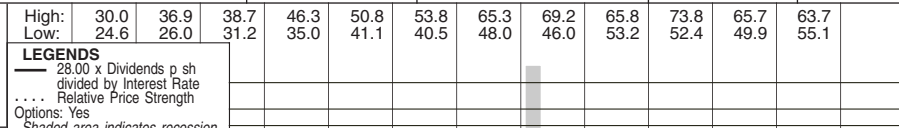


CMS ENERGY CORP. NYSE-CMS

RECENT PRICE **61.43** P/E RATIO **18.6** (Trailing: 18.7; Median: 21.0) RELATIVE P/E RATIO **1.04** DIV'D YLD **3.4%** VALUE LINE

TIMELINESS 4 Lowered 5/10/24
SAFETY 2 Raised 3/8/24
TECHNICAL 3 Raised 6/7/24
BETA .85 (1.00 = Market)



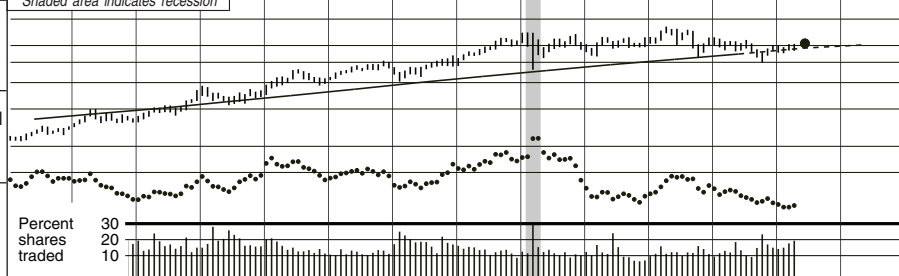
High:	30.0	36.9	38.7	46.3	50.8	53.8	65.3	69.2	65.8	73.8	65.7	63.7
Low:	24.6	26.0	31.2	35.0	41.1	40.5	48.0	46.0	53.2	52.4	49.9	55.1

18-Month Target Price Range
 Low-High Midpoint (% to Mid)
 \$53-\$79 \$66 (5%)

2027-29 PROJECTIONS
 High Price Gain Ann'l Total Return
 Low 85 (+40%) 12%
 65 (+5%) 5%

Institutional Decisions

	2Q2023	3Q2023	4Q2023
to Buy	297	272	293
to Sell	262	309	311
Hlds(000)	284222	280935	286313



2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	© VALUE LINE PUB. LLC	27-29
30.13	27.23	25.77	25.59	23.90	24.68	26.09	23.29	22.92	23.37	24.25	24.11	23.12	25.29	29.51	25.35	26.35	26.95	Revenues per sh	31.05
3.88	3.47	3.70	3.65	3.82	4.06	4.22	4.59	4.88	5.29	5.61	5.89	6.24	6.42	6.69	6.98	7.95	8.50	"Cash Flow" per sh	9.25
1.23	.93	1.33	1.45	1.53	1.66	1.74	1.89	1.98	2.17	2.32	2.39	2.64	2.58	2.84	3.01	3.30	3.50	Earnings per sh ^A	3.75
.36	.50	.66	.84	.96	1.02	1.08	1.16	1.24	1.33	1.43	1.53	1.63	1.74	1.84	1.95	2.08	2.16	Div'd Decl'd per sh ^B	2.30
3.50	3.59	3.29	3.47	4.65	4.98	5.73	5.64	5.99	5.91	7.32	7.41	8.02	7.16	8.15	8.18	10.00	9.65	Cap'l Spending per sh	9.75
10.88	11.42	11.19	11.92	12.09	12.98	13.34	14.21	15.23	15.77	16.78	17.68	19.02	22.11	23.32	24.86	26.15	27.85	Book Value per sh ^C	29.50
226.41	227.89	249.60	254.10	264.10	266.10	275.20	277.16	279.21	281.65	283.37	283.86	288.94	289.76	291.27	294.40	300.00	300.50	Common Shs Outst'g ^D	301.00
10.9	13.6	12.5	13.6	15.1	16.3	17.3	18.3	20.9	21.3	20.3	24.3	23.3	23.6	22.9	19.6	<i>Bold figures are Value Line estimates</i>		Avg Ann'l P/E Ratio	20.0
.66	.91	.80	.85	.96	.92	.91	.92	1.10	1.07	1.10	1.29	1.20	1.28	1.32	1.10			Relative P/E Ratio	1.10
2.7%	4.0%	4.0%	4.3%	4.2%	3.8%	3.6%	3.4%	3.0%	2.9%	3.0%	2.6%	2.6%	2.9%	2.8%	3.3%			Avg Ann'l Div'd Yield	3.1%

