

**To:** Financial Community

**From:** CMS Energy Investor Relations  
Ph: 517-788-2590; Fx: 517-788-1006  
<http://www.cmsenergy.com>

**Date:** October 24, 2019

**Subject:** CMS Energy Third Quarter 2019 Results and Outlook

---

CMS Energy will hold a webcast to discuss its Third Quarter 2019 Results and Outlook on Thursday, October 24 at 8:30 a.m. (ET).

To participate in the webcast, go to CMS Energy's home page ([www.cmsenergy.com](http://www.cmsenergy.com)), select "Investor Relations", "Events and Presentations", and "CMS Energy Third Quarter 2019 Earnings Call" or [click here](#).

---

## **CMS Energy Announces Third Quarter Earnings of \$0.73 Per Share, Introduces 2020 Earnings Guidance and New \$25 Billion 10-Year Capital Plan**

JACKSON, Mich., October 24, 2019 – CMS Energy announced today reported net income of \$207 million or \$0.73 per share, for the third quarter of 2019, compared to \$169 million or \$0.59 per share for the same quarter in 2018. For the first nine months of 2019, the company reported net income of \$513 million or \$1.81 per share, compared to \$549 million or \$1.94 for the comparable period in 2018. The key drivers of CMS Energy's year-to-date financial performance were unfavorable weather and storm activity, partially offset by investment recovery and favorable sales mix.

CMS Energy reaffirmed its guidance for 2019 adjusted earnings of \$2.47 - \$2.51 per share (*\*See below for important information about non-GAAP measures*) or 6 to 8 percent annual adjusted earnings per share growth. Additionally, CMS Energy introduced 2020 adjusted earnings per share guidance of \$2.63 to \$2.68, reflecting continued strong growth of 6 to 8 percent.

"The company's third quarter results confirm our commitment to finish the year strong both operationally and financially," said Patti Poppe, President and CEO of CMS Energy and Consumers Energy. "As we look to 2020, we will continue to focus on the triple bottom line of people, planet and profit."

CMS Energy noted several accomplishments during the quarter:

- Received a gas rate case order, supporting \$1.2 billion of gas infrastructure investment to improve safety and reliability
- Issued a Request for Proposal to acquire 300 MW of solar projects as part of the Clean Energy Plan
- Ranked #1 in J.D. Power Midwest Large Residential Gas Study
- Committed to net-zero methane emissions by 2030 for our natural gas distribution system

CMS Energy (NYSE: CMS) is a Michigan-based company that has an electric and natural gas utility, Consumers Energy, as its primary business. It also owns and operates independent power generation businesses.

###

*CMS Energy will hold a webcast to discuss its 2019 third quarter results and provide a business and financial outlook on October 24 at 8:30 a.m. (EDT). To participate in the webcast, go to CMS Energy's homepage ([cmsenergy.com](http://cmsenergy.com)) and select "Investor Meeting."*

**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. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items detailed in the attached summary financial statements. 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. All references to earnings per share are on a diluted basis.

