

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>Twelve Months Ended</u>	
	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/19</u>	<u>12/31/18</u>
Electric Utility				
Reported net income per share	\$ 0.32	\$ 0.24	\$ 1.79	\$ 1.89
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.02	-	0.02	-
Tax impact	(*)	-	(*)	-
Tax reform	-	*	-	0.01
Adjusted net income per share – non-GAAP	<u>\$ 0.34</u>	<u>\$ 0.24</u>	<u>\$ 1.81</u>	<u>\$ 1.90</u>
Gas Utility				
Reported net income per share	\$ 0.40	\$ 0.23	\$ 0.82	\$ 0.60
<i>Reconciling items:</i>				
Tax reform	-	*	-	*
Adjusted net income per share – non-GAAP	<u>\$ 0.40</u>	<u>\$ 0.23</u>	<u>\$ 0.82</u>	<u>\$ 0.60</u>
Enterprises				
Reported net income per share	\$ 0.05	\$ -	\$ 0.12	\$ 0.12
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	(*)	0.03	*	0.03
Tax impact	*	(*)	(*)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Tax reform	-	(0.01)	-	(0.02)
Adjusted net income per share – non-GAAP	<u>\$ 0.05</u>	<u>\$ 0.02</u>	<u>\$ 0.12</u>	<u>\$ 0.12</u>
EnerBank				
Reported net income per share	\$ 0.06	\$ 0.04	\$ 0.17	\$ 0.13
<i>Reconciling items:</i>				
Tax reform	-	*	-	*
Adjusted net income per share – non-GAAP	<u>\$ 0.06</u>	<u>\$ 0.04</u>	<u>\$ 0.17</u>	<u>\$ 0.13</u>
Corporate Interest and Other				
Reported net loss per share	\$ (0.25)	\$ (0.13)	\$ (0.51)	\$ (0.42)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.11	*	0.11	*
Tax impact	(0.03)	(*)	(0.03)	(*)
Tax reform	-	(*)	-	(*)
Adjusted net loss per share – non-GAAP	<u>\$ (0.17)</u>	<u>\$ (0.13)</u>	<u>\$ (0.43)</u>	<u>\$ (0.42)</u>
Consolidated				
Reported net income per share	\$ 0.58	\$ 0.38	\$ 2.39	\$ 2.32
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.13	0.03	0.13	0.03
Tax impact	(0.03)	(*)	(0.03)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Tax reform	-	(0.01)	-	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.68</u>	<u>\$ 0.40</u>	<u>\$ 2.49</u>	<u>\$ 2.33</u>
Average Common Shares Outstanding – Diluted	<u>284.8</u>	<u>283.3</u>	<u>284.3</u>	<u>282.9</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>			
	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	<u>\$ 213</u>	<u>\$ 93</u>	<u>\$ 208</u>	<u>\$ 194</u>
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	<u>\$ 0.75</u>	<u>\$ 0.33</u>	<u>\$ 0.73</u>	<u>\$ 0.68</u>

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

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

CMS ENERGY CORPORATION
Reconciliations 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>Twelve Months Ended</u>	
	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/19</u>	<u>12/31/18</u>
Net Income Available to Common Stockholders	\$ 167	\$ 108	\$ 680	\$ 657
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	36	8	37	9
Tax impact	(9)	(*)	(9)	(*)
Gain on assets previously sold	-	-	(*)	(4)
Tax impact	-	-	*	1
Tax reform	-	(4)	-	(4)
Adjusted net income – non-GAAP	<u>\$ 194</u>	<u>\$ 112</u>	<u>\$ 708</u>	<u>\$ 659</u>
Average Common Shares Outstanding				
Basic	283.0	282.6	283.0	282.2
Diluted	284.8	283.3	284.3	282.9
Basic Earnings Per Average Common Share				
Reported net income per share	\$ 0.59	\$ 0.38	\$ 2.40	\$ 2.33
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.13	0.03	0.13	0.03
Tax impact	(0.03)	(*)	(0.03)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Tax reform	-	(0.02)	-	(0.02)
Adjusted net income per share – non-GAAP	<u>\$ 0.69</u>	<u>\$ 0.39</u>	<u>\$ 2.50</u>	<u>\$ 2.33</u>
Diluted Earnings Per Average Common Share				
Reported net income per share	\$ 0.58	\$ 0.38	\$ 2.39	\$ 2.32
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.13	0.03	0.13	0.03
Tax impact	(0.03)	(*)	(0.03)	(*)
Gain on assets previously sold	-	-	(*)	(0.01)
Tax impact	-	-	*	*
Tax reform	-	(0.01)	-	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.68</u>	<u>\$ 0.40</u>	<u>\$ 2.49</u>	<u>\$ 2.33</u>

