Sempra Energy®

Second Quarter 2016 Earnings Results

August 4, 2016

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. These statements can be identified by words like "believes," "expects," "anticipates," "plans," "estimates," "projects," "forecasts," "contemplates," "intends," "assumes," "depends," "should," "could," "would," "will," "confident," "may," "potential," "possible," "proposed," "target," "pursue," "goals," "outlook," "maintain," or similar expressions, or discussions of guidance, strategy, plans, goals, opportunities, projections, initiatives, objectives or intentions. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties and assumptions. Future results may differ materially from those expressed in the forward-looking statements. Forward-looking statements are necessarily based upon various assumptions involving judgments with respect to the future and other risks.

Factors, among others, that could cause our actual results and future actions to differ materially from those described in forward-looking statements include local, regional, national and international economic, competitive, political, legislative, legal and regulatory conditions, decisions and developments; actions and the timing of actions, including general rate case decisions, new regulations, issuances of permits to construct, operate, and maintain facilities and equipment and to use land, franchise agreements and licenses for operation, by the California Public Utilities Commission, California State Legislature, U.S. Department of Energy, California Division of Oil, Gas, and Geothermal Resources, Federal Energy Regulatory Commission, Nuclear Regulatory Commission, California Energy Commission, U.S. Environmental Protection Agency, Pipeline and Hazardous Materials Safety Administration, California Air Resources Board, South Coast Air Quality Management District, Los Angeles County Department of Public Health, Mexican Competition Commission, states, cities and counties, and other regulatory and governmental bodies in the countries in which we operate; the timing and success of business development efforts and construction, maintenance and capital projects, including risks in obtaining, maintaining or extending permits, licenses, certificates and other authorizations on a timely basis, risks in obtaining the consent of our partners, and risks in obtaining adequate and competitive financing for such projects; the resolution of civil and criminal litigation and regulatory investigations; deviations from regulatory precedent or practice that result in a reallocation of benefits or burdens among shareholders and ratepayers, and delays in, or disallowance or denial of, regulatory agency authorization to recover costs in rates from customers; the availability of electric power, natural gas and liquefied natural gas, and natural gas pipeline and storage capacity, including disruptions caused by failures in the North American transmission grid, moratoriums on the ability to withdraw natural gas from or inject natural gas into storage facilities, pipeline explosions and equipment failures; energy markets; the timing and extent of changes and volatility in commodity prices; and the impact on the value of our natural gas storage and related assets and our investments from low natural gas prices, low volatility of natural gas prices and the inability to procure favorable long-term contracts for natural gas storage services; risks posed by decisions and actions of third parties who control the operations of investments in which we do not have a controlling interest, and risks that our partners or counterparties will be unable (due to liquidity issues, bankruptcy or otherwise) or unwilling to fulfill their contractual commitments; weather conditions, natural disasters, catastrophic accidents, equipment failures, terrorist attacks, and other events that may disrupt our operations, damage our facilities and systems, cause the release of greenhouse gasses, radioactive materials and harmful emissions, and subject us to third-party 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) or may be disputed by insurers; cybersecurity threats to the energy grid, natural gas 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; failure to obtain regulatory approval for projects required to enhance safety and reliability; the ability to win competitively bid infrastructure projects against a number of strong competitors willing to aggressively bid for these projects; capital markets conditions, including the availability of credit and the liquidity of our investments, and inflation, interest and currency exchange rates; disallowance of regulatory assets associated with, or decommissioning costs of, the San Onofre Nuclear Generating Station facility due to increased regulatory oversight, including motions to modify settlements; expropriation of assets by foreign governments and title and other property disputes; the impact on reliability of San Diego Gas & Electric Company's (SDG&E) electric transmission and distribution system due to increased amount and variability of power supply from renewable energy sources and increased reliance on natural gas and natural gas transmission systems; the impact on competitive customer rates of the growth in distributed and local power generation and the corresponding decrease in demand for power delivered through SDG&E's electric transmission and distribution system; the inability or determination not to enter into long-term supply and sales agreements or long-term firm capacity agreements due to insufficient market interest, unattractive pricing or other factors; and other uncertainties, all of which are difficult to predict and many of which are beyond our control.

