

**To:** Investment Community**From:** CMS Energy Investor Relations  
<http://www.cmsenergy.com>**Date:** October 26<sup>th</sup>, 2023**Subject:** CMS Energy to Announce Third Quarter 2023 Results and Outlook at 9:30am (ET)**Webcast:**[https://events.q4inc.com/attendee/488573806/guest?t=1696428858300\[u11277508.ct.sendgrid.net\]](https://events.q4inc.com/attendee/488573806/guest?t=1696428858300[u11277508.ct.sendgrid.net])

## CMS Energy Announces Third Quarter Results, Introduces 2024 Guidance

JACKSON, Mich., Oct. 26, 2023 – CMS Energy announced today reported earnings per share of \$0.60 for the third quarter of 2023, compared to \$0.56 per share for the same quarter in 2022. The company's adjusted earnings per share for the third quarter of 2023 were \$0.61, compared to \$0.56 per share for the same quarter in 2022. For the first nine months of the year, the company reported \$1.96 per share compared to \$2.27 per share for the same timeframe in 2022. On an adjusted earnings per share basis year to date, the company reported \$2.06 per share in 2023, compared to \$2.29 per share in 2022.

CMS Energy reaffirmed its 2023 adjusted earnings guidance of \$3.06 to \$3.12\* per share (\*See below for important information about non-GAAP measures) and the long-term adjusted EPS growth of 6 to 8 percent, with a continued confidence toward the high end. The Company also introduced 2024 adjusted earnings guidance of \$3.27 to \$3.33 per share.

"CMS Energy is well positioned heading into the fourth quarter as we continue to execute on cost savings to offset weather-related headwinds. During the quarter, we were also pleased to introduce our electric Reliability Roadmap which will improve the reliability of our system and support a modernized grid for our customers," said Garrick Rochow, President and CEO of CMS Energy and Consumers Energy.

CMS Energy (NYSE: CMS) is a Michigan-based energy provider featuring Consumers Energy as its primary business. It also owns and operates independent power generation businesses.

# # #

CMS Energy will hold a webcast to discuss its 2023 third quarter results and provide a business and financial outlook on Thursday, October 26 at 9:30 a.m. (EDT). To participate in the webcast, go to CMS Energy's homepage ([cmsenergy.com](http://cmsenergy.com)) and select "Events and Presentations."

**Important information for investors about non-GAAP measures and other disclosures.**

This news release contains non-Generally Accepted Accounting Principles (non-GAAP) measures, such as adjusted earnings. All references to net income refer to net income available to common stockholders and references to earnings per share are on a diluted basis. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, business optimization initiative, changes in accounting principles, voluntary separation program, changes in federal tax policy, regulatory items from prior years, unrealized gains or losses from mark-to-market adjustments recognized in net income related to NorthStar Clean Energy's interest expense, or other items. Management views adjusted earnings as a key measure of the company's present operating financial performance and uses adjusted earnings for external communications with analysts and investors. Internally, the company uses adjusted earnings to measure and assess performance. Because the company is not able to estimate the impact of specific line items, which have the potential to significantly impact, favorably or unfavorably, the company's reported earnings in future periods, the company is not providing reported earnings guidance nor is it providing a reconciliation for the comparable future period earnings. The company's adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported earnings.

**This news release contains "forward-looking statements." The forward-looking statements are subject to risks and uncertainties that could cause CMS Energy's and Consumers Energy's results to differ materially. All forward-looking statements should be considered in the context of the risk and other factors detailed from time to time in CMS Energy's and Consumers Energy's Securities and Exchange Commission filings.**

Investors and others should note that CMS Energy routinely posts important information on its website and considers the Investor Relations section, [www.cmsenergy.com/investor-relations](http://www.cmsenergy.com/investor-relations), a channel of distribution.

For more information on CMS Energy, please visit our website at [cmsenergy.com](http://cmsenergy.com). To sign up for email [alert notifications](#), please visit the Investor Relations section of our website.

