

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) February 4, 2021

<u>Commission File Number</u>	<u>Registrant; State of Incorporation; Address; and Telephone Number</u>	<u>IRS Employer Identification No.</u>
1-9513	<b>CMS ENERGY CORPORATION</b> (A Michigan Corporation) One Energy Plaza Jackson, Michigan 49201 (517) 788-0550	38-2726431
1-5611	<b>CONSUMERS ENERGY COMPANY</b> (A Michigan Corporation) One Energy Plaza Jackson, Michigan 49201 (517) 788-0550	38-0442310

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
CMS Energy Corporation Common Stock, \$0.01 par value	CMS	New York Stock Exchange
CMS Energy Corporation 5.625% Junior Subordinated Notes due 2078	CMSA	New York Stock Exchange
CMS Energy Corporation 5.875% Junior Subordinated Notes due 2078	CMSC	New York Stock Exchange
CMS Energy Corporation 5.875% Junior Subordinated Notes due 2079	CMSD	New York Stock Exchange
Consumers Energy Company Cumulative Preferred Stock, \$1.00 par value: \$4.50 Series	CMS-PB	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company: CMS Energy Corporation

Consumers Energy Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. CMS Energy Corporation  Consumers Energy Company

## **Item 2.02. Results of Operations and Financial Condition.**

On February 4, 2021, CMS Energy Corporation (“CMS Energy”) issued a News Release, in which it announced its 2020 results. Attached as Exhibit 99.1 to this report and incorporated herein by reference is a copy of the CMS Energy News Release, furnished as a part of this report.

Exhibit 99.1 contains certain financial measures that are considered “non-GAAP financial measures” as defined in Securities and Exchange Commission rules. Other than forward-looking earnings guidance, Exhibit 99.1 contains a reconciliation of these non-GAAP financial measures to their most directly comparable financial measures calculated and presented in accordance with accounting principles generally accepted in the United States. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items. Because CMS Energy is not able to estimate the impact of specific line items, which have the potential to significantly impact reported earnings in future periods, Exhibit 99.1 does not contain reported earnings guidance nor a reconciliation for the comparable future period earnings. 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. The adjusted earnings should be considered supplemental information to assist in understanding our business results, rather than as a substitute for the reported 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.

## **Item 7.01. Regulation FD Disclosure.**

The information set forth in the CMS Energy News Release dated February 4, 2021, attached as Exhibit 99.1, is incorporated by reference in response to this Item 7.01.

CMS Energy will hold a webcast to discuss its 2020 results and provide a business and financial outlook on February 4 at 9:30 a.m. (ET). A copy of the CMS Energy presentation is furnished as Exhibit 99.2 to this report. A webcast of the presentation will be available on the CMS Energy website, [www.cmsenergy.com](http://www.cmsenergy.com).

In accordance with General Instruction B.2 of Form 8-K, the information in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933.

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](http://www.cmsenergy.com/investor-relations), a channel of distribution.

## **Item 9.01. Financial Statements and Exhibits.**

### **(d) Exhibits.**

#### **Exhibit Index**

[99.1](#) [CMS Energy News Release dated February 4, 2021](#)

[99.2](#) [CMS Energy presentation dated February 4, 2021](#)

104 Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

**CMS ENERGY CORPORATION**

Dated: February 4, 2021

By: /s/ Rejji P. Hayes

Rejji P. Hayes  
Executive Vice President and  
Chief Financial Officer

**CONSUMERS ENERGY COMPANY**

Dated: February 4, 2021

By: /s/ Rejji P. Hayes

Rejji P. Hayes  
Executive Vice President and  
Chief Financial Officer

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# News Release



## CMS Energy Announces 2020 Results, Continues Long Track Record of Strong EPS Growth and Raises 2021 Adjusted EPS Guidance

JACKSON, Mich., February 4, 2021 – CMS Energy announced today 2020 reported earnings per share of \$2.64, compared to reported earnings per share of \$2.39 for 2019. The company announced adjusted earnings per share of \$2.67 for 2020, compared to \$2.49 for 2019.

### Financial Results and Outlook

<u>2020 Results</u>	<u>Amount</u>
Reported EPS	\$2.64
Adjusted EPS	\$2.67

<u>2021 Updates</u>	<u>Amount</u>
Adjusted EPS Guidance	\$2.83 - \$2.87*
Annual Dividend	\$1.74 (+7%)

CMS Energy raised its guidance for 2021 adjusted earnings to \$2.83 - \$2.87\* per share (\*See below for important information about non-GAAP measures) reflecting continued strong growth of 6 to 8 percent, with a bias toward the midpoint.

“CMS Energy has delivered consistent industry-leading financial results for nearly two decades. That continued in 2020, and we are well positioned for success in 2021,” said Garrick Rochow, President and CEO of CMS Energy and Consumers Energy. “The company remains committed to lead the clean energy transition by bringing renewable energy and energy waste reduction opportunities to all of our customers. In 2020, we contributed more than \$80 million to support our customers and the communities we serve during the pandemic, and we invested more than \$700 million in gas, electric and renewable infrastructure to support our clean energy transition.”

CMS Energy (NYSE: CMS) is a Michigan-based company that has an electric and natural gas utility, Consumers Energy, as its primary business.

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*CMS Energy will hold a webcast to discuss its 2020 year-end results and provide a business and financial outlook on February 4 at 9:30 a.m. (EST). To participate in the webcast, go to CMS Energy's homepage ([cmsenergy.com](http://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. Adjustments could include items such as discontinued operations, asset sales, impairments, restructuring costs, regulatory items from prior years, or other items detailed in the attached summary financial statements. 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. All references to net income refer to net income available to common stockholders and references to earnings per share are on a diluted basis.

**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](http://www.cmsenergy.com/investor-relations), a channel of distribution.

*For more information on CMS Energy, please visit our website at [cmsenergy.com](http://cmsenergy.com).  
To sign up for email [alert notifications](#), please visit the Investor Relations section of our website.*

**Media Contacts: Katie Carey, 517/740-1739**

**Investment Analyst Contact: Travis Uphaus, 517/817-9241**

**CMS ENERGY CORPORATION**  
**Consolidated Statements of Income**  
(Unaudited)

	<i>In Millions, Except Per Share Amounts</i>			
	<u>Three Months Ended</u>		<u>Twelve Months Ended</u>	
	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/20</u>	<u>12/31/19</u>
Operating revenue	\$ 1,798	\$ 1,795	\$ 6,680	\$ 6,845
Operating expenses	1,446	1,484	5,318	5,606
<b>Operating Income</b>	352	311	1,362	1,239
Other income (expense)	(15)	28	84	109
Interest charges	140	134	561	519
<b>Income Before Income Taxes</b>	197	205	885	829
Income tax expense	35	37	133	147
<b>Net Income</b>	162	168	752	682
Income (loss) attributable to noncontrolling interests	4	1	(3)	2
<b>Net Income Available to Common Stockholders</b>	<u>\$ 158</u>	<u>\$ 167</u>	<u>\$ 755</u>	<u>\$ 680</u>
<b>Basic Earnings Per Average Common Share</b>	\$ 0.55	\$ 0.59	\$ 2.65	\$ 2.40
<b>Diluted Earnings Per Average Common Share</b>	0.55	0.58	2.64	2.39

**CMS ENERGY CORPORATION**  
**Summarized Consolidated Balance Sheets**  
**(Unaudited)**

	<i>In Millions</i>	
	<u>As of</u>	
	<u>12/31/20</u>	<u>12/31/19</u>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 168	\$ 140
Restricted cash and cash equivalents	17	17
Other current assets	2,219	2,174
Total current assets	<u>2,404</u>	<u>2,331</u>
Non-current assets		
Plant, property, and equipment	21,039	18,926
Other non-current assets	6,223	5,580
<b>Total Assets</b>	<u>\$ 29,666</u>	<u>\$ 26,837</u>
<b>Liabilities and Equity</b>		
Current liabilities <sup>(1)</sup>	\$ 1,568	\$ 1,484
Non-current liabilities <sup>(1)</sup>	6,825	7,051
Capitalization		
Debt, finance leases, and other financing (excluding securitization debt) <sup>(2)</sup>		
Debt, finance leases, and other financing (excluding non-recourse and securitization debt)	12,083	10,518
Non-recourse debt	2,888	2,478
Total debt, finance leases, and other financing (excluding securitization debt)	<u>14,971</u>	<u>12,996</u>
Noncontrolling interests	581	37
Common stockholders' equity	5,496	5,018
Total capitalization (excluding securitization debt)	<u>21,048</u>	<u>18,051</u>
Securitization debt <sup>(2)</sup>	225	251
<b>Total Liabilities and Equity</b>	<u>\$ 29,666</u>	<u>\$ 26,837</u>

<sup>(1)</sup> Excludes debt, finance leases, and other financing.

<sup>(2)</sup> Includes current and non-current portions.

