

Reliable.



Resilient.

For the third time in the past seven years, Cleco recovered from back-to-back hurricanes and tropical storms. We faced Lili and Isidore in 2002, Katrina and Rita in 2005, and Gustav and Ike in 2008.

Hurricane Gustav made landfall in Louisiana on Sept. 1, knocking out power to 90 percent of our customers. This was the largest outage event in our history. After heavy rain, flooding and tornadoes, our employees and thousands of contractors and mutual assistance workers restored power within eight days to all who could safely be reconnected.

As our storm team wrapped up Gustav restoration work, Hurricane Ike began moving toward the Texas coast, causing new power outages in Louisiana. Although Ike made landfall in Texas on Sept. 13, its winds left about 30 percent of Cleco's customers without power. Our storm team restored power to these customers in three days.

THIS PAGE: Employees in St. Tammany Parish near New Orleans worked nonstop to safely restore power to customers after Hurricane Gustav.

ABOUT THE COVER: Together Steve Vedros (left) and Jackie Clark have more than 50 years of electric utility experience. They know the importance of being there when customers need them day or night. This has helped Cleco earn its reputation as one of the most reliable electric utilities in Louisiana.





Ready for the future.

In October 2008, we dedicated our new fuel offloading facility. This was a major milestone in the construction of Rodemacher 3, our 600-megawatt solid-fuel generating unit being built at Rodemacher Power Station near Boyce, La.

The offloading facility will use a 1.5-mile pipe conveyor to transport petroleum coke (petcoke) from its hopper to Rodemacher 3. Petcoke, the unit's primary fuel, is a byproduct of the oil-refining process and is produced in large quantities in the Gulf Coast region. It will be barged along Louisiana's rivers to this offloading facility.

While other utilities took a wait-and-see approach to address customers' long-term power needs and to find alternatives to price-volatile fuels such as natural gas, we expect to bring online new generation this year that uses cost-effective fuel.





Corporate Profile

Cleco Corporation operates both a regulated electric utility that serves customers across Louisiana and a wholesale generation business. We enjoy a solid reputation among our peers and industry regulators for our superior customer service and expertise in responding to hurricanes and other emergencies. We intend to strengthen our competitive position by building on our record of reliable service and by expanding our fuel options, so we can continue providing our customers with affordable power for years to come.

Financial Highlights (years ended Dec. 31)

(THOUSANDS EXCEPT SHARE, PER SHARE AND PERCENTAGES)	2008	2007	2006	5-YEAR COMPOUND % CHANGE
FINANCIAL DATA				
Total operating revenue, net	\$1,080,198	\$1,030,616	\$1,000,675	7.69%
Operating income	\$ 114,877	\$ 97,544	\$ 114,976	2.58%
Equity (loss) income from investees	\$ (5,542)	\$ 93,148	\$ 24,452	(34.86)%
Net income applicable to common stock	\$ 102,095	\$ 151,331	\$ 72,856	9.80%
Consolidated total assets	\$3,341,204	\$2,706,623	\$2,448,067	12.71%
Capital investments	\$ 322,512	\$ 493,439	\$ 293,594	32.20%
Consolidated long-term debt as percentage of capitalization	51.06%	43.20%	40.87%	2.77%

SHAREHOLDER VALUE

Average shares of common stock outstanding, basic	59,990,229	58,976,052	52,751,021	4.84%
Average shares of common stock outstanding, diluted	60,214,640	59,717,528	55,028,211	4.85%
Basic earnings per share applicable to common stock	\$ 1.70	\$ 2.55	\$ 1.36	5.03%
Diluted earnings per share applicable to common stock	\$ 1.70	\$ 2.54	\$ 1.36	5.19%
Cash dividends declared per common share	\$ 0.900	\$ 0.900	\$ 0.900	0.00%
Return on average common equity	9.9%	16.0%	9.3%	(4.56)%
Book value per share at year-end	\$ 17.60	\$ 16.92	\$ 15.92	9.00%
Market price per share at year-end	\$ 22.83	\$ 27.80	\$ 25.23	2.42%
Dividend yield at year-end	3.9%	3.2%	3.6%	(2.38)%

CONSOLIDATED DILUTED EARNINGS PER SHARE ALLOCATED TO SUBSIDIARIES

Cleco Power	\$ 1.89	\$ 1.42	\$ 1.21
Cleco Midstream Resources ⁽¹⁾	\$ (0.17)	\$ 1.00	\$ (0.07)
Other (including Corporate) ⁽¹⁾	\$ (0.02)	\$ 0.12	\$ 0.22
Consolidated earnings from continuing operations allocated to subsidiaries	\$ 1.70	\$ 2.54	\$ 1.36
Net earnings applicable to common stock	\$ 1.70	\$ 2.54	\$ 1.36

(1) In February 2007, Midstream transferred all of its ownership interest in Perryville Energy Partners, L.L.C. and Attala Transmission LLC to Cleco Corporation. The prior periods have been adjusted to reflect this organizational change.

