

## EXHIBIT 99.1



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### NEWS RELEASE

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*For Immediate Release*

### **Cleco Corp. Posts 2010 Second-Quarter Earnings of \$35.2 Million**

**PINEVILLE, La., Aug. 4, 2010 – Cleco Corp. (NYSE: CNL)**

- Second-quarter GAAP earnings of \$0.58 per diluted share
- First six months of 2010 GAAP earnings of \$3.06 per diluted share
- Revised consolidated 2010 GAAP earnings target (excluding the one-time results of the Evangeline transaction and each of the Acadia transactions) to \$2.10 - \$2.20 per share

#### **Consolidated Earnings - Reconciliation of GAAP to Non-GAAP Measures**

| <b>Subsidiary</b>                                    | <b>Diluted Earnings Per Share</b> |                |
|--|-----------------------------------|----------------|
|  | <b>Three months ended June 30</b> |                |
|  | <b>2010</b>                       | <b>2009</b>    |
| Cleco Power LLC                                      | \$ 0.64                           | \$ 0.50        |
| Cleco Midstream Resources LLC <sup>1</sup>           | (0.03)                            | (0.08)         |
| Corporate and Other <sup>1,2</sup>                   | (0.05)                            | 0.01           |
| <b>Operational earnings per share (Non-GAAP)</b>     | <b>0.56</b>                       | <b>0.43</b>    |
| Adjustments <sup>3</sup>                             | 0.02                              | 0.02           |
| <b>Earnings per share applicable to common stock</b> | <b>\$ 0.58</b>                    | <b>\$ 0.45</b> |

GAAP refers to United States generally accepted accounting principles.

<sup>1</sup>Includes affiliate interest charges/interest income on affiliate debt related to Cleco's investment in Acadia of \$0.01 per share for the quarter ended June 30, 2009

<sup>2</sup>Includes dividends on preferred stock

<sup>3</sup>Refer to "Operational Earnings Adjustments" in this news release

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**Consolidated Earnings - Reconciliation of GAAP to Non-GAAP Measures**

| <b>Subsidiary</b>   | <b>Diluted Earnings Per Share</b> |                |
|---|-----------------------------------|----------------|
|   | <b>Six months ended June 30</b>   |                |
|   | <b>2010</b>                       | <b>2009</b>    |
| Cleco Power LLC   | \$ 1.18                           | \$ 0.75        |
| Cleco Midstream Resources LLC <sup>1</sup> (excluding 2010 gains from the Evangeline and Acadia transactions) | (0.07)                            | (0.22)         |
| Corporate and Other <sup>1,2</sup>  | 0.03                              | 0.02           |
| <b>Operational earnings per share (Non-GAAP)</b>  | <b>1.14</b>                       | <b>0.55</b>    |
| Adjustments <sup>3</sup>  | 1.92                              | 0.01           |
| <b>Earnings per share applicable to common stock</b>  | <b>\$ 3.06</b>                    | <b>\$ 0.56</b> |

GAAP refers to United States generally accepted accounting principles.

<sup>1</sup>Includes affiliate interest charges/interest income on affiliate debt related to Cleco's investment in Acadia of \$0.02 per share for the six months ended June 30, 2009

<sup>2</sup>Includes dividends on preferred stock

<sup>3</sup>Refer to "Operational Earnings Adjustments" in this news release

"We had a great second quarter primarily due to favorable weather and new base rates which went into effect when our 600-megawatt solid-fuel unit commenced commercial operations," said Mike Madison, president and chief executive officer of Cleco Corp. "Our strategy to strengthen the basic infrastructure of our core business, Cleco Power, is working. For the past several years, we have invested approximately \$1.3 billion to transform Cleco Power's generating fleet. Today, we have one of the most diversified fleets in the southeast region which will serve our customers well for years to come."

**Earnings Guidance:**

Cleco has revised its consolidated 2010 GAAP earnings target (excluding the one-time results of the Evangeline transaction and each of the Acadia transactions) from a range of \$2.05 – \$2.15 per share to a range of \$2.10 – \$2.20 per share. This revised estimate assumes normal weather for the third and fourth quarters of 2010.

