

**To:** Investment Community

**From:** CMS Energy Investor Relations  
<http://www.cmsenergy.com>

**Date:** April 29, 2021

**Subject:** CMS Energy 2021 First Quarter Results and Outlook

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CMS Energy will hold a webcast to discuss its 2021 First Quarter Results and Outlook on Thursday, April 29 at 9:30 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 First Quarter 2021 Earnings Call" or [click here](#).

## **CMS Energy Announces First Quarter Earnings Results of \$1.21 Per Share, Reaffirms 2021 Guidance**

JACKSON, Mich., April 29, 2021 – CMS Energy announced today reported earnings per share of \$1.21 for the first quarter of 2021, compared to \$0.85 per share for the same quarter in 2020. The company's adjusted earnings per share for the first quarter of 2021 were \$1.21 per share, compared to \$0.86 per share for the same quarter in 2020. The primary drivers of CMS Energy's financial performance were customer investments and sustained cost performance from 2020.

"We will continue to invest in Michigan and in our communities while leading the clean energy transformation with support from our 5-year, \$13.2 billion customer investment plan which focuses on building out renewable energy and enhancing the safety and reliability of our electric and gas systems as we move toward net zero carbon and methane emissions," said Garrick Rochow, President and CEO of CMS Energy and Consumers Energy.

CMS Energy reaffirmed its guidance for 2021 adjusted earnings of \$2.83 - \$2.87\* per share (\*See below for important information about non-GAAP measures) reflecting continued strong growth of 6 to 8 percent, with a bias toward the midpoint.

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 2021 first quarter results and provide a business and financial outlook on April 29 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, changes in accounting principles, changes in federal tax policy, regulatory items from prior years, unrealized gains or losses, recognized in net income, from mark-to-market adjustments related to CMS Enterprises' 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>		
	<b>Three Months Ended</b>		
	<b>3/31/21</b>	<b>3/31/20</b>	<b>Change</b>
<b>Operating Revenue</b>			
Electric utility	\$ 1,134	\$ 1,028	\$ 106
Gas utility	803	716	87
Enterprises	76	58	18
EnerBank	70	62	8
Total operating revenue	<u>2,083</u>	<u>1,864</u>	<u>219</u>
<b>Operating Expenses</b>			
Fuel for electric generation	138	103	35
Purchased and interchange power	377	357	20
Purchased power – related parties	18	18	-
Cost of gas sold	279	273	6
Maintenance and other operating expenses	323	315	8
Depreciation and amortization	340	316	24
General taxes	123	114	9
Total operating expenses	<u>1,598</u>	<u>1,496</u>	<u>102</u>
<b>Operating Income</b>			
Electric utility	214	174	40
Gas utility	215	155	60
Enterprises	3	6	(3)
EnerBank	55	32	23
Other	(2)	1	(3)
Total operating income	<u>485</u>	<u>368</u>	<u>117</u>
<b>Other Income (Expense)</b>			
Interest income	1	1	-
Interest income – related parties	-	7	(7)
Allowance for equity funds used during construction	1	1	-
Income from equity method investees	2	3	(1)
Nonoperating retirement benefits, net	41	31	10
Other income	1	-	1
Other expense	(2)	(4)	2
Total other income	<u>44</u>	<u>39</u>	<u>5</u>
<b>Earnings Before Interest, Taxes, and Other Charges</b>	529	407	122
Interest on long-term debt	119	116	3
Interest expense – related parties	3	3	-
Other interest expense	15	19	(4)
Allowance for borrowed funds used during construction	(1)	(1)	-
Income tax expense	51	27	24
<b>Net Income</b>	<u>342</u>	<u>243</u>	<u>99</u>
Loss attributable to noncontrolling interests	(7)	-	(7)
<b>Net Income Available to Common Stockholders</b>	\$ 349	\$ 243	\$ 106
<i>Reconciling items:</i>			
Other exclusions from adjusted earnings	(1)	3	(4)
Tax impact	*	(*)	-
Tax Reform	-	(9)	9
Voluntary separation program	-	11	(11)
Tax impact	-	(3)	3
<b>Adjusted Net Income – Non-GAAP</b>	<u>\$ 348</u>	<u>245</u>	<u>\$ 103</u>
<b>Average Common Shares Outstanding</b>			
Basic	288.6	283.3	5.3
Diluted	289.1	285.2	3.9
<b>Diluted Earnings Per Average Common Share</b>	\$ 1.21	\$ 0.85	\$ 0.36
<i>Reconciling items:</i>			
Other exclusions from adjusted earnings	(*)	0.01	(0.01)
Tax impact	*	(*)	-
Tax reform	-	(0.03)	0.03
Voluntary separation program	-	0.04	(0.04)
Tax impact	-	(0.01)	0.01
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	<u>\$ 1.21</u>	<u>\$ 0.86</u>	<u>\$ 0.35</u>