RETURN ON AVERAGE COMMON EQUITY IN PERCENT

08	9.90
07	16.04
06	9.34
05	29.44
04	12.49

DIVIDENDS AND EARNINGS

IN DOLLARS (PER DILUTED SHARE) ■ DIVIDENDS ■ EARNINGS

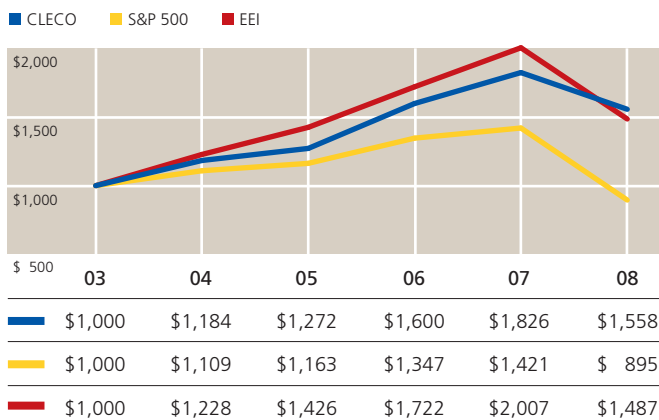
08	0.90 / 1.70
07	0.90 / 2.54
06	0.90 / 1.36
05	0.90 / 3.53
04	0.90 / 1.32

Dear Shareholders,
We know what matters. After seven successful decades in the energy business, we continue to provide dependable, reasonably priced electricity to our customers and solid returns to our shareholders. Cleco is reliable, resilient and ready for the future.



MICHAEL H. MADISON
President and Chief Executive Officer,
Cleco Corporation

COMPARISON OF FIVE-YEAR CUMULATIVE TOTAL RETURN



Assumes \$1,000 was invested on Dec. 31, 2003, in Cleco common stock and each index. Values are as of Dec. 31 assuming dividends are reinvested. Refer to page 150 of the Form 10-K for a list of companies comprising the EEI Index.

FINANCIAL AND OPERATIONAL PERFORMANCE

Despite two hurricanes and a failing national economy, we continued to execute our strategy in 2008. We performed well and delivered solid results.

- We earned \$1.70 per diluted share in 2008. Our 2007 earnings were \$2.54 per diluted share, but those earnings included a one-time net gain of \$1.22 per share from the settlement we reached with Calpine Corp. (Calpine), our former partner in the Acadia Power Station. Excluding the Calpine settlement, we earned \$1.32 per share in 2007.
- We've paid a dividend every year since 1935. Our dividend yield was 3.9 percent in 2008.
- Although worries about the economy put pressure on our stock price, we still outperformed the Standard & Poor's 500 (S&P 500) Index and ended 2008 ahead of the Edison Electric Institute (EEI) Index in total shareholder return, as shown in the chart above. Our year-end stock price was \$22.83.
- The securitized storm recovery bonds we issued in March 2008 brought in \$176 million of net proceeds. This special financing paid for unrecovered storm costs from hurricanes Katrina and Rita and established a \$50 million storm reserve to pay for future storm damage. Issuing the storm recovery bonds accelerated our cash flow and lowered our customers' storm surcharge.
- We recovered from back-to-back hurricanes, restoring power to customers affected by hurricanes Gustav and Ike. We also reached an agreement with the Louisiana Public Service Commission (LPSC) to address the approximate \$79 million in storm-related costs.
- We completed the financing of Rodemacher 3, our multi-fuel generator being constructed near Boyce, La.

CLECO POWER'S GROWTH TIED TO FOUR INITIATIVES

Our industry faces multiple challenges, including volatile fuel prices, transmission constraints and impending environmental legislation. We are pursuing four major initiatives that address these issues. We've been working on these projects for some time, and I'm pleased to report all are on track.

- 1 RODEMACHER 3:** A \$1 billion 600-megawatt solid-fuel generating unit, with the flexibility of using multiple fuels, including some renewables.
- 2 NEW RATE PLAN PROPOSAL:** If approved, a plan that will benefit our shareholders and customers.
- 3 LONG-TERM REQUEST FOR PROPOSAL (RFP):** A plan to secure the additional generating capacity we'll need after Rodemacher 3 comes online.
- 4 JOINT TRANSMISSION UPGRADE PROJECT:** A project with two neighboring utilities to upgrade our transmission infrastructure in south Louisiana.

MIDSTREAM MOVES TOWARD ITS GOAL

Acadia and Evangeline, the natural gas-fired plants run by our Midstream wholesale generation business, are two of the most efficient plants in the Southeast. In addition, they are strategically located to meet the energy needs of Louisiana's growing southern region. Midstream is maximizing the value of these assets by pursuing both short-term and long-term contracts.