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# CMS ENERGY CORPORATION

## Consolidated Statements of Income

(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>					
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	Change	9/30/23	9/30/22	Change
<b>Operating Revenue</b>						
Electric utility	\$ 1,351	\$ 1,594	\$ (243)	\$ 3,570	\$ 4,160	\$ (590)
Gas utility	244	292	(48)	1,720	1,811	(91)
NorthStar Clean Energy	78	138	(60)	222	347	(125)
Total operating revenue	1,673	2,024	(351)	5,512	6,318	(806)
<b>Operating Expenses</b>						
Fuel for electric generation	162	312	(150)	409	720	(311)
Purchased and interchange power	377	572	(195)	1,060	1,510	(450)
Purchased power – related parties	21	21	-	57	56	1
Cost of gas sold	42	118	(76)	673	802	(129)
Maintenance and other operating expenses	447	413	34	1,284	1,139	145
Depreciation and amortization	262	243	19	870	830	40
General taxes	91	87	4	330	308	22
Total operating expenses	1,402	1,766	(364)	4,683	5,365	(682)
<b>Operating Income (Loss)</b>						
Electric utility	253	258	(5)	560	676	(116)
Gas utility	22	(5)	27	292	280	12
NorthStar Clean Energy	(1)	7	(8)	(13)	3	(16)
Other	(3)	(2)	(1)	(10)	(6)	(4)
Total operating income	271	258	13	829	953	(124)
<b>Other Income (Expense)</b>						
Nonoperating retirement benefits, net	45	54	(9)	135	154	(19)
Other income	34	5	29	152	11	141
Other expense	(2)	(5)	3	(8)	(20)	12
Total other income	77	54	23	279	145	134
<b>Earnings Before Interest, Taxes, and Other Charges</b>	348	312	36	1,108	1,098	10
Interest on long-term debt	158	127	31	454	370	84
Interest expense - related parties	3	3	-	9	9	-
Other interest expense	4	-	4	10	2	8
Allowance for borrowed funds used during construction	(1)	-	(1)	(2)	(1)	(1)
Income tax expense	11	19	(8)	81	72	9
<b>Income From Continuing Operations</b>	173	163	10	556	646	(90)
Income from discontinued operations, net of tax	-	-	-	1	4	(3)
<b>Net Income</b>	173	163	10	557	650	(93)
Loss attributable to noncontrolling interests	(3)	(2)	(1)	(21)	(16)	(5)
<b>Net Income Attributable to CMS Energy</b>	176	165	11	578	666	(88)
Preferred stock dividends	2	2	-	7	7	-
<b>Net Income Available to Common Stockholders</b>	\$ 174	\$ 163	\$ 11	\$ 571	\$ 659	\$ (88)
<i>Reconciling items:</i>						
Disposal of discontinued operations (gain) loss	-	-	-	(1)	(5)	4
Tax impact	-	-	-	*	1	(1)
Other exclusions from adjusted earnings	1	*	(1)	6	(1)	7
Tax impact	(1)	(*)	1	(2)	*	(2)
Voluntary separation program	5	(*)	5	33	11	22
Tax impact	(1)	*	(1)	(8)	(3)	(5)
<b>Adjusted Net Income – Non-GAAP</b>	<u>\$ 178</u>	<u>\$ 163</u>	<u>\$ 15</u>	<u>\$ 599</u>	<u>\$ 662</u>	<u>\$ (63)</u>
<b>Average Common Shares Outstanding - Diluted</b>	291.4	290.1	1.3	291.3	290.0	1.3
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.60	\$ 0.56	\$ 0.04	\$ 1.96	\$ 2.27	\$ (0.31)
<i>Reconciling items:</i>						
Disposal of discontinued operations (gain) loss	-	-	-	(*)	(0.01)	0.01
Tax impact	-	-	-	*	*	(*)
Other exclusions from adjusted earnings	*	*	(*)	0.02	(*)	0.02
Tax impact	(*)	(*)	*	(*)	*	(*)
Voluntary separation program	0.01	(*)	0.01	0.11	0.04	0.07
Tax impact	(*)	*	(*)	(0.03)	(0.01)	(0.02)
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<u>\$ 0.61</u>	<u>\$ 0.56</u>	<u>\$ 0.05</u>	<u>\$ 2.06</u>	<u>\$ 2.29</u>	<u>\$ (0.23)</u>

\* Less than \$0.5 million or \$0.01 per share.

# CMS ENERGY CORPORATION

## Summarized Consolidated Balance Sheets

### (Unaudited)

	<i>In Millions</i>	
	<b>As of</b>	
	<b>9/30/23</b>	<b>12/31/22</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 157	\$ 164
Restricted cash and cash equivalents	27	18
Other current assets	2,265	3,251
Total current assets	2,449	3,433
Non-current assets		
Plant, property, and equipment	24,694	22,713
Other non-current assets	5,370	5,207
<b>Total Assets</b>	<b>\$ 32,513</b>	<b>\$ 31,353</b>
<b>Liabilities and Equity</b>		
Current liabilities <sup>(1)</sup>	\$ 1,429	\$ 1,866
Non-current liabilities <sup>(1)</sup>	7,859	7,583
Capitalization		
Debt and finance leases (excluding securitization debt) <sup>(2)</sup>	15,311	14,139
Preferred stock and securities	224	224
Noncontrolling interests	572	580
Common stockholders' equity	6,962	6,791
Total capitalization (excluding securitization debt)	23,069	21,734
Securitization debt <sup>(2)</sup>	156	170
<b>Total Liabilities and Equity</b>	<b>\$ 32,513</b>	<b>\$ 31,353</b>

<sup>(1)</sup> Excludes debt and finance leases.

