

DTE Energy reports strong second quarter 2019 results, raises guidance

- *Earned AGA Safety Achievement Award*
- *Recognized as top corporate citizen in Michigan*
- *Continued support of Michigan businesses*

DETROIT, July 24, 2019 – DTE Energy (NYSE:DTE) today reported second quarter 2019 earnings of \$182 million, or \$0.99 per diluted share, compared with \$234 million, or \$1.29 per diluted share in 2018.

Operating earnings for the second quarter 2019 were \$183 million, or \$0.99 per diluted share, compared with 2018 operating earnings of \$247 million, or \$1.36 per diluted share. Operating earnings exclude non-recurring items, certain mark-to-market adjustments and discontinued operations. Reconciliations of reported earnings to operating earnings are included at the end of this news release.

“The company’s second quarter performance builds on the success of the first quarter, resulting in a strong first half of 2019. We are ahead of plan and are entering the second half of the year in good shape,” said Jerry Norcia, DTE Energy president and CEO. Norcia also noted the following recent company accomplishments:

- **Earned AGA Safety Achievement Award:** Received third American Gas Association Safety Achievement Award for excellence in employee safety. The award, based on safety results in 2018, recognizes companies that have the lowest number of employee injuries and illnesses.
- **Ranked as one of the country's top corporate citizens by Points of Light:** Only Michigan company named to the [Civic 50](#) – the top 50 companies nationwide in corporate citizenship – by Points of Light, the world's largest organization dedicated to volunteer service. DTE was also recognized as the leading energy company nationally.
- **Continued support of Michigan businesses:** Spent over \$1 billion with Michigan-based companies in the first half of this year, executing its commitment to the Pure Michigan Business Connect local supplier initiative. This includes \$480 million spent in the city of Detroit.
- **Earned EEI Emergency Assistance Award:** Edison Electric Institute presented DTE Energy with the Emergency Assistance Award for its outstanding power restoration efforts for a neighboring utility after an ice storm hit the west side of Michigan in February.
- **Ranked as a best employer nationally:** Ranked on Indeed’s list of Top Employers in 2019 and was named one of Forbes’ Best Employers in Michigan.
- **Launched Charging Forward program:** Launched plans to bring electric vehicles to more Michigan residents and businesses through its new Charging Forward program which includes incentives, customer education and charging infrastructure growth.

Outlook for 2019

DTE Energy increases 2019 operating EPS guidance from \$5.97 - \$6.33 to \$6.02 - \$6.38.

“The solid financial results we have achieved during the first half of the year give us confidence in increasing our 2019 earnings guidance. While last year’s second quarter operating earnings were boosted by record setting temperatures, we are on track to realize our financial and operational goals for this year,” said Peter Oleksiak, DTE Energy senior vice president and CFO.

This earnings announcement and presentation slides are available at dteenergy.com/investors.

The company will conduct a conference call to discuss earnings results at 9 a.m. ET. Investors, the news media and the public may listen to a live internet broadcast of the call at dteenergy.com/investors. The telephone dial-in numbers in the U.S. and Canada are toll free: (800) 458-4121 or international: (323) 794-2093. The passcode is 5739101. The webcast will be archived on the DTE website at dteenergy.com/investors. An audio replay of the call will be available from noon today to noon Wednesday, August 7, 2019. To access the replay, dial U.S. and Canada toll free (888) 203-1112 or international toll (719) 457-0820 and enter the passcode 5739101.

About DTE Energy

DTE Energy (NYSE: DTE) is a Detroit-based diversified energy company involved in the development and management of energy-related businesses and services nationwide. Its operating units include an electric company serving 2.2 million customers in Southeastern Michigan and a natural gas company serving 1.3 million customers in Michigan. The DTE portfolio includes energy businesses focused on natural gas pipelines, gathering and storage, power and industrial projects, renewable natural gas, and energy marketing and trading. As an environmental leader, DTE will reduce carbon dioxide and methane emissions by more than 80 percent by 2040 to produce [cleaner energy](#) while keeping it safe, reliable and affordable. DTE is committed to being a [force for good](#) in the communities where it serves through volunteerism, education and employment initiatives, [philanthropy](#) and economic progress. Information about DTE is available at dteenergy.com, empoweringmichigan.com, twitter.com/DTE_Energy and facebook.com.