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

**CMS ENERGY CORPORATION**  
**Summarized Consolidated Balance Sheets**  
**(Unaudited)**

	<i>In Millions</i>	
	<u>As of</u>	
	<u>3/31/21</u>	<u>12/31/20</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 496	\$ 168
Restricted cash and cash equivalents	28	17
Other current assets	1,989	2,219
Total current assets	<u>2,513</u>	<u>2,404</u>
Non-current assets		
Plant, property, and equipment	21,207	21,039
Other non-current assets	6,003	6,223
<b>Total Assets</b>	<u><u>\$ 29,723</u></u>	<u><u>\$ 29,666</u></u>
<b>Liabilities and Equity</b>		
Current liabilities <sup>(1)</sup>	\$ 1,379	\$ 1,568
Non-current liabilities <sup>(1)</sup>	6,924	6,825
Capitalization		
Debt, finance leases, and other financing (excluding securitization debt) <sup>(2)</sup>		
Debt, finance leases, and other financing (excluding non-recourse and securitization debt)	12,080	12,083
Non-recourse debt	2,813	2,888
Total debt, finance leases, and other financing (excluding securitization debt)	<u>14,893</u>	<u>14,971</u>
Noncontrolling interests	575	581
Common stockholders' equity	5,727	5,496
Total capitalization (excluding securitization debt)	<u>21,195</u>	<u>21,048</u>
Securitization debt <sup>(2)</sup>	225	225
<b>Total Liabilities and Equity</b>	<u><u>\$ 29,723</u></u>	<u><u>\$ 29,666</u></u>

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

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

**CMS ENERGY CORPORATION**  
**Summarized Consolidated Statements of Cash Flows**  
**(Unaudited)**

	<i>In Millions</i>	
	<u>Three Months Ended</u>	
	<u>3/31/21</u>	<u>3/31/20</u>
<b>Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	\$ 185	\$ 157
Net cash provided by operating activities <sup>(3)</sup>	832	201
Net cash used in investing activities	(283)	(559)
Cash flows from operating and investing activities	<u>549</u>	<u>(358)</u>
Net cash provided by (used in) financing activities	(210)	1,062
<b>Total Cash Flows</b>	<u><u>\$ 339</u></u>	<u><u>\$ 704</u></u>
<b>End of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	<u><u>\$ 524</u></u>	<u><u>\$ 861</u></u>

<sup>(3)</sup> Includes the impact of a \$531 million pension contribution in 2020.