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

	<i>In Millions</i>	
	<u>Twelve Months Ended</u>	
	<u>12/31/20</u>	<u>12/31/19</u>
<b>Beginning of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	\$ 157	\$ 175
Net cash provided by operating activities <sup>(3)</sup>	1,276	1,790
Net cash used in investing activities	(2,867)	(2,816)
Cash flows from operating and investing activities	(1,591)	(1,026)
Net cash provided by financing activities	1,619	1,008
<b>Total Cash Flows</b>	<u>\$ 28</u>	<u>\$ (18)</u>
<b>End of Period Cash and Cash Equivalents, Including Restricted Amounts</b>	<u>\$ 185</u>	<u>\$ 157</u>

<sup>(3)</sup> Includes the impact of \$700 million of pension contributions in 2020.

**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		Twelve Months Ended	
	12/31/20	12/31/19	12/31/20	12/31/19
<b>Net Income Available to Common Stockholders</b>	\$ 158	\$ 167	\$ 755	\$ 680
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	2	36	13	37
Tax impact	(1)	(9)	(3)	(9)
Tax reform	-	-	(9)	-
Voluntary separation program	*	-	11	-
Tax impact	(*)	-	(3)	-
<b>Adjusted net income – non-GAAP</b>	<u>\$ 159</u>	<u>\$ 194</u>	<u>\$ 764</u>	<u>\$ 708</u>
<b>Average Common Shares Outstanding</b>				
Basic	285.7	283.0	285.0	283.0
Diluted	286.9	284.8	286.3	284.3
<b>Basic Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.55	\$ 0.59	\$ 2.65	\$ 2.40
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.13	0.04	0.13
Tax impact	(*)	(0.03)	(0.01)	(0.03)
Tax reform	-	-	(0.03)	-
Voluntary separation program	*	-	0.04	-
Tax impact	(*)	-	(0.01)	-
<b>Adjusted net income per share – non-GAAP</b>	<u>\$ 0.56</u>	<u>\$ 0.69</u>	<u>\$ 2.68</u>	<u>\$ 2.50</u>
<b>Diluted Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.55	\$ 0.58	\$ 2.64	\$ 2.39
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.13	0.04	0.13
Tax impact	(*)	(0.03)	(0.01)	(0.03)
Tax reform	-	-	(0.03)	-
Voluntary separation program	*	-	0.04	-
Tax impact	(*)	-	(0.01)	-
<b>Adjusted net income per share – non-GAAP</b>	<u>\$ 0.56</u>	<u>\$ 0.68</u>	<u>\$ 2.67</u>	<u>\$ 2.49</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**

# 2020 Results and Outlook

## Leading the Clean Energy Transition

February 4, 2021



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 most recent Form 10-K and as updated in reports CMS Energy and Consumers Energy file with the Securities and Exchange Commission. 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](http://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. During an oral presentation, references to "earnings" are on an adjusted basis. 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, 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. Similarly, management views the ratio of Funds From Operations (FFO)/Average Debt as a key measure of the company's operating financial performance and its financial position, and uses the ratio for external communications with analysts and investors. Because the company does not establish its target FFO/Average Debt ratio based on a specific target numerator and target denominator, the company is unable to provide a reconciliation to a comparable GAAP financial measure for future periods. Management also views adjusted operating and maintenance (O&M) expenses as an important measure of operating efficiency. This measure excludes expenses related to energy efficiency because they have no impact on net income, as well as certain historical amounts that reduce comparability to the current period. Other adjustments could include restructuring costs and regulatory items from prior years. Because the company is not able to estimate the impact of specific line items that have the potential to significantly impact reported maintenance and other operating expenses, the company is not providing a reconciliation for the comparable future period expenses.

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](http://www.cmsenergy.com/investor-relations), a channel of distribution.

Presentation endnotes are included after the appendix.

# A Simple Investment Thesis . . .



Industry-leading clean energy commitment  
Net Zero Carbon (2040) & Net Zero Methane (2030)<sup>a</sup>

Excellence through the **CE WAY**

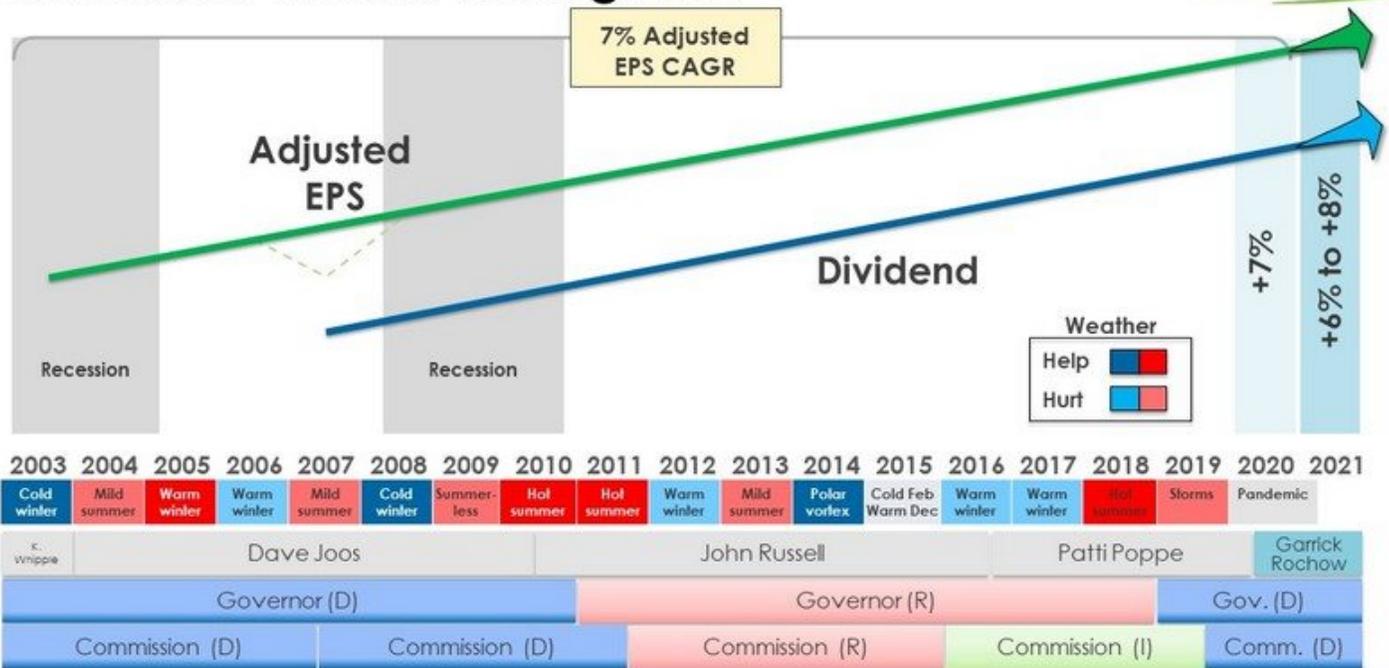
Top-tier regulatory jurisdiction<sup>b</sup>

Premium total shareholder return  
6% to 8% adjusted EPS growth + ~3% dividend yield

Presentation endnotes are included after the appendix.

. . . delivers results for ALL our stakeholders.

# Consistent Growth Through . . .



. . . changing circumstances.

## 2020 Financial Results & Outlook . . .



2020 Results	Amount	vs. Prior Year
• Adjusted EPS	\$2.67	Up +7%
• Adjusted OCF (MM) <sup>a</sup>	\$1,976	Up \$226 MM <i>vs. 2020 guidance</i>

### 2021 Outlook

• Adjusted EPS Guidance	\$2.83 – \$2.87	Raised, up 1¢ <i>vs. preliminary 2021 guidance</i>
• Annual Dividend	\$1.74	Up +7%

### Long-term Outlook

• Adjusted EPS and DPS growth	+6% to +8%	Maintains top-tier growth
• 5-yr Capital Plan (Bn)	~\$13¼	Up \$1 Bn

Presentation endnotes are included after the appendix.

. . . 18<sup>th</sup> consecutive year of industry-leading financial performance.