In 2007, we reached a settlement with Calpine that resolved the impact of its bankruptcy on our Acadia plant. After the settlement, we welcomed a new partner, Cajun Gas Energy, L.L.C., which purchased Calpine's 50 percent ownership in Acadia Power Partners (APP).

In 2008, Midstream achieved two major accomplishments in securing sales contracts for Acadia. First, APP was chosen as the lowest bidder in Cleco Power's 2008 RFP for short-term

2008 TOP

Accomplishments

- 1 Completed financing of Rodemacher 3.
- 2 Filed our new rate plan proposal.
- 3 Selected the most economical, reliable bid from our 2007 long-term RFP.
- 4 Began to strengthen our transmission infrastructure to meet current and future power needs.
- 5 Ranked in EEI's top quartile for safety performance.

capacity. The contract covers 235 megawatts beginning March 1, 2009, and ending Oct. 1, 2009. APP also was selected as the lowest bidder in Cleco Power's 2007 RFP for long-term capacity beginning in 2010. Cleco Power will acquire 50 percent of the Acadia plant or one 580-megawatt unit. APP will continue to own the other unit and market its output. The transaction is valued at approximately \$300 million and is subject to completion of due diligence, negotiation of definitive agreements and regulatory approvals. We plan to complete the transaction and secure needed approvals by the end of 2009.

As for Evangeline, it continues to operate under a tolling agreement that expires in 2020. In March 2008, JPMorgan Chase & Co. backed our counterparty, Bear Energy LP, and provided a significant upgrade in the credit quality of our counterparty, which further shielded us from merchant market risk.

ENVIRONMENTAL RESPONSIBILITY

The uncertainty of ever-changing environmental regulations makes long-term planning and ongoing operating decisions difficult. In 2008, court decisions challenged two Environmental Protection Agency air quality rules for electric generating units. First, the court stopped the Clean Air Mercury Rule enacted to reduce mercury emissions. In another case, the court threw out and then reinstated the Clean Air Interstate Rule intended to reduce nitrogen oxide and sulfur dioxide emissions.

Although the state of the economy may affect the timing of climate change legislation, we believe legislation will be passed in the next several years. We also believe that some type of federal renewable portfolio standard may be passed in 2009.

The good news is that Rodemacher 3 is capable of using biomass, a renewable energy source. In addition, we are taking advantage of evolving technology by implementing an advanced metering infrastructure program. This pilot program allows us

2009 TOP

Goals

- 1 Complete our Rodemacher 3 project.
- 2 Reach an agreement with the LPSC on our new rate plan.
- 3 Obtain approval from the LPSC and the Federal Energy Regulatory Commission (FERC) on our 2007 long-term RFP.
- 4 Monitor and plan for new and changing environmental regulations.
- 5 Continue to focus on safety and diversity.

to explore ways to make our distribution system more efficient and to give our customers the opportunity to use less electricity.

If and when climate change legislation is enacted or a renewable standard is passed, we'll be better prepared to develop a responsible and balanced approach to compliance. In the meantime, we'll continue to closely monitor new and changing environmental regulations.

2009 AND BEYOND

In 2009, we expect to complete the largest generation project in our history — Rodemacher 3. And, in 2010, we'll celebrate 75 years of service. These two events would not be possible without employees who care about the business and about our customers. Cleco's foundation is built on providing quality customer service and delivering on our promises even when faced with unforeseen obstacles.

To continue to strengthen our team, we welcomed Logan Kruger, president, chief executive officer and director of Century Aluminum Company in Monterey, Calif., to our board of directors in October 2008. Logan's expertise as a sitting CEO of a public company will serve Cleco well.

After reviewing our annual report, we hope you'll see what we see: an attractive company that's in business for the long haul.

On behalf of the entire Cleco team, thank you for your trust and continued support.



Michael H. Madison
President and Chief Executive Officer,
Cleco Corporation

Feb. 26, 2009

1



Rodemacher 3 will still be generating power when Gregory Willis II becomes an adult and starts a family of his own. He is the son of Cleco employee Vanda Willis.

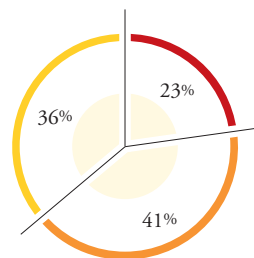
New generation for the next generation

Approximately 70 percent of the electricity Cleco Power currently delivers comes from natural gas. In recent years, unpredictable natural gas prices have eroded our reputation as one of the lowest-cost electric providers in the state. So we developed a fuel diversity strategy, which included Rodemacher 3, a new solid-fuel generating unit with circulating fluidized-bed (CFB) technology. Unlike traditional boilers, CFB boilers can process a variety of solid fuels including biomass.

Rodemacher 3 will reduce our dependence on natural gas, give us greater fuel flexibility and be available to produce electricity for the next generation.

Construction began in May 2006. Commercial operation is expected to begin in the second half of 2009.

