

Consumers Energy
2009 Forecasted Cash Flow GAAP Reconciliation (in millions) (unaudited)

Presentation Sources and Uses		Reclassifications From Sources and Uses to Statement of Cash Flows							Consolidated Statements of Cash Flows	
Description	non-GAAP Amount	Tax Sharing Operating	Interest Payments as Operating	Accts/Rec Financing as Operating	Capital Lease Pymts as Financing	Securitization Debt Pymts as Financing	Preferred Dividends as Financing	Common Dividends as Financing	GAAP Amount	Description
Cash at year end 2008	\$ 69	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69	Cash at year end 2008
Sources										
Operating	\$ 1,350	\$ (75)	\$ (228)	\$ -	\$ 26	\$ 34	\$ -	\$ -	\$ 1,107	
Other working capital	(100)	-	-	80	-	-	-	-	(20)	
Sources	\$ 1,250	\$ (75)	\$ (228)	\$ 80	\$ 26	\$ 34	\$ -	\$ -	\$ 1,087	Net cash provided by operating activities
Uses										
Interest and preferred dividends	\$ (230)	\$ -	\$ 228	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ -	
Pension Contribution	(290)	-	-	-	-	-	-	-	(290)	
Capital expenditures	(850)	-	-	-	-	-	-	-	(850)	
Dividends/tax sharing to CMS	(380)	75	-	-	-	-	-	305	-	
Uses	\$ (1,750)	\$ 75	\$ 228	\$ -	\$ -	\$ -	\$ 2	\$ 305	\$ (1,140)	Net cash provided by investing activities
Cash flow	\$ (500)	\$ -	\$ -	\$ 80	\$ 26	\$ 34	\$ 2	\$ 305	\$ (53)	Cash flow from operating and investing activities
Financing										
Equity	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2)	\$ -	\$ 98	
New Issues	500	-	-	-	-	-	-	-	500	
Retirements	(350)	-	-	-	(26)	(34)	-	(305)	(715)	
Net short-term financing	221	-	-	(80)	-	-	-	-	141	
Financing	\$ 471	\$ -	\$ -	\$ (80)	\$ (26)	\$ (34)	\$ (2)	\$ (305)	\$ 24	Net cash provided by financing activities
Net change in cash	\$ (29)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (29)	Net change in cash
Cash at year end 2009	\$ 40	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40	Cash at year end 2009

CMS Energy Parent
2009 Forecasted Cash Flow GAAP Reconciliation (in millions) (unaudited)

<u>Presentation Sources and Uses</u>		<u>Reclassifications From Sources and Uses to Statement of Cash Flows</u>					<u>Consolidated Statements of Cash Flows</u>	
<u>Description</u>	<u>non-GAAP Amount</u>	<u>Interest Payments as Operating</u>	<u>Overheads & Tax Payments as Operating</u>	<u>Other Uses (a) as Operating</u>	<u>Preferred Dividends as Financing</u>	<u>Cash From Consolidated Companies</u>	<u>GAAP Amount</u>	<u>Description</u>
Cash at year end 2008	\$ 117	\$ -	\$ -	\$ -	\$ -	\$ 27	\$ 144	Cash at year end 2008
Sources								
Consumers Energy dividends/tax sharing	\$ 380	\$ (119)	\$ (50)	\$ -	\$ -	\$ -	\$ 211	Net cash provided by operating activities
Enterprises	40	-	-	(40)	-	-	-	
Sources	<u>\$ 420</u>	<u>\$ (119)</u>	<u>\$ (50)</u>	<u>\$ (40)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 211</u>	
Uses								
Interest and preferred dividends	\$ (130)	\$ 119	\$ -	\$ -	\$ 11	\$ -	\$ -	Net cash provided by investing activities
Overhead and Federal tax payments	(50)	-	50	-	-	-	-	
Pension Contributions	(10)	-	-	10	-	-	-	
Equity infusions	(100)	-	-	30	-	(50)	(120)	
Uses (a)	<u>\$ (320)</u>	<u>\$ 119</u>	<u>\$ 50</u>	<u>\$ 40</u>	<u>\$ 11</u>	<u>\$ (50)</u>	<u>\$ (150)</u>	
Cash flow	<u>\$ 100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 11</u>	<u>\$ (50)</u>	<u>\$ 61</u>	Cash flow from operating and investing activities
Financing and dividends								
New Issues	\$ 300	\$ -	\$ -	\$ -	\$ (11)	\$ 50	\$ 339	Net cash provided by financing activities
Retirements	(310)	-	-	-	-	-	(310)	
Net short-term financing	(45)	-	-	-	-	-	(45)	
Common dividend	(112)	-	-	-	-	-	(112)	
Financing	<u>\$ (167)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (11)</u>	<u>\$ 50</u>	<u>\$ (128)</u>	
Net change in cash	<u>\$ (67)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (67)</u>	Net change in cash
Cash at year end 2009	<u>\$ 50</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 27</u>	<u>\$ 77</u>	Cash at year end 2009

(a) Includes other and roundings

Consolidated CMS Energy

2009 Forecasted Consolidation of Consumers Energy and CMS Energy Parent Statements of Cash Flow (in millions) (unaudited)

<u>Statements of Cash Flows</u>	<u>Eliminations/Reclassifications to Arrive at the Consolidated Statement of Cash Flows</u>				<u>Consolidated Statements of Cash Flows</u>	
	<u>Consumers</u>	<u>CMS Parent</u>	<u>Consumers</u>	<u>Equity</u>	<u>Amount</u>	<u>Description</u>
<u>Description</u>	<u>Amount</u>	<u>Amount</u>	<u>Common Dividend</u>	<u>Infusions to</u>		
			<u>as Financing</u>	<u>Consumers</u>		
Cash at year end 2008	\$ 195	\$ 153	\$ -	\$ -	\$ 348	Cash at year end 2008
Net cash provided by operating activities	\$ 1,087	\$ 211	\$ (305)	\$ -	\$ 993	Net cash provided by operating activities
Net cash provided by investing activities	(1,140)	(150)	-	100	(1,190)	Net cash provided by investing activities
Cash flow from operating and investing activities	\$ (53)	\$ 61	\$ (305)	\$ 100	\$ (197)	Cash flow from operating and investing activities
Net cash provided by financing activities	\$ 24	\$ (128)	\$ 305	\$ (100)	\$ 101	Net cash provided by financing activities
Net change in cash	\$ (29)	\$ (67)	\$ -	\$ -	\$ (96)	Net change in cash
Cash at year end 2009	\$ 166	\$ 86	\$ -	\$ -	\$ 252	Cash at year end 2009

CMS Energy
Reconciliation of 2009 Forecasted Free Cash Flow to GAAP Free Cash Flow
(unaudited)

Statement of cash flows	<u>Amount</u> (mils)	
Operating activities	\$ 993	
Investing activities	(1,190)	
Cash flow from operating and investing activities	<u>\$ (197)</u>	SCF changes
Adjustments to reconcile free cash flow		
Reclassify financing activities as operating		
Capital lease payments	\$ (26)	
Securitization debt retirements	(34)	
Preferred dividend payments	(13)	
Reclassify operating activities as financing		
Accounts receivable financing	(80)	
Reclassify Consolidating Cash	50	
Total free cash flow before dividends	<u>\$ (300)</u>	Free cash flow changes
Addback capex		
Consumers Energy	850	
Enterprises	-	
Rounding	-	
Free cash flow before dividends and capex	<u>\$ 550</u>	