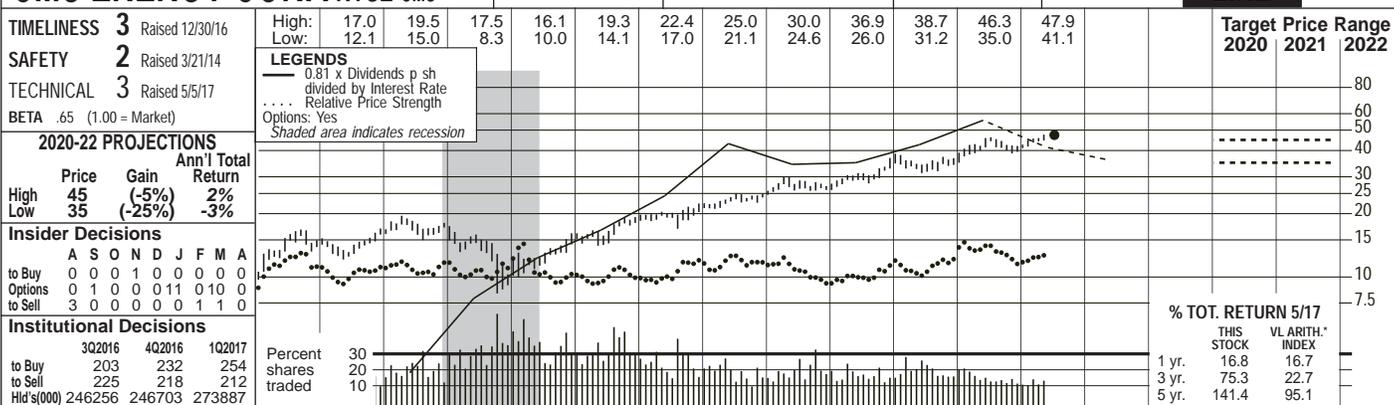


CMS ENERGY CORP. NYSE-CMS

RECENT PRICE **47.32** P/E RATIO **22.0** (Trailing: 22.4 Median: 16.0) RELATIVE P/E RATIO **1.12** DIV'D YLD **2.9%** VALUE LINE



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	20-22	
72.16	60.28	34.21	28.06	28.52	30.57	28.95	30.13	27.23	25.77	25.59	23.90	24.68	26.09	23.29	22.92	22.80	23.50	Revenues per sh	25.50
5.24	d.09	2.39	2.87	3.43	3.22	3.08	3.88	3.47	3.70	3.65	3.82	4.06	4.22	4.59	4.88	5.30	5.65	"Cash Flow" per sh	7.00
1.27	d2.99	d.29	.74	1.10	.64	.64	1.23	.93	1.33	1.45	1.53	1.66	1.74	1.89	1.98	2.15	2.30	Earnings per sh ^A	2.75
1.46	1.09	--	--	--	--	.20	.36	.50	.66	.84	.96	1.02	1.08	1.16	1.24	1.33	1.42	Div'd Decl'd per sh ^B	1.70
9.49	5.18	3.32	2.69	2.69	3.01	5.61	3.50	3.59	3.29	3.47	4.65	4.98	5.73	5.64	5.99	6.55	6.65	Cap'l Spending per sh	6.25
14.21	7.86	9.84	10.63	10.53	10.03	9.46	10.88	11.42	11.19	11.92	12.09	12.98	13.34	14.21	15.23	16.25	17.35	Book Value per sh ^C	21.00
132.99	144.10	161.13	195.00	220.50	222.78	225.15	226.41	227.89	249.60	254.10	264.10	266.10	275.20	277.16	279.21	281.00	283.00	Common Shs Outst'g ^D	289.00
20.8	--	--	12.4	12.6	22.2	26.8	10.9	13.6	12.5	13.6	15.1	16.3	17.3	18.3	20.9	21.11	21.11	Avg Ann'l P/E Ratio	14.5
1.07	--	--	.66	.67	1.20	1.42	.66	.91	.80	.85	.96	.92	.91	.92	1.11	1.11	1.11	Relative P/E Ratio	.90
5.5%	7.5%	--	--	--	--	1.2%	2.7%	4.0%	4.0%	4.3%	4.2%	3.8%	3.6%	3.4%	3.0%	3.0%	3.0%	Avg Ann'l Div'd Yield	4.2%