<sup>(2)</sup> Includes current and non-current portions.

# CMS ENERGY CORPORATION

## Summarized Consolidated Statements of Cash Flows

### (Unaudited)

	<i>In Millions</i>	
	<b>Nine Months Ended</b>	
	<b>9/30/23</b>	<b>9/30/22</b>
<b>Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	\$ 182	\$ 476
Net cash provided by operating activities	1,904	667
Net cash used in investing activities	(2,737)	(1,808)
Cash flows from operating and investing activities	(833)	(1,141)
Net cash provided by financing activities	835	860
<b>Total Cash Flows</b>	<b>\$ 2</b>	<b>\$ (281)</b>
<b>End of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	<b>\$ 184</b>	<b>\$ 195</b>

# CMS ENERGY CORPORATION

## Selected Financial Data

(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	9/30/23	12/31/22	9/30/22
<b>EBIT – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 1,480	\$ 1,441	\$ 1,382
Consumers Energy	1,385	1,441	1,394
<b>Depreciation and Amortization</b>			
Consolidated	\$ 1,166	\$ 1,126	\$ 1,112
Consumers Energy	1,125	1,088	1,075
<b>EBITDA – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 2,646	\$ 2,567	\$ 2,494
Consumers Energy	2,510	2,529	2,469
<b>Dividends and Other Distributions From Subsidiaries</b>	\$ 687	\$ 769	\$ 1,616
<b>Interest Expense, Net</b>			
Consolidated	\$ 610	\$ 519	\$ 506
Energy parent	193	181	182
Consumers Energy	416	335	319
	<i>In Millions</i>		
	As of		
	9/30/23	12/31/22	9/30/22
<b>Book Value Per Share</b>	\$ 23.86	\$ 23.31	\$ 23.05
<b>Common Shares Outstanding – End of Period</b>	291.8	291.3	290.3
<b>Average Common Shares Outstanding</b>			
Basic	290.9	289.5	289.5
Diluted	291.3	290.0	290.0
<b>Debt <sup>(2)</sup></b>			
Energy parent	\$ 4,720	\$ 3,930	\$ 3,929
NorthStar Clean Energy	194	122	23
Consumers Energy (excluding securitization bonds)	10,397	10,087	9,619
Consolidated (excluding securitization bonds)	15,311	14,139	13,571
Securitization bonds	156	170	184
Consolidated	\$ 15,467	\$ 14,309	\$ 13,755
<b>Unrestricted Cash and Cash Equivalents</b>			
Energy parent	\$ 103	\$ 36	\$ 43
Consumers Energy	7	43	83
CMS Treasury Services	7	39	4
Other	40	46	38
Consolidated	\$ 157	\$ 164	\$ 168
<b>Consumers Energy</b>			
<b>Regulated Common Equity Ratio (13-Month Average)</b>			
Electric	41.9%	43.5%	43.7%
Gas	41.9%	43.5%	43.7%
<b>Regulated Rate Base (13-Month Average, in Millions)</b>			
Electric <sup>(3)</sup>	\$ 14,738	\$ 13,796	\$ 13,603
Gas	9,459	8,668	8,365
<b>Regulated Return on Average Common Equity (12-Month Ended)</b>			
Electric <sup>(3)</sup>	7.9%	9.3%	9.8%
Gas	8.5%	10.0%	9.3%

<sup>(1)</sup> EBIT (non-GAAP) equals net income available to common stockholders + income taxes + interest charges + noncontrolling interests + discontinued operations + writedowns + impairments + losses (gains) on asset sales + accounting changes. EBITDA (non-GAAP) equals EBIT + depreciation and amortization.

<sup>(2)</sup> Includes current maturities, leases and notes payable.

<sup>(3)</sup> Includes Renewable Portfolio Standard (RPS) renewables rate base of ~\$1.3 billion in total.