These forward-looking statements speak only as of August 4, 2016 and the company undertakes no obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise. These risks and uncertainties are further discussed in the reports that Sempra Energy has filed with the Securities and Exchange Commission. 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.

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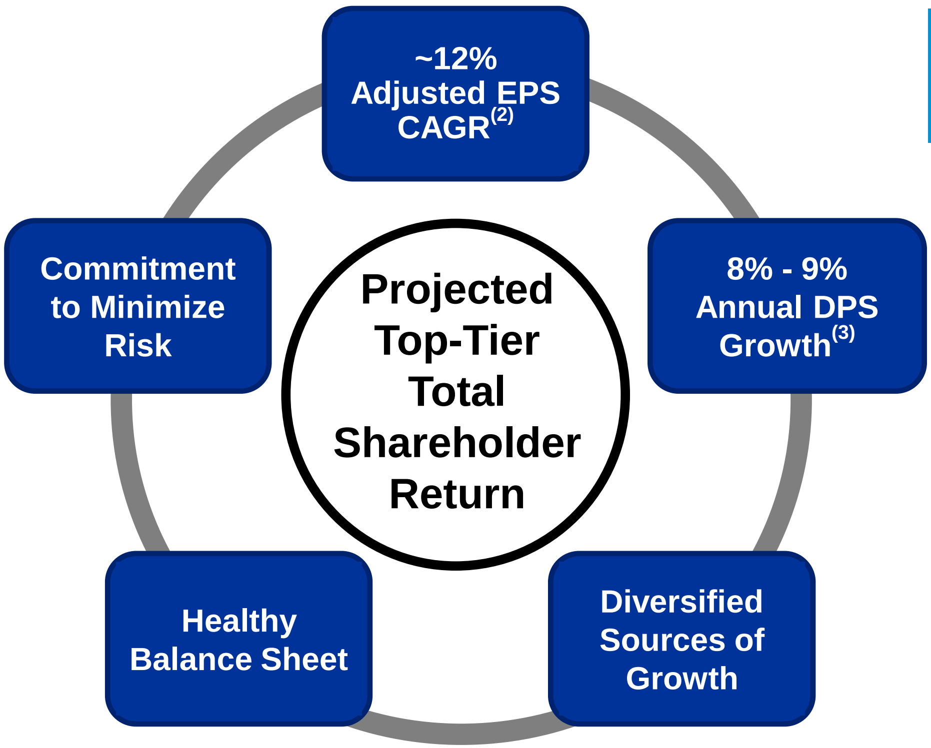
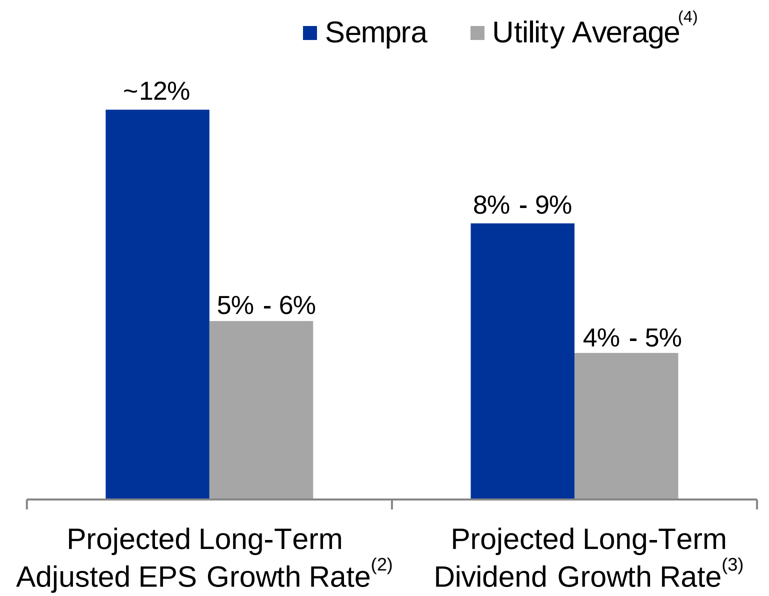
Reafirmed 2016 Adjusted EPS Guidance[1] & Sempra's Value Proposition