Use of Operating Earnings Information - DTE Energy management believes that operating earnings provide a more meaningful representation of the company’s earnings from ongoing operations and uses operating earnings as the primary performance measurement for external communications with analysts and investors. Internally, DTE Energy uses operating earnings to measure performance against budget and to report to the Board of Directors.

In this release, DTE Energy discusses 2019 operating earnings guidance. It is likely that certain items that impact the company’s 2019 reported results will be excluded from operating results. Reconciliations to the comparable 2019 reported earnings guidance are not provided because it is not possible to provide a reliable forecast of specific line items (i.e. future non-recurring items, certain mark-to-market adjustments and discontinued operations). These items may fluctuate significantly from period to period and may have a significant impact on reported earnings.

The information contained herein is as of the date of this release. DTE Energy expressly disclaims any current intention to update any forward-looking statements contained in this release as a result of new information or future events or developments. Words such as “anticipate,” “believe,” “expect,” “may,” “could,” “projected,” “aspiration,” “plans” and “goals” signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various assumptions, risks and uncertainties. This release contains forward-looking statements about DTE Energy’s financial results and estimates of future prospects, and actual results may differ materially.

Many factors impact forward-looking statements including, but not limited to, the following: impact of regulation by the EPA, the FERC, the MPSC, the NRC, and for DTE Energy, the CFTC, as well as other applicable governmental proceedings and regulations, including any associated impact on rate structures; the amount and timing of cost recovery allowed as a result of regulatory proceedings, related appeals, or new legislation, including legislative amendments and retail access programs; economic conditions and population changes in the our geographic area resulting in changes in demand, customer conservation, and thefts of electricity and, for DTE Energy, natural gas; the operational failure of electric or gas distribution systems or

infrastructure; impact of volatility of prices in the oil and gas markets on DTE Energy's gas storage and pipelines operations; impact of volatility in prices in the international steel markets on DTE Energy's power and industrial projects operations; the risk of a major safety incident; environmental issues, laws, regulations, and the increasing costs of remediation and compliance, including actual and potential new federal and state requirements; the cost of protecting assets against, or damage due to, cyber incidents and terrorism; health, safety, financial, environmental, and regulatory risks associated with ownership and operation of nuclear facilities; volatility in the short-term natural gas storage markets impacting third-party storage revenues related to DTE Energy; volatility in commodity markets, deviations in weather, and related risks impacting the results of DTE Energy's energy trading operations; changes in the cost and availability of coal and other raw materials, purchased power, and natural gas; advances in technology that produce power, store power or reduce power consumption; changes in the financial condition of significant customers and strategic partners; the potential for losses on investments, including nuclear decommissioning and benefit plan assets and the related increases in future expense and contributions; access to capital markets and the results of other financing efforts which can be affected by credit agency ratings; instability in capital markets which could impact availability of short and long-term financing; the timing and extent of changes in interest rates; the level of borrowings; the potential for increased costs or delays in completion of significant capital projects; changes in, and application of, federal, state, and local tax laws and their interpretations, including the Internal Revenue Code, regulations, rulings, court proceedings, and audits; the effects of weather and other natural phenomena on operations and sales to customers, and purchases from suppliers; unplanned outages; employee relations and the impact of collective bargaining agreements; the availability, cost, coverage, and terms of insurance and stability of insurance providers; cost reduction efforts and the maximization of plant and distribution system performance; the effects of competition; changes in and application of accounting standards and financial reporting regulations; changes in federal or state laws and their interpretation with respect to regulation, energy policy, and other business issues; contract disputes, binding arbitration, litigation, and related appeals; and the risks discussed in the Registrants' public filings with the Securities and Exchange Commission.