**CMS ENERGY CORPORATION**  
**Reconciliations of GAAP Net Income to Non-GAAP EBIT and EBITDA**  
**(Unaudited)**

	<i>In Millions</i>		
	Twelve Months Ended		
	9/30/23	12/31/22	9/30/22
<b>Net Income Available to Common Stockholders</b>	\$ 739	\$ 827	\$ 1,296
<i>Reconciling items:</i>			
Income tax expense	102	94	223
Interest on long-term debt	593	509	492
Interest expense - related parties	12	12	12
Other interest expense	8	-	4
Allowance for borrowed funds used during construction	(3)	(2)	(2)
Loss attributable to noncontrolling interests	(29)	(24)	(21)
Preferred stock dividends	10	10	9
Disposal of discontinued operations gain	(1)	(5)	(670)
Other exclusions from adjusted earnings	15	8	(1)
Loss on fleet impairment	-	-	29
Voluntary separation program	34	12	11
<b>EBIT – Non-GAAP</b>	1,480	1,441	1,382
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,166	1,126	1,112
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,646</u>	<u>\$ 2,567</u>	<u>\$ 2,494</u>

**CONSUMERS ENERGY COMPANY**  
**Reconciliations of GAAP Net Income to Non-GAAP EBIT and EBITDA**  
**(Unaudited)**

	<i>In Millions</i>		
	Twelve Months Ended		
	9/30/23	12/31/22	9/30/22
<b>Net Income Available to Common Stockholder</b>	\$ 775	\$ 943	\$ 899
<i>Reconciling items:</i>			
Income tax expense	139	140	134
Interest on long-term debt	400	325	305
Interest expense - related parties	16	12	12
Other interest expense	7	-	4
Allowance for borrowed funds used during construction	(3)	(2)	(2)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	15	9	-
Loss on fleet impairment	-	-	29
Voluntary separation program	34	12	11
<b>EBIT – Non-GAAP</b>	1,385	1,441	1,394
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,125	1,088	1,075
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,510</u>	<u>\$ 2,529</u>	<u>\$ 2,469</u>

**CMS ENERGY CORPORATION**  
**Non-GAAP Adjusted Earnings Per Share Variance Analysis**  
**(Unaudited)**

Three Months Ended September 30			
	9/30/23	9/30/22	Variance
<b>Adjusted EPS – Non-GAAP</b>			
Electric utility	\$ 0.65	\$ 0.67	\$ (0.02)
Gas utility	0.02	(0.05)	0.07
NorthStar Clean Energy	0.06	0.04	0.02
Energy parent	(0.12)	(0.10)	(0.02)
<b>Consolidated</b>	<u>\$ 0.61</u>	<u>\$ 0.56</u>	<u>\$ 0.05</u>
<b>Variance Explanations:</b>			
<b>ELECTRIC UTILITY</b>			
- Deliveries of 9,878 GWh, down 316 GWh (weather-driven impact, down 421 GWh)			\$ (0.06)
- Electric rate relief			0.18
- Higher operating & maintenance expenses, including storm costs			(0.08)
- Higher investment costs (depreciation, property taxes and fixed costs)			(0.09)
- Other, including ETR			0.03
- Change in shares outstanding			*
			<u>\$ (0.02)</u>
<b>GAS UTILITY</b>			
- Deliveries, including transportation to end-use customers, of 29.6 bcf, down 1.2 bcf (weather-driven impact, down 0.8 bcf)			\$ (0.01)
- Gas rate relief			0.06
- Lower operating & maintenance expenses			0.03
- Higher investment costs (depreciation, property taxes and fixed costs)			(0.02)
- Other, including ETR			0.01
- Change in shares outstanding			*
			<u>\$ 0.07</u>
<b>NORTHSTAR CLEAN ENERGY AND ENERGY PARENT</b>			
- NorthStar Clean Energy			\$ 0.02
- Energy parent			(0.02)
- Change in shares outstanding			*
			<u>\$ -</u>
<b>WEATHER IMPACTS</b>			
	9/30/23	9/30/22	
<b>Weather</b>			
- Warmer (colder) than normal using 15-year average temperatures	(1.5) %	1.0 %	
<b>Electric Utility</b>			
- Increase (decrease) from normal in:			
Electric sales (GWh)	(174)	247	
EPS	\$ (0.05)	\$ 0.06	
<b>Gas Utility</b>			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(0.8)	-	
EPS	\$ (0.01)	\$ -	
<b>Total EPS Weather Impacts</b>	<u>\$ (0.06)</u>	<u>\$ 0.06</u>	

\* Less than \$0.01 per share.