- **On track to meet full-year 2016 adjusted EPS guidance[1] of $4.60 to $5.00**



Projected Adjusted EPS CAGR[2] & DPS[3] Growth Roughly Double the Utility Average[4]



1) Sempra Energy Adjusted Earnings-Per-Share (EPS) guidance is a non-GAAP financial measure. See appendix for further details.
2) Projected Adjusted EPS Compound Annual Growth Rate (CAGR) is calculated from the midpoint of the 2016 range of $4.60-$5.00 to the midpoint of the 2020 range of $7.20-$7.80. Growth rates for each individual year may vary. Projected Adjusted EPS CAGR for the period 2016 - 2020 is a non-GAAP financial measure. See appendix for further details.
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.
4) Utility average represents estimated average long-term EPS and Dividend-Per-Share (DPS) CAGRs of the S&P 500 Utilities Index, excluding Sempra Energy, American Water Works Co., and NRG Energy, and is from Bloomberg.

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Second Quarter 2016 Adjusted Earnings[1] Key Drivers

- $200M adjusted earnings[1] reported in Q2-16 compared to $259M adjusted earnings reported in Q2-15. The variance is primarily due to:
  - Lower earnings at U.S. Gas & Power including:
    - $19M of losses in Q2-16 compared to $5M of gains in Q2-15; both related to natural gas price movement on inventories sold forward
      - Expect approximately $17M of losses to reverse by year-end 2016 with sale of natural gas held in inventory
    - $8M lower equity earnings due to the sale of interest in REX
  - Lower earnings at SoCalGas including:
    - $13M impairment in Q2-16 of development costs associated with the CPUC decision regarding the North-South Pipeline
    - $13M higher earnings in Q2-15 from retroactive benefit of higher rate base approved by the CPUC in April 2015

1) Sempra Energy Adjusted Earnings is a non-GAAP financial measure. See appendix for further details. Sempra Energy reported GAAP earnings of $16M in Q2-16 and $295M in Q2-15.

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Second Quarter 2016 Results

(Unaudited; Dollars, except EPS, and shares, in millions)	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
GAAP Earnings	$ 16	$ 295	$ 335	$ 732
Loss Related to REX	-	-	27	-
Permanent Releases of Pipeline Capacity	123	-	123	-
Tax Repairs Adjustments Related to General Rate Case (GRC)	80	-	80	-
Retroactive Q1-16 Benefit from GRC	(21)	-	-	-
Deferred Tax Associated with TdM Plant	2	-	26	-
Adjustment to Loss on SONGS Plant Closure	-	-	-	(13)
Gain on Sale of Mesquite Power Block 2	-	(36)	-	(36)
Adjusted Earnings[1]	$ 200	$ 259	$ 591	$ 683
Diluted weighted-average shares outstanding	252	251	252	251
GAAP EPS	$ 0.06	$ 1.17	$ 1.33	$ 2.91
Adjusted EPS[1]	$ 0.79	$ 1.03	$ 2.35	$ 2.72

1) Sempra Energy Adjusted Earnings and Adjusted EPS are non-GAAP financial measures. See appendix for information regarding non-GAAP financial measures and descriptions of adjustments above. Adjusted Earnings and Adjusted EPS for the three months and six months ended June 30, 2015 have been revised to include after-tax LNG development expenses of $1 million and $5 million, respectively, for consistency with the comparable periods in 2016. LNG development expenses are included in Adjusted Earnings in 2016.

