$ 910	\$ 870 - \$1,170
Sempra Energy EPS	\$ 3.83	\$ 3.10 - \$ 3.30	\$ 3.20 - \$ 3.40	\$ 3.70 - \$ 4.20
Avg. diluted shares outstanding (millions)	234	249 ⁽¹⁾	254	255

(1) Includes the dilutive effect of equity unit conversion in May 2005.

Capital Expenditures and Investments

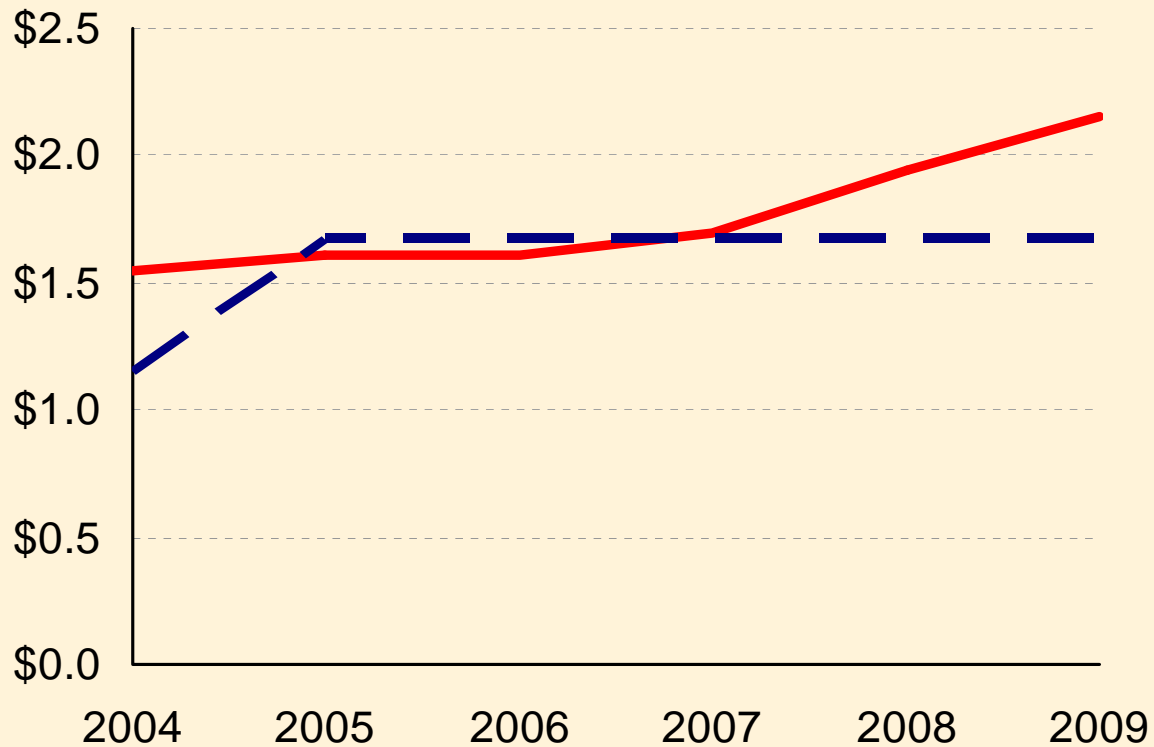
(\$ in millions)	2004 Actual	2005 Outlook	2006 Outlook	2007 - 2009 Average
California Utilities	\$ 725	\$ 900	\$ 1,300 - \$ 1,350 ⁽¹⁾	\$ 850 - \$ 925
Global & Parent	432	750	700 - 1,000	650 - 925
Intercompany Elimination ⁽²⁾	N/A	N/A	(500)	N/A
Total	\$ 1,157	\$ 1,650	\$ 1,500 - \$ 1,850	\$ 1,500 - \$ 1,850

(1) Includes purchase of Palomar.

(2) Represents Transfer of Palomar.

Increasing Cash Flow

(\$ in billions)



Potential Uses of Cash:

- New investments
- Debt repayment
- Increase dividend
- Share buyback

— Earnings + Depreciation + Deferred Taxes

- - Capital Expenditures & Investments

Equity Units – Timeline

2002

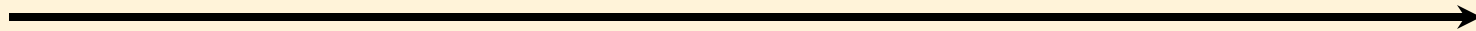
- ▶ Equity Purchase Contract
- ▶ Notes Issued

