

CMS Energy provides historical financial results on both a reported (GAAP) and adjusted (non-GAAP) basis and provides forward-looking guidance on an adjusted basis. During an oral presentation, references to “earnings” are on an adjusted basis. 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, 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 adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported earnings.

GAAP Reconciliation

CMS ENERGY CORPORATION
Reconciliation of GAAP EPS to Non-GAAP Adjusted EPS by Segment
(Unaudited)

In Millions, Except Per Share Amounts

	<u>Three Months Ended</u>	
	<u>3/31/24</u>	<u>3/31/23</u>
Electric Utility		
Reported net income per share	\$ 0.33	\$ 0.23
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	0.01
Tax impact	(*)	(*)
Voluntary separation program	*	-
Tax impact	(*)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.34</u>	<u>\$ 0.24</u>
Gas Utility		
Reported net income per share	\$ 0.57	\$ 0.53
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	*	*
Tax impact	(*)	(*)
Voluntary separation program	*	-
Tax impact	(*)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.57</u>	<u>\$ 0.53</u>
NorthStar Clean Energy		
Reported net income per share	\$ 0.10	\$ 0.03
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	-
Tax impact	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.10</u>	<u>\$ 0.03</u>
Corporate Interest and Other		
Reported net loss per share	\$ (0.04)	\$ (0.10)
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	-	-
Tax impact	-	-
Adjusted net loss per share – non-GAAP	<u>\$ (0.04)</u>	<u>\$ (0.10)</u>
Consolidated		
Reported net income per share	\$ 0.96	\$ 0.69
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings	0.01	0.01
Tax impact	(*)	(*)
Voluntary separation program	*	-
Tax impact	(*)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.97</u>	<u>\$ 0.70</u>
Average Common Shares Outstanding – Diluted	<u>297.2</u>	<u>291.2</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>	
	<u>Three Months Ended</u>	
	<u>3/31/24</u>	<u>3/31/23</u>
Net Income Available to Common Stockholders	\$ 285	\$ 202
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings**	4	3
Tax impact	(1)	(1)
Voluntary separation program	*	-
Tax impact	(*)	-
	<u>\$ 288</u>	<u>\$ 204</u>
Average Common Shares Outstanding - Diluted	297.2	291.2
Diluted Earnings Per Average Common Share		
Reported net income per share	\$ 0.96	\$ 0.69
<i>Reconciling items:</i>		
Other exclusions from adjusted earnings**	0.01	0.01
Tax impact	(*)	(*)
Voluntary separation program	*	-
Tax impact	(*)	-
	<u>\$ 0.97</u>	<u>\$ 0.70</u>
Adjusted net income per share – non-GAAP		

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

** Includes restructuring costs and business optimization initiative.

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, 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>
	2024
	1Q
Net Income Available to Common Stockholders	\$ 285
<i>Reconciling items:</i>	
Electric utility and gas utility	4
Tax impact	(1)
NorthStar Clean Energy	-
Tax impact	-
Corporate interest and other	-
Tax impact	-
Adjusted Net Income – Non-GAAP	\$ 288
 Average Common Shares Outstanding – Diluted	 297.2
 Diluted Earnings Per Average Common Share	 \$ 0.96
<i>Reconciling items:</i>	
Electric utility and gas utility	0.01
Tax impact	(*)
NorthStar Clean Energy	-
Tax impact	-
Corporate interest and other	-
Tax impact	-
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.97

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

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>			
	2023			
	1Q	2Q	3Q	4Q
Net Income Available to Common Stockholders	\$ 202	\$ 195	\$ 174	\$ 306
<i>Reconciling items:</i>				
Electric utility and gas utility	3	30	6	3
Tax impact	(1)	(7)	(2)	(1)
NorthStar Clean Energy	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	-	-	-	-
Tax impact	-	-	-	-
Disposal of discontinued operations (gain) loss	-	(1)	-	*
Tax impact	-	*	-	(*)
Adjusted Net Income – Non-GAAP	\$ 204	\$ 217	\$ 178	\$ 308
Average Common Shares Outstanding – Diluted	291.2	291.3	291.4	292.7
Diluted Earnings Per Average Common Share	\$ 0.69	\$ 0.67	\$ 0.60	\$ 1.05
<i>Reconciling items:</i>				
Electric utility and gas utility	0.01	0.10	0.01	0.01
Tax impact	(*)	(0.02)	(*)	(0.01)
NorthStar Clean Energy	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	-	-	-	-
Tax impact	-	-	-	-
Disposal of discontinued operations (gain) loss	-	(*)	-	*
Tax impact	-	*	-	(*)
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.70	\$ 0.75	\$ 0.61	\$ 1.05

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

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

	<i>In Millions</i>		
	Twelve Months Ended		
	<u>3/31/24</u>	<u>12/31/23</u>	<u>3/31/23</u>
Net Income Available to Common Stockholders	\$ 960	\$ 877	\$ 678
<i>Reconciling items:</i>			
Income tax expense	176	147	83
Interest on long-term debt	644	616	532
Interest expense - related parties	12	12	12
Other interest expense	20	18	(1)
Allowance for borrowed funds used during construction	(3)	(3)	(1)
Loss attributable to noncontrolling interests	(93)	(79)	(26)
Preferred stock dividends	10	10	10
Disposal of discontinued operations gain	(1)	(1)	-
Other exclusions from adjusted earnings	10	9	12
Voluntary separation program	33	33	12
	<u>1,768</u>	<u>1,639</u>	<u>1,311</u>
EBIT – Non-GAAP	1,768	1,639	1,311
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,195	1,180	1,134
	<u>1,195</u>	<u>1,180</u>	<u>1,134</u>
EBITDA – Non-GAAP	<u>\$ 2,963</u>	<u>\$ 2,819</u>	<u>\$ 2,445</u>

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

	<i>In Millions</i>		
	Twelve Months Ended		
	<u>3/31/24</u>	<u>12/31/23</u>	<u>3/31/23</u>
Net Income Available to Common Stockholder	\$ 908	\$ 865	\$ 792
<i>Reconciling items:</i>			
Income tax expense	187	161	131
Interest on long-term debt	437	415	349
Interest expense - related parties	23	20	12
Other interest expense	18	16	(1)
Allowance for borrowed funds used during construction	(3)	(3)	(1)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	10	9	12
Voluntary separation program	33	33	12
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EBIT – Non-GAAP	1,615	1,518	1,308
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,149	1,137	1,096
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EBITDA – Non-GAAP	\$ 2,764	\$ 2,655	\$ 2,404