

GAAP Reconciliation

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	
	9/30/21	9/30/20	9/30/21	9/30/20
Electric Utility				
Reported net income per share available to common stockholders	\$ 0.67	\$ 0.79	\$ 1.74	\$ 1.62
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	0.01	-	0.03
Tax impact	-	(*)	-	(0.01)
Voluntary separation program	-	*	-	0.03
Tax impact	-	(*)	-	(0.01)
Adjusted income per share – non-GAAP	<u>\$ 0.67</u>	<u>\$ 0.80</u>	<u>\$ 1.74</u>	<u>\$ 1.66</u>
Gas Utility				
Reported net income (loss) per share available to common stockholders	\$ (0.03)	\$ 0.02	\$ 0.72	\$ 0.57
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	*	-	*
Tax impact	-	(*)	-	(*)
Voluntary separation program	-	*	-	0.01
Tax impact	-	(*)	-	(*)
Adjusted income (loss) per share – non-GAAP	<u>\$ (0.03)</u>	<u>\$ 0.02</u>	<u>\$ 0.72</u>	<u>\$ 0.58</u>
Enterprises				
Reported net income per share available to common stockholders	\$ 0.03	\$ 0.04	\$ 0.09	\$ 0.12
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	(*)	(*)	(*)	*
Tax impact	*	*	*	(*)
Tax reform	-	-	-	(0.01)
Voluntary separation program	-	*	-	*
Tax impact	-	(*)	-	(*)
Adjusted income per share – non-GAAP	<u>\$ 0.03</u>	<u>\$ 0.04</u>	<u>\$ 0.09</u>	<u>\$ 0.11</u>
Corporate Interest and Other				
Reported net loss per share available to common stockholders	\$ (0.13)	\$ (0.13)	\$ (0.37)	\$ (0.34)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	(*)	(*)	(*)
Tax impact	-	*	*	*
Tax reform	-	-	-	(0.02)
Adjusted loss per share – non-GAAP	<u>\$ (0.13)</u>	<u>\$ (0.13)</u>	<u>\$ (0.37)</u>	<u>\$ (0.36)</u>
Discontinued Operations				
Reported net income per share available to common stockholders	\$ 0.10	\$ 0.04	\$ 0.28	\$ 0.12
<i>Reconciling items:</i>				
Disposal of discontinued operations loss	0.01	-	0.03	-
Tax impact	(*)	-	(0.01)	-
Adjusted income per share – non-GAAP	<u>\$ 0.11</u>	<u>\$ 0.04</u>	<u>\$ 0.30</u>	<u>\$ 0.12</u>
Total Operations				
Reported net income per share available to common stockholders	\$ 0.64	\$ 0.76	\$ 2.46	\$ 2.09
<i>Reconciling items:</i>				
Disposal of discontinued operations loss	0.01	-	0.03	-
Tax impact	(*)	-	(0.01)	-
Discontinued operations income	(0.14)	(0.05)	(0.39)	(0.15)
Tax impact	0.03	0.01	0.09	0.03
Other exclusions from adjusted earnings	(*)	0.01	(*)	0.03
Tax impact	*	(*)	*	(0.01)
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted income from continuing operations per share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.73</u>	<u>\$ 2.18</u>	<u>\$ 1.99</u>
Average Common Shares Outstanding – Diluted	<u>289.6</u>	<u>286.9</u>	<u>289.4</u>	<u>286.3</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>			
	2021			
	1Q	2Q	3Q	
Net Income Available to Common Stockholders	\$ 349	\$ 176	\$ 186	
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	
Tax impact	-	-	-	
Enterprises	(1)	*	(*)	
Tax impact	*	(*)	*	
Corporate interest and other	-	(*)	-	
Tax impact	-	*	-	
Disposal of discontinued operations loss	-	5	3	
Tax impact	-	(1)	(1)	
Discontinued operations income	(43)	(30)	(42)	
Tax impact	9	8	10	
Adjusted Income from Continuing Operations – Non-GAAP	\$ 314	\$ 158	\$ 156	
Average Common Shares Outstanding – Diluted	289.1	289.4	289.6	
Diluted Earnings Per Average Common Share	\$ 1.21	\$ 0.61	\$ 0.64	
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	
Tax impact	-	-	-	
Enterprises	(*)	*	(*)	
Tax impact	*	(*)	*	
Corporate interest and other	-	(*)	-	
Tax impact	-	*	-	
Disposal of discontinued operations loss	-	0.02	0.01	
Tax impact	-	(0.01)	(*)	
Discontinued operations income	(0.15)	(0.10)	(0.14)	
Tax impact	0.03	0.03	0.03	
Adjusted Income from Continuing Operations Per Average Common Share – Non-GAAP	\$ 1.09	\$ 0.55	\$ 0.54	