# CMS ENERGY CORPORATION

## Non-GAAP Adjusted Earnings Per Share Variance Analysis

### (Unaudited)

Nine Months Ended September 30			
	9/30/23	9/30/22	Variance
<b>Adjusted EPS – Non-GAAP</b>			
Electric utility	\$ 1.45	\$ 1.75	\$ (0.30)
Gas utility	0.66	0.83	(0.17)
NorthStar Clean Energy	0.09	0.09	-
Energy parent	(0.14)	(0.38)	0.24
<b>Consolidated</b>	<u>\$ 2.06</u>	<u>\$ 2.29</u>	<u>\$ (0.23)</u>
<b>Variance Explanations:</b>			
<b>ELECTRIC UTILITY</b>			
- Deliveries of 27,531 GWh, down 973 GWh (weather-driven impact, down 953 GWh)			\$ (0.26)
- Electric rate relief			0.39
- Higher operating & maintenance expenses, including storm costs			(0.27)
- Higher investment costs (depreciation, property taxes and fixed costs)			(0.20)
- Other, including ETR and higher interest earnings			0.05
- Change in shares outstanding			(0.01)
			<u>\$ (0.30)</u>
<b>GAS UTILITY</b>			
- Deliveries, including transportation to end-use customers, of 198.0 bcf, down 24.4 bcf (weather-driven impact, down 21.9 bcf)			\$ (0.27)
- Gas rate relief			0.31
- Lower operating & maintenance expenses			0.06
- Higher investment costs (depreciation, property taxes and fixed costs)			(0.14)
- Absence of tax benefits from 2020 gas rate case settlement			(0.16)
- Other, including ETR and higher interest earnings			0.03
- Change in shares outstanding			*
			<u>\$ (0.17)</u>
<b>NORTHSTAR CLEAN ENERGY AND ENERGY PARENT</b>			
- Energy parent, including corporate financings			\$ 0.24
- Change in shares outstanding			*
			<u>\$ 0.24</u>
<b>WEATHER IMPACTS</b>			
	9/30/23	9/30/22	
<b>Weather</b>			
- Warmer (colder) than normal using 15-year average temperatures	2.3 %	(0.5) %	
<b>Electric Utility</b>			
- Increase (decrease) from normal in:			
Electric sales (GWh)	(421)	532	
EPS	\$ (0.12)	\$ 0.14	
<b>Gas Utility</b>			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(15.8)	6.1	
EPS	\$ (0.17)	\$ 0.06	
<b>Total EPS Weather Impacts</b>	<u>\$ (0.29)</u>	<u>\$ 0.20</u>	

\* Less than \$0.01 per share.



# CMS ENERGY CORPORATION

## Reconciliation of GAAP EPS to Non-GAAP Adjusted EPS by Segment

### (Unaudited)

	<i>In Millions, Except Per Share Amounts</i>			
	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>9/30/23</b>	<b>9/30/22</b>	<b>9/30/23</b>	<b>9/30/22</b>
<b>Electric Utility</b>				
Reported net income per share	\$ 0.65	\$ 0.67	\$ 1.39	\$ 1.73
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	(*)	-	0.01	-
Tax impact	*	-	(*)	-
Voluntary separation program	*	(*)	0.07	0.03
Tax impact	(*)	*	(0.02)	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.65</u>	<u>\$ 0.67</u>	<u>\$ 1.45</u>	<u>\$ 1.75</u>
<b>Gas Utility</b>				
Reported net income (loss) per share	\$ 0.01	\$ (0.05)	\$ 0.62	\$ 0.82
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	-	0.01	-
Tax impact	(*)	-	(*)	-
Voluntary separation program	0.01	(*)	0.04	0.01
Tax impact	(*)	*	(0.01)	(*)
Adjusted net income (loss) per share – non-GAAP	<u>\$ 0.02</u>	<u>\$ (0.05)</u>	<u>\$ 0.66</u>	<u>\$ 0.83</u>
<b>NorthStar Clean Energy</b>				
Reported net income per share	\$ 0.06	\$ 0.04	\$ 0.09	\$ 0.09
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	(*)
Tax impact	-	-	-	*
Voluntary separation program	-	-	-	*
Tax impact	-	-	-	(*)
Adjusted net income per share – non-GAAP	<u>\$ 0.06</u>	<u>\$ 0.04</u>	<u>\$ 0.09</u>	<u>\$ 0.09</u>
<b>Corporate Interest and Other</b>				
Reported net loss per share	\$ (0.12)	\$ (0.10)	\$ (0.14)	\$ (0.38)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	*	-	*
Tax impact	-	(*)	-	(*)
Adjusted net loss per share – non-GAAP	<u>\$ (0.12)</u>	<u>\$ (0.10)</u>	<u>\$ (0.14)</u>	<u>\$ (0.38)</u>
<b>Discontinued Operations</b>				
Reported net income per share	\$ -	\$ -	\$ -	\$ 0.01
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Adjusted net income per share – non-GAAP	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Consolidated</b>				
Reported net income per share	\$ 0.60	\$ 0.56	\$ 1.96	\$ 2.27
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Other exclusions from adjusted earnings	*	*	0.02	(*)
Tax impact	(*)	(*)	(*)	*
Voluntary separation program	0.01	(*)	0.11	0.04
Tax impact	(*)	*	(0.03)	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.61</u>	<u>\$ 0.56</u>	<u>\$ 2.06</u>	<u>\$ 2.29</u>
<b>Average Common Shares Outstanding – Diluted</b>	<u>291.4</u>	<u>290.1</u>	<u>291.3</u>	<u>290.0</u>

\* Less than \$0.01 per share.

