

CMS Energy Announces Third Quarter Results, Introduces 2025 Guidance

JACKSON, Mich., Oct. 31, 2024 – CMS Energy announced today reported earnings per share of \$0.84 for the third quarter of 2024, compared to \$0.60 per share for the same quarter in 2023. The company's adjusted earnings per share for the third quarter were \$0.84, compared to \$0.61 per share for the same quarter in 2023. For the first nine months of the year, the company reported \$2.45 per share compared to \$1.96 per share for the same timeframe in 2023. The company's adjusted earnings per share on a year-to-year basis were \$2.47 in 2024, compared to \$2.06 per share in 2023, largely due to constructive regulatory outcomes and solid performance at NorthStar Clean Energy.

CMS Energy reaffirmed its 2024 adjusted earnings guidance of \$3.29 to \$3.35 per share (*See below for important information about non-GAAP measures) and long-term adjusted EPS growth of 6 to 8 percent, with continued confidence toward the high end. The Company also introduced 2025 adjusted earnings guidance of \$3.52 to \$3.58 per share.

“We continue to make needed investments as outlined in our electric Reliability Roadmap by burying wires, installing sensors and adding other technology to build a smarter and stronger grid. We are committed in our efforts to shorten the length and impact of power outages for our customers and are well positioned to deliver for all stakeholders in 2024 and beyond,” said Garrick Rochow, President and CEO of CMS Energy and Consumers Energy.

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 2024 third quarter results and provide a business and financial outlook on Thursday, October 31 at 9:30 a.m. (EDT). To participate in the webcast, go to CMS Energy's homepage (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, 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 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, a channel of distribution.