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Business Unit Earnings

SDG&E

(Unaudited, dollars in millions)	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
SDG&E GAAP Earnings	$ 100	$ 126	$ 229	$ 273
Tax Repairs Adjustments Related to GRC[(1)]	31	-	31	-
Retroactive Q1-16 GRC Benefit[(2)]	(9)	-	-	-
Adjustment to Loss on SONGS Plant Closure[(3)]	-	-	-	(13)
SDG&E Adjusted Earnings[(4)]	$ 122	$ 126	$ 260	$ 260

- Q2-16 adjusted earnings[(4)] in line with Q2-15, including:
  - $10M favorable resolution of prior years' tax items in Q2-15, partially offset by
  - $6M higher earnings in Q2-16 including $3M higher AFUDC equity earnings

1) In Q2-16, SDG&E recorded $31M after-tax ($52M pretax) related to the reallocation to ratepayers of benefits of 2015 income tax repairs deductions and the true-up of 2012-2014 estimates to actuals pursuant to the CPUC final decision in its 2016 GRC.
2) A $9M after-tax ($15M pretax) retroactive incremental revenue requirement increase for Q1-16 from the 2016 GRC.
3) In Q1-15, SDG&E reduced the loss on the SONGS plant closure by $13M after-tax ($21M pretax), as a result of the CPUC's acceptance of SDG&E's compliance filing and establishment of the revenue requirement associated with the settlement.
4) SDG&E Adjusted Earnings is a non-GAAP financial measure. See appendix for information regarding non-GAAP financial measures.

SoCalGas

(Unaudited, dollars in millions)	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
SoCalGas GAAP (Losses) Earnings	$ (1)	$ 70	$ 194	$ 284
Tax Repairs Adjustments Related to GRC[1]	49	-	49	-
Retroactive Q1-16 GRC Benefit[2]	(12)	-	-	-
SoCalGas Adjusted Earnings[3]	$ 36	$ 70	$ 243	$ 284

- Q2-16 adjusted earnings[3] lower primarily due to:
  - $13M impairment of development costs associated with the CPUC decision regarding the North-South Pipeline,
  - $9M lower earnings associated with the income tax tracking mechanism from the final GRC decision, and
  - $13M higher earnings in Q2-15 from retroactive benefit of higher rate base approved by the CPUC in April 2015

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1) In Q2-16, SoCalGas recorded $49M after-tax ($83M pretax) related to the reallocation to ratepayers of benefits of 2015 income tax repairs deductions and the true-up of 2012-2014 estimates to actuals pursuant to the CPUC final decision in its 2016 GRC.
2) A $12M after-tax ($20M pretax) retroactive incremental revenue requirement increase for Q1-16 from the 2016 GRC.
3) SoCalGas Adjusted Earnings is a non-GAAP financial measure. See appendix for information regarding non-GAAP financial measures.

Sempra International

(Unaudited, dollars in millions)	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Sempra South American Utilities	$ 43	$ 45	$ 81	$ 86
Sempra Mexico	57	50	74	97
Sempra International GAAP Earnings	100	95	155	183
Deferred Tax Associated with TdM Plant[1]	2	-	26	-
Sempra International Adjusted Earnings[2]	$ 102	$ 95	$ 181	$ 183

- Q2-16 Sempra International Adjusted Earnings[2] include:
  - $4M higher earnings from projects going into service in Peru, and
  - $10M favorable variance due to effects from foreign currency and inflation in Sempra Mexico, partially offset by
  - $4M lower earnings from foreign currency translation and inflation effects in South America

1) Represents deferred tax expenses related to undistributed earnings and foreign currency movements and inflation as a result of holding the asset for sale.
2) Sempra International Adjusted Earnings is a non-GAAP financial measure. See appendix for information regarding non-GAAP financial measures.

Sempra Natural Gas

(Unaudited, dollars in millions)	Three months ended June 30, 2016		Three months ended June 30, 2015		Six months ended June 30, 2016		Six months ended June 30, 2015	
Sempra Natural Gas GAAP (Losses) Earnings	$	(149)	$	40	$	(185)	$	42
Loss Related to REX[(1)]		-		-		27		-
Permanent Releases of Pipeline Capacity[(2)]		123		-		123		-
Gain on Sale of Mesquite Power Block 2		-		(36)		-		(36)
Sempra Natural Gas Adjusted (Losses) Earnings[(3)]	$	(26)	$	4	$	(35)	$	6