	<i>In Millions, Except Per Share Amounts</i>			
	2020			
	1Q	2Q	3Q	4Q
Net Income Available to Common Stockholders	\$ 243	\$ 136	\$ 218	\$ 158
<i>Reconciling items:</i>				
Electric utility and gas utility	15	4	4	2
Tax impact	(4)	(1)	(1)	(1)
Enterprises	1	(*)	*	(*)
Tax impact	(4)	*	(*)	*
Corporate interest and other	(2)	*	(*)	*
Tax impact	(4)	(*)	*	(*)
Discontinued operations income	(17)	(11)	(16)	(32)
Tax impact	3	3	4	8
Adjusted Income from Continuing Operations – Non-GAAP	\$ 231	\$ 131	\$ 209	\$ 135
Average Common Shares Outstanding – Diluted	285.2	286.5	286.9	286.9
Diluted Earnings Per Average Common Share	\$ 0.85	\$ 0.48	\$ 0.76	\$ 0.55
<i>Reconciling items:</i>				
Electric utility and gas utility	0.05	0.02	0.01	0.01
Tax impact	(0.01)	(0.01)	(*)	(*)
Enterprises	*	(*)	*	(*)
Tax impact	(0.01)	*	(*)	*
Corporate interest and other	(*)	*	(*)	*
Tax impact	(0.02)	(*)	*	(*)
Discontinued operations income	(0.06)	(0.04)	(0.05)	(0.11)
Tax impact	0.01	0.01	0.01	0.03
Adjusted Income from Continuing Operations Per Average Common Share – Non-GAAP	\$ 0.81	\$ 0.46	\$ 0.73	\$ 0.48

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

CMS ENERGY CORPORATION
Reconciliation of GAAP to Non-GAAP Adjusted Income from Continuing Operations
(Unaudited)



	<i>In Millions, Except Per Share Amounts</i>			
	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>9/30/21</u>	<u>9/30/20</u>	<u>9/30/21</u>	<u>9/30/20</u>
Net Income Available to Common Stockholders	\$ 186	\$ 218	\$ 711	\$ 597
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	3	-	8	-
Tax impact	(1)	-	(2)	-
Discontinued operations income	(42)	(16)	(115)	(44)
Tax impact	10	4	27	10
Other exclusions from adjusted earnings**	(*)	4	(1)	11
Tax impact	*	(1)	*	(2)
Tax reform	-	-	-	(9)
Voluntary separation program	-	*	-	11
Tax impact	-	(*)	-	(3)
Adjusted income from continuing operations – non-GAAP	<u>\$ 156</u>	<u>\$ 209</u>	<u>\$ 628</u>	<u>\$ 571</u>
Average Common Shares Outstanding				
Basic	289.1	285.6	288.9	284.8
Diluted	289.6	286.9	289.4	286.3
Basic Earnings Per Average Common Share				
Reported net income per average common share	\$ 0.64	\$ 0.76	\$ 2.46	\$ 2.10
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	0.01	-	0.03	-
Tax impact	(*)	-	(0.01)	-
Discontinued operations income	(0.14)	(0.05)	(0.39)	(0.15)
Tax impact	0.03	0.01	0.09	0.03
Other exclusions from adjusted earnings**	(*)	0.01	(*)	0.03
Tax impact	*	(*)	*	(0.01)
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted income from continuing operations per average common share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.73</u>	<u>\$ 2.18</u>	<u>\$ 2.00</u>
Diluted Earnings Per Average Common Share				
Reported net income per average common share	\$ 0.64	\$ 0.76	\$ 2.46	\$ 2.09
<i>Reconciling items:</i>				
Disposal of discontinued operations (gain) loss	0.01	-	0.03	-
Tax impact	(*)	-	(0.01)	-
Discontinued operations income	(0.14)	(0.05)	(0.39)	(0.15)
Tax impact	0.03	0.01	0.09	0.03
Other exclusions from adjusted earnings**	(*)	0.01	(*)	0.03
Tax impact	*	(*)	*	(0.01)
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted income from continuing operations per average common share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.73</u>	<u>\$ 2.18</u>	<u>\$ 1.99</u>

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

** Includes restructuring costs and unrealized gains or losses, recognized in net income, from mark-to-market adjustments related to CMS Enterprises' interest expense.