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

	<i>In Millions</i>		
	<b>Twelve Months Ended</b>		
	<b>3/31/21</b>	<b>12/31/20</b>	<b>3/31/20</b>
<b>EBIT – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 1,577	\$ 1,461	\$ 1,415
Consumers Energy	1,430	1,334	1,253
<b>Depreciation and Amortization</b>			
Consolidated	\$ 1,072	\$ 1,048	\$ 1,010
Consumers Energy	1,040	1,023	993
<b>EBITDA – Non-GAAP <sup>(1)</sup></b>			
Consolidated	\$ 2,649	\$ 2,509	\$ 2,425
Consumers Energy	2,470	2,357	2,246
<b>Dividends and Other Distributions From Subsidiaries</b>	\$ 716	\$ 659	\$ 730
<b>Interest Expense, Net</b>			
Consolidated	\$ 560	\$ 561	\$ 535
Energy parent	184	178	160
Consumers Energy	318	320	305
			<i>In Millions</i>
	<b>As of</b>		
	<b>3/31/21</b>	<b>12/31/20</b>	<b>3/31/20</b>
<b>Book Value Per Share</b>	\$ 19.78	\$ 19.02	\$ 18.11
<b>Common Shares Outstanding – End of Period</b>	289.5	288.9	286.2
<b>Average Common Shares Outstanding</b>			
Basic	288.6	285.0	283.3
Diluted	289.1	286.3	285.2
<b>Debt <sup>(2)</sup></b>			
Energy parent	\$ 4,127	\$ 4,126	\$ 3,660
EnerBank <sup>(3)</sup>	2,732	2,805	2,382
Non-recourse project debt	81	83	87
Consumers Energy (excluding securitization bonds)	7,953	7,957	7,957
Consolidated (excluding securitization bonds)	14,893	14,971	14,086
Securitization bonds	225	225	251
Consolidated	\$ 15,118	\$ 15,196	\$ 14,337
<b>Unrestricted Cash and Cash Equivalents</b>			
Consumers Energy	\$ 9	\$ 20	\$ 604
CMS Treasury Services	200	3	111
EnerBank and Other	287	145	119
Consolidated	\$ 496	\$ 168	\$ 834
<b>Consumers Energy</b>			
<b>Regulated Common Equity Ratio (13-Month Average)</b>			
Electric	41.6%	41.7%	42.3%
Gas	41.6%	41.7%	42.3%
<b>Regulated Rate Base (13-Month Average, in Millions)</b>			
Electric <sup>(4)</sup>	\$ 13,276	\$ 12,992	\$ 11,779
Gas	6,931	6,790	6,261
<b>Regulated Return on Average Common Equity (12-Month Ended)</b>			
Electric <sup>(4)</sup>	10.7%	10.2%	10.8%
Gas	11.6%	9.5%	8.6%

<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 EnerBank certificates of deposit.

<sup>(4)</sup> Includes renewables and transmission rate base of \$1.0 billion in total.

**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>3/31/21</u>	<u>12/31/20</u>	<u>3/31/20</u>
<b>Net Income Available to Common Stockholders</b>	\$ 861	\$ 755	\$ 710
<i>Reconciling items:</i>			
Income tax expense	157	133	126
Interest on long-term debt	486	483	449
Interest expense - related parties	12	12	12
Other interest expense	64	68	78
Allowance for borrowed funds used during construction	(2)	(2)	(4)
Income (loss) attributable to noncontrolling interests	(10)	(3)	2
Other exclusions from adjusted earnings	9	13	40
Tax reform	-	(9)	(9)
Voluntary separation program	-	11	11
	<u>1,577</u>	<u>1,461</u>	<u>1,415</u>
<b>EBIT – Non-GAAP</b>			
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,072	1,048	1,010
	<u>1,072</u>	<u>1,048</u>	<u>1,010</u>
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,649</u>	<u>\$ 2,509</u>	<u>\$ 2,425</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>3/31/21</u>	<u>12/31/20</u>	<u>3/31/20</u>
<b>Net Income Available to Common Stockholder</b>	\$ 915	\$ 814	\$ 750
<i>Reconciling items:</i>			
Income tax expense	185	173	175
Interest on long-term debt	298	299	282
Interest expense - related parties	12	12	12
Other interest expense	10	11	15
Allowance for borrowed funds used during construction	(2)	(2)	(4)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	10	14	10
Voluntary separation program	-	11	11
	<u>1,430</u>	<u>1,334</u>	<u>1,253</u>
<b>EBIT – Non-GAAP</b>			
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,040	1,023	993
	<u>1,040</u>	<u>1,023</u>	<u>993</u>
<b>EBITDA – Non-GAAP</b>	<u>\$ 2,470</u>	<u>\$ 2,357</u>	<u>\$ 2,246</u>