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DTE Energy Company

Segment Net Income (Unaudited)

	Three Months Ended June 30,							
	2019				2018			
	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings
	(In millions)							
DTE Electric	\$ 133	\$ (11) A 13 B	\$ 3 (4)	\$ 134	\$ 163	\$ —	\$ —	\$ 163
DTE Gas	8	(6) A	2	4	14	—	—	14
Non-utility operations								
Gas Storage and Pipelines	50	—	—	50	60	—	—	60
Power and Industrial Projects	29	—	—	29	43	—	—	43
Energy Trading	(6)	5 C	(1)	(2)	(5)	17 C	(4)	8
Total Non-utility operations	73	5	(1)	77	98	17	(4)	111
Corporate and Other	(32)	—	—	(32)	(41)	—	—	(41)
Net Income Attributable to DTE Energy Company	<u>\$ 182</u>	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ 183</u>	<u>\$ 234</u>	<u>\$ 17</u>	<u>\$ (4)</u>	<u>\$ 247</u>

* Excluding tax related adjustments, the amount of income taxes was calculated using a combined federal and state income tax rate of 26% for the three months ended June 30, 2019 and 27% for the three months ended June 30, 2018.

Adjustments key

- A) MPSC approval of the deferral for the new customer billing system post-implementation expenses — recorded in Operating Expenses — Operation and maintenance
- B) MPSC disallowance of power plant capital expenses — recorded in Operating Expenses — Asset (gains) losses and impairments, net
- C) Certain adjustments resulting from derivatives being marked-to-market without revaluing the underlying non-derivative contracts and assets — recorded in Operating Expenses — Fuel, purchased power, and gas — non-utility

DTE Energy Company

Segment Diluted Earnings Per Share (Unaudited)

	Three Months Ended June 30,							
	2019				2018			
	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings
	(In millions)							
DTE Electric	\$ 0.72	\$ (0.06) A	\$ 0.02	\$ 0.73	\$ 0.90	\$ —	\$ —	\$ 0.90
		0.07 B	(0.02)			—	—	
DTE Gas	0.04	(0.03) A	0.01	0.02	0.08	—	—	0.08
Non-utility operations								
Gas Storage and Pipelines	0.27	—	—	0.27	0.33	—	—	0.33
Power and Industrial Projects	0.16	—	—	0.16	0.24	—	—	0.24
Energy Trading	(0.04)	0.02 C	(0.01)	(0.03)	(0.03)	0.09 C	(0.02)	0.04
Total Non-utility operations	0.39	0.02	(0.01)	0.40	0.54	0.09	(0.02)	0.61
Corporate and Other	(0.16)	—	—	(0.16)	(0.23)	—	—	(0.23)
Net Income Attributable to DTE Energy Company	<u>\$ 0.99</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 0.99</u>	<u>\$ 1.29</u>	<u>\$ 0.09</u>	<u>\$ (0.02)</u>	<u>\$ 1.36</u>

* Excluding tax related adjustments, the amount of income taxes was calculated using a combined federal and state income tax rate of 26% for the three months ended June 30, 2019 and 27% for the three months ended June 30, 2018.

(1) Per share amounts for the adjustments are based on the after-tax effect for each item, divided by the diluted weighted average common shares outstanding, as noted on the Consolidated Statements of Operations (Unaudited)

Adjustments key — see previous page

DTE Energy Company

Segment Net Income (Unaudited)