# CMS ENERGY CORPORATION

## Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income

### (Unaudited)

	<i>In Millions, Except Per Share Amounts</i>			
	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>9/30/23</b>	<b>9/30/22</b>	<b>9/30/23</b>	<b>9/30/22</b>
<b>Net Income Available to Common Stockholders</b>	\$ 174	\$ 163	\$ 571	\$ 659
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	-	-	(1)	(5)
Tax impact	-	-	*	1
Other exclusions from adjusted earnings**	1	*	6	(1)
Tax impact	(1)	(*)	(2)	*
Voluntary separation program	5	(*)	33	11
Tax impact	(1)	*	(8)	(3)
Adjusted net income – non-GAAP	<u>\$ 178</u>	<u>\$ 163</u>	<u>\$ 599</u>	<u>\$ 662</u>
<b>Average Common Shares Outstanding - Diluted</b>	291.4	290.1	291.3	290.0
<b>Diluted Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.60	\$ 0.56	\$ 1.96	\$ 2.27
<i>Reconciling items:</i>				
Disposal of discontinued operations gain	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Other exclusions from adjusted earnings**	*	*	0.02	(*)
Tax impact	(*)	(*)	(*)	*
Voluntary separation program	0.01	(*)	0.11	0.04
Tax impact	(*)	*	(0.03)	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.61</u>	<u>\$ 0.56</u>	<u>\$ 2.06</u>	<u>\$ 2.29</u>

\* Less than \$0.5 million or \$0.01 per share.

\*\* Includes restructuring costs, business optimization initiative, and unrealized gains or losses from mark-to-market adjustments, recognized in net income related to NorthStar Clean Energy's interest expense.

Management views adjusted (non-Generally Accepted Accounting Principles) earnings as a key measure of the Company's present operating financial performance and uses adjusted earnings for external communications with analysts and investors. Internally, the Company uses adjusted earnings to measure and assess performance. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, business optimization initiative, changes in accounting principles, voluntary separation program, changes in federal tax policy, regulatory items from prior years, unrealized gains or losses from mark-to-market adjustments, recognized in net income related to NorthStar Clean Energy's interest expense, or other items. The adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for reported earnings.

# CMS ENERGY CORPORATION

## Reconciliation of GAAP Net Income to Non-GAAP Adjusted Net Income by Quarter (Unaudited)

<i>In Millions, Except Per Share Amounts</i>			
<b>2023</b>			
	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>
<b>Net Income Available to Common Stockholders</b>	\$ 202	\$ 195	\$ 174
<i>Reconciling items:</i>			
Electric utility and gas utility	3	30	6
Tax impact	(1)	(7)	(2)
NorthStar Clean Energy	-	-	-
Tax impact	-	-	-
Corporate interest and other	-	-	-
Tax impact	-	-	-
Disposal of discontinued operations gain	-	(1)	-
Tax impact	-	*	-
<b>Adjusted Net Income – Non-GAAP</b>	<b>\$ 204</b>	<b>\$ 217</b>	<b>\$ 178</b>
<b>Average Common Shares Outstanding – Diluted</b>	291.2	291.3	291.4
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.69	\$ 0.67	\$ 0.60
<i>Reconciling items:</i>			
Electric utility and gas utility	0.01	0.10	0.01
Tax impact	(*)	(0.02)	(*)
NorthStar Clean Energy	-	-	-
Tax impact	-	-	-
Corporate interest and other	-	-	-
Tax impact	-	-	-
Disposal of discontinued operations gain	-	(*)	-
Tax impact	-	*	-
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<b>\$ 0.70</b>	<b>\$ 0.75</b>	<b>\$ 0.61</b>

<i>In Millions, Except Per Share Amounts</i>				
<b>2022</b>				
	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>
<b>Net Income Available to Common Stockholders</b>	\$ 351	\$ 145	\$ 163	\$ 168
<i>Reconciling items:</i>				
Electric utility and gas utility	-	11	(*)	10
Tax impact	-	(3)	*	(2)
NorthStar Clean Energy	(1)	(*)	-	-
Tax impact	*	*	-	-
Corporate interest and other	-	*	*	*
Tax impact	-	(*)	(*)	(*)
Disposal of discontinued operations (gain) loss	(5)	*	-	-
Tax impact	1	(*)	-	-
<b>Adjusted Net Income – Non-GAAP</b>	<b>\$ 346</b>	<b>\$ 153</b>	<b>\$ 163</b>	<b>\$ 176</b>
<b>Average Common Shares Outstanding – Diluted</b>	289.9	290.1	290.1	290.1
<b>Diluted Earnings Per Average Common Share</b>	\$ 1.21	\$ 0.50	\$ 0.56	\$ 0.58
<i>Reconciling items:</i>				
Electric utility and gas utility	-	0.04	(*)	0.03
Tax impact	-	(0.01)	*	(0.01)
NorthStar Clean Energy	(*)	(*)	-	-
Tax impact	*	*	-	-
Corporate interest and other	-	*	*	*
Tax impact	-	(*)	(*)	(*)
Disposal of discontinued operations (gain) loss	(0.01)	*	-	-
Tax impact	*	(*)	-	-
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<b>\$ 1.20</b>	<b>\$ 0.53</b>	<b>\$ 0.56</b>	<b>\$ 0.60</b>