# 2020 Successes . . .

People	Planet	Profit
<ul style="list-style-type: none"> <li>• &gt;\$80 MM to customers &amp; communities</li> <li>• 1st quartile employee engagement<sup>a</sup> &amp; customer experience<sup>b</sup></li> <li>• 126 MW of new load; &gt;\$2½ Bn of Michigan investment &amp; &gt;4K jobs</li> </ul>	<ul style="list-style-type: none"> <li>• &gt;800 MW of new wind</li> <li>• 300 MW of new solar<sup>c</sup> (of 1,100 MW by 2024)</li> <li>• &gt;\$700 MM to support clean energy transition<sup>d</sup></li> <li>• &gt;500 MW of Demand Response</li> </ul>	<ul style="list-style-type: none"> <li>• 18 years of +7%<sup>e</sup> adjusted EPS growth</li> <li>• Dividend +7% YoY, 15th increase in as many years</li> <li>• Realized &gt;\$100 MM in cost savings</li> </ul>

**Excellence through the *CE WAY***

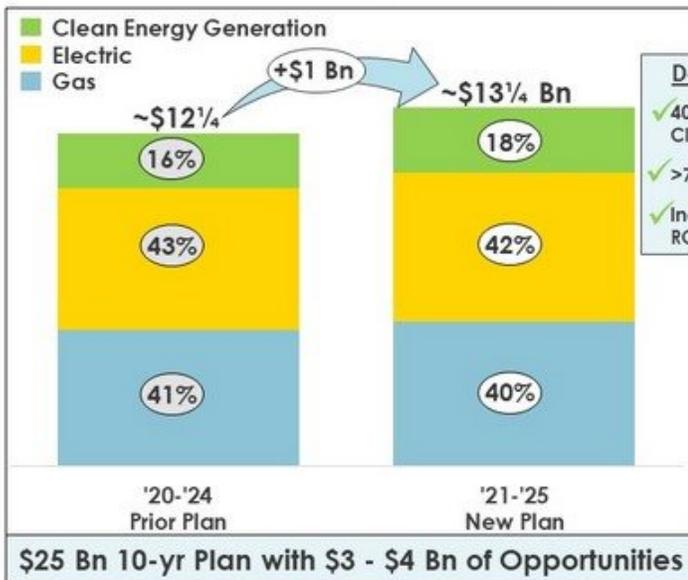
Presentation endnotes are included after the appendix.

**. . . delivered across the Triple Bottom Line.**

# Investing in the Clean Energy Transition . . .

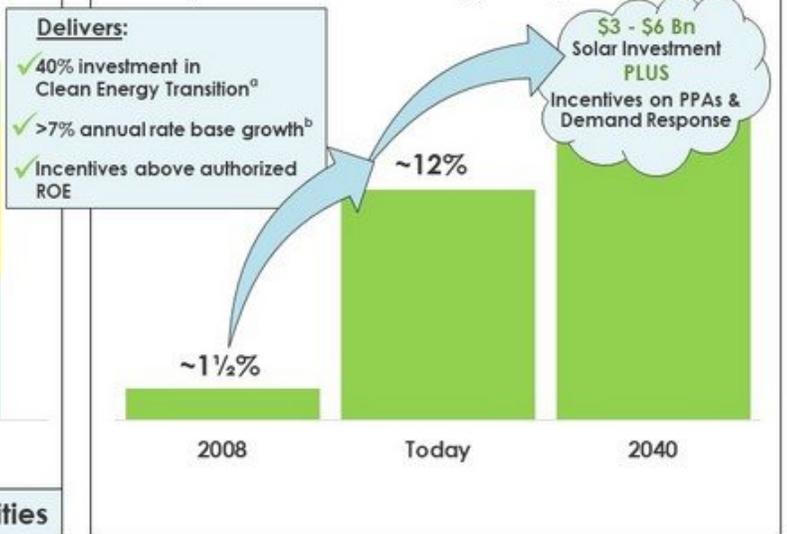


## Customer Investment



## Clean Energy Mix<sup>c</sup>

(Estimated Clean Energy % Adjusted EPS)



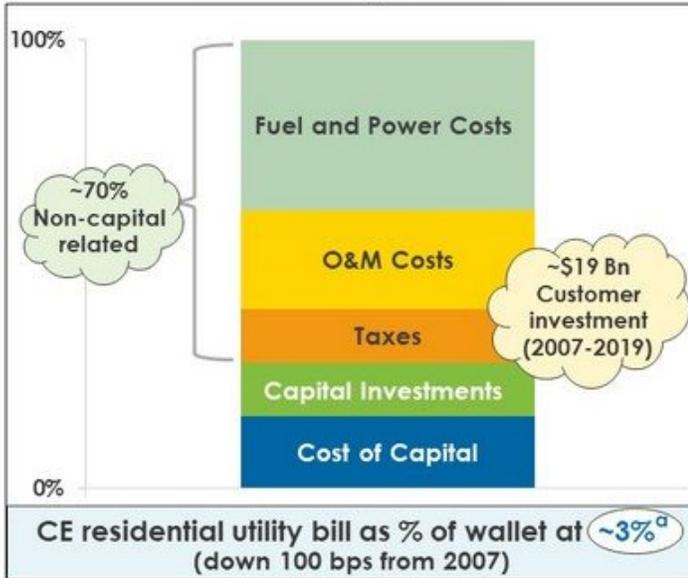
Presentation endnotes are included after the appendix.

. . . while focusing on safety, reliability & affordability.

# Our Entire Cost Structure . . .



## Cost Components



Presentation endnotes are included after the appendix.

## Estimated Cost Savings

Year	Event	Savings
2022	Palisades retirement	\$90 MM
2023	Karn 1&2 coal unit retirements (adj. O&M savings <sup>b</sup> )	\$30 MM
2025	MCV contract change	\$50 MM
2031 & Beyond	Campbell coal unit retirements (adj. O&M savings <sup>b</sup> )	\$60 MM

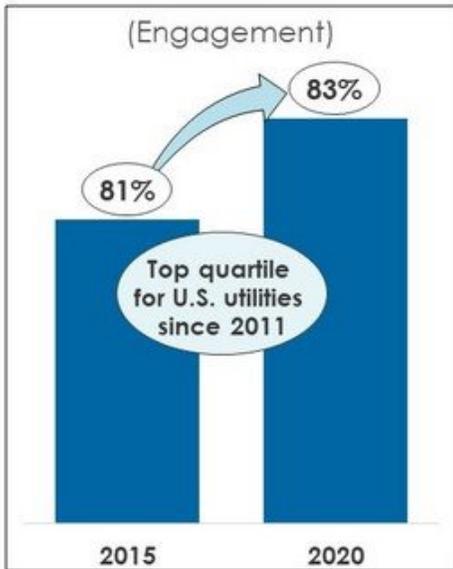
**>\$200 MM** identified future cost savings

**PLUS *CE WAY* PRODUCTIVITY**

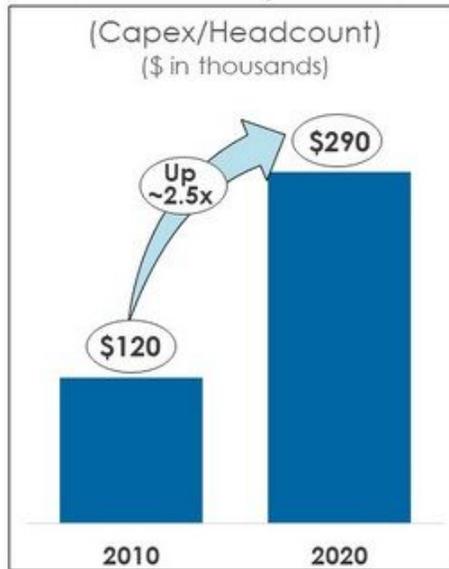
. . . offers cost reduction opportunities to maintain customer affordability.

# Excellence Through the **CE WAY** . . .

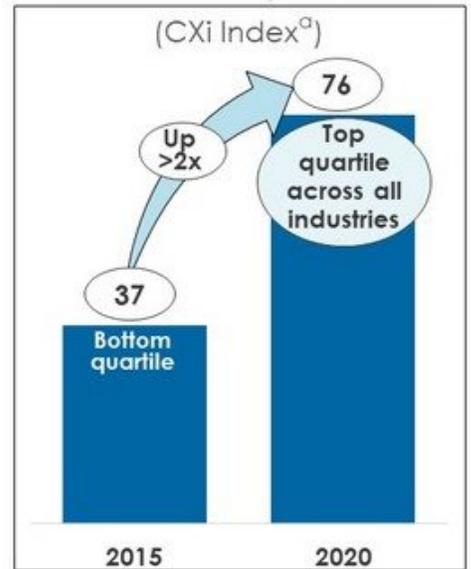
## Engaged Workforce...



## ...Delivers Productivity and...



## ...Outstanding Customer Experience.



Presentation endnotes are included after the appendix.

. . . drives world class performance, delivering hometown service.