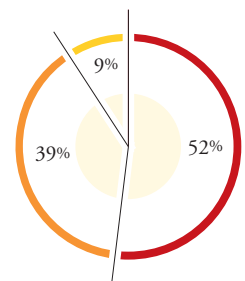
CLECO POWER CAPACITY MIX



2008

52%

When Rodemacher 3 begins commercial operation, solid fuel will make up approximately 52 percent of our capacity mix, adding balance to our generation portfolio.



2010*

■ Solid Fuel ■ Natural Gas & Oil ■ Purchased Power

*Based on capacity and Cleco estimates of 2010 peak demand. Data includes 600 megawatts of incremental capacity from Rodemacher 3.

2



Jeannine Broadwell (left), Kurt Vanderlick and Terry Taylor summarize the benefits of Cleco Power's new rate plan proposal for customers and shareholders. These employees are on a team that has been working on this project since January 2008.

Proposed rate plan is a win-win for customers and shareholders

On July 14, 2008, we filed a proposed rate plan that will benefit our customers and our shareholders. If approved, the plan will go into effect when Rodemacher 3 begins commercial operation in the second half of 2009.

Our proposed rate plan supports our efforts to focus on the fundamentals of utility growth and operation. As we look into the future, more stable fuel prices will help us retain current customers and attract new customers. Our financial health remains strong, and Cleco continues to be an attractive investment to shareholders who are looking for a sustainable return.

It has been more than 20 years since Cleco Power filed a rate plan. Much has changed through the years, but how we plan for the future remains consistent. We continue to rely on basic utility principles to develop smart solutions to difficult challenges.

3



Having reliable power gives Bill Bailey, co-owner of Donuts, Coffee and Cream in Pineville, La., one less thing to worry about at his new business. Bill and his partner, Dennis Bordelon, opened their doughnut shop in October 2008.

Securing the additional power needed to keep the lights on for our customers

Cleco Power's generating units cannot produce enough electricity to meet all of its customers' needs. Historically, we've purchased power from the market to make up the difference.

Our integrated resource planning process, which estimates the generation assets that will be needed in the future, shows that even with Rodemacher 3 in operation, Cleco Power will need additional capacity beginning in 2010. In October 2007, Cleco Power issued a RFP for long-term intermediate and peaking capacity to meet projected load requirements.

Cleco Power has chosen the acquisition of 50 percent of the Acadia Power Station owned by APP, or one of its two 580-megawatt units, as the lowest bid in its 2007 long-term RFP for capacity beginning in 2010. Cleco Power will own and operate one unit and operate the other 580-megawatt unit on behalf of APP. Prior to closing the transaction, valued at approximately \$300 million, Cleco Power must complete its due diligence, finalize and execute definitive agreements and receive approvals from the LPSC and FERC. Cleco Power and APP plan to complete the transaction by the end of 2009 in a process that remains under the supervision of an independent monitor appointed by the LPSC.

4



Terry Whitmore (left) and Christopher Thibodeaux discuss the new transmission lines and substations planned for Cleco Power's transmission system.

Improving reliability in our service area

Transmission constraints, which can threaten reliability, are a growing concern in our industry, primarily because the infrastructure has not kept up with the demand for electricity.

In September 2008, we entered into an agreement with two neighboring utilities to upgrade our interconnected transmission systems in south Louisiana (the Acadiana Load Pocket).

The plan is to build new transmission lines and substations to improve the flow of energy throughout the Acadiana region. The estimated cost of the joint project is \$200 million. Cleco Power's portion is approximately \$150 million, which makes this the largest transmission project in our history.

The joint transmission project received LPSC confirmation in February 2009 that it is in the public's interest. Also in February, the project received approval from the Southwest Power Pool, clearing the way for the project's construction.

We anticipate construction will begin in late 2009 with the final phase completed in late 2012.

Five-Year Selected Financial Data (unaudited)

