

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

	<i>In Millions, Except Per Share Amounts</i>			
	Three Months Ended		Six Months Ended	
	6/30/20	6/30/19	6/30/20	6/30/19
Electric Utility				
Reported net income per share	\$ 0.42	\$ 0.32	\$ 0.83	\$ 0.69
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	-	0.03	-
Tax impact	(0.01)	-	(0.01)	-
Voluntary separation program	(*)	-	0.03	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.43</u>	<u>\$ 0.32</u>	<u>\$ 0.87</u>	<u>\$ 0.69</u>
Gas Utility				
Reported net income per share	\$ 0.14	\$ 0.03	\$ 0.55	\$ 0.45
<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>\$ 0.14</u>	<u>\$ 0.03</u>	<u>\$ 0.56</u>	<u>\$ 0.45</u>
Enterprises				
Reported net income per share	\$ -	\$ 0.05	\$ 0.07	\$ 0.08
<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>\$ -</u>	<u>\$ 0.05</u>	<u>\$ 0.06</u>	<u>\$ 0.08</u>
EnerBank				
Reported net income per share	\$ 0.03	\$ 0.04	\$ 0.08	\$ 0.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.03</u>	<u>\$ 0.04</u>	<u>\$ 0.08</u>	<u>\$ 0.08</u>
Corporate Interest and Other				
Reported net loss per share	\$ (0.11)	\$ (0.11)	\$ (0.20)	\$ (0.22)
<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>	<u>\$ (0.22)</u>	<u>\$ (0.22)</u>
Consolidated				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
Adjusted net income per share – non-GAAP	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>
Average Common Shares Outstanding – Diluted	<u>286.5</u>	<u>284.0</u>	<u>285.8</u>	<u>283.8</u>

* Less than \$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>	
	2020	
	1Q	2Q
Net Income Available to Common Stockholders	\$ 243	\$ 136
<i>Reconciling items:</i>		
Electric utility and gas utility	15	4
Tax impact	(4)	(1)
Enterprises	1	(*)
Tax impact	(4)	*
EnerBank	-	-
Tax impact	-	-
Corporate interest and other	(2)	*
Tax impact	(4)	(*)
Adjusted Net Income – Non-GAAP	\$ 245	\$ 139
Average Common Shares Outstanding – Diluted	285.2	286.5
Diluted Earnings Per Average Common Share	\$ 0.85	\$ 0.48
<i>Reconciling items:</i>		
Electric utility and gas utility	0.05	0.02
Tax impact	(0.01)	(0.01)
Enterprises	*	(*)
Tax impact	(0.01)	*
EnerBank	-	-
Tax impact	-	-
Corporate interest and other	(*)	*
Tax impact	(0.02)	(*)
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.86	\$ 0.49

	<i>In Millions, Except Per Share Amounts</i>			
	2019			
	1Q	2Q	3Q	4Q
Net Income Available to Common Stockholders	\$ 213	\$ 93	\$ 207	\$ 167
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	6
Tax impact	-	-	-	(1)
Enterprises	(*)	*	1	(1)
Tax impact	*	(*)	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	31
Tax impact	(*)	(*)	(*)	(8)
Adjusted Net Income – Non-GAAP	\$ 213	\$ 93	\$ 208	\$ 194
Average Common Shares Outstanding – Diluted	283.6	284.0	284.6	284.8
Diluted Earnings Per Average Common Share	\$ 0.75	\$ 0.33	\$ 0.73	\$ 0.58
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	0.02
Tax impact	-	-	-	(*)
Enterprises	(*)	*	*	(*)
Tax impact	*	(*)	(*)	*
EnerBank	-	-	-	-
Tax impact	-	-	-	-
Corporate interest and other	*	*	*	0.11
Tax impact	(*)	(*)	(*)	(0.03)
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	\$ 0.75	\$ 0.33	\$ 0.73	\$ 0.68

* Less than \$0.5 million or \$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>Six Months Ended</u>	
	<u>6/30/20</u>	<u>6/30/19</u>	<u>6/30/20</u>	<u>6/30/19</u>
Net Income Available to Common Stockholders	\$ 136	\$ 93	\$ 379	\$ 306
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	4	*	7	*
Tax impact	(1)	(*)	(1)	(*)
Tax reform	-	-	(9)	-
Voluntary separation program	(*)	-	11	-
Tax impact	*	-	(3)	-
	<u>\$ 139</u>	<u>\$ 93</u>	<u>\$ 384</u>	<u>\$ 306</u>
Adjusted net income – non-GAAP				
Average Common Shares Outstanding				
Basic	285.5	282.9	284.4	282.9
Diluted	286.5	284.0	285.8	283.8
Basic Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>
Adjusted net income per share – non-GAAP				
Diluted Earnings Per Average Common Share				
Reported net income per share	\$ 0.48	\$ 0.33	\$ 1.33	\$ 1.08
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	*	0.03	*
Tax impact	(0.01)	(*)	(0.01)	(*)
Tax reform	-	-	(0.03)	-
Voluntary separation program	(*)	-	0.04	-
Tax impact	*	-	(0.01)	-
	<u>\$ 0.49</u>	<u>\$ 0.33</u>	<u>\$ 1.35</u>	<u>\$ 1.08</u>
Adjusted net income per share – non-GAAP				