# Top-Tier Michigan Regulatory Environment . . .

## Legislative Framework



## Strong Leadership



## Top Tier Regulatory Environment<sup>a</sup>

### Timely investment recovery

- Forward-looking test years
- 10-month rate cases



Dan Scripps (D), Chair



Tremaine Phillips (D)

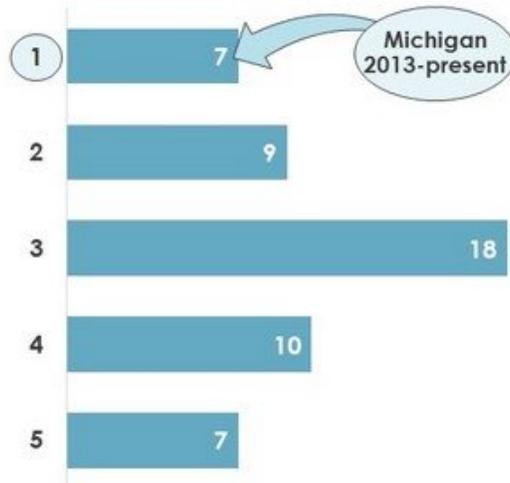


Katherine Peretick (I)

### Supportive Incentives

- Constructive ROEs
- 10.7% ROE for RPS
- EE incentive (~\$45 MM/yr)
- FCM adder on PPAs

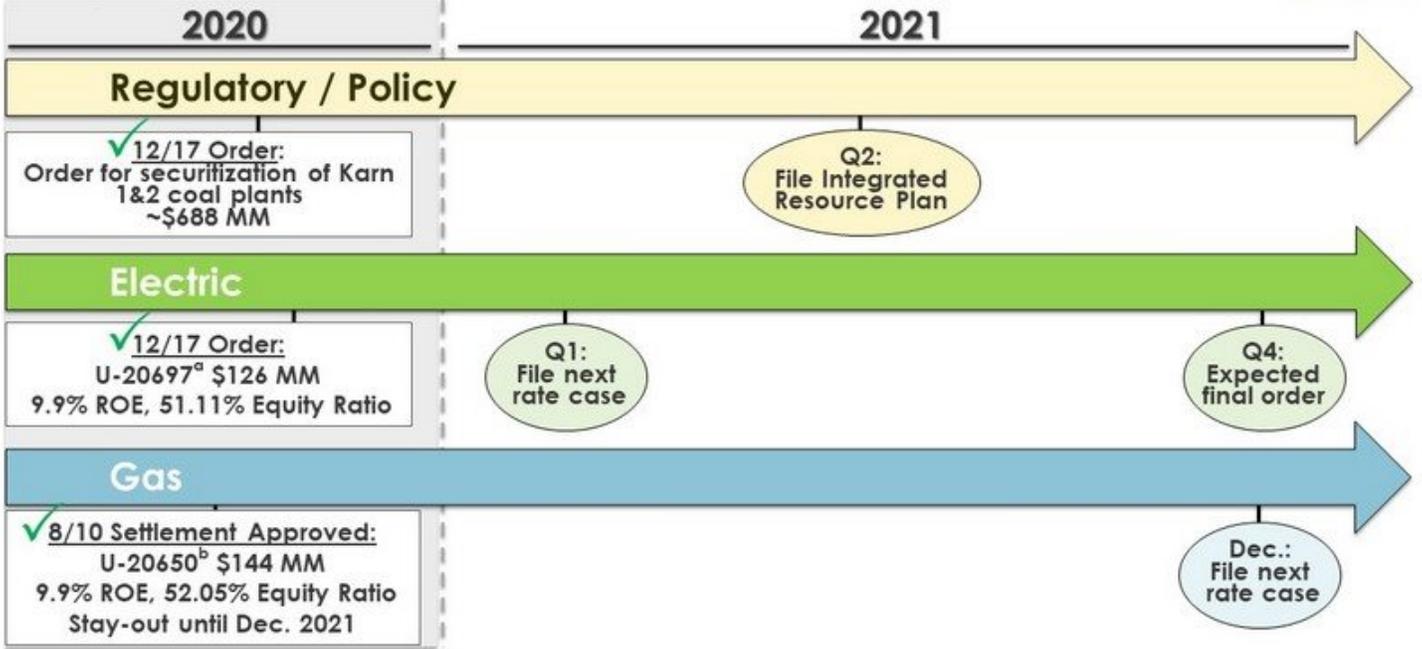
### Appointed Commissioners



Presentation endnotes are included after the appendix.

. . . aligns incentives for all stakeholders.

# Regulatory Outlook . . .



Presentation endnotes are included after the appendix.

. . . offers limited economic exposure in 2021.

# 2020 Results . . .

## Full Year Results

	<u>2019</u>	<u>2020</u>
EPS - (GAAP)	\$2.39	\$2.64
Adjustments <sup>a</sup>	0.10	0.03
Adjusted (non-GAAP)	<u>\$2.49</u>	<u>\$2.67</u>

## Fourth Quarter

	<u>2019</u>	<u>2020</u>
EPS - (GAAP)	58¢	55¢
Adjustments <sup>a</sup>	10	1
Adjusted (non-GAAP)	<u>68¢</u>	<u>56¢</u>

## By Business Segment

	Adjusted EPS	Jan. 2020 Adj. Guidance
Utility	\$2.91	\$2.84 – 2.88
Enterprises	0.12	0.08 – 0.10
EnerBank	0.20	0.18 – 0.20
Parent & Other	<u>(0.56)</u>	<u>(0.46) – (0.50)</u>
CMS Energy	<u>\$2.67</u>	<u>\$2.64 – \$2.68</u>

Presentation endnotes are included after the appendix.

. . . reflect 7% adjusted EPS growth.

## 2020 Objectives Achieved . . .

	<u>Objectives</u>	<u>Actual</u>
Adjusted EPS (non-GAAP)	\$2.64 – \$2.68	\$2.67 ✓
DPS growth	In-line w/ earnings	+7% ✓
Adjusted OCF (MM) <sup>a</sup>	\$1,750	\$1,976 ✓
FFO/average debt <sup>b</sup> (non-GAAP)	~17%	17½% ✓
Utility investment (Bn)	\$2.2	\$2.3 ✓
Planned equity issuance (MM)	Up to \$250	~\$250 ✓

Presentation endnotes are included after the appendix.

. . . delivering benefits for customers and investors.

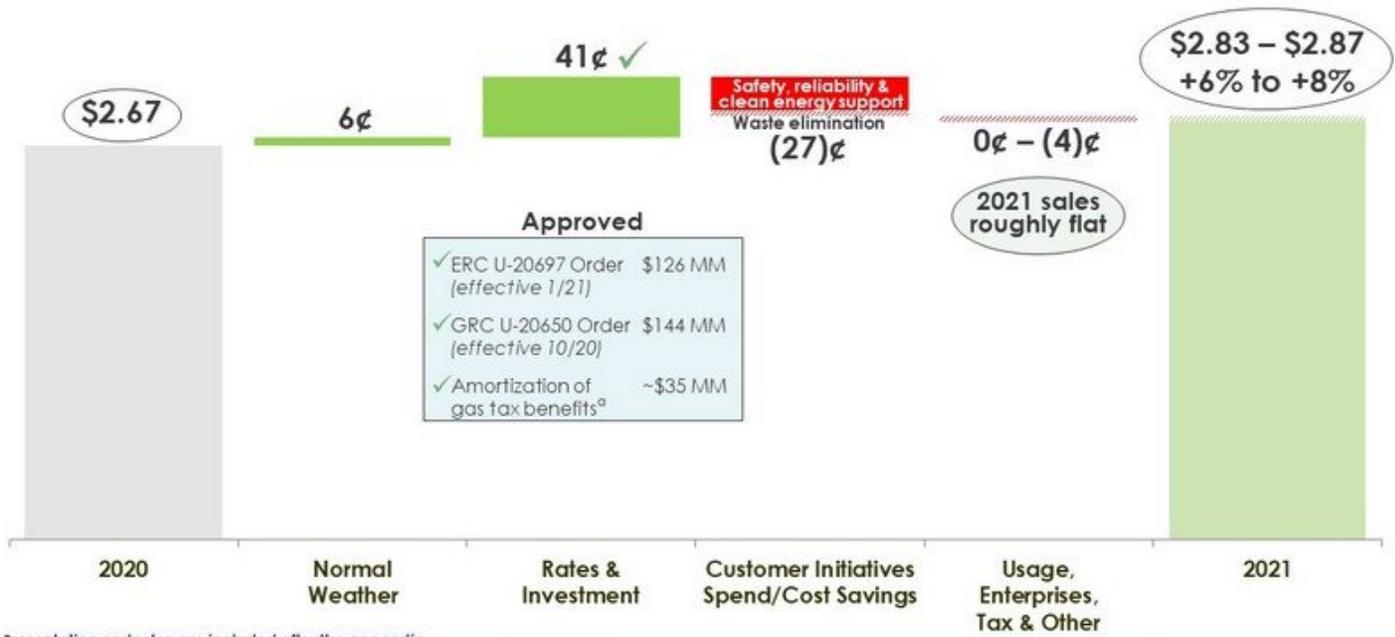
## 2021 Guidance Offers 6% to 8% Growth . . .

	<u>Adjusted EPS</u>
Utility	\$3.03 – \$3.07
Enterprises	0.12 – 0.13
EnerBank	0.20 – 0.22
Parent and Other	<u>(0.52) – (0.55)</u>
Consolidated EPS	<u>\$2.83 – \$2.87</u>

**+6% to +8%**

. . . compounding on 2020's actual performance.