**Financial Highlights:**

**Second Quarter 2010**

- Cleco reports second-quarter earnings applicable to common stock of \$35.2 million, or \$0.58 per diluted share, compared to \$27.0 million, or \$0.45 per diluted share, for the second quarter of 2009.

**Year-to-Date 2010**

- Cleco reports earnings applicable to common stock for the first six months of 2010 of \$185.1 million, or \$3.06 per diluted share, compared to \$33.7 million, or \$0.56 per diluted share, for the first six months of last year.

## **Quarter-Over-Quarter Operational Earnings Per Share Reconciliation:**

|                |   |
|----------------|---|
| <b>\$ 0.43</b> | <b>2009 second-quarter diluted operational earnings per share</b> |
| 0.64           | Non-fuel revenue  |
| 0.06           | Income taxes  |
| (0.21)         | Other expenses, net   |
| (0.35)         | AFUDC (allowance for funds used during construction)              |
| <b>\$ 0.14</b> | <b>Cleco Power results</b>  |
| 0.05           | Cleco Midstream results   |
| <b>(0.06)</b>  | <b>Corporate results</b>  |
| <b>\$ 0.56</b> | <b>2010 second-quarter diluted operational earnings per share</b> |
| <b>0.02</b>    | <b>Adjustments<sup>1</sup></b>                                    |
| <b>\$ 0.58</b> | <b>Reported GAAP diluted earnings per share</b>                   |

<sup>1</sup> Refer to "Operational Earnings Adjustments" in this news release

### ***Cleco Power***

- **Non-fuel revenue increased \$0.64 per share compared to the second quarter of 2009.** The impact of the retail base rate increase that became effective upon the commercial operation of Madison Unit 3 was approximately \$0.57 per share, while the impact from warmer weather was approximately \$0.06 per share. Also contributing to the increase was \$0.01 per share of higher transmission revenue and customer fees.
- **Income taxes increased earnings by \$0.06 per share compared to the second quarter of 2009** due to \$0.03 per share to record tax expense at the annual projected effective tax rate, \$0.03 per share in state flow-through tax benefits, and \$0.02 per share in miscellaneous items. Partially offsetting this increase was \$0.02 per share for a valuation allowance on the deferred tax asset for a capital loss carryforward.
- **Other expenses, net were \$0.21 per share higher compared to the second quarter of 2009** primarily due to \$0.10 per share of higher operating and maintenance expenses, \$0.09 per share of higher depreciation expense resulting from Madison Unit 3 being placed in service in the first quarter of 2010 and the acquisition of Acadia Unit 1 in the first quarter of 2010, \$0.05 per share of higher interest charges, and \$0.01 per share related to amortization of an acquisition adjustment related to the acquisition of Acadia Unit 1. Partially offsetting these increases was \$0.04 per share of lower capacity payments made during the second quarter of 2010 primarily due to the commencement of commercial operations at Madison Unit 3 and the acquisition of Acadia Unit 1.
- **AFUDC, primarily associated with the first quarter 2010 completion of Madison Unit 3, reduced earnings \$0.35 per share compared to the second quarter of 2009.** The equity portion of AFUDC associated with the Madison Unit 3 project decreased \$0.29 per share, while the debt portion of AFUDC decreased \$0.06 per share compared to the second quarter of 2009.

## **Cleco Midstream Resources**

- **Evangeline's results decreased \$0.04 per share compared to the second quarter of 2009** primarily due to lower tolling revenue resulting from the Evangeline restructuring and the pricing of the new tolling agreement. Partially offsetting this decrease was lower maintenance expenses and lower interest charges.
- **Acadia's results increased \$0.08 per share compared to the second quarter of 2009** primarily from lower removal and asset retirement costs and lower turbine and general maintenance expenses. Also contributing to the increase was lower depreciation expense resulting from certain Acadia assets meeting the criteria of assets held for sale. These increases were partially offset by lower tolling revenue from the absence of the interim tolling agreement with Cleco Power during the second quarter of 2010.
- **Lower other expenses at Midstream increased results \$0.01 per share compared to the second quarter of 2009.**

## **Corporate and Other**

- **Income taxes decreased earnings by \$0.02 per share compared to the second quarter of 2009** primarily to record tax expense at the annual projected consolidated effective tax rate.
- **Higher other miscellaneous expenses decreased earnings by \$0.04 per share compared to the second quarter of 2009** primarily due to higher interest charges, lower interest income, and higher charitable donations.