(THOUSANDS EXCEPT SHARE, PER SHARE, PERCENTAGES AND RATIOS)	2008	2007	2006	2005	2004
Operating revenue, net (excluding intercompany revenue)					
Cleco Power	\$ 1,069,674	\$ 1,023,411	\$ 994,191	\$ 911,971	\$ 727,449
Midstream	7,921	5,066	4,400	4,984	14,844
Other	2,603	2,139	2,084	3,199	3,524
Total	\$ 1,080,198	\$ 1,030,616	\$ 1,000,675	\$ 920,154	\$ 745,817
Total operating expenses (excluding fuel and power purchases)	\$ 258,302	\$ 273,729	\$ 245,436	\$ 233,838	\$ 223,259
Allowance for funds used during construction	\$ 84,595	\$ 46,100	\$ 10,624	\$ 3,252	\$ 4,968
Income from continuing operations before income taxes	\$ 120,598	\$ 222,561	\$ 116,719	\$ 298,929	\$ 101,983
Federal and state income tax expense	\$ 18,457	\$ 70,772	\$ 42,049	\$ 115,951	\$ 35,864
Net income applicable to common stock	\$ 102,095	\$ 151,331	\$ 72,856	\$ 180,779	\$ 63,973
Basic earnings per share from continuing operations	\$ 1.70	\$ 2.55	\$ 1.36	\$ 3.54	\$ 1.33
Basic earnings per share applicable to common stock	\$ 1.70	\$ 2.55	\$ 1.36	\$ 3.54	\$ 1.33
Diluted earnings per share from continuing operations	\$ 1.70	\$ 2.54	\$ 1.36	\$ 3.53	\$ 1.32
Diluted earnings per share applicable to common stock	\$ 1.70	\$ 2.54	\$ 1.36	\$ 3.53	\$ 1.32
Return on average common equity	9.9%	16.0%	9.3%	29.4%	12.5%
Effective tax rate	15.3%	31.8%	36.0%	38.8%	35.2%
Capital investments					
Cleco Power	\$ 321,407	\$ 492,445	\$ 293,050	\$ 186,441	\$ 78,700
Midstream	64	10	13	13	(142)
Other	1,041	984	531	939	1,315
Total	\$ 322,512	\$ 493,439	\$ 293,594	\$ 187,393	\$ 79,873
Property, plant and equipment, net — Cleco Power					
Production	\$ 1,013,267	\$ 786,758	\$ 387,622	\$ 178,214	\$ 192,456
Transmission	\$ 275,670	\$ 269,578	\$ 256,018	\$ 257,385	\$ 250,473
Distribution	\$ 629,210	\$ 565,129	\$ 550,509	\$ 640,924	\$ 493,119
Other	\$ 120,781	\$ 97,705	\$ 103,640	\$ 104,012	\$ 115,147
Capitalization					
Common shareholders' equity	48.89%	56.75%	57.81%	52.15%	53.56%
Preferred stock	0.05%	0.06%	1.32%	1.52%	1.90%
Long-term debt	51.06%	43.20%	40.87%	46.33%	44.54%
Common shareholders' equity	\$ 1,059,836	\$ 1,010,340	\$ 876,129	\$ 686,229	\$ 541,838
Preferred stock	\$ 1,029	\$ 1,029	\$ 20,092	\$ 20,034	\$ 19,226
Long-term debt	\$ 1,106,819	\$ 769,103	\$ 619,341	\$ 609,643	\$ 450,552
Long-term debt due within one year	\$ 63,546	\$ 100,000	\$ 50,000	\$ 40,000	\$ 160,000
Total consolidated debt	\$ 1,170,365	\$ 869,103	\$ 669,341	\$ 649,643	\$ 610,552
Equity investment in investees	\$ 249,144	\$ 258,101	\$ 307,136	\$ 317,762	\$ 314,284
Total assets	\$ 3,341,204	\$ 2,706,623	\$ 2,448,067	\$ 2,149,488	\$ 1,837,063
Total liabilities	\$ 2,280,339	\$ 1,695,254	\$ 1,551,846	\$ 1,443,225	\$ 1,275,999
Embedded cost of debt ⁽¹⁾	6.10%	6.34%	6.33%	6.49%	7.29%
Ratio of earnings to fixed charges	2.81	3.68	3.59	6.31	2.95
Total return to shareholders ⁽²⁾	(14.70)%	14.08%	25.62%	7.23%	18.30%
Average shares outstanding for year, basic	59,990,229	58,976,052	52,751,021	49,486,790	47,371,319
Average shares outstanding for year, diluted	60,214,640	59,717,528	55,028,211	51,760,220	47,528,886
Market price per share at year-end	\$ 22.83	\$ 27.80	\$ 25.23	\$ 20.85	\$ 20.26
Market capitalization at year-end	\$ 1,370,782	\$ 1,666,443	\$ 1,446,814	\$ 1,036,745	\$ 997,521
Price-earnings ratio at year-end ⁽³⁾	13.4	10.9	18.6	5.9	15.3
Market-to-book ratio at year-end ⁽⁴⁾	1.3	1.6	1.6	1.6	1.8
Book value per share at year-end ⁽⁵⁾	\$ 17.60	\$ 16.92	\$ 15.92	\$ 13.26	\$ 11.44
Cash dividends declared per common share	\$ 0.900	\$ 0.900	\$ 0.900	\$ 0.900	\$ 0.900
Dividend payout ratio ⁽⁶⁾	52.9%	35.4%	66.2%	25.5%	68.2%
Dividend yield at year-end	3.9%	3.2%	3.6%	4.3%	4.4%

(1) The weighted average cost of debt outstanding at year-end including issuance costs and any discount or premium on the debt.

(2) Change in stock price plus cash dividends during a year.

(3) Market price per share of common stock at year-end divided by diluted earnings per share applicable to common stock.

(4) Market price per share of common stock at year-end divided by the book value per common share.

(5) Common shareholder's equity divided by average shares outstanding for year, diluted.