CAPITAL STRUCTURE as of 3/31/24
 Total Debt \$15806 mill. Due in 5 Yrs \$2771 mill.
 LT Debt \$15034 mill. LT Interest \$649 mill.
 Incl. \$61 mill. finance leases.
 Leases, Uncapitalized Annual rentals \$5 mill.
 Pension Assets-12/23 \$3004 mill. Oblig \$2195 mill.
 Pfd Stock \$224 mill. Pfd Div'd \$10 mill.
 Incl. 373,148 shs. \$4.50 \$100 par, cum., callable at \$110.00; 9,200,000 shs. 4.2%, \$25 par, cum.
 Common Stock 298,635,428 shs. as of 4/8/24
MARKET CAP: \$18.3 billion (Large Cap)

7179.0	6456.0	6399.0	6583.0	6873.0	6845.0	6680.0	7329.0	8596.0	7462.0	7900	8100	Revenues (\$mill)	9350
479.0	525.0	553.0	610.0	659.0	682.0	757.0	751.0	833.0	886.0	995	1065	Net Profit (\$mill)	1140
34.3%	34.0%	33.1%	31.2%	14.9%	17.7%	15.0%	11.5%	10.3%	15.4%	15.5%	15.5%	Income Tax Rate	15.5%
2.3%	2.7%	3.1%	1.1%	1.4%	2.1%	1.1%	1.5%	1.4%	1.4%	1.5%	1.0%	AFUDC % to Net Profit	1.0%
68.7%	68.3%	67.1%	67.3%	69.0%	70.4%	71.2%	64.5%	65.3%	65.9%	65.0%	6.0%	Long-Term Debt Ratio	63.0%
31.0%	31.4%	32.6%	32.4%	30.7%	29.4%	28.6%	34.2%	33.6%	33.1%	35.0%	35.0%	Common Equity Ratio	37.0%
11846	12534	13040	13692	15476	17082	19223	18760	20205	22114	23075	23800	Total Capital (\$mill)	24500
13412	14705	15715	16761	18126	18926	21039	22352	22713	25072	27450	28850	Net Plant (\$mill)	31500
5.7%	5.7%	5.8%	5.9%	5.6%	5.3%	5.2%	5.3%	5.4%	5.4%	5.5%	6.0%	Return on Total Cap'l	6.0%
12.9%	13.2%	12.9%	13.6%	13.8%	13.5%	13.7%	11.3%	11.9%	11.7%	12.0%	12.5%	Return on Shr. Equity	12.5%
13.0%	13.3%	13.0%	13.7%	13.8%	13.6%	13.7%	11.6%	12.1%	12.0%	12.5%	12.5%	Return on Com Equity ^E	12.5%
5.0%	5.2%	4.8%	5.2%	5.3%	4.9%	5.3%	3.8%	4.3%	4.2%	4.5%	5.0%	Retained to Com Eq	5.0%
62%	61%	63%	62%	62%	64%	62%	68%	65%	65%	63%	62%	All Div'ds to Net Prof	62%

ELECTRIC OPERATING STATISTICS

	2021	2022	2023
% Change Retail Sales (KWH)	+2.4	+3.0	-1.0
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (c)	8.46	8.78	8.90
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	7951	8061	8067
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	+1.0	+1.0	+1.0

BUSINESS: CMS Energy Corporation is a holding company for Consumers Energy, which supplies electricity and gas to lower Michigan (excluding Detroit). Has 1.9 million electric, 1.8 million gas customers. Has 2,016 megawatts of nonregulated generating capacity. Sold EnerBank in '21. Electric revenue breakdown: residential, 47%; commercial, 33%; industrial, 14%; other, 6%. Generating

sources: coal, 20%; gas, 33%; renewables, 6%; purchased, 43%. Fuel costs: 37% of revenues. '23 depreciation rates: 3.8% electric, 2.8% gas, 7.8% other. Has 8,350 full-time employees. Chairman: John G. Russell. President & CEO: Garrick Rochow. Inc.: Michigan. Address: One Energy Plaza, Jackson, Michigan 49201. Telephone: 517-788-0550. Internet: www.cmsenergy.com.