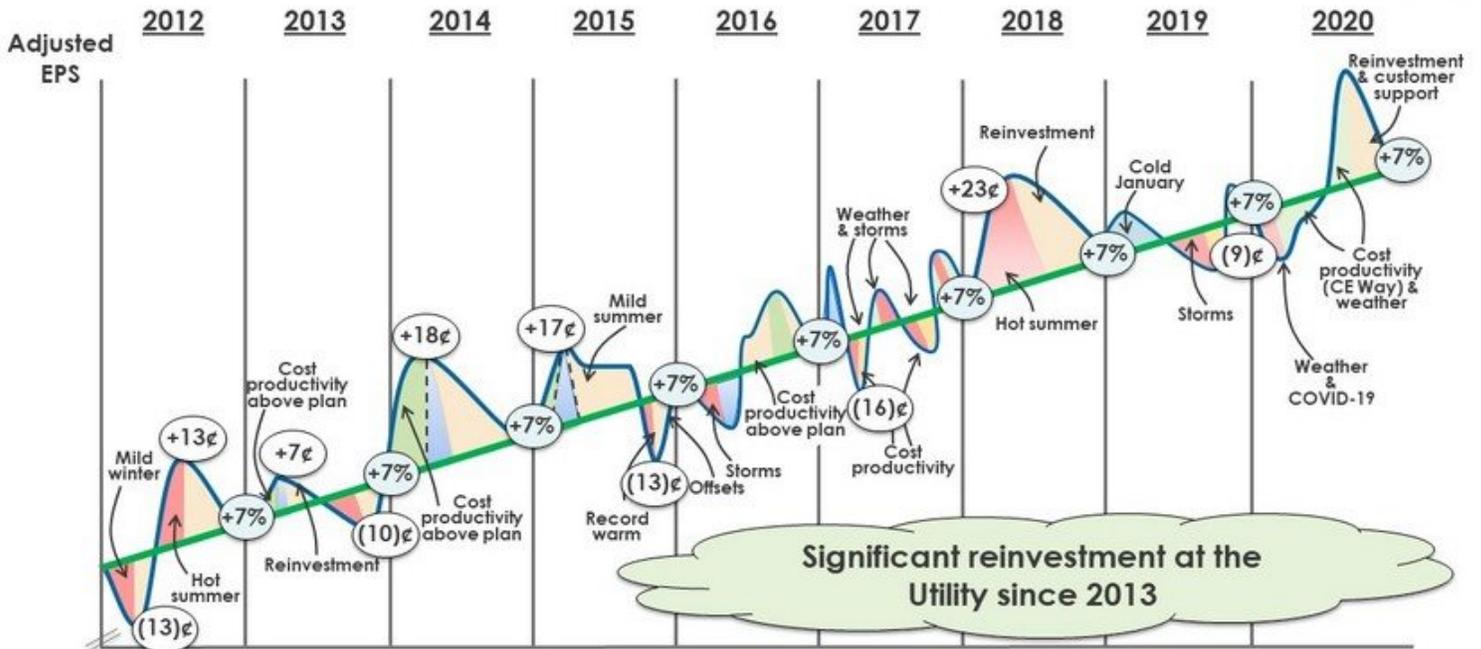
# 2021 Adjusted EPS . . .



Presentation endnotes are included after the appendix.

. . . supports another year of 6% to 8% growth.

# Managing Work Every Year . . .



. . . maximizes benefits for customers and investors year-in and year-out.

# Near- and Long-Term Objectives . . .

	2021	Long-Term Plan
Adjusted EPS (non-GAAP)	\$2.83 – \$2.87	+6% to +8%
DPS growth	In-line w/ earnings	In-line w/ earnings
Operating cash flow (MM)	\$1,850	>\$10 Bn <i>(cumulative, over 5 years)</i>
Target credit ratings	Solid investment grade <i>FFO/Debt Target: Mid-teens<sup>o</sup></i>	Solid investment grade <i>FFO/Debt Target: Mid-teens<sup>o</sup></i>
Utility investment (Bn)	\$2.5	~\$2.6/yr
Planned equity issuance (MM)	Up to \$250	Up to \$250/yr

Presentation endnotes are included after the appendix.

. . . provide sustainable benefits for customers AND investors.

# 2021 Sensitivities . . .

	<u>Sensitivity</u>	<u>Full-Year Impact</u>		<u>OCF</u> (\$MM)	<u>2021 Adj. EPS Sensitivities</u> (1% Full Year Δ in Volume)		
		<u>Adj. EPS</u> (¢)				<u>Electric</u>	<u>Gas</u>
<b>Sales<sup>a</sup></b>							
Electric (~35,200 GWh)	± 1%	± 7		± 27	Residential	4¢	2¢
Gas (~303 Bcf)	± 1	± 3		± 13	Commercial	2½	½
<b>Gas Prices</b>	± 50¢	± 0		± 60	Industrial	½	½
<b>Utility Earned ROE</b>							
Electric	± 10 bps	± 2		± 7			
Gas	± 10	± 1		± 4			
<b>Interest Rates</b>	± 25 bps	∓ <1		∓ 1			
<b>Effective Tax Rate (12%)</b>	± 100 bps	∓ 3		∓ 0			
<b>EE<sup>b</sup> Incentives (20% of spend)</b>	± 25 MM	± 1		± 5			

Presentation endnotes are included after the appendix.

. . . reflect effective risk mitigation.

# A Simple Investment Thesis . . .



Industry-leading clean energy commitment  
Net Zero Carbon (2040) & Net Zero Methane (2030)<sup>a</sup>

Excellence through the **CE WAY**

Top-tier regulatory jurisdiction<sup>b</sup>

Premium total shareholder return  
6% to 8% adjusted EPS growth + ~3% dividend yield

Presentation endnotes are included after the appendix.

. . . delivers results for ALL our stakeholders.

# Q&A

## Thank You

# Appendix

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# Utility Customer Investment Plan

## 5-Year Plan (\$ Bn)

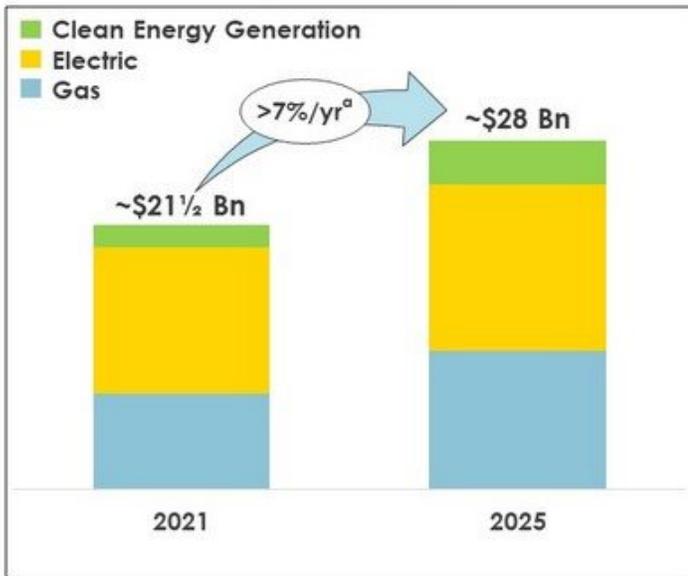
	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>Total</u>
Clean Energy Generation	\$0.3	\$0.6	\$0.5	\$0.5	\$0.5	\$2.4
Electric Utility	1.1	1.2	1.1	1.0	1.1	5.5
Gas Utility	1.1	1.2	1.1	1.0	0.9	5.3
<b>Total</b>	<b>\$2.5</b>	<b>\$3.0</b>	<b>\$2.7</b>	<b>\$2.5</b>	<b>\$2.5</b>	<b>\$13.2</b>
Depreciation & Amortization	\$1.1	\$1.1	\$1.2	\$1.2	\$1.3	\$5.9

**~40%<sup>a</sup> in support of Clean Energy Transition**

Presentation endnotes are included after the appendix.