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

<b>Three Months Ended March 31</b>			
	<u>3/31/21</u>	<u>3/31/20</u>	<u>Variance</u>
<b>Adjusted EPS – Non-GAAP</b>			
Electric utility	\$ 0.54	\$ 0.44	\$ 0.10
Gas utility	0.62	0.42	0.20
Enterprises, EnerBank and Energy parent			
Enterprises	0.05	0.06	(0.01)
EnerBank	0.11	0.05	0.06
Energy parent	(0.11)	(0.11)	-
	<u>0.05</u>	<u>-</u>	<u>0.05</u>
<b>Consolidated</b>	<u>\$ 1.21</u>	<u>\$ 0.86</u>	<u>\$ 0.35</u>
<b>Variance Explanations:</b>			
<b>ELECTRIC UTILITY</b>			
- Deliveries of 8,658 GWh, down 128 GWh (residential, up 153 GWh; weather-driven impact, up 105 GWh)		\$ 0.06	
- Electric rate relief, including renewables		0.10	
- Higher operating & maintenance expenses including customer initiatives		(0.03)	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.02)	
- Change in shares outstanding		(0.01)	
		<u>\$ 0.10</u>	
<b>GAS UTILITY</b>			
- Deliveries, including transportation to end-use customers, of 124.2 bcf, up 4.7 bcf (weather-driven impact, up 7.1 bcf)		\$ 0.01	
- Gas rate relief		0.16	
- Lower operating & maintenance expenses		0.01	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.04)	
- Lower ETR, primarily related to gas rate case stay out		0.06	
- Other		0.01	
- Change in shares outstanding		(0.01)	
		<u>\$ 0.20</u>	
<b>ENTERPRISES, ENERBANK AND ENERGY PARENT</b>			
- EnerBank		\$ 0.06	
- Other, including Enterprises		(0.01)	
- Change in shares outstanding		*	
		<u>\$ 0.05</u>	
<b>WEATHER IMPACTS</b>			
	<u>3/31/21</u>	<u>3/31/20</u>	
<b>Weather</b>			
- Warmer (colder) than normal using 15-year average temperatures	6.2 %	16.7 %	
<b>Electric Utility</b>			
- Increase (decrease) from normal in:			
Electric sales (GWh)	(80)	(185)	
EPS	\$ (0.02)	\$ (0.05)	
<b>Gas Utility</b>			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(8.9)	(16.0)	
EPS	\$ (0.08)	\$ (0.13)	
<b>Total EPS Weather Impacts</b>	<u>\$ (0.10)</u>	<u>\$ (0.18)</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>	
	<u>Three Months Ended</u>	
	<u>3/31/21</u>	<u>3/31/20</u>
<b>Electric Utility</b>		
Reported net income per share	\$ 0.54	\$ 0.41
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	0.01
Tax impact	-	(*)
Voluntary separation program	-	0.03
Tax impact	-	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.44</u>
<b>Gas Utility</b>		
Reported net income per share	\$ 0.62	\$ 0.41
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	*
Tax impact	-	(*)