- Q2-16 Natural Gas Adjusted (Losses) Earnings[(3)] lower primarily due to:
  - $19M of losses in Q2-16 compared to $5M of gains in Q2-15; both related to natural gas price movement on inventories sold forward
    - Expect approximately $17M of losses to reverse by year-end 2016 with sale of natural gas held in inventory
  - $8M lower equity earnings due to sale of interest in REX

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1) A $27M after-tax ($44M pretax) impairment recorded on Natural Gas' investment in REX in Q1-16.
2) A $123M after-tax ($206M pretax) charge from Natural Gas' permanent releases of pipeline capacity in Q2-16.
3) Sempra Natural Gas Adjusted (Losses) Earnings is a non-GAAP financial measure. See appendix for information regarding non-GAAP financial measures. Sempra and Sempra Natural Gas Adjusted (Losses) Earnings for the three months and six months ended June 30, 2015 have been revised to include after-tax LNG development expenses of $1 million and $5 million, respectively, for consistency with the comparable periods in 2016. LNG development expenses are included in Sempra and Sempra Natural Gas Adjusted (Losses) Earnings in 2016.

Sempra Renewables

(Unaudited, dollars in millions)	Three months ended June 30, 2016	Three months ended June 30, 2015	Six months ended June 30, 2016	Six months ended June 30, 2015
Sempra Renewables Earnings	12	19	25	32

- Q2-16 Renewables earnings lower primarily due to day-one gains in Q2-15 related to solar investment tax credits from projects placed in service

Appendix

Aliso Canyon Status Update

- Root cause investigation underway at direction of Division of Oil, Gas and Geothermal Resources (DOGGR) and CPUC; expect final report from agencies in late 2016 or early 2017
- Well inspection activities progressing with goal to resume injection into high-priority wells by late summer; injection contingent upon DOGGR and CPUC's approval
- Developing plan to mitigate the 4.62 Bcf of actual natural gas released
- Addressing ~180 lawsuits associated with the well leak
- Temporary relocation program ended
- Cost estimate updated to $717M(1); insurance receivable at $679M; net of $34M of insurance proceeds received to date and retentions
    - Cost estimate excludes damage awards, restitution and any civil or criminal fines and other penalties that may be imposed, as well as any additional costs to clean homes, among other potential costs, as we cannot estimate what amounts, if any, will be incurred for such matters

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1) Of the $717M, approximately 70 percent is for the temporary relocation program (including cleaning costs and certain labor costs) and approximately 15 percent is for attempts to control the well, stop the leak, stop or reduce emissions, and the estimated cost of the root cause investigation. The remaining amount includes estimated legal costs necessary to defend litigation, the value of lost gas, the costs to mitigate the actual natural gas released and other costs. Please refer to Note 11 of our financial statements in our 2016 second quarter Form 10-Q for further information on costs and our insurance coverage.

Non-GAAP Financial Measures

Sempra Energy Adjusted Earnings and Adjusted Earnings-Per-Share (Unaudited) Exclude:

In the three months ended June 30, 2016:

- A $123 million after-tax loss ($206 million pretax) from the permanent release of pipeline capacity at Sempra Natural Gas
- After-tax charges totaling $80 million ($135 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 General Rate Case Final Decision (2016 GRC FD) at San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (collectively, the California Utilities)
- Incremental revenue increases totaling $21 million after-tax ($35 million pretax) for the first quarter of 2016 from the retroactive application of the 2016 GRC FD at the California Utilities
- Deferred income tax expense of $2 million related to our decision to hold Sempra Mexico's Termoeléctrica de Mexicali (TdM) natural gas-fired power plant for sale

In the three months ended June 30, 2015:

- A $36 million after-tax gain ($61 million pretax) on the sale of the remaining block of the Mesquite Power plant

In the six months ended June 30, 2016:

- A $27 million after-tax impairment charge ($44 million pretax) related to Sempra Natural Gas' investment in Rockies Express
- A $123 million after-tax loss ($206 million pretax) from the permanent release of pipeline capacity at Sempra Natural Gas
- After-tax charges totaling $80 million ($135 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 GRC FD at the California Utilities
- Deferred income tax expense of $26 million related to our decision to hold Sempra Mexico's TdM natural gas-fired power plant for sale