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CMS ENERGY CORPORATION
Consolidated Statements of Income
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>					
	Three Months Ended			Nine Months Ended		
	9/30/24	9/30/23	Change	9/30/24	9/30/23	Change
Operating Revenue						
Electric utility	\$ 1,448	\$ 1,351	\$ 97	\$ 3,806	\$ 3,570	\$ 236
Gas utility	213	244	(31)	1,485	1,720	(235)
NorthStar Clean Energy	82	78	4	235	222	13
Total operating revenue	<u>1,743</u>	<u>1,673</u>	<u>70</u>	<u>5,526</u>	<u>5,512</u>	<u>14</u>
Operating Expenses						
Fuel for electric generation	179	162	17	449	409	40
Purchased and interchange power	362	377	(15)	1,025	1,060	(35)
Purchased power – related parties	19	21	(2)	53	57	(4)
Cost of gas sold	32	42	(10)	449	673	(224)
Maintenance and other operating expenses	412	447	(35)	1,218	1,284	(66)
Depreciation and amortization	273	262	11	914	870	44
General taxes	99	91	8	356	330	26
Total operating expenses	<u>1,376</u>	<u>1,402</u>	<u>(26)</u>	<u>4,464</u>	<u>4,683</u>	<u>(219)</u>
Operating Income (Loss)						
Electric utility	347	253	94	752	560	192
Gas utility	31	22	9	325	292	33
NorthStar Clean Energy	(7)	(1)	(6)	(5)	(13)	8
Other	(4)	(3)	(1)	(10)	(10)	-
Total operating income	<u>367</u>	<u>271</u>	<u>96</u>	<u>1,062</u>	<u>829</u>	<u>233</u>
Other Income (Expense)						
Nonoperating retirement benefits, net	42	45	(3)	127	135	(8)
Other income	46	34	12	167	152	15
Other expense	(4)	(2)	(2)	(11)	(8)	(3)
Total other income	<u>84</u>	<u>77</u>	<u>7</u>	<u>283</u>	<u>279</u>	<u>4</u>
Earnings Before Interest, Taxes, and Other Charges	451	348	103	1,345	1,108	237
Interest on long-term debt	176	158	18	519	454	65
Interest expense - related parties	3	3	-	9	9	-
Other interest expense	4	4	-	11	10	1
Allowance for borrowed funds used during construction	(5)	(1)	(4)	(11)	(2)	(9)
Income tax expense	26	11	15	125	81	44
Income From Continuing Operations	<u>247</u>	<u>173</u>	<u>74</u>	<u>692</u>	<u>556</u>	<u>136</u>
Income from discontinued operations, net of tax	-	-	-	-	1	(1)
Net Income	<u>247</u>	<u>173</u>	<u>74</u>	<u>692</u>	<u>557</u>	<u>135</u>
Loss attributable to noncontrolling interests	(6)	(3)	(3)	(46)	(21)	(25)
Net Income Attributable to CMS Energy	<u>253</u>	<u>176</u>	<u>77</u>	<u>738</u>	<u>578</u>	<u>160</u>
Preferred stock dividends	2	2	-	7	7	-
Net Income Available to Common Stockholders	<u>\$ 251</u>	<u>\$ 174</u>	<u>\$ 77</u>	<u>\$ 731</u>	<u>\$ 571</u>	<u>\$ 160</u>
<i>Reconciling items:</i>						
Disposal of discontinued operations (gain) loss	-	-	-	-	(1)	1
Tax impact	-	-	-	-	*	(*)
Other exclusions from adjusted earnings	*	1	(1)	6	6	-
Tax impact	(*)	(1)	1	(1)	(2)	1
Voluntary separation program	-	5	(5)	*	33	(33)
Tax impact	-	(1)	1	(*)	(8)	8
Adjusted Net Income – Non-GAAP	<u>\$ 251</u>	<u>\$ 178</u>	<u>\$ 73</u>	<u>\$ 736</u>	<u>\$ 599</u>	<u>\$ 137</u>
Average Common Shares Outstanding - Diluted	298.8	291.4	7.4	298.2	291.3	6.9
Diluted Earnings Per Average Common Share	<u>\$ 0.84</u>	<u>\$ 0.60</u>	<u>\$ 0.24</u>	<u>\$ 2.45</u>	<u>\$ 1.96</u>	<u>\$ 0.49</u>
<i>Reconciling items:</i>						
Disposal of discontinued operations (gain) loss	-	-	-	-	(*)	*
Tax impact	-	-	-	-	*	(*)
Other exclusions from adjusted earnings	*	*	-	0.02	0.02	-
Tax impact	(*)	(*)	-	(*)	(*)	-
Voluntary separation program	-	0.01	(0.01)	*	0.11	(0.11)
Tax impact	-	(*)	*	(*)	(0.03)	0.03
Adjusted Diluted Earnings Per Average Common Share – Non-GAAP	<u>\$ 0.84</u>	<u>\$ 0.61</u>	<u>\$ 0.23</u>	<u>\$ 2.47</u>	<u>\$ 2.06</u>	<u>\$ 0.41</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>9/30/24</u>	<u>12/31/23</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 412	\$ 227
Restricted cash and cash equivalents	55	21
Other current assets	2,236	2,591
Total current assets	<u>2,703</u>	<u>2,839</u>
Non-current assets		
Plant, property, and equipment	26,671	25,072
Other non-current assets	5,443	5,606
Total Assets	<u><u>\$ 34,817</u></u>	<u><u>\$ 33,517</u></u>
Liabilities and Equity		
Current liabilities ⁽¹⁾	\$ 1,684	\$ 1,822
Non-current liabilities ⁽¹⁾	8,325	7,927
Capitalization		
Debt and finance leases (excluding securitization debt) ⁽²⁾	15,451	14,856
Preferred stock and securities	224	224
Noncontrolling interests	530	581
Common stockholders' equity	7,887	7,320
Total capitalization (excluding securitization debt)	<u>24,092</u>	<u>22,981</u>
Securitization debt ⁽²⁾	716	787
Total Liabilities and Equity	<u><u>\$ 34,817</u></u>	<u><u>\$ 33,517</u></u>

⁽¹⁾ Excludes debt and finance leases.

⁽²⁾ Includes current and non-current portions.