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.*

*Media Contacts: Katie Carey, 517/788-2395*

*Investment Analyst Contact: CMS Energy Investor Relations, 517/788-2590*

**CMS ENERGY CORPORATION**  
**Consolidated Statements of Income**  
**(Unaudited)**

	<i>In Millions, Except Per Share Amounts</i>					
	<b>Three Months Ended</b>			<b>Nine Months Ended</b>		
	<b>9/30/19</b>	<b>9/30/18</b>	<b>Change</b>	<b>9/30/19</b>	<b>9/30/18</b>	<b>Change</b>
<b>Operating Revenue</b>						
Electric utility	\$ 1,250	\$ 1,313	\$ (63)	\$ 3,380	\$ 3,480	\$ (100)
Gas utility	179	189	(10)	1,326	1,272	54
Enterprises	59	57	2	184	181	3
Other	58	40	18	160	111	49
Total operating revenue	<u>1,546</u>	<u>1,599</u>	<u>(53)</u>	<u>5,050</u>	<u>5,044</u>	<u>6</u>
<b>Operating Expenses</b>						
Fuel for electric generation	130	150	(20)	391	397	(6)
Purchased and interchange power	413	447	(34)	1,147	1,222	(75)
Purchased power – related parties	19	21	(2)	53	59	(6)
Cost of gas sold	35	48	(13)	545	541	4
Maintenance and other operating expenses	313	366	(53)	1,010	1,002	8
Depreciation and amortization	215	206	9	729	689	40
General taxes	70	67	3	247	222	25
Total operating expenses	<u>1,195</u>	<u>1,305</u>	<u>(110)</u>	<u>4,122</u>	<u>4,132</u>	<u>(10)</u>
<b>Operating Income (Loss)</b>						
Electric utility	323	284	39	647	677	(30)
Gas utility	(4)	(13)	9	175	157	18
Enterprises	3	2	1	26	28	(2)
Other	29	21	8	80	50	30
Total operating income	<u>351</u>	<u>294</u>	<u>57</u>	<u>928</u>	<u>912</u>	<u>16</u>
<b>Other Income (Expense)</b>						
Interest income	2	2	-	5	8	(3)
Allowance for equity funds used during construction	2	2	-	7	4	3
Income from equity method investees	5	(1)	6	6	6	-
Nonoperating retirement benefits, net	22	22	-	68	68	-
Other income	-	1	(1)	3	2	1
Other expense	-	(4)	4	(8)	(15)	7
Total other income	<u>31</u>	<u>22</u>	<u>9</u>	<u>81</u>	<u>73</u>	<u>8</u>
<b>Earnings Before Interest, Taxes, and Other Charges</b>	382	316	66	1,009	985	24
Interest on long-term debt	111	101	10	327	304	23
Interest expense - related parties	3	-	3	6	-	6
Other interest expense	20	14	6	55	35	20
Allowance for borrowed funds used during construction	(1)	(1)	-	(3)	(2)	(1)
Income tax expense	42	33	9	110	98	12
<b>Net Income</b>	<u>207</u>	<u>169</u>	<u>38</u>	<u>514</u>	<u>550</u>	<u>(36)</u>
Income attributable to noncontrolling interests	-	-	-	1	1	-
<b>Net Income Available to Common Stockholders</b>	\$ 207	\$ 169	\$ 38	\$ 513	\$ 549	\$ (36)
<i>Reconciling items:</i>						
Other exclusions from adjusted earnings	1	*	1	1	1	-
Tax impact	(*)	(*)	-	(*)	(*)	-
Gain on assets previously sold	-	-	-	(*)	(4)	4
Tax impact	-	-	-	*	1	(1)
<b>Adjusted Net Income – Non-GAAP</b>	<u>\$ 208</u>	<u>\$ 169</u>	<u>\$ 39</u>	<u>\$ 514</u>	<u>547</u>	<u>\$ (33)</u>
<b>Average Common Shares Outstanding</b>						
Basic	283.0	282.5	0.5	282.9	282.1	0.8
Diluted	284.6	283.2	1.4	284.2	282.8	1.4
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.73	\$ 0.59	\$ 0.14	\$ 1.81	\$ 1.94	\$ (0.13)
<i>Reconciling items:</i>						
Other exclusions from adjusted earnings	*	*	-	*	*	-
Tax impact	(*)	(*)	-	(*)	(*)	-
Gain on assets previously sold	-	-	-	(*)	(0.01)	0.01
Tax impact	-	-	-	*	*	-
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<u>\$ 0.73</u>	<u>\$ 0.59</u>	<u>\$ 0.14</u>	<u>\$ 1.81</u>	<u>\$ 1.93</u>	<u>\$ (0.12)</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>	
	<u>9/30/19</u>	<u>12/31/18</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 403	\$ 153
Restricted cash and cash equivalents	29	21
Other current assets	1,873	2,294
Total current assets	<u>2,305</u>	<u>2,468</u>
Non-current assets		
Plant, property, and equipment	18,524	18,126
Other non-current assets	5,180	3,935
<b>Total Assets</b>	<u>\$ 26,009</u>	<u>\$ 24,529</u>
<b>Liabilities and Equity</b>		
Current liabilities <sup>(1)</sup>	\$ 1,091	\$ 1,531
Non-current liabilities <sup>(1)</sup>	6,729	6,429
Capitalization		
Debt, capital leases, and financing obligation (excluding securitization debt) <sup>(2)</sup>		
Debt, capital leases, and financing obligation (excluding non-recourse and securitization debt)	10,460	9,646
Non-recourse debt	2,471	1,854
Total debt, capital leases, and financing obligation (excluding securitization debt)	<u>12,931</u>	<u>11,500</u>
Noncontrolling interests	37	37
Common stockholders' equity	4,957	4,755
Total capitalization (excluding securitization debt)	<u>17,925</u>	<u>16,292</u>
Securitization debt <sup>(2)</sup>	264	277
<b>Total Liabilities and Equity</b>	<u>\$ 26,009</u>	<u>\$ 24,529</u>

<sup>(1)</sup> Excludes debt, capital leases, and financing obligation.