In the six months ended June 30, 2015:

- A $13 million after-tax reduction ($21 million pretax) in the plant closure loss related to the San Onofre Nuclear Generating Station (SONGS) due to California Public Utilities Commission (CPUC) approval of a compliance filing related to SDG&E's authorized recovery of its investment in SONGS
- A $36 million after-tax gain ($61 million pretax) on the sale of the remaining block of the Mesquite Power plant

Sempra Energy Adjusted Earnings and Adjusted Earnings Per Share are non-GAAP financial measures (GAAP represents accounting principles generally accepted in the United States of America). Because of the significance and nature of the excluded items, management believes that these non-GAAP financial measures provide a more meaningful comparison of the performance of Sempra Energy's business operations from 2016 to 2015 and to future periods, and also as a base for projection of future earnings-per-share compound annual growth rate (EPS CAGR) from 2016 to 2020. 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. Slide 6 of this presentation reconciles these non-GAAP financial measures to Sempra Energy Earnings and Diluted Earnings Per Common Share, the most comparable GAAP measures.

Non-GAAP Financial Measures (continued)

San Diego Gas & Electric Company (SDG&E) Adjusted Earnings (Unaudited) Exclude:

In the three months ended June 30, 2016:

- After-tax charges totaling $31 million ($52 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 General Rate Case Final Decision (2016 GRC FD)
- Incremental revenue increase of $9 million after-tax ($15 million pretax) for the first quarter of 2016 from the retroactive application of the 2016 GRC FD

In the six months ended June 30, 2016:

- After-tax charges totaling $31 million ($52 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 GRC FD

In the six months ended June 30, 2015:

- A $13 million after-tax reduction ($21 million pretax) in the plant closure loss related to the San Onofre Nuclear Generating Station (SONGS) due to California Public Utilities Commission (CPUC) approval of a compliance filing related to SDG&E's authorized recovery of its investment in SONGS

Southern California Gas Company (SoCalGas) Adjusted Earnings (Unaudited) Exclude:

In the three months ended June 30, 2016:

- After-tax charges totaling $49 million ($83 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 GRC FD
- Incremental revenue increase of $12 million after-tax ($20 million pretax) for the first quarter of 2016 from the retroactive application of the 2016 GRC FD

In the six months ended June 30, 2016:

- After-tax charges totaling $49 million ($83 million pretax) related to tax repairs deductions reallocated to ratepayers as a result of the 2016 GRC FD

SDG&E Adjusted Earnings and SoCalGas Adjusted Earnings are non-GAAP financial measures (GAAP represents accounting principles generally accepted in the United States of America). Because of the significance and nature of the excluded items, management believes that these non-GAAP financial measures provide a more meaningful comparison of the performance of SDG&E's and SoCalGas' business operations from 2016 to 2015 and to 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. Slides 8 and 9 of this presentation reconcile these non-GAAP financial measures to SDG&E Earnings and SoCalGas (Losses) Earnings, respectively, the most comparable GAAP measures.

Non-GAAP Financial Measures (continued)

<u>Sempra International Adjusted Earnings (Unaudited) Exclude:</u>

In the three months ended June 30, 2016:

- Deferred income tax expense of $2 million related to our decision to hold Sempra Mexico's Termoeléctrica de Mexicali (TdM) natural gas-fired power plant for sale

In the six months ended June 30, 2016:

- Deferred income tax expense of $26 million related to our decision to hold Sempra Mexico's TdM natural gas-fired power plant for sale

<u>Sempra Natural Gas Adjusted (Losses) Earnings (Unaudited) Exclude:</u>

In the three months ended June 30, 2016:

- A $123 million after-tax loss ($206 million pretax) from the permanent release of pipeline capacity

In the three months ended June 30, 2015:

- A $36 million after-tax gain ($61 million pretax) on the sale of the remaining block of the Mesquite Power plant