## **Year-Over-Year Operational Earnings Per Share Reconciliation:**

|                |   |
|----------------|---|
| <b>\$ 0.55</b> | <b>Six months ended June 30, 2009, diluted operational earnings per share</b> |
| 1.09           | Non-fuel revenue  |
| 0.01           | Energy hedging, net   |
| 0.13           | Income taxes  |
| (0.31)         | Other expenses, net   |
| (0.49)         | AFUDC   |
| <b>\$ 0.43</b> | <b>Cleco Power results</b>  |
| <b>0.15</b>    | <b>Cleco Midstream results</b>  |
| <b>0.01</b>    | <b>Corporate results</b>  |
| <b>\$ 1.14</b> | <b>Six months ended June 30, 2010, diluted operational earnings per share</b> |
| <b>1.92</b>    | <b>Adjustments<sup>1</sup></b>  |
| <b>\$ 3.06</b> | <b>Reported GAAP diluted earnings per share</b>                               |

<sup>1</sup>Refer to "Operational Earnings Adjustments" in this news release

## **Cleco Power**

- **Non-fuel revenue increased \$1.09 per share compared to the first six months of 2009.** The impact of the retail base rate increase that became effective upon the commercial operation of Madison Unit 3 was approximately \$0.84 per share, while the impact from favorable weather and new service to a wholesale customer was approximately \$0.22 per share. Also contributing to the increase was \$0.03 per share primarily related to the receipt of mineral lease bonus payments and higher transmission revenue.
- **Lower net realized and mark-to-market losses on energy hedging positions tied to a fixed-price wholesale contract increased earnings by \$0.01 per share year over year.**
- **Income taxes increased earnings by \$0.13 per share compared to the first six months of 2009** due to \$0.06 per share in state flow-through tax benefits, \$0.05 per share related to the implementation of new retail rates, \$0.04 per share to record tax expense at the annual projected effective tax rate, and \$0.03 per share in miscellaneous items. Partially offsetting this increase was \$0.03 per share for Medicare Part D resulting from health care legislation enacted in the first quarter of 2010, and \$0.02 per share for a valuation allowance on the deferred tax asset for a capital loss carryforward.
- **Other expenses, net were \$0.31 per share higher compared to the first six months of 2009** primarily due to \$0.13 per share of higher depreciation expense resulting from Madison Unit 3 being placed in service in the first quarter of 2010 and the acquisition of Acadia Unit 1 in the first quarter of 2010, along with \$0.13 per share of higher operating and maintenance expenses. Also contributing to the increases were \$0.06 per share of higher interest charges. Partially offsetting these increases was \$0.01 per share of lower other net miscellaneous expenses.
- **AFUDC, primarily associated with the first quarter 2010 completion of the Madison Unit 3 project, reduced earnings \$0.49 per share compared to the first six months of 2009.** The equity portion of AFUDC associated with the Madison Unit 3 project decreased \$0.40 per share, while the debt portion of AFUDC decreased \$0.09 per share compared to the first six months of 2009.

## **Cleco Midstream Resources**

- **Evangeline's results increased \$0.03 per share compared to the first six months of 2009** primarily due to lower maintenance expenses resulting from the absence of a 2009 outage and lower interest charges. Partially offsetting this increase was lower tolling revenue resulting from the Evangeline restructuring and the pricing of the new tolling agreement.

- **Acadia's results increased \$0.10 per share compared to the first six months of 2009** primarily due to lower depreciation expense resulting from certain Acadia assets meeting the criteria of assets held for sale, lower removal and asset retirement costs, and lower legal fees.
- **Lower other expenses at Midstream increased results \$0.02 per share compared to the first six months of 2009.**

For a discussion of other transactions affecting the results of Cleco Midstream, please refer to "Operational Earnings Adjustments — Gains from Evangeline and Acadia Unit 1 Transactions" below.