<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>	
	<u>9/30/19</u>	<u>9/30/18</u>
<b>Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	\$ 175	\$ 204
Net cash provided by operating activities	1,395	1,565
Net cash used in investing activities	(2,212)	(1,815)
Cash flows from operating and investing activities	<u>(817)</u>	<u>(250)</u>
Net cash provided by financing activities	1,075	412
<b>Total Cash Flows</b>	<u>\$ 258</u>	<u>\$ 162</u>
<b>End of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	<u>\$ 433</u>	<u>\$ 366</u>

**CMS ENERGY CORPORATION**  
**Selected Financial Data**  
(Unaudited)

	<i>In Millions</i>		
	<b>Twelve Months Ended</b>		
	<b>9/30/19</b>	<b>12/31/18</b>	<b>9/30/18</b>
<b>EBIT – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 1,261	\$ 1,233	\$ 1,463
Consumers Energy	1,132	1,138	1,261
<b>Depreciation and Amortization</b>			
Consolidated	\$ 973	\$ 933	\$ 918
Consumers Energy	956	921	907
<b>EBITDA – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 2,234	\$ 2,166	\$ 2,381
Consumers Energy	2,088	2,059	2,168
<b>Dividends and Other Distributions From Subsidiaries</b>	\$ 730	\$ 650	\$ 567
<b>Interest Expense, Net</b>			
Consolidated	\$ 506	\$ 458	\$ 447
Energy parent	150	135	138
Consumers Energy	294	289	284
			<i>In Millions</i>
		<b>As of</b>	
	<b>9/30/19</b>	<b>12/31/18</b>	<b>9/30/18</b>
<b>Book Value Per Share</b>	\$ 17.46	\$ 16.78	\$ 16.76
<b>Common Shares Outstanding – End of Period</b>	283.8	283.4	283.3
<b>Average Common Shares Outstanding</b>			
Basic	282.9	282.2	282.1
Diluted	284.2	282.9	282.8
<b>Debt <sup>(2)</sup></b>			
Energy parent	\$ 3,434	\$ 2,930	\$ 3,169
EnerBank <sup>(3)</sup>	2,380	1,758	1,534
Non-recourse project debt	91	96	-
Consumers Energy (excluding securitization bonds)	7,026	6,716	6,201
Consolidated (excluding securitization bonds)	12,931	11,500	10,904
Securitization bonds	264	277	290
Consolidated	\$ 13,195	\$ 11,777	\$ 11,194
<b>Unrestricted Cash and Cash Equivalents</b>			
Consumers Energy	\$ 259	\$ 39	\$ 9
CMS Treasury Services	15	27	217
Other	129	87	97
Consolidated	\$ 403	\$ 153	\$ 323
<b>Consumers Energy</b>			
<b>Regulated Common Equity Ratio (13-Month Average)</b>			
Electric	42.3%	42.2%	42.2%
Gas	42.3%	42.2%	42.2%
<b>Regulated Rate Base (13-Month Average, in Millions)</b>			
Electric <sup>(4)</sup>	\$ 11,320	\$ 10,890	\$ 10,798
Gas	5,867	5,200	5,022
<b>Regulated Return on Average Common Equity (12-Month Ended)</b>			
Electric <sup>(4)</sup>	10.3% <sup>(5)</sup>	11.1%	11.1%
Gas	7.5% <sup>(5)</sup>	8.8%	9.4%

<sup>(1)</sup> EBIT (non-GAAP) equals net income + 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 EnerBank certificates of deposit.

<sup>(4)</sup> Includes renewables and transmission rate base of \$712 million in total.

<sup>(5)</sup> Weather-normalized regulated financial return on average common equity for Electric and Gas are 9.3% and 7.7%, respectively.

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

	<i>In Millions</i>		
	<u>Twelve Months Ended</u>		
	<u>9/30/19</u>	<u>12/31/18</u>	<u>9/30/18</u>
<b>Net Income Available to Common Stockholders</b>	\$ 621	\$ 657	\$ 546
<i>Reconciling items:</i>			
Income tax expense	127	115	322
Interest on long-term debt	435	412	406
Interest expense - related parties	6	-	-
Other interest expense	69	49	43
Allowance for borrowed funds used during construction	(4)	(3)	(2)
Income attributable to noncontrolling interests	2	2	2
Other exclusions from adjusted earnings	9	9	2
Gain on assets previously sold	-	(4)	(4)
Tax reform	(4)	(4)	148
	<u>1,261</u>	<u>1,233</u>	<u>1,463</u>
<b>EBIT – Non-GAAP</b>			
<i>Additional reconciling items:</i>			
Depreciation and amortization	973	933	918
	<u>973</u>	<u>933</u>	<u>918</u>
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,234</u>	<u>\$ 2,166</u>	<u>\$ 2,381</u>