Voluntary separation program	-	0.01
Tax impact	-	(*)
Adjusted net income per share – non-GAAP	<u>\$ 0.62</u>	<u>\$ 0.42</u>
<b>Enterprises</b>		
Reported net income per share	\$ 0.05	\$ 0.07
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	(*)	*
Tax impact	*	(*)
Tax reform	-	(0.01)
Voluntary separation program	-	*
Tax impact	-	(*)
Adjusted net income per share – non-GAAP	<u>\$ 0.05</u>	<u>\$ 0.06</u>
<b>EnerBank</b>		
Reported net income per share	\$ 0.11	\$ 0.05
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	-
Tax impact	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.11</u>	<u>\$ 0.05</u>
<b>Corporate Interest and Other</b>		
Reported net loss per share	\$ (0.11)	\$ (0.09)
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	(*)
Tax impact	-	*
Tax reform	-	(0.02)
Adjusted net loss per share – non-GAAP	<u>\$ (0.11)</u>	<u>\$ (0.11)</u>
<b>Consolidated</b>		
Reported net income per share	\$ 1.21	\$ 0.85
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	(*)	0.01
Tax impact	*	(*)
Tax reform	-	(0.03)
Voluntary separation program	-	0.04
Tax impact	-	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 1.21</u>	<u>\$ 0.86</u>
<b>Average Common Shares Outstanding – Diluted</b>	<u>289.1</u>	<u>285.2</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>3/31/21</b>	<b>3/31/20</b>
<b>Net Income Available to Common Stockholders</b>	\$ 349	\$ 243
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings**	(1)	3
Tax impact	*	(*)
Tax reform	-	(9)
Voluntary separation program	-	11
Tax impact	-	(3)
	<u>\$ 348</u>	<u>\$ 245</u>
<b>Adjusted net income – non-GAAP</b>	<u>\$ 348</u>	<u>\$ 245</u>
<b>Average Common Shares Outstanding</b>		
Basic	288.6	283.3
Diluted	289.1	285.2
<b>Basic Earnings Per Average Common Share</b>		
Reported net income per share	\$ 1.21	\$ 0.86
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings**	(*)	0.01
Tax impact	*	(*)
Tax reform	-	(0.03)
Voluntary separation program	-	0.04
Tax impact	-	(0.01)
	<u>\$ 1.21</u>	<u>\$ 0.87</u>
<b>Adjusted net income per share – non-GAAP</b>	<u>\$ 1.21</u>	<u>\$ 0.87</u>
<b>Diluted Earnings Per Average Common Share</b>		
Reported net income per share	\$ 1.21	\$ 0.85
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings**	(*)	0.01
Tax impact	*	(*)
Tax reform	-	(0.03)
Voluntary separation program	-	0.04
Tax impact	-	(0.01)
	<u>\$ 1.21</u>	<u>\$ 0.86</u>
<b>Adjusted net income per share – non-GAAP</b>	<u>\$ 1.21</u>	<u>\$ 0.86</u>