### **Corporate and Other**

- **Income taxes increased earnings by \$0.09 per share compared to the first six months of 2009** as a result of the adjustment to record tax expense at the annual projected consolidated effective tax rate. The projected consolidated effective tax rate is 34.37 percent for 2010. In the first six months of 2010, Cleco had a disproportionate level of earnings at Midstream arising primarily from the Evangeline transaction which was taxed at a rate higher than the projected effective tax rate. Accordingly, a favorable adjustment of \$0.05 per share was recorded in the first six months of 2010 at the corporate level to bring the consolidated effective tax rate back to 34.37 percent. In the first six months of 2009, a corresponding unfavorable adjustment of \$0.04 per share was recorded.
- **Higher other miscellaneous expenses decreased earnings by \$0.08 per share compared to the first six months of 2009** primarily due to the absence of adjustments related to amended franchise tax returns filed in 2009, higher interest charges, lower interest income, and higher other net miscellaneous expenses.

### **Operational Earnings Adjustments:**

Cleco's management uses operational earnings per share to evaluate the operations of Cleco and to establish goals for management and employees. Management believes this presentation is appropriate and enables investors to more accurately compare Cleco's operational financial performance over the periods presented. Operational earnings as presented here may not be comparable to similarly titled measures used by other companies. The following table provides a reconciliation of operational earnings per share to reported GAAP earnings per share.

**Reconciliation of Operational Earnings Per Share to Reported GAAP Earnings Per Share**

|   |  | <b>Diluted Earnings Per Share</b> |             |
|---|--|-----------------------------------|-------------|
|   |  | <b>Three months ended June 30</b> |             |
|   |  | <b>2010</b>                       | <b>2009</b> |
| <b>Operational earnings per share</b>                 |  | \$ 0.56                           | \$ 0.43     |
| Company/trust-owned life insurance policy adjustments |  | -                                 | 0.02        |
| Tax levelization                                      |  | 0.02                              | -           |
| <b>Reported GAAP earnings per share</b>               |  | \$ 0.58                           | \$ 0.45     |

  

|   |  | <b>Diluted Earnings Per Share</b> |             |
|---|--|-----------------------------------|-------------|
|   |  | <b>Six months ended June 30</b>   |             |
|   |  | <b>2010</b>                       | <b>2009</b> |
| <b>Operational earnings per share</b>                 |  | \$ 1.14                           | \$ 0.55     |
| Company/trust-owned life insurance policy adjustments |  | -                                 | 0.01        |
| Gain from Evangeline transaction                      |  | 1.51                              | -           |
| Gain from Acadia Unit 1 transaction                   |  | 0.41                              | -           |
| <b>Reported GAAP earnings per share</b>               |  | \$ 3.06                           | \$ 0.56     |

Reconciling adjustments from operational earnings per share to GAAP earnings per share are as follows:

***COLI/TOLI Adjustments***

Cleco has both Company-Owned Life Insurance and Trust-Owned Life Insurance (COLI/TOLI) policies covering certain members of management. These policies are payable to Cleco upon death of the insured. COLI/TOLI assets are acquired at fair value and adjusted for changes in market value and any payments/redemptions of cash surrender values. The resulting adjustments for these items had no impact for the second quarter of 2010 and increased earnings by \$0.02 per share for the second quarter of 2009. These adjustments had no impact for the first six months of 2010 and increased earnings by \$0.01 per share for the first six months of 2009. Cleco is unable to predict changes in the market values and amounts of cash surrender values of these policies and management does not consider these adjustments to be a component of operational earnings.

***Tax Levelization***

Generally accepted accounting principles require companies to apply an effective tax rate to interim periods that is consistent with a company's estimated annual effective tax rate. As a result, quarterly, Cleco projects the annual effective tax rate and then adjusts the tax expense recorded in that quarter to reflect the projected annual effective tax rate. During the second quarter of 2010, Cleco recorded a \$0.02 per share benefit from the levelization of its annual tax rate to bring the actual tax rate in line with the projected annual effective tax rate. During the second quarter of 2009, there was no change to the projected annual effective tax rate; therefore, no tax levelization adjustment was necessary. The incremental adjustment for tax levelization is not related to operational earnings because it reflects the effect of the change in tax rates on operational earnings for the entire year.