In the six months ended June 30, 2016:

- A $27 million after-tax impairment charge ($44 million pretax) related to the investment in Rockies Express
- A $123 million after-tax loss ($206 million pretax) from the permanent release of pipeline capacity

In the six months ended June 30, 2015:

- A $36 million after-tax gain ($61 million pretax) on the sale of the remaining block of the Mesquite Power plant

Sempra International Adjusted Earnings and Sempra Natural Gas Adjusted (Losses) Earnings are non-GAAP financial measures (GAAP represents accounting principles generally accepted in the United States of America). Because of the significance and nature of the excluded items, management believes that these non-GAAP financial measures provide a more meaningful comparison of the performance of Sempra International's and Sempra Natural Gas' business operations from 2016 to 2015 and to 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. Slides 10 and 11 of this presentation reconcile these non-GAAP financial measures to Sempra International Earnings and Sempra Natural Gas (Losses) Earnings, respectively, the most comparable GAAP measures.

Non-GAAP Financial Measures (continued)

Sempra Energy Adjusted Earnings-Per-Share (EPS) Guidance Range and Projected Adjusted EPS Compound Annual Growth Rate (CAGR) for the Period 2016 Through 2020 (Unaudited):

Sempra Energy 2016 Adjusted Earnings-Per-Share Guidance Range of $4.60 to $5.00 excludes:

- Any potential gain, which is expected to be significant, from the remeasurement of our equity method investment in Gasoductos de Chihuahua (GdC), a 50-50 joint venture between our Mexican subsidiary, IEnova, and Petróleos Mexicanos (PEMEX), in connection with the pending acquisition by IEnova of PEMEX's 50-percent interest in GdC,
- any earnings impact from any transaction to sell the TdM natural gas-fired power plant in Mexico, including the $26 million deferred income tax expense recorded in the six months ended June 30, 2016,
- the $123 million after-tax ($206 million pretax) charge recorded in the second quarter of 2016 from Sempra Natural Gas' permanent release of pipeline capacity,
- the after-tax charges totaling $80 million ($135 million pretax) recorded in the second quarter of 2016 related to tax repairs deductions at the California Utilities as a result of the 2016 General Rate Case Final Decision,
- approximately $70 million after-tax (approximately $117 million pretax) expected gain from the pending sale of EnergySouth Inc., the parent company of Mobile Gas and Willmut Gas;
- the $27 million after-tax ($44 million pre-tax) Rockies Express impairment charge recorded in the first quarter of 2016, and
- the impact of any new accounting standards to be adopted in 2016.

Sempra Energy 2016 Adjusted EPS Guidance is a non-GAAP financial measure. Because of the significance and nature of the excluded items, management believes this non-GAAP financial measure provides better clarity into the ongoing results of the business and the comparability of such results to prior and future periods and also as a base for projected EPS CAGR. Projected Adjusted EPS CAGR for 2016-2020 is a non-GAAP financial measure because it is based on the 2016 Adjusted Earnings Guidance Range. Sempra Energy 2016 Adjusted Earnings-Per-Share Guidance should not be considered an alternative to diluted earnings per share determined in accordance with GAAP. As the operating assets that will be included in the GdC transaction are yet to be confirmed by the applicable Mexican regulatory authority, and the valuation of such assets is not finalized, a gain cannot be reasonably estimated at this time. In addition, an agreement for the sale of the TdM plant has yet to be obtained. As a result, any potential earnings impact, other than the TdM deferred income tax expense recorded in the first six months of 2016, from these transactions cannot be reasonably estimated at this time. We are also not able to estimate the impact from the adoption of new accounting standards in 2016-2020, including Accounting Standards Update (ASU) 2016-09, "Improvements to Employee Share-Based Payment Accounting," ASU 2014-09, "Revenue from Contracts with Customers" and related clarifying ASUs and ASU 2016-02, "Leases." Accordingly, we are not able to provide a corresponding GAAP equivalent to our 2016 Adjusted Earnings-Per-Share Guidance or our Projected Adjusted EPS CAGR from 2016 to 2020.