



CMS ENERGY



**CMS
LISTED
NYSE**

**Investor Meeting
July 11, 2017**



This presentation is made as of the date hereof and contains “forward-looking statements” as defined in Rule 3b-6 of the Securities Exchange Act of 1934, Rule 175 of the Securities Act of 1933, and relevant legal decisions. The forward-looking statements are subject to risks and uncertainties. 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. Forward-looking statements should be read in conjunction with “FORWARD-LOOKING STATEMENTS AND INFORMATION” and “RISK FACTORS” sections of CMS Energy’s and Consumers Energy’s Form 10-K for the year ended December 31, 2016 and as updated in subsequent 10-Qs. CMS Energy’s and Consumers Energy’s “FORWARD-LOOKING STATEMENTS AND INFORMATION” and “RISK FACTORS” sections are incorporated herein by reference and discuss important factors that could cause CMS Energy’s and Consumers Energy’s results to differ materially from those anticipated in such statements. CMS Energy and Consumers Energy undertake no obligation to update any of the information presented herein to reflect facts, events or circumstances after the date hereof.

The presentation also includes non-GAAP measures when describing CMS Energy’s results of operations and financial performance. A reconciliation of each of these measures to the most directly comparable GAAP measure is included in the appendix and posted on our website at www.cmsenergy.com.

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. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, 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.

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, a channel of distribution.

People • Planet • Profit Performance

Consumers Among World's Top Employers



Consumers Energy ranked Michigan's top employer by Forbes

Forbes 2017
AMERICA'S BEST LARGE EMPLOYERS
POWERED BY STATISTA

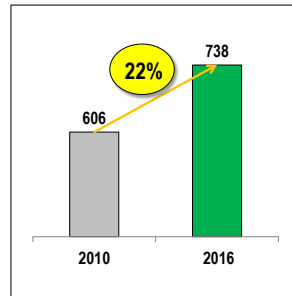


Customer Satisfaction ...

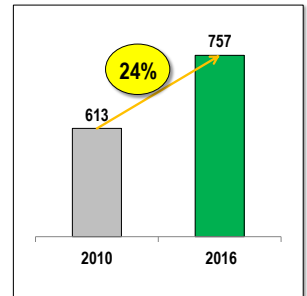


J.D. Power Customer Satisfaction Index

Residential Customers



Business Customers

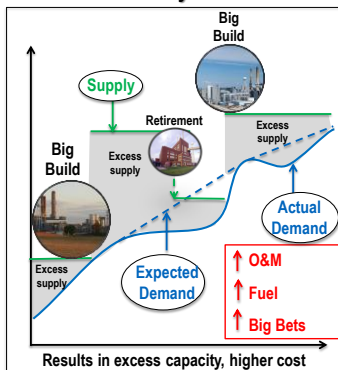


... steadily improving.

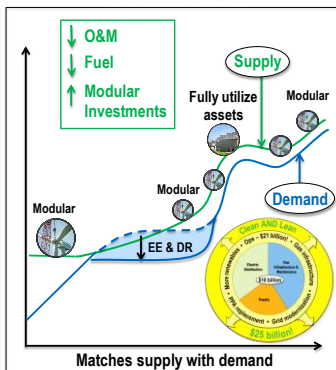
Matching Supply with Demand ...



Old Utility Model



Clean And Lean



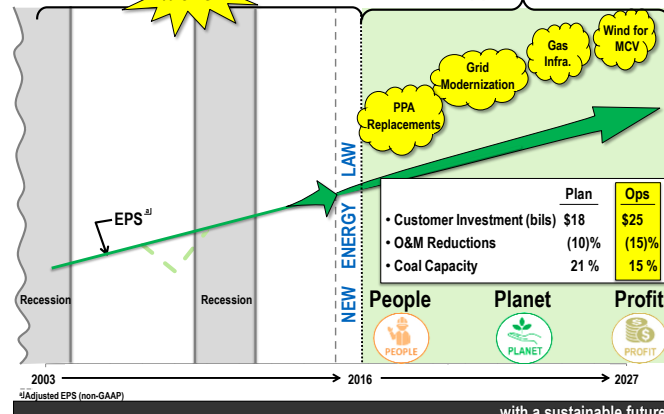
... benefits customers AND investors.