## Gains from Evangeline and Acadia Unit 1 Transactions

On Feb. 22, 2010, the existing Evangeline tolling agreement was terminated and a new tolling agreement was executed with the same counterparty, resulting in the recognition of a gain of \$1.51 per share for the first six months of 2010. On Feb. 23, 2010, Cleco Power's acquisition of Acadia Unit 1, the related materials and supplies, and half of Acadia Power Station's common facilities was completed, resulting in the recognition of a gain of \$0.41 per share for the first six months of 2010. Because these are one-time gains, management does not consider these adjustments to be components of operational earnings.

Cleco management will discuss the company's second-quarter 2010 results during a conference call scheduled for 11 a.m. Eastern time (10 a.m. Central time) Thursday, Aug. 5, 2010. The call will be webcast live on the Internet. A replay will be available for 12 months. Investors may access the webcast through the company's Web site at [www.cleco.com](http://www.cleco.com) by selecting "For Investors" and then "Cleco Corp. Second-Quarter 2010 Earnings Conference Call."

*Cleco Corp. is a regional energy company headquartered in Pineville, La. It operates a regulated electric utility company, Cleco Power LLC, which serves about 277,000 retail customers across Louisiana. Cleco also operates a wholesale energy business, Cleco Midstream Resources LLC, which includes the pending sale of Acadia Unit 2. This year marks the 75<sup>th</sup> anniversary of Cleco Power serving Louisiana customers. For more information about Cleco, visit [www.cleco.com](http://www.cleco.com).*

| (Unaudited)                                      | For the three months ended June 30 |       |         |             |           |         |
|--|------------------------------------|-------|---------|-------------|-----------|---------|
|  | (million kWh)                      |       |         | (thousands) |           |         |
|  | 2010                               | 2009  | Change  | 2010        | 2009      | Change  |
| <b>Electric Sales</b>                            |                                    |       |         |             |           |         |
| Residential                                      | 854                                | 791   | 8.0 %   | \$ 62,012   | \$ 36,320 | 70.7 %  |
| Commercial                                       | 627                                | 596   | 5.2 %   | 39,140      | 23,119    | 69.3 %  |
| Industrial                                       | 543                                | 469   | 15.8 %  | 19,050      | 12,314    | 54.7 %  |
| Other retail                                     | 34                                 | 34    | -       | 2,249       | 1,410     | 59.5 %  |
| Surcharge  | -                                  | -     | -       | 1,660       | 4,405     | (62.3)% |
| Other  | -                                  | -     | -       | (1,704)     | -         | -       |
| Total retail                                     | 2,058                              | 1,890 | 8.9 %   | 122,407     | 77,568    | 57.8 %  |
| Sales for resale                                 | 110                                | 144   | (23.6)% | 10,673      | 5,488     | 94.5 %  |
| Unbilled   | 251                                | 325   | (22.8)% | 23,977      | 11,864    | 102.1 % |
| <b>Total retail and wholesale customer sales</b> | 2,419                              | 2,359 | 2.5 %   | \$157,057   | \$ 94,920 | 65.5 %  |

| (Unaudited)                                      | For the six months ended June 30 |       |         |             |           |         |
|--|----------------------------------|-------|---------|-------------|-----------|---------|
|  | (million kWh)                    |       |         | (thousands) |           |         |
|  | 2010                             | 2009  | Change  | 2010        | 2009      | Change  |
| <b>Electric Sales</b>                            |                                  |       |         |             |           |         |
| Residential                                      | 1,893                            | 1,607 | 17.8 %  | \$108,509   | \$ 68,516 | 58.4 %  |
| Commercial                                       | 1,219                            | 1,139 | 7.0 %   | 68,703      | 46,068    | 49.1 %  |
| Industrial                                       | 1,087                            | 1,056 | 2.9 %   | 33,211      | 25,133    | 32.1 %  |
| Other retail                                     | 69                               | 66    | 4.5 %   | 4,006       | 2,797     | 43.2 %  |
| Surcharge  | -                                | -     | -       | 5,855       | 9,620     | (39.1)% |
| Other  | -                                | -     | -       | (2,679)     | -         | -       |
| Total retail                                     | 4,268                            | 3,868 | 10.3 %  | 217,605     | 152,134   | 43.0 %  |
| Sales for resale                                 | 300                              | 233   | 28.8 %  | 19,456      | 8,599     | 126.3 % |
| Unbilled   | 127                              | 192   | (33.9)% | 34,944      | 7,005     | 398.8 % |
| <b>Total retail and wholesale customer sales</b> | 4,695                            | 4,293 | 9.4 %   | \$272,005   | \$167,738 | 62.2 %  |