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

	<i>In Millions</i>		
	<u>Twelve Months Ended</u>		
	<u>9/30/19</u>	<u>12/31/18</u>	<u>9/30/18</u>
<b>Net Income Available to Common Stockholder</b>	\$ 666	\$ 703	\$ 708
<i>Reconciling items:</i>			
Income tax expense	168	142	234
Interest on long-term debt	279	276	268
Interest expense - related parties	6	-	-
Other interest expense	13	16	18
Allowance for borrowed funds used during construction	(4)	(3)	(2)
Preferred stock dividends	2	2	2
Tax reform	2	2	33
	<u>1,132</u>	<u>1,138</u>	<u>1,261</u>
<b>EBIT – Non-GAAP</b>			
<i>Additional reconciling items:</i>			
Depreciation and amortization	956	921	907
	<u>956</u>	<u>921</u>	<u>907</u>
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,088</u>	<u>\$ 2,059</u>	<u>\$ 2,168</u>

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

<b>Three Months Ended September 30</b>			
	<u>9/30/19</u>	<u>9/30/18</u>	<u>Variance</u>
<b>Adjusted EPS – Non-GAAP</b>			
Electric utility	\$ 0.78	\$ 0.70	\$ 0.08
Gas utility	(0.03)	(0.07)	0.04
Enterprises and Energy parent			
Enterprises	0.02	0.01	0.01
Energy parent	(0.04)	(0.05)	0.01
	<u>(0.02)</u>	<u>(0.04)</u>	<u>0.02</u>
<b>Consolidated</b>	<u>\$ 0.73</u>	<u>\$ 0.59</u>	<u>\$ 0.14</u>
<b>Variance Explanations:</b>			
<b>ELECTRIC UTILITY</b>			
- System deliveries of 10,128 GWh, down 519 GWh (including weather impacts of down 280 GWh)			\$ (0.06)
- Electric rate relief			0.06
- Lower operating & maintenance expenses			0.11
- Higher investment costs (depreciation, property taxes & fixed costs)			(0.02)
- Other including ETR			(0.01)
- Change in shares outstanding			*
			<u>\$ 0.08</u>
<b>GAS UTILITY</b>			
- Deliveries, including transportation to end-use customers, of 25.8 bcf, down 1.6 bcf (including weather impacts of down 1.0 bcf)			\$ (0.01)
- Gas rate relief			0.01
- Lower operating & maintenance expenses			0.04
- Change in shares outstanding			*
			<u>\$ 0.04</u>
<b>ENTERPRISES AND ENERGY PARENT</b>			
- Enterprises including DIG operations			\$ 0.01
- Other, including Energy Parent interest offset by tax planning			0.01
- Change in shares outstanding			*
			<u>\$ 0.02</u>
<b>WEATHER IMPACTS</b>			
	<u>9/30/19</u>	<u>9/30/18</u>	
<b>Weather</b>			
- Warmer (colder) than normal using 15-year average temperatures	2.9 %	3.4 %	
<b>Electric Utility</b>			
- Increase (decrease) from normal in:			
Electric sales (GWh)	225	505	
EPS	\$ 0.06	\$ 0.12	
<b>Gas Utility</b>			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(1.6)	(0.6)	
EPS	\$ (0.01)	\$ -	
<b>Total EPS Weather Impacts</b>	<u>\$ 0.05</u>	<u>\$ 0.12</u>	

\* Less than \$0.01 per share.