# Rate Base Growth . . .

## Rate Base



## ROE Enhancements

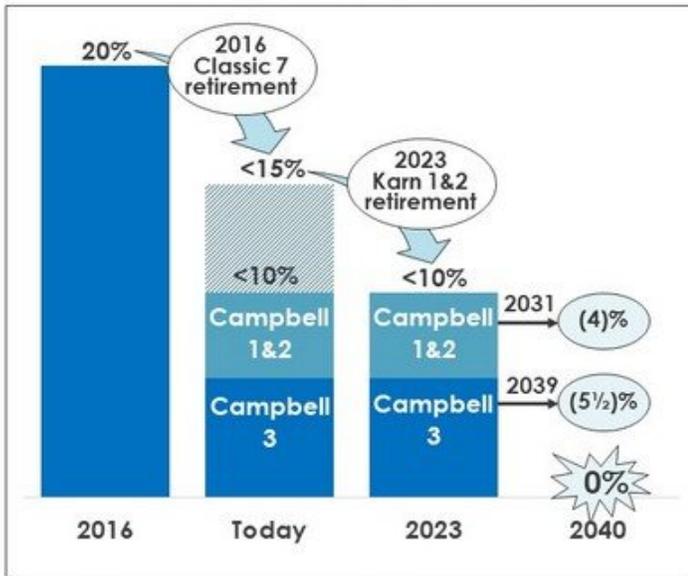
- ✓ **20% EE incentive**  
~\$45 MM/yr in 5-yr plan
- ✓ **PPA incentives (FCM)**  
PPA payment x WACC
- ✓ **10.7% ROE on RPS investments**  
~\$1.2 Bn rate base in 5-yr plan

Presentation endnotes are included after the appendix.

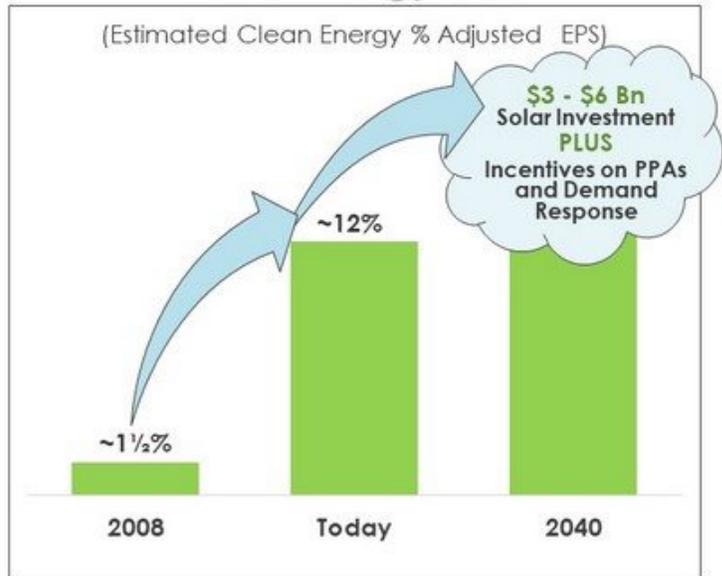
. . . reflects over 7% annual growth over next 5 years.

# Declining Exposure to Coal . . .

### Coal % of Rate Base<sup>a</sup>



### Clean Energy Mix<sup>b</sup>



Presentation endnotes are included after the appendix.

. . . with plans to eliminate completely.

# Operating Cash Flow Generation . . .



Presentation endnotes are included after the appendix.

. . . remains strong and supports our capital plan.

# 2021 Planned Financings . . .

	Financings	
	2020 (MM)	2021 Plan (MM)
<b>Consumers Energy:</b>		
First Mortgage Bonds	\$1,661	\$665
Term Loan	\$300	--
<b>CMS Energy:</b>		
Hybrid	\$900	\$235
Term Loan	\$300	--
Planned Equity	~\$250	Up to \$250
<b>Retirements (incl. term loans):</b>		
Consumers Energy	\$1,060	--
CMS Energy	\$400	\$200
<b>Other:</b>		
Pension Contribution	\$700	--

Opportunistic financings create customer benefits



Presentation endnotes are included after the appendix.

. . . with a focus on liquidity management and interest savings.

# Credit Metrics Maintained . . .

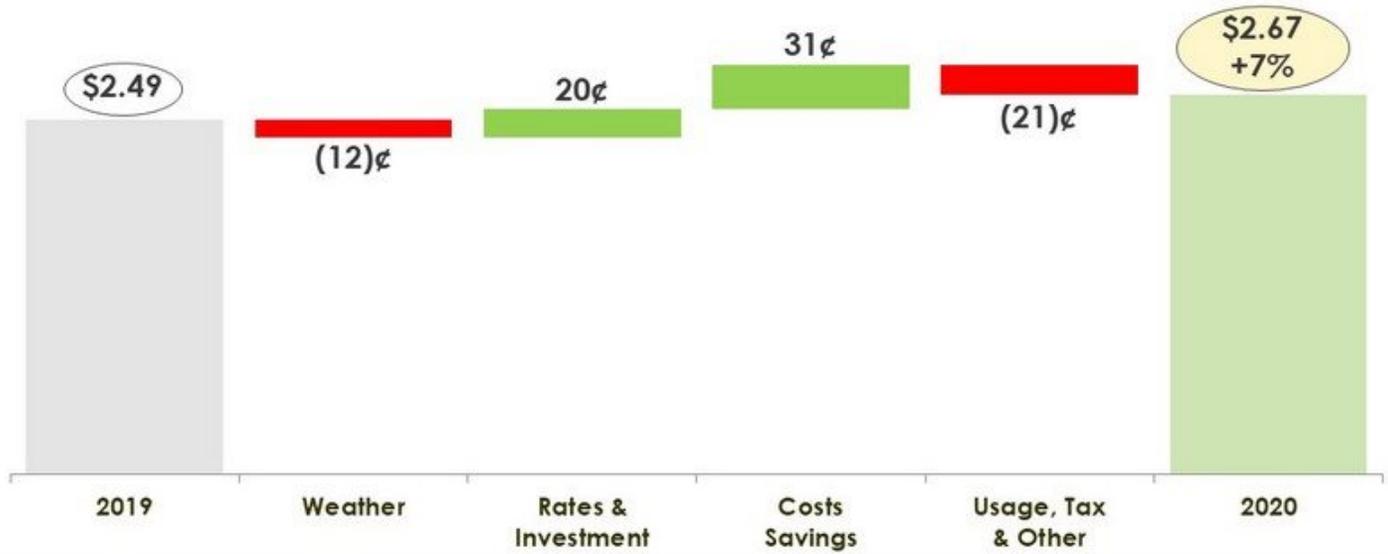
Consumers Energy	S&P	Moody's	Fitch
Senior Secured	A	Aa3	A+
Commercial Paper	A-2	P-1	F-2
Outlook	Stable	Negative	Stable
CMS Energy			
Senior Unsecured	BBB	Baa1	BBB
Junior Subordinated	BBB-	Baa2	BB+
Outlook	Stable	Negative	Stable
Last Review	Jan. 2021	Jul. 2020	Dec. 2020

## Ratings Drivers

- Strong financial position
- Growing operating cash flow
- Return on regulated investment
- Supportive regulatory environment

. . . at solid investment-grade levels.

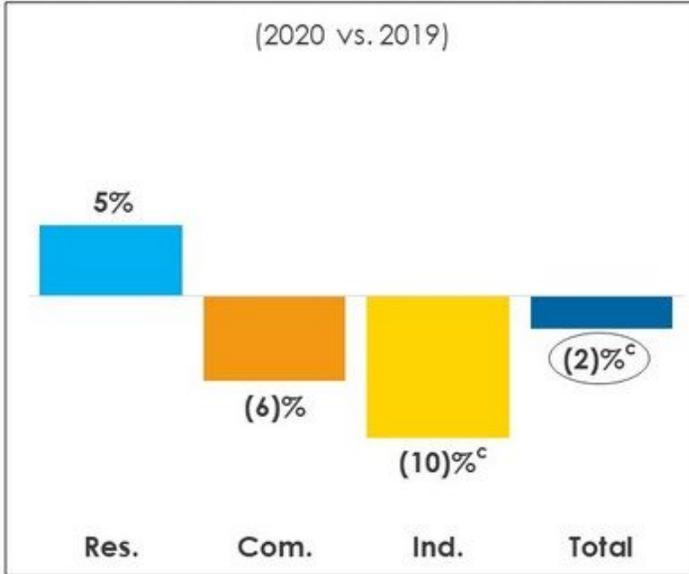
# 2020 Adjusted EPS . . .



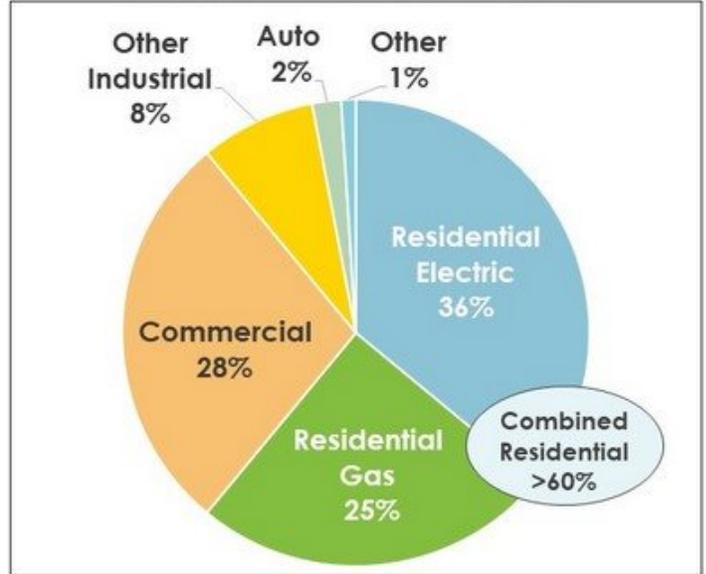
. . . up 7% from prior year.