**CLECO CORP.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(Thousands, except share and per share amounts)  
(Unaudited)

| For the three months ended June 30   | 2010             | 2009             |
|--|------------------|------------------|
| <b>Operating revenue</b>   |                  |                  |
| Electric operations  | \$ 261,101       | \$ 195,651       |
| Tolling operations   | 4,399            | -                |
| Other operations   | 10,245           | 8,712            |
| Affiliate revenue  | 158              | 2,863            |
| Total operating revenue  | <u>275,903</u>   | <u>207,226</u>   |
| <b>Operating expenses</b>  |                  |                  |
| Fuel used for electric generation  | 81,558           | 50,326           |
| Power purchased for utility customers  | 24,508           | 56,547           |
| Other operations   | 29,845           | 25,941           |
| Maintenance  | 21,633           | 14,766           |
| Depreciation   | 29,798           | 19,479           |
| Taxes other than income taxes  | 8,565            | 8,300            |
| Gain on sales of assets  | (98)             | -                |
| Total operating expenses   | <u>195,809</u>   | <u>175,359</u>   |
| <b>Operating income</b>  | <u>80,094</u>    | <u>31,867</u>    |
| Interest income  | 80               | 271              |
| Allowance for other funds used during construction   | 359              | 17,538           |
| Equity loss from investees   | (1,129)          | (3,125)          |
| Other income   | 266              | 1,633            |
| Other expense  | (2,577)          | (480)            |
| <b>Interest charges</b>  |                  |                  |
| Interest charges, including amortization of debt expenses,<br>premium, and discount, net of capitalized interest | 24,663           | 20,150           |
| Allowance for borrowed funds used during construction  | (145)            | (6,421)          |
| Total interest charges   | <u>24,518</u>    | <u>13,729</u>    |
| <b>Income before income taxes</b>  | <u>52,575</u>    | <u>33,975</u>    |
| Federal and state income tax expense   | 17,389           | 6,949            |
| <b>Net income</b>  | <u>35,186</u>    | <u>27,026</u>    |
| Preferred dividends requirements, net of tax   | 12               | 12               |
| <b>Net income applicable to common stock</b>   | <u>\$ 35,174</u> | <u>\$ 27,014</u> |
| <b>Average shares of common stock outstanding</b>  |                  |                  |
| Basic  | 60,431,930       | 60,175,528       |
| Diluted  | 60,705,269       | 60,451,665       |
| <b>Basic earnings per share</b>  |                  |                  |
| Net income applicable to common stock  | \$ 0.58          | \$ 0.45          |
| <b>Diluted earnings per share</b>  |                  |                  |
| Net income applicable to common stock  | \$ 0.58          | \$ 0.45          |
| <b>Cash dividends paid per share of common stock</b>   | \$ 0.250         | \$ 0.225         |

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**CLECO CORP.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**  
(Thousands, except share and per share amounts)  
(Unaudited)