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

	<i>In Millions</i>	
	<u>Nine Months Ended</u>	
	<u>9/30/24</u>	<u>9/30/23</u>
Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts	\$ 248	\$ 182
Net cash provided by operating activities	1,967	1,904
Net cash used in investing activities	(2,101)	(2,737)
Cash flows from operating and investing activities	(134)	(833)
Net cash provided by financing activities	353	835
Total Cash Flows	<u><u>\$ 219</u></u>	<u><u>\$ 2</u></u>
End of Period Cash and Cash Equivalents, Including Restricted Amounts	<u><u>\$ 467</u></u>	<u><u>\$ 184</u></u>

CMS ENERGY CORPORATION
Selected Financial Data
(Unaudited)

	<i>In Millions</i>		
	Twelve Months Ended		
	9/30/24	12/31/23	9/30/23
EBIT – Non-GAAP ⁽¹⁾			
Consolidated	\$ 1,843	\$ 1,639	\$ 1,480
Consumers Energy	1,726	1,518	1,385
Depreciation and Amortization			
Consolidated	\$ 1,224	\$ 1,180	\$ 1,166
Consumers Energy	1,176	1,137	1,125
EBITDA – Non-GAAP ⁽¹⁾			
Consolidated	\$ 3,067	\$ 2,819	\$ 2,646
Consumers Energy	2,902	2,655	2,510
Dividends and Other Distributions From Subsidiaries	\$ 883	\$ 745	\$ 687
Interest Expense, Net			
Consolidated	\$ 700	\$ 643	\$ 610
Energy parent	204	201	193
Consumers Energy	491	440	416
			<i>In Millions</i>
	As of		
	9/30/24	12/31/23	9/30/23
Book Value Per Share	\$ 26.40	\$ 24.86	\$ 23.86
Common Shares Outstanding – End of Period	298.8	294.4	291.8
Average Common Shares Outstanding			
Basic	297.5	291.2	290.9
Diluted	298.2	291.7	291.3
Debt ⁽²⁾			
Energy parent	\$ 4,474	\$ 4,721	\$ 4,720
NorthStar Clean Energy	192	22	194
Consumers Energy (excluding securitization bonds)	10,785	10,113	10,397
Consolidated (excluding securitization bonds)	15,451	14,856	15,311
Securitization bonds	716	787	156
Consolidated	\$ 16,167	\$ 15,643	\$ 15,467
Unrestricted Cash and Cash Equivalents			
Energy parent	\$ 15	\$ 149	\$ 103
Consumers Energy	349	35	7
CMS Treasury Services	21	6	7
Other	27	37	40
Consolidated	\$ 412	\$ 227	\$ 157
Consumers Energy			
Regulated Common Equity Ratio (13-Month Average)			
Electric	41.2%	41.7%	41.9%
Gas	41.2%	41.7%	41.9%
Regulated Rate Base (13-Month Average, in Millions)			
Electric ⁽³⁾	\$ 15,714	\$ 15,097	\$ 14,738
Gas	9,844	9,574	9,459
Regulated Return on Average Common Equity (12-Month Ended)			
Electric ⁽³⁾	10.3%	9.2%	7.9%
Gas	8.1%	8.2%	8.5%

⁽¹⁾ 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.

⁽²⁾ Includes current maturities, leases and notes payable.