(6) Cash dividends paid per share of common stock divided by diluted earnings per share applicable to common stock.

Five-Year Selected Operating Data (unaudited)

	2008	2007	2006	2005	2004
Non-fuel recovery revenue by customer class (thousands) — Cleco Power					
Residential	\$ 154,001	\$ 157,521	\$ 156,059	\$ 154,928	\$ 153,607
Commercial	94,226	93,644	79,657	70,547	70,116
Industrial	55,560	56,534	55,947	54,966	54,978
Other	46,379	46,486	49,909	41,360	39,284
Unbilled	1,954	(623)	504	622	48
Total	\$ 352,120	\$ 353,562	\$ 342,076	\$ 322,423	\$ 318,033
Sales of electricity (millions of kilowatt-hours) — Cleco Power					
Residential	3,545	3,596	3,552	3,516	3,507
Commercial	2,450	2,478	2,109	1,838	1,854
Industrial	2,898	3,008	2,963	2,861	2,902
Other retail	134	135	412	610	597
Total retail	9,027	9,217	9,036	8,825	8,860
Sales for resale	441	473	480	552	1,057
Unbilled	16	(19)	7	18	(3)
Total retail and wholesale customer sales	9,484	9,671	9,523	9,395	9,914
Average retail customers by class — Cleco Power					
Residential	235,769	233,794	229,457	227,799	225,949
Commercial	36,256	35,776	33,424	32,161	31,937
Industrial	639	649	659	674	692
Other	2,864	2,827	4,823	6,401	6,272
Total	275,528	273,046	268,363	267,035	264,850
Average revenue per kWh sold — Cleco Power					
Residential	\$ 0.1146	\$ 0.1101	\$ 0.1076	\$ 0.1009	\$ 0.0850
Commercial	\$ 0.1090	\$ 0.1040	\$ 0.1013	\$ 0.0952	\$ 0.0788
Industrial	\$ 0.0789	\$ 0.0746	\$ 0.0765	\$ 0.0722	\$ 0.0567
Other, including unbilled	\$ 0.2219	\$ 0.1870	\$ 0.1526	\$ 0.1171	\$ 0.0664
Total composite	\$ 0.1089	\$ 0.1022	\$ 0.1008	\$ 0.0931	\$ 0.0724
Average annual kWh use per residential customer — Cleco Power					
	15,036	15,381	15,480	15,435	15,521
Average annual revenue per residential customer — Cleco Power					
	\$ 1,722	\$ 1,694	\$ 1,665	\$ 1,557	\$ 1,319
Degree-days — % change from normal:					
Heating	(13.12)%	(14.22)%	(22.07)%	(17.2)%	(9.9)%
Cooling	9.76%	12.66%	10.48%	15.8%	4.0%
Name plate capacity (MW)					
Cleco Power:					
Coal and lignite	482	482	482	482	482
Natural gas and oil	877	877	877	877	877
Firm capacity purchases	895	807	765	671	831
Midstream:					
Natural gas — 718 MW sold in 2005	1,355	1,355	1,355	1,355	2,073
Total	3,609	3,521	3,479	3,385	4,263
Peak demand (MW) — Cleco Power					
	2,113	2,216	2,137	2,014	1,940
Generation (MWh) — Cleco Power					
Net generation — system plants	4,747	4,504	4,691	5,284	4,820
Purchased power	5,959	6,221	5,968	5,028	5,592
Total energy supply	10,706	10,725	10,659	10,312	10,412
Cost of fuel per kWh					
	\$ 0.0718	\$ 0.0656	\$ 0.0648	\$ 0.0588	\$ 0.0404
Fuel Mix — Cleco Power					
Coal and lignite	30.9%	28.1%	31.2%	33.9%	31.6%
Natural gas and oil	13.4%	13.9%	12.8%	17.3%	14.7%
Purchased power	55.7%	58.0%	56.0%	48.8%	53.7%
System annual load factor	57.0%	54.8%	56.0%	57.2%	60.0%
System Average Interruption Duration Index (SAIDI) — Cleco Power					
(Average number of hours a customer's service is interrupted)	2.45	2.52	2.57	1.86	2.75
System Average Interruption Frequency Index (SAIFI) — Cleco Power					
(Average number of times a customer's service is interrupted)	1.72	1.96	2.04	1.86	2.02
Customer Satisfaction Percentage — Cleco Power					
	89%	90%	88%	91%	91%
Number of employees					
	1,320	1,216	1,167	1,158	1,165

Board of Directors (Pictured left to right. Ages as of Dec. 31, 2008)



RICHARD B. CROWELL, 70

Elected 1997
Partner, law firm of Crowell & Owens,
Alexandria, La.
*Member of the Audit, Nominating/
Governance and Qualified Legal
Compliance committees*

