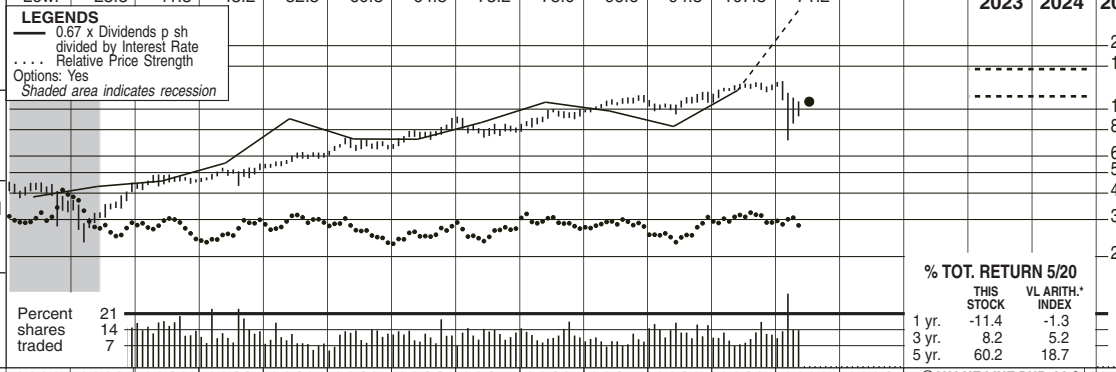
DTE ENERGY CO. NYSE-DTE

RECENT PRICE	P/E RATIO		RELATIVE P/E RATIO	DIV'D YLD	
108.42	16.7	(Trailing: 18.4 Median: 17.0)	0.85	3.9%	VALUE LINE

TIMELINESS 3 Lowered 6/14/19
SAFETY 2 Raised 12/21/12
TECHNICAL 4 Lowered 6/12/20
BETA .90 (1.00 = Market)

High:	45.0	49.1	55.3	62.6	73.3	90.8	92.3	100.4	116.7	121.0	134.4	135.7
Low:	23.3	41.3	43.2	52.5	60.3	64.8	73.2	78.0	96.6	94.3	107.3	71.2

LEGENDS
— 0.67 x Dividends p sh divided by Interest Rate
.... Relative Price Strength
Options: Yes
Shaded area indicates recession



18-Month Target Price Range

Low-High	Midpoint (% to Mid)
$78-$175	$127 (15%)

2023-25 PROJECTIONS

	Price	Gain	Ann'l Total Return
High	155	(+45%)	13%
Low	115	(+5%)	6%

Institutional Decisions

	3Q2019	4Q2019	1Q2020
to Buy	303	355	279
to Sell	264	245	345
Hld's(000)	133730	140654	140354

% TOT. RETURN 5/20

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-11.4	-1.3
3 yr.	8.2	5.2
5 yr.	60.2	18.7

2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	© VALUE LINE PUB. LLC	23-25
40.84	50.74	50.93	54.28	57.23	48.45	50.51	52.57	51.01	54.56	69.50	57.60	59.24	70.28	78.12	65.91	*62.20*	*64.60*	Revenues per sh	*70.25*
6.81	8.14	8.19	8.48	8.26	9.38	9.78	9.57	9.77	10.13	11.85	9.44	10.60	11.77	12.58	12.97	*14.35*	*15.15*	"Cash Flow" per sh	*17.50*
2.55	3.27	2.45	2.66	2.73	3.24	3.74	3.67	3.88	3.76	5.10	4.44	4.83	5.73	6.17	6.31	*6.50*	*6.90*	Earnings per sh A	*8.25*
2.06	2.06	2.08	2.12	2.12	2.12	2.18	2.32	2.42	2.59	2.69	2.84	3.06	3.36	3.59	3.85	*4.12*	*4.42*	Div'd Decl'd per sh B ■	*5.20*
5.19	5.99	7.92	7.96	8.42	6.26	6.49	8.77	10.56	10.59	11.58	11.26	11.40	12.54	14.91	15.59	*20.75*	*18.45*	Cap'l Spending per sh	*12.75*
31.85	32.44	33.02	35.86	36.77	37.96	39.67	41.41	42.78	44.73	47.05	48.88	50.22	53.03	56.27	60.73	*63.35*	*66.50*	Book Value per sh C	*77.75*
174.21	177.81	177.14	163.23	163.02	165.40	169.43	169.25	172.35	177.09	176.99	179.47	179.43	179.39	181.93	192.21	*193.00*	*195.00*	Common Shs Outst'g D	*205.00*
16.0	13.8	17.4	18.3	14.8	10.4	12.3	13.5	14.9	17.9	14.9	18.1	19.0	18.6	17.4	19.9	*Bold figures are*		Avg Ann'l P/E Ratio	*16.5*
.85	.73	.94	.97	.89	.69	.78	.85	.95	1.01	.78	.91	1.00	.94	.94	1.06	*Value Line*		Relative P/E Ratio	*.90*
5.0%	4.6%	4.9%	4.4%	5.2%	6.3%	4.8%	4.7%	4.2%	3.8%	3.5%	3.5%	3.3%	3.2%	3.3%	3.1%	*estimates*		Avg Ann'l Div'd Yield	*3.8%*