2005

- ▶ Equity Issued
(May - 19.7M Shares)
- ▶ Notes Remarketed

2007

- ▶ Notes Repaid



Debt Δ \$600M

-

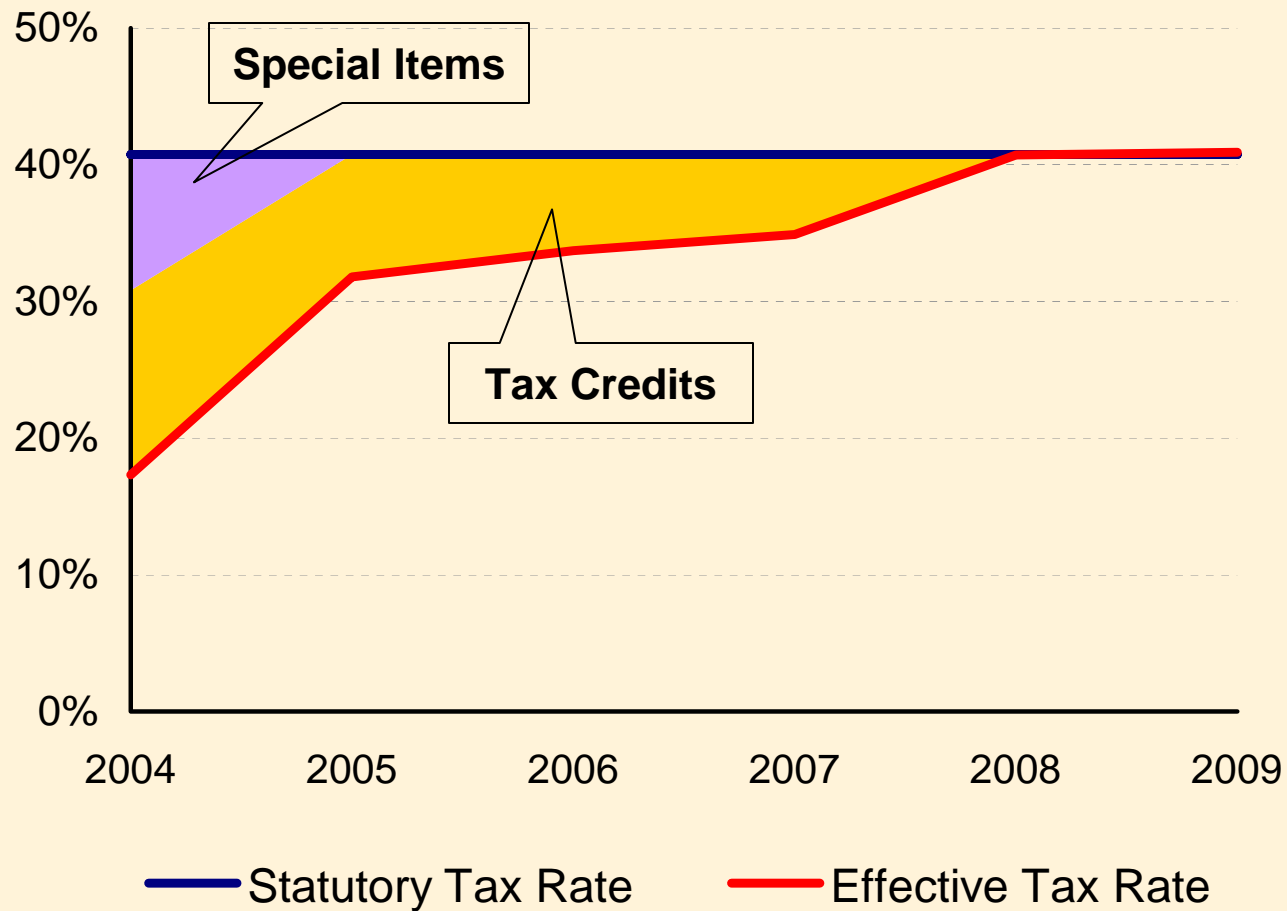
(\$600M)

Equity Δ -

\$600M

-

Effective Tax Rate



Strong Credit Ratings

As of 2/28/05	S&P	Moody's	Fitch
SEMPRA ENERGY			
Unsecured Debt	BBB+	Baa1	A
Commercial Paper	A - 2	P - 2	F1
SDG&E			
Secured Debt	A+	A1	AA
Unsecured Debt	A -	A2	AA -
Preferred Stock	BBB+	Baa1	A+
Commercial Paper	A - 1	P - 1	F1+
SOCAL GAS			
Secured Debt	A+	A1	AA
Unsecured Debt	A -	A2	AA -
Preferred Stock	BBB+	Baa1	A+
Commercial Paper	A - 1	P - 1	F1+

Debt & Equity – 2004 and 2009

(\$ in billions)

		<u>Total Debt</u>	<u>Total Equity</u>	<u>Debt / Debt+Equity</u>
	December 31, 2004	\$ 5.0	\$ 5.1	50%
Operating	{ Earnings	(4.4)	4.4	
	{ Depreciation	(3.7)		
	{ Deferred Taxes	(0.9)		
	{ Rate Reduction Bond receipts	(0.2)		
	{ Working Capital & Other	0.7		
Investing	{ Capital Expenditures *	8.3		
	{ Other Investing Activities	(0.1)		
Financing	{ Dividend	1.6	(1.6)	
	{ Equity Units	(0.6)	0.6	
	{ Trust Preferred Debt Repayment	0.2		
	{ Preferred Stock Financing	(0.1)	0.1	
	Change in Cash	(0.2)		
	December 31, 2009	<u>\$ 5.6</u>	<u>\$ 8.6</u>	39%

* Capital expenditures shown are net of minority contributions.

Substantial Liquidity

Cash and Available Bank Lines (\$ in millions)	12/31/2004
Cash	\$ 419
Sempra Energy Global	2,000
Pacific Enterprises	500
SoCal Gas	250
SDG&E	250
Commodities	1,000
LNG	1,250
	\$ 5,669
CP, LOC and Put Bonds	(809)
	\$ 4,860

Building Value. Delivering Results.

- Record earnings in 2004
- Identified growth
- Strong balance sheet and liquidity