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

<b>Nine Months Ended September 30</b>			
	<u>9/30/19</u>	<u>9/30/18</u>	<u>Variance</u>
<b>Adjusted EPS – Non-GAAP</b>			
Electric utility	\$ 1.47	\$ 1.65	\$ (0.18)
Gas utility	0.42	0.37	0.05
Enterprises and Energy parent			
Enterprises	0.06	0.11	(0.05)
Energy parent	(0.14)	(0.20)	0.06
	<u>(0.08)</u>	<u>(0.09)</u>	<u>0.01</u>
<b>Consolidated</b>	<u>\$ 1.81</u>	<u>\$ 1.93</u>	<u>\$ (0.12)</u>
<b>Variance Explanations:</b>			
<b>ELECTRIC UTILITY</b>			
- System deliveries of 27,941 GWh, down 1,164 GWh (including weather impacts of down 787 GWh)			\$ (0.16)
- Electric rate relief			0.14
- Lower operating & maintenance expenses			0.01
- Higher investment costs (depreciation, property taxes & fixed costs)			(0.05)
- Other, including absence of '18 Campbell property tax settlement & ETR			(0.11)
- Change in shares outstanding			(0.01)
			<u>\$ (0.18)</u>
<b>GAS UTILITY</b>			
- Deliveries, including transportation to end-use customers, of 217.0 bcf, up 6.4 bcf (including weather impacts of up 3.6 bcf)			\$ 0.06
- Gas rate relief			0.08
- Higher operating & maintenance expenses			(0.02)
- Higher investment costs (depreciation, property taxes & fixed costs)			(0.07)
- Change in shares outstanding			*
			<u>\$ 0.05</u>
<b>ENTERPRISES AND ENERGY PARENT</b>			
- Enterprises including DIG operations			\$ (0.05)
- EnerBank			0.02
- Other, including absence of early Energy Parent call of '19 debt & tax planning			0.04
- Changes in shares outstanding			*
			<u>\$ 0.01</u>
<b>WEATHER IMPACTS</b>			
	<u>9/30/19</u>	<u>9/30/18</u>	
<b>Weather</b>			
- Warmer (colder) than normal using 15-year average temperatures	(0.9) %	1.7 %	
<b>Electric Utility</b>			
- Increase (decrease) from normal in:			
Electric sales (GWh)	(3)	784	
EPS	\$ -	\$ 0.19	
<b>Gas Utility</b>			
- Increase (decrease) from normal in:			
Gas sales (bcf)	4.5	0.9	
EPS	\$ 0.04	\$ 0.01	
<b>Total EPS Weather Impacts</b>	<u>\$ 0.04</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>	
	<u>9/30/19</u>	<u>9/30/18</u>	<u>9/30/19</u>	<u>9/30/18</u>
<b>Electric Utility</b>				
Reported net income per share	\$ 0.78	\$ 0.70	\$ 1.47	\$ 1.65
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.78</u>	<u>\$ 0.70</u>	<u>\$ 1.47</u>	<u>\$ 1.65</u>
<b>Gas Utility</b>				
Reported net income (loss) per share	\$ (0.03)	\$ (0.07)	\$ 0.42	\$ 0.37
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Adjusted net income per share – non-GAAP	<u>\$ (0.03)</u>	<u>\$ (0.07)</u>	<u>\$ 0.42</u>	<u>\$ 0.37</u>
<b>Enterprises</b>				
Reported net income per share	\$ 0.02	\$ 0.01	\$ 0.06	\$ 0.12
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Adjusted net income per share – non-GAAP	<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 0.06</u>	<u>\$ 0.11</u>
<b>Corporate Interest and Other</b>				
Reported net loss per share	\$ (0.04)	\$ (0.05)	\$ (0.14)	\$ (0.20)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
Adjusted net loss per share – non-GAAP	<u>\$ (0.04)</u>	<u>\$ (0.05)</u>	<u>\$ (0.14)</u>	<u>\$ (0.20)</u>
<b>Consolidated</b>				
Reported net income per share	\$ 0.73	\$ 0.59	\$ 1.81	\$ 1.94
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Adjusted net income per share – non-GAAP	<u>\$ 0.73</u>	<u>\$ 0.59</u>	<u>\$ 1.81</u>	<u>\$ 1.93</u>
<b>Average Common Shares Outstanding – Diluted</b>	<u>284.6</u>	<u>283.2</u>	<u>284.2</u>	<u>282.8</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>9/30/19</b>	<b>9/30/18</b>	<b>9/30/19</b>	<b>9/30/18</b>
<b>Net Income Available to Common Stockholders</b>	\$ 207	\$ 169	\$ 513	\$ 549
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	1	*	1	1
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(4)
Tax impact	-	-	*	1
<b>Adjusted net income – non-GAAP</b>	<b>\$ 208</b>	<b>\$ 169</b>	<b>\$ 514</b>	<b>\$ 547</b>
<b>Average Common Shares Outstanding</b>				
Basic	283.0	282.5	282.9	282.1
Diluted	284.6	283.2	284.2	282.8
<b>Basic Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.73	\$ 0.60	\$ 1.81	\$ 1.95
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
<b>Adjusted net income per share – non-GAAP</b>	<b>\$ 0.73</b>	<b>\$ 0.60</b>	<b>\$ 1.81</b>	<b>\$ 1.94</b>
<b>Diluted Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.73	\$ 0.59	\$ 1.81	\$ 1.94
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
<b>Adjusted net income per share – non-GAAP</b>	<b>\$ 0.73</b>	<b>\$ 0.59</b>	<b>\$ 1.81</b>	<b>\$ 1.93</b>