SHERIAN G. CADORIA, 68

Elected 1993
Brigadier General, U.S. Army (retired)
Retired President, Cadoria Speaker
and Consultancy Service, Mansura, La.
*Member of the Audit, Nominating/
Governance and Qualified Legal
Compliance committees*

ELTON R. KING, 62

Elected 1999
Retired President of network and
carrier services group, BellSouth
Telecommunications Inc., Atlanta, Ga.,
and retired President and Chief Executive
Officer of Visual Networks Inc.
*Member of the Compensation and
Finance committees*

LOGAN W. KRUGER, 58

Elected 2008
President, Chief Executive Officer
and Director of Century Aluminum
Company, Monterey, Calif.
*Member of the Audit and
Compensation committees*

J. PATRICK GARRETT, 65

Elected 1981
Retired President and Chief Executive
Officer, Windsor Food Co. Ltd.,
Houston, Texas
*Chairman of the Board and chairman of
the Executive, Nominating/Governance and
Qualified Legal Compliance committees*

MICHAEL H. MADISON, 60

Elected 2005
President and Chief Executive Officer,
Cleco Corporation, Pineville, La.
Member of the Executive Committee

WILLIAM L. MARKS, 65

Elected 2001
Retired Chairman and Chief Executive
Officer, Whitney Holding Corporation
and Whitney National Bank,
New Orleans, La.
*Chairman of the Finance Committee and
member of the Compensation and
Executive committees*

ROBERT T. RATCLIFF SR., 66

Elected 1993
Chairman, President and Chief
Executive Officer, Ratcliff Construction
Company LLC, Alexandria, La.
*Member of the Audit and
Finance committees*

WILLIAM H. WALKER JR., 63

Elected 1996
Retired Chairman, Howard Weil Inc.,
New Orleans, La.
*Chairman of the Compensation Committee
and member of the Executive and
Finance committees*

W. LARRY WESTBROOK, 69

Elected 2003
Retired Chief Financial Officer and
Senior Risk Officer of Southern
Company, Atlanta, Ga.
*Chairman of the Audit Committee and
member of the Compensation, Executive
and Finance committees*

Executive Management (Pictured left to right. Ages as of Dec. 31, 2008)



GEORGE W. BAUSEWINE, 53
Joined Cleco in 1986
Senior Vice President
of Corporate Services

JEFFREY W. HALL, 57
Joined Cleco in 1981
Senior Vice President of Governmental
Affairs and Chief Diversity Officer

DARREN J. OLAGUES, 38
Joined Cleco in 2007
Senior Vice President,
Cleco Midstream Resources LLC

R. RUSSELL DAVIS, 52
Joined Cleco in 2000
Vice President, Chief Accounting Officer
and Interim Chief Financial Officer

MICHAEL H. MADISON, 60
Joined Cleco in 2003
President and Chief Executive Officer,
Cleco Corporation
Chief Executive Officer, Cleco Power LLC

WADE A. HOEFLING, 53
Joined Cleco in 2007
Senior Vice President, General Counsel
and Director of Regulatory Compliance

DILEK SAMIL, 53
Joined Cleco in 2001
President and Chief Operating Officer,
Cleco Power LLC

OTHER OFFICERS

ANTHONY L. BUNTING, 49
Joined Cleco in 1992
Vice President of Customer
Services and Energy Delivery,
Cleco Power LLC

KEITH D. CRUMP, 47
Joined Cleco in 1989
Vice President of Regulatory, Retail
Operations and Resource Planning,
Cleco Power LLC

CHARLES A. MANNIX, 50
Joined Cleco in 2008
Vice President of Tax and Treasurer

STEPHEN M. CARTER, 49
Joined Cleco in 1988
Vice President of Regulated Generation,
Cleco Power LLC

WILLIAM G. FONTENOT, 45
Joined Cleco in 1986
Vice President of Regulated
Generation Development,
Cleco Power LLC

JUDY P. MILLER, 51
Joined Cleco in 1984
Corporate Secretary

TERRY L. TAYLOR, 53
Joined Cleco in 2000
Assistant Controller

Subsidiaries at a glance

Cleco Power is a regulated electric utility that serves approximately 276,000 customers in 22 parishes across Louisiana. Its assets include 1,214 transmission circuit miles, 11,489 distribution circuit miles, and the utility operates three power plants with 2,043 megawatts of name plate generating capacity. Cleco Power owns approximately 1,352 megawatts of this output.

Cleco Midstream Resources is a competitive wholesale generation business with 1,355 megawatts of name plate generating capacity.