\* Less than \$0.5 million or \$0.01 per share.

# CONSUMERS ENERGY COMPANY

## Consolidated Statements of Income

(Unaudited)

	<i>In Millions</i>					
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	Change	9/30/23	9/30/22	Change
<b>Operating Revenue</b>						
Electric utility	\$ 1,351	\$ 1,594	\$ (243)	\$ 3,570	\$ 4,160	\$ (590)
Gas utility	244	292	(48)	1,720	1,811	(91)
Other	1	-	1	1	-	1
Total operating revenue	1,596	1,886	(290)	5,291	5,971	(680)
<b>Operating Expenses</b>						
Fuel for electric generation	131	233	(102)	314	530	(216)
Purchased and interchange power	364	556	(192)	1,024	1,461	(437)
Purchased power – related parties	21	21	-	57	56	1
Cost of gas sold	41	114	(73)	670	792	(122)
Maintenance and other operating expenses	425	393	32	1,214	1,076	138
Depreciation and amortization	250	233	17	839	802	37
General taxes	90	84	6	323	299	24
Total operating expenses	1,322	1,634	(312)	4,441	5,016	(575)
<b>Operating Income (Loss)</b>						
Electric utility	252	258	(6)	559	676	(117)
Gas utility	22	(6)	28	292	280	12
Other	-	-	-	(1)	(1)	-
Total operating income	274	252	22	850	955	(105)
<b>Other Income (Expense)</b>						
Nonoperating retirement benefits, net	43	52	(9)	128	146	(18)
Other income	13	4	9	40	12	28
Other expense	(3)	(5)	2	(8)	(19)	11
Total other income	53	51	2	160	139	21
<b>Interest Charges</b>						
Interest on long-term debt	106	81	25	306	231	75
Interest expense - related parties	6	3	3	13	9	4
Other interest expense	3	1	2	9	2	7
Allowance for borrowed funds used during construction	(1)	-	(1)	(2)	(1)	(1)
Total interest charges	114	85	29	326	241	85
<b>Income Before Income Taxes</b>	213	218	(5)	684	853	(169)
<b>Income Tax Expense</b>	35	29	6	107	108	(1)
<b>Net Income</b>	178	189	(11)	577	745	(168)
<b>Preferred Stock Dividends</b>	-	-	-	1	1	-
<b>Net Income (Loss) Available to Common Stockholder</b>						
Electric utility	187	194	(7)	404	501	(97)
Gas utility	4	(13)	17	181	239	(58)
Other	(13)	8	(21)	(9)	4	(13)
Total net income available to common stockholder	\$ 178	\$ 189	\$ (11)	\$ 576	\$ 744	\$ (168)

# CONSUMERS ENERGY COMPANY

## Electric Utility Statistics

### (Unaudited)

	<i>In Millions of kWh, Except as Noted</i>					
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	% Change	9/30/23	9/30/22	% Change
<b>Electric Deliveries</b>						
Residential	3,417	3,610	(5.3)	9,268	9,980	(7.1)
Commercial	3,189	3,276	(2.7)	8,798	8,968	(1.9)
Industrial	2,214	2,173	1.9	6,469	6,342	2.0
Other	31	32	(3.1)	101	98	3.1
Wholesale	81	96	(15.6)	213	246	(13.4)
Retail open access	946	1,007	(6.1)	2,682	2,870	(6.6)
Total customer deliveries	9,878	10,194	(3.1)	27,531	28,504	(3.4)
Intersystem	1,020	538	89.6	2,296	3,147	(27.0)
Total electric deliveries	10,898	10,732	1.5	29,827	31,651	(5.8)
<b>Weather-Normalized Electric Deliveries <sup>(1)</sup></b>						
Residential	3,557	3,461	2.8	9,585	9,605	(0.2)
Commercial	3,214	3,179	1.1	8,895	8,822	0.8
Industrial	2,221	2,171	2.3	6,477	6,336	2.2
Other	32	32	-	102	98	4.1
Wholesale	81	96	(15.6)	213	246	(13.4)
Retail open access	947	1,008	(6.1)	2,680	2,865	(6.5)
Total weather-normalized electric deliveries	10,052	9,947	1.1	27,952	27,972	(0.1)
<b>Weather-Normalized Electric Deliveries <sup>(1)</sup></b>						
<b>(By Class, Including Retail Open Access)</b>						
Residential	3,557	3,461	2.8	9,585	9,605	(0.2)
Commercial	3,459	3,434	0.7	9,574	9,521	0.6
Industrial	2,923	2,924	-	8,478	8,502	(0.3)
Other	32	32	-	102	98	4.1
Wholesale	81	96	(15.6)	213	246	(13.4)
Total weather-normalized electric deliveries	10,052	9,947	1.1	27,952	27,972	(0.1)