⁽³⁾ Includes Renewable Portfolio Standard (RPS) renewables rate base of ~\$1.4 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>9/30/24</u>	<u>12/31/23</u>	<u>9/30/23</u>
Net Income Available to Common Stockholders	\$ 1,037	\$ 877	\$ 739
<i>Reconciling items:</i>			
Income tax expense	191	147	102
Interest on long-term debt	681	616	593
Interest expense - related parties	12	12	12
Other interest expense	19	18	8
Allowance for borrowed funds used during construction	(12)	(3)	(3)
Loss attributable to noncontrolling interests	(104)	(79)	(29)
Preferred stock dividends	10	10	10
Disposal of discontinued operations gain	-	(1)	(1)
Other exclusions from adjusted earnings	9	9	15
Voluntary separation program	-	33	34
	<u>1,843</u>	<u>1,639</u>	<u>1,480</u>
EBIT – Non-GAAP	1,843	1,639	1,480
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,224	1,180	1,166
	<u>1,224</u>	<u>1,180</u>	<u>1,166</u>
EBITDA – Non-GAAP	<u>\$ 3,067</u>	<u>\$ 2,819</u>	<u>\$ 2,646</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>9/30/24</u>	<u>12/31/23</u>	<u>9/30/23</u>
Net Income Available to Common Stockholder	\$ 1,014	\$ 865	\$ 775
<i>Reconciling items:</i>			
Income tax expense	193	161	139
Interest on long-term debt	473	415	400
Interest expense - related parties	29	20	16
Other interest expense	15	16	7
Allowance for borrowed funds used during construction	(9)	(3)	(3)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	9	9	15
Voluntary separation program	-	33	34
	<u>1,726</u>	<u>1,518</u>	<u>1,385</u>
EBIT – Non-GAAP	1,726	1,518	1,385
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,176	1,137	1,125
	<u>1,176</u>	<u>1,137</u>	<u>1,125</u>
EBITDA – Non-GAAP	<u>\$ 2,902</u>	<u>\$ 2,655</u>	<u>\$ 2,510</u>

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

Three Months Ended September 30			
	<u>9/30/24</u>	<u>9/30/23</u>	<u>Variance</u>
Adjusted EPS – Non-GAAP			
Electric utility	\$ 0.91	\$ 0.65	\$ 0.26
Gas utility	0.04	0.02	0.02
NorthStar Clean Energy	0.02	0.06	(0.04)
Energy parent	<u>(0.13)</u>	<u>(0.12)</u>	<u>(0.01)</u>
Consolidated	<u>\$ 0.84</u>	<u>\$ 0.61</u>	<u>\$ 0.23</u>
Variance Explanations:			
ELECTRIC UTILITY			
- Deliveries of 10,134 GWh, up 256 GWh (weather-driven impact, up 320 GWh)		\$ 0.06	
- Electric rate relief		0.15	
- Lower operating & maintenance expenses, including storm costs		0.05	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.08)	
- Other, including ETR		0.10	
- Change in shares outstanding		<u>(0.02)</u>	
		<u>\$ 0.26</u>	
GAS UTILITY			
- Deliveries, including transportation to end-use customers, of 28.2 bcf, down 1.4 bcf (weather-driven impact, up 0.4 bcf)		\$ -	
- Gas rate relief		(0.01)	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.01)	
- Other, including ETR		0.04	
- Change in shares outstanding		*	
		<u>\$ 0.02</u>	
NORTHSTAR CLEAN ENERGY AND ENERGY PARENT			
			\$ (0.04)
- NorthStar Clean Energy, including renewables			(0.01)
- Energy parent, including corporate financing activities			*
- Change in shares outstanding			<u>\$ (0.05)</u>
WEATHER IMPACTS			
	<u>9/30/24</u>	<u>9/30/23</u>	
Weather			
- Warmer (colder) than normal using 15-year average temperatures	1.1 %	(1.5) %	
Electric Utility			
- Increase (decrease) from normal in:			
Electric sales (GWh)	146	(174)	
EPS	\$ 0.04	\$ (0.05)	
Gas Utility			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(0.4)	(0.8)	
EPS	\$ -	\$ (0.01)	
Total EPS Weather Impacts	<u>\$ 0.04</u>	<u>\$ (0.06)</u>	

* Less than \$0.01 per share.