# Utility Sales Continue to Recover . . .

**Weather-Normalized Electric Deliveries<sup>a</sup>**



**2020 Electric & Gas Rate Mix<sup>b</sup>**



Presentation endnotes are included after the appendix.

. . . and are supported by favorable mix.

# Endnotes

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# Presentation Endnotes (pg 1)

**Slide 3:** <sup>a</sup>Methane emissions from our natural gas delivery system and carbon emissions company-wide <sup>b</sup>UBS Research, 2020 state rankings and D.C.

**Slide 5:** <sup>a</sup>Adjusted operating cash flow (non-GAAP), excludes \$700 MM discretionary pension contributions in 2020 (non-GAAP)

**Slide 6:** <sup>a</sup>By CultureIQ, top quartile for U.S. utilities <sup>b</sup>Source: Data from CXI Forrester Index, top quartile across all industries <sup>c</sup>RFPs for 300 MW in 2020  
<sup>d</sup>Includes electric clean generation, distribution, grid modernization and gas infrastructure modernization <sup>e</sup>Adjusted EPS (non-GAAP) CAGR

**Slide 7:** <sup>a</sup>Includes electric clean generation, distribution, grid modernization and gas infrastructure modernization <sup>b</sup>Assumes ~\$21½ billion rate base in 2021, \$28 Bn in 2025, CAGR <sup>c</sup>Includes wind, solar, hydro and energy efficiency; 2008: (~\$100 MM hydro rate base x 10.7% ROE x 42.1% equity ratio) + 235 MM O/S + \$1.21 EPS = ~1½%; Today/2020: [(~\$1 Bn renewables rate base x 10.7% ROE x 40.2% equity ratio) + (~\$400 MM hydro rate base x 10.0% ROE x 42.2% equity ratio) + \$31 MM tax-effected energy efficiency] + 286.5 MM O/S + \$2.67 EPS = ~12%

**Slide 8:** <sup>a</sup>2019 Consumers Energy bill as % of Michigan household income, in current dollars. Source: Fred.stlouisfed.org, Bls.gov <sup>b</sup>Excludes potential fuel savings

**Slide 9:** <sup>a</sup>Source: Data from Forrester CXI Index

**Slide 10:** <sup>a</sup>UBS Research, 2020 state rankings and D.C.

**Slide 11:** <sup>a</sup>Excludes \$10 MM non-jurisdictional deficiency and includes \$36 MM Calc C DFIT amortization <sup>b</sup>Includes ~\$84.5 MM acceleration of amortization of tax liabilities Oct. 2021-Sept. 2022

**Slide 12:** <sup>a</sup>See appendix slide 36

**Slide 13:** <sup>a</sup>Adjusted operating cash flow, excludes \$700 MM discretionary pension contribution in 2020 (non-GAAP) <sup>b</sup>Not reflective of rating agency adjustments

# Presentation Endnotes (pg 2)



Slide 15: <sup>o</sup>Rate relief equivalent

Slide 17: <sup>o</sup>Reflects rating agency adjustments

Slide 18: <sup>o</sup>Reflects 2021 sales forecast; weather-normalized <sup>o</sup>Energy Efficiency

Slide 19: <sup>o</sup>Methane emissions from our natural gas delivery system and carbon emissions company-wide <sup>o</sup>UBS Research, 2020 state rankings and D.C.

Slide 22: <sup>o</sup>Includes electric clean generation, distribution, grid modernization and gas infrastructure modernization

Slide 23: <sup>o</sup>Assumes ~\$21½ billion rate base in 2021, \$28 Bn in 2025, CAGR

Slide 24: <sup>o</sup>Coal rate base based on calendar year; total rate base based on a 13-month average <sup>o</sup>Includes wind, solar, hydro and energy efficiency; 2008: (~\$100 MM hydro rate base x 10.7% ROE x 42.1% equity ratio) + 235 MM O/S + \$1.21 EPS = ~1½%; Today/2020: [(~\$1 Bn renewables rate base x 10.7% ROE x 40.2% equity ratio) + (~\$400 MM hydro rate base x 10.0% ROE x 42.2% equity ratio) + \$31 MM tax-effected energy efficiency] + 286.5 MM O/S + \$2.67 EPS = ~12%

Slide 25: <sup>o</sup>Excludes \$700 MM discretionary pension contributions in 2020 (non-GAAP) <sup>o</sup>After-tax

Slide 26: <sup>o</sup>\$1,624 MM in available revolvers + \$168 MM of unrestricted cash - \$145 MM of cash at EnerBank and other

Slide 29: <sup>o</sup>2020 year over year change in GWh, excludes ROA and other <sup>o</sup>Tariff net of PSCR and GCR <sup>o</sup>Excludes one large, low-margin industrial customer

# GAAP Reconciliation

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



	<i>In Millions, Except Per Share Amounts</i>			
	<i>Three Months Ended</i>		<i>Twelve Months Ended</i>	
	12/31/20	12/31/19	12/31/20	12/31/19
<b>Electric Utility</b>				
Reported net income per share	\$ 0.32	\$ 0.32	\$ 1.94	\$ 1.79
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.02	0.04	0.02
Tax impact	(*)	(*)	(0.01)	(*)
Voluntary separation program	-	-	0.01	-
Tax impact	(*)	-	(0.01)	-
Adjusted net income per share - non-GAAP	\$ 0.31	\$ 0.33	\$ 1.99	\$ 1.81
<b>Gas Utility</b>				
Reported net income per share	\$ 0.34	\$ 0.40	\$ 0.91	\$ 0.82
<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	\$ 0.34	\$ 0.40	\$ 0.92	\$ 0.82
<b>Energy Services</b>				
Reported net income per share	\$ 0.01	\$ 0.01	\$ 0.13	\$ 0.12
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	(*)	(*)	-	-
Tax impact	-	-	(*)	(*)
Tax return	-	-	(0.01)	-
Voluntary separation program	-	-	-	-
Tax impact	(*)	-	(*)	-
Adjusted net income per share - non-GAAP	\$ 0.01	\$ 0.01	\$ 0.12	\$ 0.12
<b>Transmission</b>				
Reported net income per share	\$ 0.08	\$ 0.06	\$ 0.20	\$ 0.17
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	-	-	-
Adjusted net income per share - non-GAAP	\$ 0.08	\$ 0.06	\$ 0.20	\$ 0.17
<b>Corporate Services and O&amp;M</b>				
Reported net loss per share	\$ (0.20)	\$ (0.21)	\$ (0.54)	\$ (0.51)
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	-	0.11	(*)	0.11
Tax impact	(*)	(0.03)	-	(0.03)
Tax return	-	-	(0.02)	-
Adjusted net loss per share - non-GAAP	\$ (0.20)	\$ (0.13)	\$ (0.56)	\$ (0.43)
<b>Consolidated</b>				
Reported net income per share	\$ 0.35	\$ 0.58	\$ 2.64	\$ 2.39
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.13	0.04	0.13
Tax impact	(*)	(0.03)	(0.01)	(0.03)
Tax return	-	-	(0.03)	-
Voluntary separation program	-	-	0.04	-
Tax impact	(*)	-	(0.01)	-
Adjusted net income per share - non-GAAP	\$ 0.36	\$ 0.68	\$ 2.67	\$ 2.49
<b>Average Common Shares Outstanding - Diluted</b>	786.9	784.8	784.1	784.1

\* 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 Amount</i>			
	2019			
	10	10	10	40
<b>Net Income Available to Common Stockholders</b>	\$ 243	\$ 176	\$ 218	\$ 158
<i>Reconciling items:</i>				
Electric utility and gas utility	13	4	4	2
Tax impact	(4)	(3)	(3)	(3)
Foreign tax	2	(7)	*	(7)
Tax impact	(4)	*	(7)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate income and other	(2)	*	(7)	*
Tax impact	(4)	(7)	*	(7)
<b>Adjusted Net Income - Non-GAAP</b>	<u>\$ 227</u>	<u>\$ 159</u>	<u>\$ 207</u>	<u>\$ 150</u>
<b>Average Common Shares Outstanding - Diluted</b>	201.2	200.3	200.9	200.9
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.85	\$ 0.68	\$ 0.76	\$ 0.55
<i>Reconciling items:</i>				
Electric utility and gas utility	(0.01)	(0.02)	(0.01)	(0.01)
Tax impact	(0.01)	(0.01)	(7)	(7)
Foreign tax	*	(7)	*	(7)
Tax impact	(0.01)	*	(7)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate income and other	(0.02)	*	(7)	*
Tax impact	(0.02)	(7)	*	(7)
<b>Adjusted Diluted Earnings Per Average Common Share - Non-GAAP</b>	<u>\$ 0.52</u>	<u>\$ 0.47</u>	<u>\$ 0.57</u>	<u>\$ 0.54</u>