	Six Months Ended June 30,							
	2019				2018			
	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings
	(In millions)							
DTE Electric	\$ 280	\$ (11) A	\$ 3	\$ 281	\$ 303	\$ —	\$ 8 D	\$ 305
		13 B	(4)			2 E	(1)	
		—	—			(9) F	2	
DTE Gas	159	(6) A	2	155	118	—	8 D	125
		—	—			1 E	—	
		—	—			(3) F	1	
Non-utility operations								
Gas Storage and Pipelines	98	—	—	98	122	—	—	122
Power and Industrial Projects	55	—	—	55	88	(4) F	1	85
		—	—			—	—	
Energy Trading	26	(31) C	8	3	26	(23) C	6	9
						—	—	
Total Non-utility operations	179	(31)	8	156	236	(27)	7	216
Corporate and Other	(35)	—	—	(35)	(62)	—	5 D	(57)
Net Income Attributable to DTE Energy Company	<u>\$ 583</u>	<u>\$ (35)</u>	<u>\$ 9</u>	<u>\$ 557</u>	<u>\$ 595</u>	<u>\$ (36)</u>	<u>\$ 30</u>	<u>\$ 589</u>

* Excluding tax related adjustments, the amount of income taxes was calculated using a combined federal and state income tax rate of 26% for the six months ended June 30, 2019 and 27% for the six months ended June 30, 2018.

Adjustments key

- A) MPSC approval of the deferral for the new customer billing system post-implementation expenses — recorded in Operating Expenses — Operation and maintenance
- B) MPSC disallowance of power plant capital expenses — recorded in Operating Expenses — Asset (gains) losses and impairments, net
- C) Certain adjustments resulting from derivatives being marked-to-market without revaluing the underlying non-derivative contracts and assets — recorded in Operating Expenses — Fuel, purchased power, and gas — non-utility
- D) True-up of remeasurement of deferred taxes as a result of the enactment of the Tax Cuts and Jobs Act of 2017 — recorded in Income Tax Expense
- E) Implementation costs related to a new customer billing system, net of authorized regulatory deferral — recorded in Operating Expenses — Operation and maintenance
- F) One-time benefits expense reimbursement — recorded in Operating Expenses — Operation and maintenance

DTE Energy Company

Segment Diluted Earnings Per Share (Unaudited)

	Six Months Ended June 30,							
	2019				2018			
	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings	Reported Earnings	Pre-tax Adjustments	Income Taxes*	Operating Earnings
	(In millions)							
DTE Electric	\$ 1.53	\$ (0.06) A	\$ 0.02	\$ 1.54	\$ 1.68	\$ —	\$ 0.04 D	\$ 1.69
		0.07 B	(0.02)			0.02 E	(0.01)	
		—	—			(0.05) F	0.01	
DTE Gas	0.87	(0.03) A	0.01	0.85	0.65	—	0.04 D	0.69
		—	—			0.01 E	—	
		—	—			(0.02) F	0.01	
Non-utility operations								
Gas Storage and Pipelines	0.53	—	—	0.53	0.68	—	—	0.68
Power and Industrial Projects	0.30	—	—	0.30	0.49	(0.02) F	—	0.47
		—	—			—	—	
Energy Trading	0.14	(0.17) C	0.04	0.01	0.14	(0.13) C	0.04	0.05
						—	—	
Total Non-utility operations	0.97	(0.17)	0.04	0.84	1.31	(0.15)	0.04	1.20
Corporate and Other	(0.19)	—	—	(0.19)	(0.35)	—	0.03 D	(0.32)
Net Income Attributable to DTE Energy Company	<u>\$ 3.18</u>	<u>\$ (0.19)</u>	<u>\$ 0.05</u>	<u>\$ 3.04</u>	<u>\$ 3.29</u>	<u>\$ (0.19)</u>	<u>\$ 0.16</u>	<u>\$ 3.26</u>

* Excluding tax related adjustments, the amount of income taxes was calculated using a combined federal and state income tax rate of 26% for the six months ended June 30, 2019 and 27% for the six months ended June 30, 2018.

(1) Per share amounts for the adjustments are based on the after-tax effect for each item, divided by the diluted weighted average common shares outstanding, as noted on the Consolidated Statements of Operations (Unaudited)

Adjustments key — see previous page