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

Nine Months Ended September 30			
	<u>9/30/24</u>	<u>9/30/23</u>	<u>Variance</u>
Adjusted EPS – Non-GAAP			
Electric utility	\$ 1.82	\$ 1.45	\$ 0.37
Gas utility	0.66	0.66	-
NorthStar Clean Energy	0.18	0.09	0.09
Energy parent	<u>(0.19)</u>	<u>(0.14)</u>	<u>(0.05)</u>
Consolidated	<u>\$ 2.47</u>	<u>\$ 2.06</u>	<u>\$ 0.41</u>
Variance Explanations:			
ELECTRIC UTILITY			
- Deliveries of 28,028 GWh, up 497 GWh (weather-driven impact, up 482 GWh)		\$ 0.15	
- Electric rate relief		0.41	
- Lower operating & maintenance expenses, including storm costs		0.03	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.27)	
- Other, including ETR		0.09	
- Change in shares outstanding		<u>(0.04)</u>	
		<u>\$ 0.37</u>	
GAS UTILITY			
- Deliveries, including transportation to end-use customers, of 186.1 bcf, down 11.9 bcf (weather-driven impact, down 7.0 bcf)		\$ (0.11)	
- Gas rate relief		0.09	
- Higher operating & maintenance expenses		(0.01)	
- Higher investment costs (depreciation, property taxes & fixed costs)		(0.05)	
- Other		0.10	
- Change in shares outstanding		<u>(0.02)</u>	
		<u>\$ -</u>	
NORTHSTAR CLEAN ENERGY AND ENERGY PARENT			
- NorthStar Clean Energy, including DIG		\$ 0.09	
- Energy parent, including corporate financing activities		(0.05)	
- Change in shares outstanding		*	
		<u>\$ 0.04</u>	
WEATHER IMPACTS			
	<u>9/30/24</u>	<u>9/30/23</u>	
Weather			
- Warmer (colder) than normal using 15-year average temperatures	6.2 %	2.3 %	
Electric Utility			
- Increase (decrease) from normal in:			
Electric sales (GWh)	61	(421)	
EPS	\$ 0.02	\$ (0.12)	
Gas Utility			
- Increase (decrease) from normal in:			
Gas sales (bcf)	(22.8)	(15.8)	
EPS	\$ (0.26)	\$ (0.17)	
Total EPS Weather Impacts	<u>\$ (0.24)</u>	<u>\$ (0.29)</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>			
	Three Months Ended		Nine Months Ended	
	9/30/24	9/30/23	9/30/24	9/30/23
Electric Utility				
Reported net income per share	\$ 0.91	\$ 0.65	\$ 1.81	\$ 1.39
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	(*)	0.01	0.01
Tax impact	(*)	*	(*)	(*)
Voluntary separation program	-	*	*	0.07
Tax impact	-	(*)	(*)	(0.02)
Adjusted net income per share – non-GAAP	<u>\$ 0.91</u>	<u>\$ 0.65</u>	<u>\$ 1.82</u>	<u>\$ 1.45</u>
Gas Utility				
Reported net income per share	\$ 0.04	\$ 0.01	\$ 0.65	\$ 0.62
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	*	*	0.01	0.01
Tax impact	(*)	(*)	(*)	(*)
Voluntary separation program	-	0.01	*	0.04