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

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, regulatory items from prior years, or other items detailed in these summary financial statements. 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>2019</b>		
	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>
<b>Net Income Available to Common Stockholders</b>	\$ 213	\$ 93	\$ 207
<i>Reconciling items:</i>			
Electric utility and gas utility	-	-	-
Tax impact	-	-	-
Enterprises	(*)	*	1
Tax impact	*	(*)	(*)
Corporate interest and other	*	*	*
Tax impact	(*)	(*)	(*)
<b>Adjusted Net Income – Non-GAAP</b>	<b>\$ 213</b>	<b>\$ 93</b>	<b>\$ 208</b>
<b>Average Common Shares Outstanding – Diluted</b>	283.6	284.0	284.6
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.75	\$ 0.33	\$ 0.73
<i>Reconciling items:</i>			
Electric utility and gas utility	-	-	-
Tax impact	-	-	-
Enterprises	(*)	*	*
Tax impact	*	(*)	(*)
Corporate interest and other	*	*	*
Tax impact	(*)	(*)	(*)
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<b>\$ 0.75</b>	<b>\$ 0.33</b>	<b>\$ 0.73</b>

	<i>In Millions, Except Per Share Amounts</i>			
	<b>2018</b>			
	<b>1Q</b>	<b>2Q</b>	<b>3Q</b>	<b>4Q</b>
<b>Net Income Available to Common Stockholders</b>	\$ 241	\$ 139	\$ 169	\$ 108
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	-
Tax impact	-	-	-	2
Enterprises	*	(3)	*	8
Tax impact	(*)	1	(*)	(5)
Corporate interest and other	*	*	*	*
Tax impact	(*)	(*)	(*)	(1)
<b>Adjusted Net Income – Non-GAAP</b>	<b>\$ 241</b>	<b>\$ 137</b>	<b>\$ 169</b>	<b>\$ 112</b>
<b>Average Common Shares Outstanding – Diluted</b>	282.2	282.6	283.2	283.3
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.86	\$ 0.49	\$ 0.59	\$ 0.38
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	-
Tax impact	-	-	-	*
Enterprises	*	(0.01)	*	0.03
Tax impact	(*)	*	(*)	(0.01)
Corporate interest and other	*	*	*	*
Tax impact	(*)	(*)	(*)	(*)
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<b>\$ 0.86</b>	<b>\$ 0.48</b>	<b>\$ 0.59</b>	<b>\$ 0.40</b>