ANNUAL RATES

	Past 10 Yrs	Past 5 Yrs	Est'd '21-'23 to '27-'29
Revenues	1.0%	2.5%	2.5%
"Cash Flow"	5.5%	5.0%	5.5%
Earnings	6.0%	5.5%	5.0%
Dividends	7.0%	6.5%	4.0%
Book Value	6.5%	8.0%	4.0%

CMS Energy reported mixed results for the March period. The top line declined 5% year over year, to nearly \$2.2 billion. However, the bottom line jumped almost 40%, to \$0.96 per share, compared to the year-ago period. This improvement was due to lower operating expenses and benefits from rate relief. For 2024, management has guided for annual adjusted earnings per share in the range of \$3.29 to \$3.35. Additionally, the company anticipates achieving adjusted earnings growth of 6% to 8% over the long term.

ings and increase profitability. The company anticipates investing \$17 billion through 2028 to upgrade its infrastructure. Of this total, \$6.3 billion will likely be allocated to gas networks, \$7.3 billion to electric distribution, and \$3.4 billion to clean energy projects. This investment strategy is projected to grow the rate base by 7.5% over the specified period, enabling the company to maintain affordable prices for its customers. To note, utility companies typically have incentives to invest in such capital projects.

QUARTERLY REVENUES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	2013	1558	1725	2033	7329
2022	2374	1920	2024	2278	8596
2023	2284	1555	1673	1950	7462
2024	2176	1700	1875	2149	7900
2025	2200	1745	2000	2155	8100

CMS Energy's subsidiary, Consumers Energy, received an electric rate order. The Michigan Public Service Commission authorized an annual rate increase of \$92 million, with a 9.9% return on equity. The new rate took effect on March 15, 2024.

Meanwhile, the company is advancing smart technology deployment through its subsidiary to enhance electric reliability. Consumers Energy intends to invest \$24 million in smart technology initiatives aimed at fortifying its electric grid and mitigate power outages. This investment aligns with its ongoing Reliability Roadmap, designed to bolster the resilience of the electric infrastructure.

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2021	1.09	.55	.54	.40	2.58
2022	1.20	.50	.56	.58	2.84
2023	.69	.67	.60	1.05	3.01
2024	.96	.65	.70	.99	3.30
2025	.80	.90	.80	1.00	3.50

Near-term profit growth is probable. The company should benefit from rate relief and ongoing cost controls. Thus, we expect 2024 and 2025 share earnings to advance in the management-guided range of 6%- 8%.

This untimely stock has a dividend yield that is below average for a utility. Also, these shares do not stand out for 18-month capital gains potential.

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2020	.4075	.4075	.4075	.4075	1.63
2021	.435	.435	.435	.435	1.74
2022	.46	.46	.46	.46	1.84
2023	.4875	.4875	.4875	.4875	1.95
2024	.515	.515			

The utility is actively expanding its infrastructure to enhance cost sav-

Emma Jalees June 7, 2024

(A) Diluted GAAP EPS. Excl. nonrec. gains (losses): '09, (7c); '10, 3c; '11, 12c; '12, (14c); '17, (53c); gains (losses) on disc. ops.: '09, 8c; '10, (8c); '11, 1c; '12, 3c; '21, \$2.08; '22, 1c.

Next earnings report due late July. (B) Div'ds historically paid late Feb., May, Aug., & Nov. Div'd reinvestment plan avail. (C) Incl. intang. In '23: \$8.52/sh. (D) In mill. (E) Rate base: Net

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	60
Earnings Predictability	90