CMS ENERGY CORPORATION
Reconciliation of GAAP to Non-GAAP Adjusted Income from Continuing Operations
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>			
	<u>Three Months Ended</u>		<u>Nine Months Ended</u>	
	<u>9/30/21</u>	<u>9/30/20</u>	<u>9/30/21</u>	<u>9/30/20</u>
Income Available to Common Stockholders				
Reported income from continuing operations available to common stockholders	\$ 156	\$ 206	\$ 629	\$ 563
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings**	(*)	4	(1)	11
Tax impact	*	(1)	*	(2)
Tax reform	-	-	-	(9)
Voluntary separation program	-	*	-	11
Tax impact	-	(*)	-	(3)
Adjusted income from continuing operations – non-GAAP	<u>\$ 156</u>	<u>\$ 209</u>	<u>\$ 628</u>	<u>\$ 571</u>
Average Common Shares Outstanding				
Basic	289.1	285.6	288.9	284.8
Diluted	289.6	286.9	289.4	286.3
Basic Earnings Per Average Common Share				
Reported income from continuing operations per average common share available to common stockholders	\$ 0.54	\$ 0.72	\$ 2.18	\$ 1.98
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings**	(*)	0.01	(*)	0.03
Tax impact	*	(*)	*	(0.01)
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted income from continuing operations per average common share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.73</u>	<u>\$ 2.18</u>	<u>\$ 2.00</u>
Diluted Earnings Per Average Common Share				
Reported income from continuing operations per average common share available to common stockholders	\$ 0.54	\$ 0.72	\$ 2.18	\$ 1.97
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings**	(*)	0.01	(*)	0.03
Tax impact	*	(*)	*	(0.01)
Tax reform	-	-	-	(0.03)
Voluntary separation program	-	*	-	0.04
Tax impact	-	(*)	-	(0.01)
Adjusted income from continuing operations per average common share – non-GAAP	<u>\$ 0.54</u>	<u>\$ 0.73</u>	<u>\$ 2.18</u>	<u>\$ 1.99</u>

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

** Includes restructuring costs and unrealized gains or losses, from mark-to-market adjustments, recognized in net income, related to CMS Enterprises' interest expense.

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



	<i>In Millions</i>		
	Twelve Months Ended		
	<u>9/30/21</u>	<u>12/31/20</u>	<u>9/30/20</u>
Reported Income from Continuing Operations Available to Common Stockholders	\$ 763	\$ 697	\$ 714
<i>Reconciling items:</i>			
Income tax expense	117	115	120
Interest on long-term debt	481	483	473
Interest expense - related parties	12	12	12
Other interest expense	10	12	14
Allowance for borrowed funds used during construction	(2)	(2)	(3)
Income (loss) attributable to noncontrolling interests	(14)	(3)	(6)
Preferred stock dividends	3	-	-
Other exclusions from adjusted earnings	1	13	47
Tax reform	-	(9)	(9)
Voluntary separation program	-	11	11
	<u>1,371</u>	<u>1,329</u>	<u>1,373</u>
EBIT – Non-GAAP	1,371	1,329	1,373
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,112	1,043	1,025
	<u>1,112</u>	<u>1,043</u>	<u>1,025</u>
EBITDA – Non-GAAP	<u>\$ 2,483</u>	<u>\$ 2,372</u>	<u>\$ 2,398</u>

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



	<i>In Millions</i>		
	Twelve Months Ended		
	<u>9/30/21</u>	<u>12/31/20</u>	<u>9/30/20</u>
Net Income Available to Common Stockholder	\$ 901	\$ 814	\$ 829
<i>Reconciling items:</i>			
Income tax expense	168	173	183
Interest on long-term debt	292	299	298
Interest expense - related parties	12	12	12
Other interest expense	8	11	13
Allowance for borrowed funds used during construction	(2)	(2)	(3)
Preferred stock dividends	2	2	2
Other exclusions from adjusted earnings	2	14	18
Voluntary separation program	-	11	11
	<u>1,383</u>	<u>1,334</u>	<u>1,363</u>
EBIT – Non-GAAP	1,383	1,334	1,363
<i>Additional reconciling items:</i>			
Depreciation and amortization	1,074	1,023	1,012
	<u>1,074</u>	<u>1,023</u>	<u>1,012</u>
EBITDA – Non-GAAP	<u>\$ 2,457</u>	<u>\$ 2,357</u>	<u>\$ 2,375</u>