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

**CONSUMERS ENERGY COMPANY**  
**Consolidated Statements of Income**  
**(Unaudited)**

	<i>In Millions</i>					
	<b>Three Months Ended</b>			<b>Nine Months Ended</b>		
	<b>9/30/19</b>	<b>9/30/18</b>	<b>Change</b>	<b>9/30/19</b>	<b>9/30/18</b>	<b>Change</b>
<b>Operating Revenue</b>						
Electric utility	\$ 1,250	\$ 1,313	\$ (63)	\$ 3,380	\$ 3,480	\$ (100)
Gas utility	179	189	(10)	1,326	1,272	54
Total operating revenue	<u>1,429</u>	<u>1,502</u>	<u>(73)</u>	<u>4,706</u>	<u>4,752</u>	<u>(46)</u>
<b>Operating Expenses</b>						
Fuel for electric generation	101	122	(21)	295	310	(15)
Purchased and interchange power	408	440	(32)	1,132	1,206	(74)
Purchased power – related parties	19	22	(3)	53	61	(8)
Cost of gas sold	32	45	(13)	537	530	7
Maintenance and other operating expenses	272	334	(62)	911	914	(3)
Depreciation and amortization	210	203	7	716	681	35
General taxes	68	65	3	240	216	24
Total operating expenses	<u>1,110</u>	<u>1,231</u>	<u>(121)</u>	<u>3,884</u>	<u>3,918</u>	<u>(34)</u>
<b>Operating Income</b>						
Electric utility	323	284	39	647	677	(30)
Gas utility	(4)	(13)	9	175	157	18
Total operating income	<u>319</u>	<u>271</u>	<u>48</u>	<u>822</u>	<u>834</u>	<u>(12)</u>
<b>Other Income (Expense)</b>						
Interest income	2	2	-	4	6	(2)
Interest and dividend income – related parties	1	1	-	3	1	2
Allowance for equity funds used during construction	2	2	-	7	4	3
Nonoperating retirement benefits, net	21	21	-	64	63	1
Other income	-	-	-	2	1	1
Other expense	-	(4)	4	(8)	(9)	1
Total other income	<u>26</u>	<u>22</u>	<u>4</u>	<u>72</u>	<u>66</u>	<u>6</u>
<b>Interest Charges</b>						
Interest on long-term debt	69	69	-	206	203	3
Interest expense – related parties	3	-	3	6	-	6
Other interest expense	4	5	(1)	11	14	(3)
Allowance for borrowed funds used during construction	(1)	(1)	-	(3)	(2)	(1)
Total interest charges	<u>75</u>	<u>73</u>	<u>2</u>	<u>220</u>	<u>215</u>	<u>5</u>
<b>Income Before Income Taxes</b>	270	220	50	674	685	(11)
<b>Income Tax Expense</b>	<u>57</u>	<u>40</u>	<u>17</u>	<u>137</u>	<u>111</u>	<u>26</u>
<b>Net Income</b>	213	180	33	537	574	(37)
<b>Preferred Stock Dividends</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
<b>Net Income (Loss) Available to Common Stockholder</b>						
Electric utility	223	199	24	418	468	(50)
Gas utility	(10)	(19)	9	119	105	14
Other	-	-	-	(1)	-	(1)
Total net income available to common stockholder	<u>\$ 213</u>	<u>\$ 180</u>	<u>\$ 33</u>	<u>\$ 536</u>	<u>\$ 573</u>	<u>\$ (37)</u>

**CONSUMERS ENERGY COMPANY**  
**Electric Utility Statistics**  
**(Unaudited)**

	<i>In Millions of kWh, Except as Noted</i>					
	<b>Three Months Ended</b>			<b>Nine Months Ended</b>		
	<b>9/30/19</b>	<b>9/30/18</b>	<b>% Change</b>	<b>9/30/19</b>	<b>9/30/18</b>	<b>% Change</b>
<b>Electric Deliveries</b>						
Residential	3,612	3,839	(5.9)	9,501	10,069	(5.6)
Commercial	3,264	3,387	(3.6)	8,858	9,171	(3.4)
Industrial	2,110	2,264	(6.8)	6,356	6,615	(3.9)
Other	37	39	(5.1)	116	121	(4.1)
Wholesale	86	99	(13.1)	256	272	(5.9)
Retail open access	1,019	1,019	-	2,854	2,857	(0.1)
Total customer deliveries	<u>10,128</u>	<u>10,647</u>	(4.9)	<u>27,941</u>	<u>29,105</u>	(4.0)
Intersystem	896	759	18.1	3,126	2,559	22.2
Total electric deliveries	<u><u>11,024</u></u>	<u><u>11,406</u></u>	(3.3)	<u><u>31,067</u></u>	<u><u>31,664</u></u>	(1.9)
<b>Weather-Normalized Electric Deliveries <sup>(1) (2)</sup></b>						
Residential	3,460	3,506	(1.3)	9,473	9,551	(0.8)
Commercial	3,206	3,249	(1.3)	8,883	8,956	(0.8)
Industrial	2,103	2,247	(6.4)	6,362	6,588	(3.4)
Other	37	39	(5.1)	116	121	(4.1)
Wholesale	86	99	(13.1)	256	272	(5.9)
Retail open access	1,011	1,002	0.9	2,854	2,833	0.7
Total weather-normalized electric deliveries	<u><u>9,903</u></u>	<u><u>10,142</u></u>	(2.4)	<u><u>27,944</u></u>	<u><u>28,321</u></u>	(1.3)
<b>Weather-Normalized Electric Deliveries <sup>(1) (2)</sup></b>						
<b>(By Class, Including Retail Open Access)</b>						
Residential	3,460	3,506	(1.3)	9,473	9,551	(0.8)
Commercial	3,480	3,510	(0.9)	9,627	9,706	(0.8)
Industrial	2,840	2,988	(5.0)	8,472	8,671	(2.3)
Other	37	39	(5.1)	116	121	(4.1)
Wholesale	86	99	(13.1)	256	272	(5.9)
Total weather-normalized electric deliveries	<u><u>9,903</u></u>	<u><u>10,142</u></u>	(2.4)	<u><u>27,944</u></u>	<u><u>28,321</u></u>	(1.3)

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

<sup>(2)</sup> Certain classes include the reduction for Energy Efficiency in the range of 1.0% to 1.5%.