Tax impact	-	(*)	(*)	(0.01)
Adjusted net income per share – non-GAAP	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.66</u>	<u>\$ 0.66</u>
NorthStar Clean Energy				
Reported net income per share	\$ 0.02	\$ 0.06	\$ 0.18	\$ 0.09
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Tax impact	-	-	-	-
Adjusted net income per share – non-GAAP	<u>\$ 0.02</u>	<u>\$ 0.06</u>	<u>\$ 0.18</u>	<u>\$ 0.09</u>
Corporate Interest and Other				
Reported net loss per share	\$ (0.13)	\$ (0.12)	\$ (0.19)	\$ (0.14)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Tax impact	-	-	-	-
Adjusted net loss per share – non-GAAP	<u>\$ (0.13)</u>	<u>\$ (0.12)</u>	<u>\$ (0.19)</u>	<u>\$ (0.14)</u>
Discontinued Operations				
Reported net income per share	\$ -	\$ -	\$ -	\$ -
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	-	-	-	(*)
Tax impact	-	-	-	*
Adjusted net income per share – non-GAAP	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Consolidated				
Reported net income per share	\$ 0.84	\$ 0.60	\$ 2.45	\$ 1.96
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	-	-	-	(*)
Tax impact	-	-	-	*
Other exclusions from adjusted earnings	*	*	0.02	0.02
Tax impact	(*)	(*)	(*)	(*)
Voluntary separation program	-	0.01	*	0.11
Tax impact	-	(*)	(*)	(0.03)
Adjusted net income per share – non-GAAP	<u>\$ 0.84</u>	<u>\$ 0.61</u>	<u>\$ 2.47</u>	<u>\$ 2.06</u>
Average Common Shares Outstanding – Diluted	<u>298.8</u>	<u>291.4</u>	<u>298.2</u>	<u>291.3</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>			
	Three Months Ended		Nine Months Ended	
	9/30/24	9/30/23	9/30/24	9/30/23
Net Income Available to Common Stockholders	\$ 251	\$ 174	\$ 731	\$ 571
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	-	-	-	(1)
Tax impact	-	-	-	*
Other exclusions from adjusted earnings**	*	1	6	6
Tax impact	(*)	(1)	(1)	(2)
Voluntary separation program	-	5	*	33
Tax impact	-	(1)	(*)	(8)
Adjusted net income – non-GAAP	<u>\$ 251</u>	<u>\$ 178</u>	<u>\$ 736</u>	<u>\$ 599</u>
Average Common Shares Outstanding - Diluted	298.8	291.4	298.2	291.3
Diluted Earnings Per Average Common Share				
Reported net income per share	\$ 0.84	\$ 0.60	\$ 2.45	\$ 1.96
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	-	-	-	(*)
Tax impact	-	-	-	*
Other exclusions from adjusted earnings**	*	*	0.02	0.02
Tax impact	(*)	(*)	(*)	(*)
Voluntary separation program	-	0.01	*	0.11
Tax impact	-	(*)	(*)	(0.03)
Adjusted net income per share – non-GAAP	<u>\$ 0.84</u>	<u>\$ 0.61</u>	<u>\$ 2.47</u>	<u>\$ 2.06</u>