CAPITAL STRUCTURE as of 3/31/20
Total Debt $18544 mill. **Due in 5 Yrs** $7604 mill.
LT Debt $17026 mill. **LT Interest** $681 mill.

(LT interest earned: 3.0x)

Leases, Uncapitalized Annual rentals $38 mill.

Pension Assets-12/19 $4993 mill.
Oblig $5810 mill.

Pfd Stock None
Common Stock 192,611,882 shs.

MARKET CAP: $21 billion (Large Cap)

2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		23-25
8557.0	8897.0	8791.0	9661.0	12301	10337	10630	12607	14212	12669	*12000*	*12600*	Revenues ($mill)	*14400*
630.0	624.0	666.0	661.0	905.0	796.0	868.0	1029.0	1120.0	1169.0	*1250*	*1340*	Net Profit ($mill)	*1685*
32.7%	35.9%	29.8%	27.5%	28.5%	25.6%	24.5%	21.8%	8.1%	11.5%	*12.0%*	*12.0%*	Income Tax Rate	*12.0%*
1.6%	1.6%	3.0%	3.5%	4.1%	4.3%	3.6%	3.5%	3.8%	3.3%	*3.0%*	*3.0%*	AFUDC % to Net Profit	*2.0%*
51.3%	50.6%	48.8%	47.7%	50.0%	50.2%	55.6%	56.2%	54.2%	57.7%	*60.0%*	*59.5%*	Long-Term Debt Ratio	*58.5%*
48.7%	49.4%	51.2%	52.3%	50.0%	49.8%	44.4%	43.8%	45.8%	42.3%	*40.0%*	*40.5%*	Common Equity Ratio	*41.5%*
13811	14196	14387	15135	16670	17607	20280	21697	22371	27607	*30400*	*32125*	Total Capital ($mill)	*38400*
12992	13746	14684	15800	16820	18034	19730	20721	21650	25317	*27800*	*29800*	Net Plant ($mill)	*32600*
6.3%	5.9%	6.1%	5.7%	6.6%	5.7%	5.3%	5.9%	6.1%	5.3%	*5.0%*	*5.5%*	Return on Total Cap'l	*5.5%*
9.4%	8.9%	9.0%	8.3%	10.9%	9.1%	9.6%	10.8%	10.9%	10.0%	*10.0%*	*10.5%*	Return on Shr. Equity	*10.5%*
9.4%	8.9%	9.0%	8.3%	10.9%	9.1%	9.6%	10.8%	10.9%	10.0%	*10.0%*	*10.5%*	Return on Com Equity E	*10.5%*
4.0%	3.4%	3.5%	2.7%	5.2%	3.4%	3.7%	4.6%	4.9%	4.1%	*3.5%*	*3.5%*	Retained to Com Eq	*4.0%*
57%	62%	61%	67%	52%	63%	61%	58%	55%	59%	*63%*	*64%*	All Div'ds to Net Prof	*63%*

ELECTRIC OPERATING STATISTICS

	2017	2018	2019
% Change Retail Sales (KWH)	-3.1	+3.5	-3.9
Avg. Indust. Use (MWH)	NA	NA	NA
Avg. Indust. Revs. per KWH (¢)	NMF	NMF	NMF
Capacity at Peak (Mw)	NA	NA	NA
Peak Load, Summer (Mw)	NA	NA	NA
Annual Load Factor (%)	NA	NA	NA
% Change Customers (yr-end)	NA	NA	NA
Fixed Charge Cov. (%)	300	278	260

ANNUAL RATES of change (per sh)	Past 10 Yrs.	Past 5 Yrs.	Est'd '17-'19 to '23-'25
Revenues	3.0%	4.0%	*-.5%*
"Cash Flow"	3.5%	3.5%	*6.0%*
Earnings	8.0%	7.5%	*5.0%*
Dividends	5.5%	7.0%	*6.5%*
Book Value	4.5%	5.0%	*5.5%*