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

\*\* Includes restructuring costs and unrealized gains or losses, recognized in net income, from mark-to-market adjustments related to CMS Enterprises' 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, changes in accounting principles, changes in federal tax policy, regulatory items from prior years, unrealized gains or losses, recognized in net income, from mark-to-market adjustments related to CMS Enterprises' 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>	
	2021	
	1Q	
<b>Net Income Available to Common Stockholders</b>	\$	349
<i>Reconciling items:</i>		
Electric utility and gas utility		-
Tax impact		-
Enterprises		(1)
Tax impact		*
EnerBank		-
Tax impact		-
Corporate interest and other		-
Tax impact		-
<b>Adjusted Net Income – Non-GAAP</b>	\$	348
<b>Average Common Shares Outstanding – Diluted</b>		289.1
<b>Diluted Earnings Per Average Common Share</b>	\$	1.21
<i>Reconciling items:</i>		
Electric utility and gas utility		-
Tax impact		-
Enterprises		(*)
Tax impact		*
EnerBank		-
Tax impact		-
Corporate interest and other		-
Tax impact		-
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	\$	1.21

	<i>In Millions, Except Per Share Amounts</i>			
	2020			
	1Q	2Q	3Q	4Q
<b>Net Income Available to Common Stockholders</b>	\$	243	\$	136
			\$	218
			\$	158
<i>Reconciling items:</i>				
Electric utility and gas utility	15	4	4	2
Tax impact	(4)	(1)	(1)	(1)
Enterprises	1	(*)	*	(*)
Tax impact	(4)	*	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	(2)	*	(*)	*
Tax impact	(4)	(*)	*	(*)
<b>Adjusted Net Income – Non-GAAP</b>	\$	245	\$	139
			\$	221
			\$	159
<b>Average Common Shares Outstanding – Diluted</b>	285.2	286.5	286.9	286.9
<b>Diluted Earnings Per Average Common Share</b>	\$	0.85	\$	0.48
			\$	0.76
			\$	0.55
<i>Reconciling items:</i>				
Electric utility and gas utility	0.05	0.02	0.01	0.01
Tax impact	(0.01)	(0.01)	(*)	(*)
Enterprises	*	(*)	*	(*)
Tax impact	(0.01)	*	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	(*)	*	(*)	*
Tax impact	(0.02)	(*)	*	(*)
<b>Adjusted Diluted Earnings Per Average Common Share – Non-GAAP</b>	\$	0.86	\$	0.49
			\$	0.77
			\$	0.56

\* 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>3/31/21</b>	<b>3/31/20</b>	<b>Change</b>
<b>Operating Revenue</b>			
Electric utility	\$ 1,134	\$ 1,028	\$ 106
Gas utility	803	716	87
Total operating revenue	<u>1,937</u>	<u>1,744</u>	<u>193</u>
<b>Operating Expenses</b>			
Fuel for electric generation	106	79	27
Purchased and interchange power	367	347	20
Purchased power – related parties	18	18	-
Cost of gas sold	278	270	8
Maintenance and other operating expenses	292	278	14
Depreciation and amortization	329	312	17
General taxes	118	111	7
Total operating expenses	<u>1,508</u>	<u>1,415</u>	<u>93</u>
<b>Operating Income</b>			
Electric utility	214	174	40
Gas utility	215	155	60
Total operating income	<u>429</u>	<u>329</u>	<u>100</u>
<b>Other Income (Expense)</b>			
Interest income	1	1	-
Interest and dividend income – related parties	1	1	-
Allowance for equity funds used during construction	1	1	-
Nonoperating retirement benefits, net	38	29	9
Other income	1	-	1
Other expense	(2)	(3)	1
Total other income	<u>40</u>	<u>29</u>	<u>11</u>
<b>Interest Charges</b>			
Interest on long-term debt	73	74	(1)
Interest expense – related parties	3	3	-
Other interest expense	2	3	(1)
Allowance for borrowed funds used during construction	(1)	(1)	-
Total interest charges	<u>77</u>	<u>79</u>	<u>(2)</u>
<b>Income Before Income Taxes</b>	392	279	113
<b>Income Tax Expense</b>	<u>56</u>	<u>44</u>	<u>12</u>
<b>Net Income Available to Common Stockholder</b>			
Electric utility	155	118	37
Gas utility	181	117	64
Total net income available to common stockholder	<u>\$ 336</u>	<u>\$ 235</u>	<u>\$ 101</u>

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

	<i>In Millions of kWh, Except as Noted</i>		
	<b>Three Months Ended</b>		
	<b>3/31/21</b>	<b>3/31/20</b>	<b>% Change</b>
<b>Electric Deliveries</b>			
Residential	3,260	3,107	4.9
Commercial	2,682	2,779	(3.5)
Industrial	1,742	1,865	(6.6)
Other	35	44	(20.5)
Wholesale	91	74	23.0
Retail open access	848	917	(7.5)
Total customer deliveries	8,658	8,786	(1.5)
Intersystem	1,238	1,681	(26.4)
Total electric deliveries	<u>9,896</u>	<u>10,467</u>	(5.5)
<b>Weather-Normalized Electric Deliveries <sup>(1) (2)</sup></b>			
Residential	3,327	3,260	2.1
Commercial	2,694	2,807	(4.0)
Industrial	1,741	1,866	(6.7)
Other	35	44	(20.5)
Wholesale	91	74	23.0
Retail open access	850	920	(7.6)
Total weather-normalized electric deliveries	<u>8,738</u>	<u>8,971</u>	(2.6)
<b>Weather-Normalized Electric Deliveries <sup>(1) (2)</sup></b>			
<b>(By Class, Including Retail Open Access)</b>			
Residential	3,327	3,260	2.1
Commercial	2,912	3,044	(4.3)
Industrial	2,373	2,549	(6.9)
Other	35	44	(20.5)
Wholesale	91	74	23.0
Total weather-normalized electric deliveries	<u>8,738</u>	<u>8,971</u>	(2.6)