Fifteen Years of Growth ...



7% CAGR

Opportunities

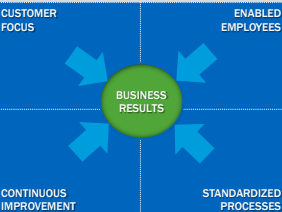


The Consumers Energy Way ...



The CE Way

Safety · Quality · Cost · Delivery · Morale



Safety: Every day is a safe day

Quality: We get it right the first time

Cost: We see and eliminate waste

Delivery: We get it done on time

Morale: We are proud to serve

... a culture of continuous improvement.

CMS ENERGY

Sustainability
Report

Latest
Presentation



CMS Energy:

World Class Performance Delivering Hometown Service

Simple, Perhaps Unique Model . . .

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2017+
Plan

Customer investment (reliability, costs, enviro mandates) 6% - 8%

Self Funding:

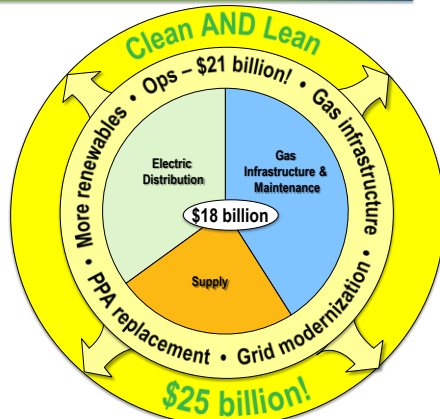
- O&M cost reductions 2 - 3 pts
 - Sales growth 1
 - No "block" equity dilution & other 2
- INVESTMENT SELF-FUNDED **5 - 6 pts**

Rate increase "at or below inflation" < 2%

. . . continues to drive sustainable growth, with upside opportunities.

Ten-year "Customer Investment" Plan . . .

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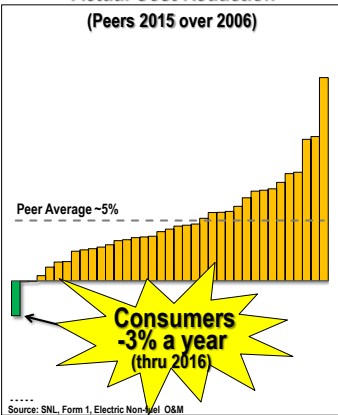
. . . with opportunities to expand to \$21 - \$25 billion.

O&M Cost Performance Helps to Fund . . .

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Actual Cost Reduction (Peers 2015 over 2006)

New Annual Cost Savings



	Three-Year Avg	
	2014 - 2016	2017 - 2019
Good Business Decisions	(mils)	(mils)
• Attrition	\$ - 16	\$ - 16
• Productivity (Coal → Gas)	- 20	- 5
• Enhanced capitalization	- 10	- 4
• Smart Meters	- 4	- 5
"Consumers Energy Way"		
• Work Management & Eliminate Waste	- 15	- 20
Increases		
• Mortality, Disc. Rates, & Other	+20	0
• Service Upgr./Inflation	+10	+ 30
Net savings	\$ - 35	\$ - 20
Percent savings	> 3% a year!	2% a year!

. . . needed customer investments.

Economic Development Growth . . .