Energy Assets and Operations (as of Dec. 31, 2008)

(MW = MEGAWATT)

CLECO POWER LLC

DOLET HILLS

Total name plate capacity: 650 MW
Fuel source: lignite/natural gas
Ownership: 50 percent

RODEMACHER UNIT 1

Total name plate capacity: 440 MW
Fuel source: natural gas/oil
Ownership: 100 percent

RODEMACHER UNIT 2

Total name plate capacity: 523 MW
Fuel source: coal/natural gas
Ownership: 30 percent

TECHE

Total name plate capacity: 430 MW
Fuel source: natural gas/oil
Ownership: 100 percent

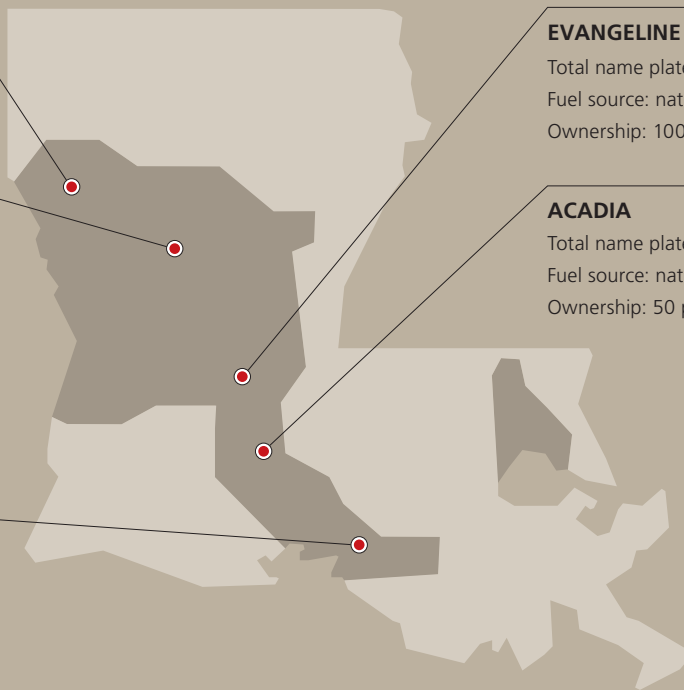
CLECO MIDSTREAM RESOURCES LLC

EVANGELINE

Total name plate capacity: 775 MW
Fuel source: natural gas
Ownership: 100 percent

ACADIA

Total name plate capacity: 1,160 MW
Fuel source: natural gas
Ownership: 50 percent



1,214
Transmission Circuit Miles

11,489
Distribution Circuit Miles

Investor Information

HEADQUARTERS

Cleco Corporation
2030 Donahue Ferry Road
P.O. Box 5000
Pineville, LA 71361-5000
(318) 484-7400
www.cleco.com

The Annual Meeting of Shareholders will be held at 9 a.m. (Central time) on April 24, 2009, at the Country Inn & Suites by Carlson, Pineville Convention Center, Ft. Randolph Room, 2727 Monroe Highway, Pineville, La.

SHAREHOLDER ASSISTANCE

Toll-free number: 1-800-253-2652
Representatives are available Monday through Friday, 8 a.m. to 5 p.m. (Central time).

ANALYST CONTACTS

Ryan Gunter
Manager of Investor Relations,
Strategy and Budget

Rodney J. Hamilton
Shareholder Specialist

SEND INQUIRIES TO

Shareholder Services
Cleco Corporation
P.O. Box 5000
Pineville, LA 71361-5000

To e-mail Cleco, visit the Contact Us page at www.cleco.com.

Cleco Corporation common stock is listed on the New York Stock Exchange (NYSE) under the symbol CNL.

DIVIDEND SCHEDULE

Schedule of anticipated common stock dividend record and payment dates for 2009:

Record Dates	Payment Dates
Feb. 9	Feb. 16
May 4	May 15
Aug. 10	Aug. 17
Nov. 9	Nov. 16

DIVIDEND REINVESTMENT

The dividend reinvestment plan enables shareholders to reinvest dividends on both common and preferred stock in additional shares of common stock. Shareholders also can purchase shares of common stock through an optional cash investment feature. A brochure describing the plan and an enrollment form are available from Shareholder Services or the transfer agent.

OTHER MATERIALS

Copies of the proxy statement, other SEC filings, and other corporate publications are available on request from Shareholder Services and through our Web site.

NYSE CEO CERTIFICATION

Cleco has filed the certification of its chief executive officer and chief financial officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 as exhibits to its Annual Report on Form 10-K for the year ended Dec. 31, 2008. In May 2008, Cleco's chief executive officer, as required by Section 303A.12(a) of the *NYSE Listed Company Manual*, submitted his certification to the NYSE that he was not aware of any violation by Cleco of the NYSE's corporate governance listing standards.

TRANSFER AGENT, REGISTRAR AND DIVIDEND AGENT

Common and Preferred Stock
Computershare Trust Company, N.A.
P.O. Box 43078
Providence, RI 02940-3078
Telephone: (781) 575-2723
www.computershare.com

TRUSTEE AND PAYING AGENT

The Bank of New York Trust
Company, N.A.
601 Poydras Street, Suite 2225
New Orleans, LA 70130-6050



The paper utilized for the financial section of this annual report is SFI certified and contains 10 percent post-consumer content. The cover and narrative section is printed on paper that contains 10 percent post-consumer content.



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