	<i>In Millions, Except as Noted</i>					
	<b>Three Months Ended</b>			<b>Nine Months Ended</b>		
	<b>9/30/19</b>	<b>9/30/18</b>	<b>% Change</b>	<b>9/30/19</b>	<b>9/30/18</b>	<b>% Change</b>
<b>Electric Utility Revenue</b>						
Residential	\$ 585	\$ 625	(6.4)	\$ 1,531	\$ 1,601	(4.4)
Commercial	427	434	(1.6)	1,140	1,181	(3.5)
Industrial	175	186	(5.9)	511	499	2.4
Other	9	9	-	27	27	-
Total sales revenue	<u>1,196</u>	<u>1,254</u>	(4.6)	<u>3,209</u>	<u>3,308</u>	(3.0)
Wholesale	5	6	(16.7)	16	17	(5.9)
Retail open access	7	7	-	21	22	(4.5)
Intersystem	26	28	(7.1)	87	86	1.2
Miscellaneous	16	18	(11.1)	47	47	-
Total electric utility revenue	<u><u>\$ 1,250</u></u>	<u><u>\$ 1,313</u></u>	(4.8)	<u><u>\$ 3,380</u></u>	<u><u>\$ 3,480</u></u>	(2.9)

**CONSUMERS ENERGY COMPANY**  
**Gas Utility Statistics**  
**(Unaudited)**

	Three Months Ended			<i>In Thousands of mcf, Except as Noted</i> Nine Months Ended		
	9/30/19	9/30/18	% Change	9/30/19	9/30/18	% Change
	<b>Gas Deliveries</b>					
Residential	8,508	9,703	(12.3)	112,106	107,153	4.6
Commercial	3,147	3,411	(7.7)	41,063	40,072	2.5
Industrial	548	644	(14.9)	6,366	6,602	(3.6)
Other	47	14	235.7	128	117	9.4
Transportation	13,513	13,676	(1.2)	57,293	56,672	1.1
Total customer deliveries	25,763	27,448	(6.1)	216,956	210,616	3.0
Off-system transportation						
MCV	12,344	11,709	5.4	42,499	41,866	1.5
Other	4,932	4,595	7.3	12,830	13,558	(5.4)
Total gas deliveries	43,039	43,752	(1.6)	272,285	266,040	2.3
<b>Weather-Normalized Gas Deliveries <sup>(1) (2)</sup></b>						
Residential	9,498	10,040	(5.4)	108,451	105,838	2.5
Commercial	3,438	3,492	(1.5)	39,708	39,492	0.5
Industrial	585	648	(9.7)	6,166	6,500	(5.1)
Other	49	14	250.0	123	115	7.0
Transportation	13,820	13,862	(0.3)	58,003	57,774	0.4
Total weather-normalized gas deliveries	27,390	28,056	(2.4)	212,451	209,719	1.3
<b>Weather-Normalized Gas Deliveries <sup>(1) (2)</sup></b> <b>(By Class, Including Transportation)</b>						
Residential	9,555	10,105	(5.4)	109,287	106,701	2.4
Commercial	7,199	7,186	0.2	59,321	58,828	0.8
Industrial	10,577	10,732	(1.4)	43,700	44,030	(0.7)
Other	59	33	78.8	143	160	(10.6)
Total weather-normalized gas deliveries	27,390	28,056	(2.4)	212,451	209,719	1.3

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

<sup>(2)</sup> Includes the reduction for Energy Efficiency in the range of 0.75% to 1.0%.

	Three Months Ended			<i>In Millions, Except as Noted</i> Nine Months Ended		
	9/30/19	9/30/18	% Change	9/30/19	9/30/18	% Change
	<b>Gas Utility Revenue</b>					
Residential	\$ 111	\$ 119	(6.7)	\$ 898	\$ 853	5.3
Commercial	27	30	(10.0)	259	251	3.2
Industrial	3	4	(25.0)	36	37	(2.7)
Other	-	-	-	1	1	-
Total sales revenue	141	153	(7.8)	1,194	1,142	4.6
Transportation	14	13	7.7	56	54	3.7
Miscellaneous	24	23	4.3	76	76	-
Total gas utility revenue	\$ 179	\$ 189	(5.3)	\$ 1,326	\$ 1,272	4.2