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	3236	2855	3245	3271	12607
2018	3753	3159	3550	3750	14212
2019	3514	2888	3119	3148	12669
2020	3022	*2778*	*2950*	*3250*	*12000*
2021	*3300*	*2900*	*3050*	*3350*	*12600*

Cal-endar	EARNINGS PER SHARE A Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2017	2.23	.99	1.51	1.00	5.73
2018	2.00	1.29	1.84	1.05	6.17
2019	2.19	.99	1.73	1.40	6.31
2020	1.76	*1.24*	*2.00*	*1.50*	*6.50*
2021	*2.00*	*1.30*	*2.10*	*1.50*	*6.90*

Cal-endar	QUARTERLY DIVIDENDS PAID B ■ Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2016	.73	.73	.73	.77	2.96
2017	.825	.825	.825	.825	3.30
2018	.8825	.8825	.8825	.8825	3.53
2019	.945	.945	.945	.945	3.78
2020	1.0125	1.0125			

BUSINESS: DTE Energy Company is a holding company for DTE Electric (formerly Detroit Edison), which supplies electricity in Detroit and a 7,600-square-mile area in southeastern Michigan, and DTE Gas (formerly Michigan Consolidated Gas). Customers: 2.2 mill. electric, 1.3 mill. gas. Has various nonutility operations. Electric revenue breakdown: residential, 46%; commercial, 34%; industrial, 13%; other, 7%. Generating sources: coal, 67%; nuclear, 17%; gas, 1%; purchased, 15%. Fuel costs: 54% of revenues. '19 reported deprec. rates: 4.0% electric, 2.7% gas. Has 10,700 employees. Chairman: Gerard M. Anderson. President & CEO: Jerry Norcia. Inc.: MI. Address: One Energy Plaza, Detroit, MI 48226-1279. Tel.: 313-235-4000. Internet: www.dteenergy.com.

DTE Energy's electric utility subsidiary received a rate increase. DTE Electric was granted a hike of $188 million, based on a return on equity of 9.9% and a common-equity ratio of 50%. The utility had filed for an increase of $351 million, but we consider the order constructive. New tariffs took effect on May 15th. DTE Electric plans to put forth another application this summer, with a decision due 10 months after the filing date. The utility is determining whether delaying the next application is feasible, considering the state of the economy.

DTE Gas has a rate case pending. The utility is seeking an increase of $196 million, based on a 10.5% ROE and a 52% common-equity ratio. The staff of the Michigan commission recommended a boost of $92 million, based on a 9.6% ROE and a 50% equity ratio. New rates are expected to take effect in October. Once DTE Gas receives a decision, its next rate case will probably be at least two years away.

We have not adjusted our earnings estimates for 2020 and 2021, despite the economic downturn. DTE Electric estimates that the decline in commercial and industrial kilowatt-hour sales (only partially offset by increased residential volume as people work from home) will hurt the bottom line by $30 million-$50 million. Management believes it can cut operating expenses to compensate for this. It helps that certain parts of the utility's service area, such as the automakers' plants, began reopening in May. In addition, the company's nonutility operations were actually ahead of plan in the March quarter. DTE Energy is sticking with its 2020 share-net guidance of $6.47-$6.75.

The Gas Storage and Pipeline division is performing well. Wall Street expressed concern that low natural gas prices would hurt this business, but the company benefits from long-term contracts. An acquisition that DTE Energy completed in December is expected to contribute $0.15 to share profits this year.

This stock's dividend yield is slightly above average for a utility. The price is down 16% this year, in line with other utilities. Total return potential is average for the 18-month period, but unspectacular for the pull to 2023-2025.

Paul E. Debbas, CFA *June 12, 2020*

(A) Diluted EPS. Excl. nonrec. gains (losses): '05, (2¢); '07, $1.96; '08, 50¢; '11, 51¢; '15, (39¢); '17, 59¢; gains (losses) on disc. ops.: '04, (6¢); '05, (20¢); '06, (2¢); '07, $1.20; '08, 13¢; '12, (33¢). '17-'18 EPS don't sum due to rounding. Next earnings report due late July. (B) Div'ds pd. mid-Jan., Apr., July & Oct. ■ Div'd reinvest. plan avail. (C) Incl. intang. In '19: $47.33/sh. (D) In mill. (E) Rate base: Net orig. cost. Rate all'd on com. eq. in '20: 9.9% elec.; in '16: 10.1% gas; earn. on avg. com. eq., '19: 10.8%. Regulat. Climate: Above Avg.

Company's Financial Strength	B++
Stock's Price Stability	95
Price Growth Persistence	75
Earnings Predictability	85

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