* 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	2Q	3Q
Net Income Available to Common Stockholders	\$ 285	\$ 195	\$ 251
<i>Reconciling items:</i>			
Electric utility and gas utility	4	2	*
Tax impact	(1)	(*)	(*)
NorthStar Clean Energy	-	-	-
Tax impact	-	-	-
Corporate interest and other	-	-	-
Tax impact	-	-	-
Adjusted Net Income – Non-GAAP	\$ 288	\$ 197	\$ 251
Average Common Shares Outstanding – Diluted	297.2	298.5	298.8
Diluted Earnings Per Average Common Share	\$ 0.96	\$ 0.65	\$ 0.84
<i>Reconciling items:</i>			
Electric utility and gas utility	0.01	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	\$ 0.66	\$ 0.84

	<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.

CONSUMERS ENERGY COMPANY
Consolidated Statements of Income
(Unaudited)

	<i>In Millions</i>					
	Three Months Ended			Nine Months Ended		
	9/30/24	9/30/23	Change	9/30/24	9/30/23	Change
Operating Revenue						
Electric utility	\$ 1,448	\$ 1,351	\$ 97	\$ 3,806	\$ 3,570	\$ 236
Gas utility	213	244	(31)	1,485	1,720	(235)
Other	-	1	(1)	-	1	(1)
Total operating revenue	<u>1,661</u>	<u>1,596</u>	<u>65</u>	<u>5,291</u>	<u>5,291</u>	<u>-</u>
Operating Expenses						
Fuel for electric generation	150	131	19	366	314	52
Purchased and interchange power	346	364	(18)	989	1,024	(35)
Purchased power – related parties	19	21	(2)	53	57	(4)
Cost of gas sold	31	41	(10)	447	670	(223)
Maintenance and other operating expenses	381	425	(44)	1,136	1,214	(78)
Depreciation and amortization	261	250	11	878	839	39
General taxes	95	90	5	346	323	23
Total operating expenses	<u>1,283</u>	<u>1,322</u>	<u>(39)</u>	<u>4,215</u>	<u>4,441</u>	<u>(226)</u>
Operating Income (Loss)						
Electric utility	347	252	95	752	559	193
Gas utility	31	22	9	325	292	33
Other	-	-	-	(1)	(1)	-
Total operating income	<u>378</u>	<u>274</u>	<u>104</u>	<u>1,076</u>	<u>850</u>	<u>226</u>
Other Income (Expense)						
Nonoperating retirement benefits, net	39	43	(4)	118	128	(10)
Other income	24	13	11	67	40	27
Other expense	(3)	(3)	-	(10)	(8)	(2)
Total other income	<u>60</u>	<u>53</u>	<u>7</u>	<u>175</u>	<u>160</u>	<u>15</u>
Interest Charges						
Interest on long-term debt	123	106	17	364	306	58
Interest expense - related parties	9	6	3	22	13	9
Other interest expense	3	3	-	8	9	(1)
Allowance for borrowed funds used during construction	(4)	(1)	(3)	(8)	(2)	(6)
Total interest charges	<u>131</u>	<u>114</u>	<u>17</u>	<u>386</u>	<u>326</u>	<u>60</u>
Income Before Income Taxes	307	213	94	865	684	181
Income Tax Expense	<u>34</u>	<u>35</u>	<u>(1)</u>	<u>139</u>	<u>107</u>	<u>32</u>
Net Income	273	178	95	726	577	149
Preferred Stock Dividends	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>(1)</u>
Net Income (Loss) Available to Common Stockholder						
Electric utility	273	187	86	540	404	136
Gas utility	11	4	7	195	181	14
Other	(11)	(13)	2	(10)	(9)	(1)
Total net income available to common stockholder	<u>\$ 273</u>	<u>\$ 178</u>	<u>\$ 95</u>	<u>\$ 725</u>	<u>\$ 576</u>	<u>\$ 149</u>

CONSUMERS ENERGY COMPANY
Electric Utility Statistics
(Unaudited)

	<i>In Millions of kWh, Except as Noted</i>					
	Three Months Ended			Nine Months Ended		
	9/30/24	9/30/23	% Change	9/30/24	9/30/23	% Change
Electric Deliveries						
Residential	3,609	3,417	5.6	9,588	9,268	3.5
Commercial	3,281	3,189	2.9	9,033	8,798	2.7
Industrial	2,162	2,214	(2.3)	6,414	6,469	(0.9)
Other	30	31	(3.2)	96	101	(5.0)
Wholesale	71	81	(12.3)	195	213	(8.5)
Retail open access	981	946	3.7	2,702	2,682	0.7
Total customer deliveries	<u>10,134</u>	<u>9,878</u>	2.6	<u>28,028</u>	<u>27,531</u>	1.8
Intersystem	2,116	1,020	107.5	5,316	2,296	131.5
Total electric deliveries	<u><u>12,250</u></u>	<u><u>10,898</u></u>	12.4	<u><u>33,344</u></u>	<u><u>29,827</u></u>	11.8
Weather-Normalized Electric Deliveries ⁽¹⁾						
Residential	3,533	3,557	(0.7)	9,607	9,585	0.2
Commercial	3,224	3,214	0.3	8,976	8,895	0.9
Industrial	2,160	2,221	(2.7)	6,404	6,477	(1.1)
Other	30	32	(6.3)	96	102	(5.9)
Wholesale	71	81	(12.3)	195	213	(8.5)
Retail open access	970	947	2.4	2,689	2,680	0.3
Total weather-normalized electric deliveries	<u><u>9,988</u></u>	<u><u>10,052</u></u>	(0.6)	<u><u>27,967</u></u>	<u><u>27,952</u></u>	0.1
Weather-Normalized Electric Deliveries ⁽¹⁾ (By Class, Including Retail Open Access)						
Residential	3,533	3,557	(0.7)	9,607	9,585	0.2
Commercial	3,493	3,459	1.0	9,688	9,574	1.2
Industrial	2,861	2,923	(2.1)	8,381	8,478	(1.1)
Other	30	32	(6.3)	96	102	(5.9)
Wholesale	71	81	(12.3)	195	213	(8.5)
Total weather-normalized electric deliveries	<u><u>9,988</u></u>	<u><u>10,052</u></u>	(0.6)	<u><u>27,967</u></u>	<u><u>27,952</u></u>	0.1

⁽¹⁾ Excludes intersystem deliveries.