| For the six months ended June 30   | 2010              | 2009             |
|--|-------------------|------------------|
| <b>Operating revenue</b>   |                   |                  |
| Electric operations  | \$ 513,899        | \$ 398,517       |
| Tolling operations   | 11,863            | -                |
| Other operations   | 21,119            | 15,820           |
| Affiliate revenue  | 1,307             | 5,825            |
| Total operating revenue  | <u>548,188</u>    | <u>420,162</u>   |
| <b>Operating expenses</b>  |                   |                  |
| Fuel used for electric generation  | 176,140           | 138,629          |
| Power purchased for utility customers  | 72,727            | 102,265          |
| Other operations   | 56,499            | 50,892           |
| Maintenance  | 35,470            | 25,325           |
| Depreciation   | 54,051            | 38,613           |
| Taxes other than income taxes  | 17,367            | 15,333           |
| Gain on sales of assets  | (57)              | -                |
| Total operating expenses   | <u>412,197</u>    | <u>371,057</u>   |
| <b>Operating income</b>  | 135,991           | 49,105           |
| Interest income  | 242               | 682              |
| Allowance for other funds used during construction   | 10,165            | 34,529           |
| Equity income (loss) from investees  | 36,718            | (14,876)         |
| Gain on toll settlement  | 148,402           | -                |
| Other income   | 807               | 2,674            |
| Other expense  | (2,962)           | (1,332)          |
| <b>Interest charges</b>  |                   |                  |
| Interest charges, including amortization of debt expenses,<br>premium, and discount, net of capitalized interest | 50,670            | 41,466           |
| Allowance for borrowed funds used during construction  | (3,718)           | (12,634)         |
| Total interest charges   | <u>46,952</u>     | <u>28,832</u>    |
| <b>Income before income taxes</b>  | 282,411           | 41,950           |
| Federal and state income tax expense   | 97,256            | 8,275            |
| <b>Net income</b>  | 185,155           | 33,675           |
| Preferred dividends requirements, net of tax   | 23                | 23               |
| <b>Net income applicable to common stock</b>   | <u>\$ 185,132</u> | <u>\$ 33,652</u> |
| <b>Average shares of common stock outstanding</b>  |                   |                  |
| Basic  | 60,374,233        | 60,132,358       |
| Diluted  | 60,519,066        | 60,279,903       |
| <b>Basic earnings per share</b>  |                   |                  |
| Net income applicable to common stock  | \$ 3.07           | \$ 0.56          |
| <b>Diluted earnings per share</b>  |                   |                  |
| Net income applicable to common stock  | \$ 3.06           | \$ 0.56          |
| <b>Cash dividends paid per share of common stock</b>   | \$ 0.475          | \$ 0.450         |

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**CLECO CORP.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Thousands)  
(Unaudited)

|  | At June 30, 2010 | At Dec. 31, 2009 |
|--|------------------|------------------|
| <b>Assets</b>                              |                  |                  |
| Current Assets                             |                  |                  |
| Cash and cash equivalents                  | \$ 52,155        | \$ 145,193       |
| Accounts receivable, net                   | 78,866           | 70,557           |
| Other current assets                       | 285,793          | 278,175          |
| Total Current Assets                       | 416,814          | 493,925          |
| Property, plant and equipment, net         | 2,749,441        | 2,247,030        |
| Equity investment in investees             | 84,401           | 251,617          |
| Prepayments, deferred charges and other    | 676,455          | 702,275          |
| Total Assets                               | \$ 3,927,111     | \$ 3,694,847     |
| <b>Liabilities</b>                         |                  |                  |
| Current Liabilities                        |                  |                  |
| Short-term debt                            | \$ 150,000       | \$ -             |
| Long-term debt due within one year         | 21,869           | 11,478           |
| Accounts payable                           | 85,532           | 114,541          |
| Other current liabilities                  | 184,775          | 115,785          |
| Total Current Liabilities                  | 442,176          | 241,804          |
| Deferred credits                           | 990,999          | 1,016,672        |
| Long-term debt, net                        | 1,218,302        | 1,320,299        |
| Total Liabilities                          | 2,651,477        | 2,578,775        |
| <b>Shareholders' Equity</b>                |                  |                  |
| Preferred stock                            | 1,029            | 1,029            |
| Common shareholders' equity                | 1,285,930        | 1,126,334        |
| Accumulated other comprehensive loss       | (11,325)         | (11,291)         |
| Total Shareholders' Equity                 | 1,275,634        | 1,116,072        |
| Total Liabilities and Shareholders' Equity | \$ 3,927,111     | \$ 3,694,847     |

*Please note: In addition to historical financial information, this news release contains forward-looking statements about future results and circumstances. There are many risks and uncertainties with respect to such forward-looking statements, including the weather and other natural phenomena, state and federal legislative and regulatory initiatives, the timing and extent of changes in commodity prices and interest rates, the operating performance of Cleco Power's and Cleco Midstream's facilities, the financial condition of the company's tolling agreement counterparty, the performance of the tolling agreement by such counterparty, the completion of the Acadiana Load Pocket project, the completion of the Acadia Unit 2/Entergy Louisiana transaction, the impact of the global economic environment, and other risks and uncertainties more fully described in the company's latest Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Actual results may differ materially from those indicated in such forward-looking statements.*

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