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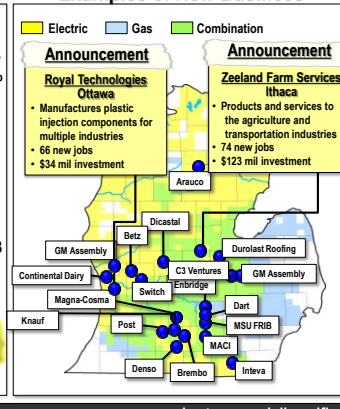
Our Service Territory²⁾ Outperforms

Examples of New Business

	Grand Rapids	Michigan	U.S.
Building Permits ³⁾	+319%	+225%	+103%
GDP 2010 → 2015	23	14	12
Population 2010 → 2016	6	½	4
Unemployment (5/17)	2.7	4.2	4.3

Grand Rapids ranked #1 in the U.S. for job growth by Headlight Data

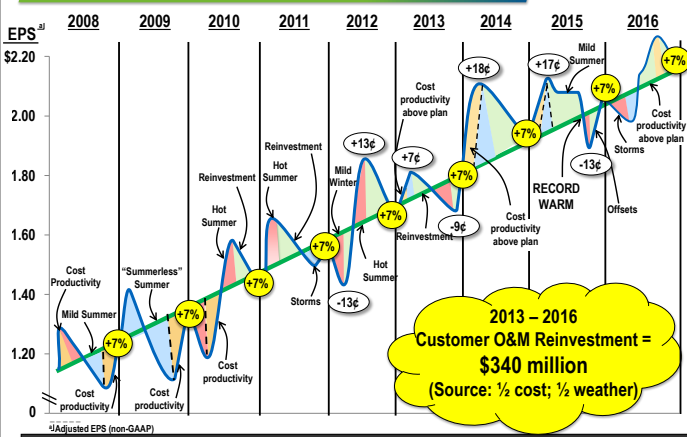
²⁾ Grand Rapids
³⁾ Annualized numbers May 2010 → May 2017



. . . is strong and diversified.

Managing Work Every Year . . .

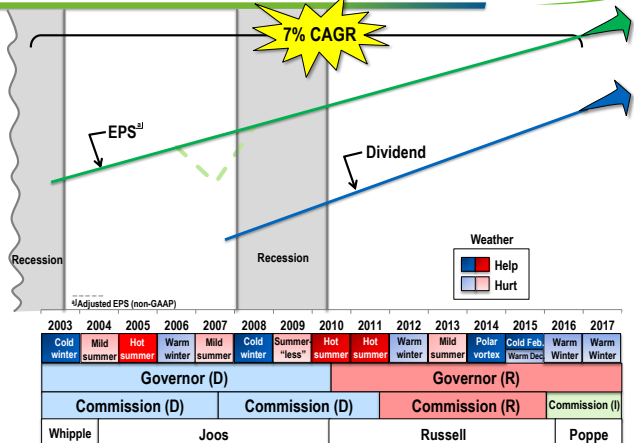
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. . . maximizes benefits for customers AND investors.

Consistent Growth Through . . .

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. . . recessions, adverse weather, and leadership changes.

GAAP Reconciliation

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
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
Pretax items:														
Electric and gas utility	0.32	(0.60)	-	-	(0.06)	0.08	0.55	0.05	-	0.27	-	-	-	0.04
Tax impact	(0.11)	0.21	-	-	(0.01)	(0.03)	(0.22)	(0.02)	-	(0.10)	-	-	-	(0.01)
Enterprises	0.93	0.97	0.06	(0.12)	1.67	(0.02)	0.14	(0.05)	*	(0.01)	*	0.05	*	*
Tax impact	(0.19)	(0.35)	(0.02)	0.10	(0.42)	*	(0.05)	0.02	(0.11)	*	(*)	(0.02)	(*)	(*)
Corporate interest and other	0.25	(0.06)	0.06	0.45	0.17	0.01	0.01	*	-	*	*	*	*	0.02
Tax impact	(0.09)	0.03	(0.02)	(0.18)	(0.49)	(0.03)	(*)	(*)	(0.01)	(*)	(*)	(*)	(*)	(0.01)
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
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

* Less than \$0.01 per share.

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