CAPITAL STRUCTURE as of 3/31/17		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	20-22
Total Debt \$10045 mill. Due in 5 Yrs \$4210 mill.		6519.0	6821.0	6205.0	6432.0	6503.0	6312.0	6566.0	7179.0	6456.0	6399.0	6400	6650	6650	6650	6650	6650	6650	6650	7400
LT Debt \$9233 mill. LT Interest \$406 mill.		168.0	300.0	231.0	356.0	384.0	413.0	454.0	479.0	525.0	553.0	610	660	660	660	660	660	660	660	810
Incl. \$104 mill. capitalized leases. (LT interest earned: 3.1x)		37.6%	31.6%	34.6%	38.1%	36.8%	39.4%	39.9%	34.3%	34.0%	33.1%	33.0%	34.0%	33.0%						
Leases, Uncapitalized Annual rentals \$20 mill. Pension Assets-12/16 \$2101 mill.		3.6%	1.3%	13.0%	2.2%	2.6%	2.9%	2.0%	2.3%	2.7%	3.1%	3.0%	2.0%							
Oblig \$2562 mill.		70.5%	69.4%	67.9%	70.1%	66.9%	67.9%	67.5%	68.7%	68.3%	67.1%	66.5%	65.5%	64.5%						
Pfd Stock \$37 mill. Pfd Div'd \$2 mill.		25.9%	27.4%	29.0%	29.5%	32.6%	31.6%	32.2%	31.0%	31.4%	32.6%	33.5%	34.0%	35.5%						
Incl. 373,148 shs. \$4.50 \$100 par, cum., callable at \$110.00.		8212.0	8993.0	8977.0	9473.0	9279.0	10101	10730	11846	12534	13040	13700	14450	17100						
Common Stock 280,453,409 shs. as of 4/11/17		8728.0	9190.0	9682.0	10069	10633	11551	12246	13412	14705	15715	16675	17600	19800						
MARKET CAP: \$13 billion (Large Cap)		4.5%	5.4%	4.7%	5.8%	6.3%	5.9%	6.0%	5.7%	5.7%	5.8%	6.0%								
ELECTRIC OPERATING STATISTICS		6.9%	10.9%	8.0%	12.5%	12.5%	12.8%	13.0%	12.9%	13.2%	12.9%	13.0%	13.5%							
% Change Retail Sales (KWH)		7.2%	11.7%	8.5%	12.5%	12.6%	12.9%	13.1%	13.0%	13.3%	13.0%	13.5%	5.5%							
Avg. Indust. Use (MWH)		5.1%	8.4%	4.1%	6.9%	5.6%	5.0%	5.2%	5.0%	5.2%	4.8%	5.0%	6.1%							
Avg. Indust. Revs. per KWH (c)		35%	31%	54%	46%	55%	61%	60%	62%	61%	63%	61%								
Capacity at Peak (Mw)		<p>BUSINESS: CMS Energy Corporation is a holding company for Consumers Energy, which supplies electricity and gas to lower Michigan (excluding Detroit). Has 1.8 million electric, 1.7 million gas customers. Has 1,034 megawatts of nonregulated generating capacity. Sold Palisades nuclear plant in '07. Electric revenue breakdown: residential, 45%; commercial, 31%; industrial, 18%; other, 6%. Generating sources: coal, 27%; gas, 16%; other, 3%; purchased, 54%. Fuel costs: 44% of revenues. '16 reported deprec. rates: 3.9% electric, 2.9% gas, 9.8% other. Has 7,400 employees. Chairman: John G. Russell. President & CEO: Patti Poppe. Incorporated: Michigan. Address: One Energy Plaza, Jackson, Michigan 49201. Tel.: 517-788-0550. Internet: www.cmsenergy.com.</p>																		