	<i>In Millions, Except as Noted</i>					
	Three Months Ended			Nine Months Ended		
	9/30/24	9/30/23	% Change	9/30/24	9/30/23	% Change
Electric Utility Revenue						
Residential	\$ 707	\$ 666	6.2	\$ 1,779	\$ 1,707	4.2
Commercial	486	443	9.7	1,279	1,183	8.1
Industrial	169	175	(3.4)	499	495	0.8
Other	13	10	30.0	31	28	10.7
Total sales revenue	<u>1,375</u>	<u>1,294</u>	6.3	<u>3,588</u>	<u>3,413</u>	5.1
Wholesale	5	6	(16.7)	15	16	(6.3)
Retail open access	12	8	50.0	32	26	23.1
Intersystem	41	29	41.4	129	69	87.0
Miscellaneous	15	14	7.1	42	46	(8.7)
Total electric utility revenue	<u><u>\$ 1,448</u></u>	<u><u>\$ 1,351</u></u>	7.2	<u><u>\$ 3,806</u></u>	<u><u>\$ 3,570</u></u>	6.6

CONSUMERS ENERGY COMPANY

Gas Utility Statistics (Unaudited)

	Three Months Ended			<i>In Thousands of mcf, Except as Noted</i> Nine Months Ended		
	9/30/24	9/30/23	% Change	9/30/24	9/30/23	% Change
	Gas Deliveries					
Residential	8,716	9,709	(10.2)	90,264	96,049	(6.0)
Commercial	3,224	3,459	(6.8)	34,578	36,371	(4.9)
Industrial	510	587	(13.1)	4,635	5,020	(7.7)
Other	6	4	50.0	58	89	(34.8)
Transportation	15,768	15,850	(0.5)	56,558	60,525	(6.6)
Total customer deliveries	28,224	29,609	(4.7)	186,093	198,054	(6.0)
Off-system transportation						
MCV	18,891	18,265	3.4	56,697	56,436	0.5
Other	6,623	5,543	19.5	14,141	13,534	4.5
Total gas deliveries	53,738	53,417	0.6	256,931	268,024	(4.1)
Weather-Normalized Gas Deliveries ⁽¹⁾						
Residential	9,019	10,103	(10.7)	106,139	106,708	(0.5)
Commercial	3,312	3,598	(7.9)	39,214	39,549	(0.8)
Industrial	538	608	(11.5)	4,928	5,461	(9.8)
Other	6	4	50.0	72	103	(30.1)
Transportation	15,771	16,059	(1.8)	58,579	62,018	(5.5)
Total weather-normalized gas deliveries	28,646	30,372	(5.7)	208,932	213,839	(2.3)
Weather-Normalized Gas Deliveries ⁽¹⁾ (By Class, Including Transportation)						
Residential	9,085	10,145	(10.4)	106,888	107,459	(0.5)
Commercial	6,946	7,113	(2.3)	58,720	58,670	0.1
Industrial	12,571	13,107	(4.1)	43,209	47,564	(9.2)
Other	44	7	528.6	115	146	(21.2)
Total weather-normalized gas deliveries	28,646	30,372	(5.7)	208,932	213,839	(2.3)

⁽¹⁾ Excludes off-system transportation deliveries.

	Three Months Ended			<i>In Millions, Except as Noted</i> Nine Months Ended		
	9/30/24	9/30/23	% Change	9/30/24	9/30/23	% Change
	Gas Utility Revenue					
Residential	\$ 128	\$ 155	(17.4)	\$ 999	\$ 1,160	(13.9)
Commercial	40	38	5.3	311	353	(11.9)
Industrial	5	5	-	37	44	(15.9)
Other	(1)	-	-	-	1	(100.0)
Total sales revenue	172	198	(13.1)	1,347	1,558	(13.5)
Transportation	25	22	13.6	94	87	8.0
Miscellaneous	16	24	(33.3)	44	75	(41.3)
Total gas utility revenue	\$ 213	\$ 244	(12.7)	\$ 1,485	\$ 1,720	(13.7)