* 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
Earnings Per Share By Year GAAP Reconciliation
(Unaudited)



	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	GAAP 2019 over 2003 CAGR NM
Reported earnings (loss) per share - GAAP	(\$0.30)	\$0.64	(\$0.44)	(\$0.41)	(\$1.02)	\$1.20	\$0.91	\$1.28	\$1.58	\$1.42	\$1.66	\$1.74	\$1.89	\$1.98	\$1.64	\$2.32	\$2.39	
Pretax items:																		
Electric and gas utility	0.32	(0.60)	-	-	(0.06)	0.08	0.55	0.05	-	0.27	-	-	-	0.04	-	-	0.02	
Tax impact	(0.11)	0.21	-	-	(0.01)	(0.03)	(0.22)	(0.02)	-	(0.10)	-	-	-	(0.01)	0.12 (b)	0.01	(*)	
Enterprises	0.93	0.97	0.06	(0.12)	1.67	(0.02)	0.14	(0.05)	*	(0.01)	*	0.05	*	*	*	0.02	*	
Tax impact	(0.19)	(0.35)	(0.02)	0.10	(0.42)	*	(0.05)	0.02	(0.11)	*	(*)	(0.02)	(*)	(*)	0.20 (b)	(0.02)	(*)	
EnerBank	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01 (b)	*	-	
Corporate interest and other	0.25	(0.06)	0.06	0.45	0.17	0.01	0.01	*	-	*	*	*	*	0.02	0.01	*	0.11	
Tax impact	(0.09)	0.03	(0.02)	(0.18)	(0.49)	(0.03)	(*)	(*)	(0.01)	(*)	(*)	(*)	(*)	(0.01)	0.19 (b)	(*)	(0.03)	Adjusted 2019 over 2003 CAGR 7%
Discontinued operations (income) loss, net	(0.16)	0.02	(0.07)	(0.03)	0.40	(*)	(0.08)	0.08	(0.01)	(0.03)	*	(*)	(*)	*	*	(*)	(*)	
Asset impairment charges	-	-	2.80	1.07	0.93	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	-	-	(0.98)	(0.31)	(0.33)	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative accounting changes	0.25	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Tax impact	(0.09)	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Adjusted earnings per share, including MTM - non-GAAP	\$0.81	\$0.87	\$1.39	\$0.57	\$0.84	\$1.21 (a)	\$1.26	\$1.36	\$1.45	\$1.55	\$1.66	\$1.77	\$1.89	\$2.02	\$2.17	\$2.33	\$2.49	
Mark-to-market		0.04	(0.65)	0.80														
Tax impact		(0.01)	0.22	(0.29)														
Adjusted earnings per share, excluding MTM - non-GAAP	NA	\$0.90	\$0.96	\$1.08	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	

* Less than \$0.01 per share.

(a) \$1.25 excluding discontinued Exeter operations and accounting changes related to convertible debt and restricted stock.

(b) Reflects the impact of tax reform.

CMS ENERGY CORPORATION
Reconciliation of GAAP Operating Activities
to Non-GAAP Operating Activities
(Unaudited)
(mils)



	<u>2020</u>
GAAP Net cash provided by operating activities	\$ 1,219
Add back discretionary pension contribution	<u>531</u>
Non-GAAP Net cash provided by operating activities	\$ 1,750

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



	<i>In Millions</i>		
	Twelve Months Ended		
	6/30/20	12/31/19	6/30/19
Net Income Available to Common Stockholders	\$ 753	\$ 680	\$ 583
<i>Reconciling items:</i>			
Income tax expense	133	147	118
Interest on long-term debt	460	439	425
Interest expense - related parties	12	9	3
Other interest expense	76	75	63
Allowance for borrowed funds used during construction	(3)	(4)	(4)
Income attributable to noncontrolling interests	2	2	2
Other exclusions from adjusted earnings	44	37	8
Tax reform	(9)	-	(4)
Voluntary separation program	11	-	-
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EBIT – Non-GAAP	1,479	1,385	1,194
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,017	992	964
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EBITDA – Non-GAAP	<u>\$ 2,496</u>	<u>\$ 2,377</u>	<u>\$ 2,158</u>

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



	<i>In Millions</i>		
	Twelve Months Ended		
	6/30/20	12/31/19	6/30/19
Net Income Available to Common Stockholder	\$ 812	\$ 741	\$ 633
<i>Reconciling items:</i>			
Income tax expense	185	185	151
Interest on long-term debt	291	277	279
Interest expense - related parties	12	9	3
Other interest expense	13	15	14
Allowance for borrowed funds used during construction	(3)	(4)	(4)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	14	6	-
Tax reform	-	-	2
Voluntary separation program	11	-	-
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EBIT – Non-GAAP	1,337	1,231	1,080
<i>Additional reconciling items:</i>			
Depreciation and amortization	999	975	949
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EBITDA – Non-GAAP	<u>\$ 2,336</u>	<u>\$ 2,206</u>	<u>\$ 2,029</u>