CMS Energy's utility subsidiary has filed an electric rate case. Consumers Energy is seeking an increase of \$173 million, based on a 10.5% return on equity. The utility will self-implement an interim rate hike at the start of October, with the final order from the Michigan Public Service Commission (MPSC) due by late March.

Cal-endar	QUARTERLY REVENUES (\$ mill.)	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	Year
2014	2523 1468 1430 1758	7179.9
2015	2111 1350 1486 1509	6456.0
2016	1801 1371 1587 1640	6399.0
2017	1829 1371 1550 1650	6400
2018	1900 1450 1600 1700	6650

Consumers Energy is awaiting a decision on its gas rate application. The utility is seeking \$80 million, based on a 10.6% ROE. It self-implemented an increase of \$20 million in late January. The MPSC's staff recommended a hike of just \$6 million, based on a 9.5% ROE, and an administrative law judge proposed a boost of \$38 million, based on a 10.0% ROE. The MPSC's decision is due by the end of July.

Cal-endar	EARNINGS PER SHARE ^A	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	Year
2014	.75 .30 .34 .35	1.74
2015	.73 .25 .53 .38	1.89
2016	.59 .45 .67 .28	1.98
2017	.71 .40 .60 .44	2.15
2018	.80 .40 .65 .45	2.30

These rate cases are the last ones under Michigan's previous regulatory law. Future applications will be decided within 10 months, with no self-implementation after six months.

Cal-endar	QUARTERLY DIVIDENDS PAID ^B	Full Year
	Mar.31 Jun.30 Sep.30 Dec.31	Year
2013	.255 .255 .255 .255	1.02
2014	.27 .27 .27 .27	1.08
2015	.29 .29 .29 .29	1.16
2016	.31 .31 .31 .31	1.24
2017	.3325 .3325	

Another matter is pending before the state commission. Consumers Energy is asking the MPSC to approve a \$172 million buyout of an above-market contract with Entergy, the owner of the Palisades nuclear plant in the state. The pact would terminate in 2018 instead of 2022. The utility would finance the payment by issuing securitized bonds. It expects a ruling from the MPSC by the end of August.

CMS Energy has produced steady earnings growth for the past several years, and we think this will continue in 2017 and 2018. Rate relief and modest demand growth should be factors in each year. Reductions in operating and maintenance expenses should offset the effects of regulatory lag. CMS Energy is also refinancing debt. Our 2017 estimate is within management's targeted range of \$2.14-\$2.18 a share. Our 2018 profit forecast of \$2.30 a share would produce a 7% bottom-line increase, which is the midpoint of CMS Energy's annual 6%-8% goal. We think this equity is expensively priced. The share price has risen 14% so far this year, without an apparent catalyst for such a move. The dividend yield is low for a utility. Finally, the recent quotation is above our 2020-2022 Target Price Range.

(A) Diluted EPS. Excl. nonrec. gains (losses): '05, (\$1.61); '06, (\$1.08); '07, (\$1.26); '09, (7c); '10, 3c; '11, 12c; '12, (14c); gains (losses) on disc. ops.: '05, 7c; '06, 3c; '07, (40c); '09, 8c; '10, (8c); '11, 1c; '12, 3c. '16 EPS don't sum due to rounding. 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 '16: \$7.49/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate allowed on com. eq. in '17: 10.1%; earned on avg. com. eq., '16: 13.5%. Regulatory Climate: Average.	Company's Financial Strength B++ Stock's Price Stability 100 Price Growth Persistence 90 Earnings Predictability 80
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