	<i>In Millions Except Per Share Amount</i>			
	2018			
	10	10	10	40
<b>Net Income Available to Common Stockholders</b>	\$ 213	\$ 93	\$ 207	\$ 167
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	8
Tax impact	-	-	-	(3)
Foreign tax	(7)	*	1	(3)
Tax impact	*	(7)	(7)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate income and other	*	*	*	31
Tax impact	(7)	(7)	(7)	(30)
<b>Adjusted Net Income - Non-GAAP</b>	<u>\$ 177</u>	<u>\$ 92</u>	<u>\$ 202</u>	<u>\$ 164</u>
<b>Average Common Shares Outstanding - Diluted</b>	203.6	204.0	204.6	204.8
<b>Diluted Earnings Per Average Common Share</b>	\$ 0.73	\$ 0.33	\$ 0.73	\$ 0.58
<i>Reconciling items:</i>				
Electric utility and gas utility	-	-	-	(0.02)
Tax impact	-	-	-	(7)
Foreign tax	(7)	*	*	(7)
Tax impact	*	(7)	(7)	*
Goodwill	-	-	-	-
Tax impact	-	-	-	-
Corporate income and other	*	*	*	0.11
Tax impact	(7)	(7)	(7)	(0.75)
<b>Adjusted Diluted Earnings Per Average Common Share - Non-GAAP</b>	<u>\$ 0.57</u>	<u>\$ 0.31</u>	<u>\$ 0.57</u>	<u>\$ 0.44</u>

\* Less than \$0.01 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>Twelve Months Ended</u>	
	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/20</u>	<u>12/31/19</u>
<b>Net Income Available to Common Stockholders</b>	\$ 158	\$ 167	\$ 755	\$ 680
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	2	36	13	37
Tax impact	(1)	(9)	(3)	(9)
Tax reform	-	-	(9)	-
Voluntary separation program	*	-	11	-
Tax impact	(*)	-	(3)	-
<b>Adjusted net income – non-GAAP</b>	<b>\$ 159</b>	<b>\$ 194</b>	<b>\$ 764</b>	<b>\$ 708</b>
<b>Average Common Shares Outstanding</b>				
Basic	285.7	283.0	285.0	283.0
Diluted	286.9	284.8	286.3	284.3
<b>Basic Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.55	\$ 0.59	\$ 2.65	\$ 2.40
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.13	0.04	0.13
Tax impact	(*)	(0.03)	(0.01)	(0.03)
Tax reform	-	-	(0.03)	-
Voluntary separation program	*	-	0.04	-
Tax impact	(*)	-	(0.01)	-
<b>Adjusted net income per share – non-GAAP</b>	<b>\$ 0.56</b>	<b>\$ 0.69</b>	<b>\$ 2.68</b>	<b>\$ 2.50</b>
<b>Diluted Earnings Per Average Common Share</b>				
Reported net income per share	\$ 0.55	\$ 0.58	\$ 2.64	\$ 2.39
<i>Reconciling items:</i>				
Other exclusions from adjusted earnings	0.01	0.13	0.04	0.13
Tax impact	(*)	(0.03)	(0.01)	(0.03)
Tax reform	-	-	(0.03)	-
Voluntary separation program	*	-	0.04	-
Tax impact	(*)	-	(0.01)	-
<b>Adjusted net income per share – non-GAAP</b>	<b>\$ 0.56</b>	<b>\$ 0.68</b>	<b>\$ 2.67</b>	<b>\$ 2.49</b>

\* 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)**



**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	2020	GAAP 2020 over 2019 CAGR NM	GAAP 2020 over 2019 Growth 6.9%
<b>Reported earnings (loss) per share - GAAP</b>	(\$0.50)	\$0.54	(\$0.66)	(\$0.41)	(\$1.02)	\$1.20	\$0.93	\$1.22	\$1.58	\$1.62	\$1.66	\$1.74	\$1.89	\$1.92	\$1.94	\$2.22	\$2.47	\$2.58		
<b>From items:</b>																				
Electric and gas utility	0.32	(0.60)	-	-	(0.06)	0.08	0.55	0.05	-	0.27	-	-	-	0.04	-	-	0.02	0.08		
Tax impact	(0.11)	0.21	-	-	(0.01)	(0.08)	(0.22)	(0.02)	-	(0.10)	-	-	-	(0.01)	0.12 <sup>(b)</sup>	0.01	(*)	(0.02)		
Envelopes	0.93	0.97	0.06	(0.12)	1.87	(0.02)	0.14	(0.08)	*	(0.01)	*	0.05	*	*	*	0.02	*	*		
Tax impact	(0.19)	(0.15)	(0.02)	0.10	(0.42)	*	(0.05)	0.02	(0.11)	*	(*)	(0.02)	(*)	(*)	0.20 <sup>(b)</sup>	(0.02)	(*)	(0.01)		
EnelBick	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax impact	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.01 <sup>(b)</sup>	*	*	*		
Corporate interest and other	0.25	(0.08)	0.06	0.45	0.17	0.01	0.01	*	*	*	*	*	*	0.02	0.01	*	*	*		
Tax impact	(0.09)	0.03	(0.02)	(0.18)	(0.49)	(0.08)	(*)	(*)	(0.01)	(*)	(*)	(*)	(*)	(0.01)	0.19 <sup>(b)</sup>	(*)	(*)	(0.02)		
Discontinued operations (losses) loss, net	(0.16)	0.02	(0.07)	(0.08)	0.40	(*)	(0.08)	0.08	(0.01)	(0.03)	*	*	*	*	*	(*)	(*)	(*)		
Asset impairment charges	-	-	2.80	1.07	0.82	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax impact	-	-	(0.98)	(0.31)	(0.33)	-	-	-	-	-	-	-	-	-	-	-	-	-		
Cumulative accounting charges	0.25	0.02	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax impact	(0.06)	(0.01)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Adjusted earnings per share, including MTM - non-GAAP</b>	\$0.81	\$0.87	\$1.59	\$0.57	\$0.84	\$1.21 <sup>(a)</sup>	\$1.26	\$1.36	\$1.46	\$1.55	\$1.66	\$1.77	\$1.89	\$2.02	\$2.17	\$2.35	\$2.49	\$2.67		
Mark-to-market	-	0.04	(0.65)	0.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Tax impact	-	(0.01)	0.22	(0.28)	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Adjusted earnings per share, exclusive MTM - non-GAAP</b>	NA	\$0.90	\$0.96	\$1.18	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		

\* Less than \$0.01 per share.  
(a) \$1.21 excluding discontinued Enel operations and accounting charges 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)  
(MM)



	<u>2020</u>
<b>GAAP Net cash provided by operating activities</b>	<b>\$ 1,276</b>
Add back discretionary pension contribution	<u>700</u>
<b>Non-GAAP Net cash provided by operating activities</b>	<b>\$ 1,976</b>

**CMS ENERGY CORPORATION**  
**Reconciliation of Non-GAAP FFO to Average Debt Ratio**  
**(Unaudited)**



FUNDS FROM OPERATIONS	In Millions	
	Year Ended	
	12/31/20	12/31/19
Net Cash Provided by Operating Activities	\$ 1,274	
Accounting items:		
Pension contributions	700	
Working capital	30	
Other	(170)	
<b>Funds From Operations (FFO) - Non-GAAP</b>	<b>\$ 1,832</b>	

AVERAGE DEBT	In Millions	
	As of	
	12/31/20	12/31/19
<b>Indebtedness:</b>		
Long-term debt <sup>(1)</sup>	\$ 15,118	\$ 13,042
Finance leases and other financing <sup>(1)</sup>	78	95
Notes payable	-	95
<b>Total Indebtedness</b>	<b>15,196</b>	<b>13,247</b>
Accounting items:		
Securitization debt <sup>(1)</sup>	(225)	(271)
Easement debt <sup>(1)</sup>	(2,804)	(2,189)
75% of Junior subordinated notes	(1,863)	(152)
<b>Adjusted Debt - Non-GAAP</b>	<b>\$ 11,162</b>	<b>\$ 10,672</b>
<b>Average Debt - Non-GAAP</b>	<b>\$ 10,607</b>	

<sup>(1)</sup> Include current and non-current portions.

FFO TO AVERAGE DEBT RATIO	In Millions, Except Ratio	
	Year Ended	
	12/31/20	12/31/19
Funds from operations (FFO) - non-GAAP	\$ 1,832	
Average debt - non-GAAP	\$ 10,607	
<b>FFO to Average Debt Ratio - Non-GAAP</b>	<b>17.2%</b>	