* 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 Non-GAAP FFO to Average Debt Ratio
(Unaudited)

FUNDS FROM OPERATIONS	<i>In Millions</i>	
	<u>Year Ended</u>	
	<u>12/31/19</u>	
Net Cash Provided by Operating Activities	\$	1,790
<i>Reconciling items:</i>		
Working capital		63
Other		<u>(132)</u>
Funds From Operations (FFO) – Non-GAAP	\$	<u>1,721</u>

AVERAGE DEBT	<i>In Millions</i>		
	<u>As of</u>		
	<u>12/31/19</u>		<u>12/31/18</u>
Indebtedness			
Long-term debt ⁽¹⁾	\$	13,062	\$ 11,589
Capital leases and financing obligation ⁽¹⁾		95	91
Notes payable ⁽¹⁾		90	97
Total Indebtedness		<u>13,247</u>	<u>11,777</u>
<i>Reconciling items:</i>			
Securitization debt ⁽¹⁾		(251)	(277)
EnerBank debt ⁽¹⁾		(2,389)	(1,758)
50% of Junior subordinated notes ⁽¹⁾		<u>(555)</u>	<u>(240)</u>
Adjusted Debt – Non-GAAP	\$	<u>10,052</u>	\$ <u>9,502</u>
Average Debt – Non-GAAP	\$	<u>9,777</u>	

⁽¹⁾ Includes current and non-current portions.

FFO TO AVERAGE DEBT RATIO	<i>In Millions, Except Ratio</i>	
	<u>Year Ended</u>	
	<u>12/31/19</u>	
Funds from operations (FFO) – non-GAAP	\$	1,721
Average debt – non-GAAP	\$	9,777
FFO to Average Debt Ratio – Non-GAAP		<u>17.6%</u>

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	GAAP 2019 over 2018 Growth 3%
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%	Adjusted 2019 over 2018 Growth 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)

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

CONSUMERS ENERGY COMPANY

Reconciliations of GAAP Net Income to Non-GAAP EBIT and EBITDA

(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
Net Income Available to Common Stockholder	\$ 741	\$ 703	\$ 630
<i>Reconciling items:</i>			
Income tax expense	185	142	339
Interest on long-term debt	277	276	263
Interest expense - related parties	9	-	-
Other interest expense	15	16	15
Allowance for borrowed funds used during construction	(4)	(3)	(2)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	6	-	-
Tax reform	-	2	33
	<hr/>	<hr/>	<hr/>
EBIT – Non-GAAP	1,231	1,138	1,280
<i>Additional reconciling items:</i>			
Depreciation and amortization	975	921	872
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EBITDA – Non-GAAP	<u>\$ 2,206</u>	<u>\$ 2,059</u>	<u>\$ 2,152</u>

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>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
Net Income Available to Common Stockholders	\$ 680	\$ 657	\$ 460
<i>Reconciling items:</i>			
Income tax expense	147	115	424
Interest on long-term debt	439	412	406
Interest expense - related parties	9	-	-
Other interest expense	75	49	34
Allowance for borrowed funds used during construction	(4)	(3)	(2)
Income attributable to noncontrolling interests	2	2	2
Other exclusions from adjusted earnings	37	9	4
Gain on assets previously sold	-	(4)	-
Tax reform	-	(4)	148
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EBIT – Non-GAAP	1,385	1,233	1,476
<i>Additional reconciling items:</i>			
Depreciation and amortization	992	933	881
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EBITDA – Non-GAAP	\$ 2,377	\$ 2,166	\$ 2,357