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

<sup>(2)</sup> Certain classes include the reduction for Energy Efficiency in the range of 1.75% to 2.00%.

	<i>In Millions, Except as Noted</i>		
	<b>Three Months Ended</b>		
	<b>3/31/21</b>	<b>3/31/20</b>	<b>% Change</b>
<b>Electric Utility Revenue</b>			
Residential	\$ 568	\$ 481	18.1
Commercial	345	339	1.8
Industrial	138	140	(1.4)
Other	8	8	-
Total sales revenue	1,059	968	9.4
Wholesale	5	5	-
Retail open access	8	8	-
Intersystem	50	33	51.5
Miscellaneous	12	14	(14.3)
Total electric utility revenue	<u>\$ 1,134</u>	<u>\$ 1,028</u>	10.3

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

	<i>In Thousands of mcf, Except as Noted</i>		
	<b>Three Months Ended</b>		
	<u>3/31/21</u>	<u>3/31/20</u>	<u>% Change</u>
<b>Gas Deliveries</b>			
Residential	69,171	67,339	2.7
Commercial	25,190	24,542	2.6
Industrial	3,890	3,605	7.9
Other	80	76	5.3
Transportation	25,919	23,957	8.2
Total customer deliveries	<u>124,250</u>	<u>119,519</u>	4.0
Off-system transportation			
MCV	12,088	19,291	(37.3)
Other	<u>3,519</u>	<u>3,503</u>	0.5
Total gas deliveries	<u><u>139,857</u></u>	<u><u>142,313</u></u>	(1.7)
<b>Weather-Normalized Gas Deliveries <sup>(1) (2)</sup></b>			
Residential	74,292	77,477	(4.1)
Commercial	27,211	27,322	(0.4)
Industrial	4,118	4,164	(1.1)
Other	86	90	(4.4)
Transportation	27,405	26,424	3.7
Total weather-normalized gas deliveries	<u><u>133,112</u></u>	<u><u>135,477</u></u>	(1.7)
<b>Weather-Normalized Gas Deliveries <sup>(1) (2)</sup></b> <b>(By Class, Including Transportation)</b>			
Residential	74,870	77,998	(4.0)
Commercial	37,552	37,272	0.8
Industrial	20,586	20,117	2.3
Other	<u>104</u>	<u>90</u>	15.6
Total weather-normalized gas deliveries	<u><u>133,112</u></u>	<u><u>135,477</u></u>	(1.7)

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

<sup>(2)</sup> Includes the reduction for Energy Efficiency in the range of 1.0% to 1.1%.

	<i>In Millions, Except as Noted</i>		
	<b>Three Months Ended</b>		
	<u>3/31/21</u>	<u>3/31/20</u>	<u>% Change</u>
<b>Gas Utility Revenue</b>			
Residential	\$ 554	\$ 493	12.4
Commercial	163	149	9.4
Industrial	23	20	15.0
Total sales revenue	<u>740</u>	<u>662</u>	11.8
Transportation	32	26	23.1
Miscellaneous	<u>31</u>	<u>28</u>	10.7
Total gas utility revenue	<u><u>\$ 803</u></u>	<u><u>\$ 716</u></u>	12.2