<sup>(1)</sup> Excludes intersystem deliveries.

	<i>In Millions, Except as Noted</i>					
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	% Change	9/30/23	9/30/22	% Change
<b>Electric Utility Revenue</b>						
Residential	\$ 666	\$ 767	(13.2)	\$ 1,707	\$ 1,955	(12.7)
Commercial	443	515	(14.0)	1,183	1,319	(10.3)
Industrial	175	226	(22.6)	495	601	(17.6)
Other	10	10	-	28	26	7.7
Total sales revenue	1,294	1,518	(14.8)	3,413	3,901	(12.5)
Wholesale	6	8	(25.0)	16	18	(11.1)
Retail open access	8	8	-	26	25	4.0
Intersystem	29	47	(38.3)	69	179	(61.5)
Miscellaneous	14	13	7.7	46	37	24.3
Total electric utility revenue	\$ 1,351	\$ 1,594	(15.2)	\$ 3,570	\$ 4,160	(14.2)

# CONSUMERS ENERGY COMPANY

## Gas Utility Statistics

### (Unaudited)

				<i>In Thousands of mcf, Except as Noted</i>		
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	% Change	9/30/23	9/30/22	% Change
<b>Gas Deliveries</b>						
Residential	9,709	9,449	2.8	96,049	111,554	(13.9)
Commercial	3,459	3,410	1.4	36,371	41,283	(11.9)
Industrial	587	826	(28.9)	5,020	6,194	(19.0)
Other	4	104	(96.2)	89	264	(66.3)
Transportation	15,850	16,957	(6.5)	60,525	63,074	(4.0)
Total customer deliveries	29,609	30,746	(3.7)	198,054	222,369	(10.9)
Off-system transportation						
MCV	18,265	10,195	79.2	56,436	40,214	40.3
Other	5,543	5,949	(6.8)	13,534	14,989	(9.7)
Total gas deliveries	53,417	46,890	13.9	268,024	277,572	(3.4)
<b>Weather-Normalized Gas Deliveries <sup>(1)</sup></b>						
Residential	10,103	9,412	7.3	106,708	106,998	(0.3)
Commercial	3,598	3,378	6.5	39,549	39,371	0.5
Industrial	608	816	(25.5)	5,461	5,970	(8.5)
Other	4	103	(96.1)	103	257	(59.9)
Transportation	16,059	17,061	(5.9)	62,018	63,663	(2.6)
Total weather-normalized gas deliveries	30,372	30,770	(1.3)	213,839	216,259	(1.1)
<b>Weather-Normalized Gas Deliveries <sup>(1)</sup></b>						
<b>(By Class, Including Transportation)</b>						
Residential	10,145	9,465	7.2	107,459	107,801	(0.3)
Commercial	7,113	6,933	2.6	58,670	58,617	0.1
Industrial	13,107	13,936	(5.9)	47,564	49,251	(3.4)
Other	7	436	(98.4)	146	590	(75.3)
Total weather-normalized gas deliveries	30,372	30,770	(1.3)	213,839	216,259	(1.1)

<sup>(1)</sup> Excludes off-system transportation deliveries.

				<i>In Millions, Except as Noted</i>		
	Three Months Ended			Nine Months Ended		
	9/30/23	9/30/22	% Change	9/30/23	9/30/22	% Change
<b>Gas Utility Revenue</b>						
Residential	\$ 155	\$ 187	(17.1)	\$ 1,160	\$ 1,238	(6.3)
Commercial	38	51	(25.5)	353	369	(4.3)
Industrial	5	10	(50.0)	44	53	(17.0)
Other	-	1	100.0	1	2	(50.0)
Total sales revenue	198	249	(20.5)	1,558	1,662	(6.3)
Transportation	22	20	10.0	87	77	13.0
Miscellaneous	24	23	4.3	75	72	4.2
Total gas utility revenue	\$ 244	\$ 292	(16.4)	\$ 1,720	\$ 1,811	(5.0)