

CLECO CORPORATION
COMPUTATION OF NET (LOSS) INCOME PER COMMON SHARE

| | For the years ended December 31, | | |
|---|---|-------------------|-------------------|
| | 2003 | 2002 | 2001 |
| | (Thousands, except share and per share amounts) | | |
| <u>Basic</u> | | | |
| Net (loss) income from continuing operations | \$ (34,929) | \$ 71,875 | \$ 72,273 |
| Preferred dividend requirements, net | <u>(1,861)</u> | <u>(1,872)</u> | <u>(1,876)</u> |
| Net (loss) income applicable to common stock from continuing operations | (36,790) | 70,003 | 70,397 |
| Basic net (loss) income per common share from continuing operations | <u>\$ (0.79)</u> | <u>\$ 1.51</u> | <u>\$ 1.56</u> |
| Loss from discontinued operation, net | - | - | (2,035) |
| Basic loss per common share from discontinued operation | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (0.04)</u> |
| Total basic net (loss) income applicable to common stock | (36,790) | 70,003 | 68,362 |
| Total basic net (loss) income per common share | <u>\$ (0.79)</u> | <u>\$ 1.51</u> | <u>\$ 1.52</u> |
| Weighted average number of shares of common stock outstanding during the year | <u>46,820,058</u> | <u>46,245,104</u> | <u>45,000,955</u> |
| <u>Diluted</u> | | | |
| Net (loss) income applicable to common stock from continuing operations | \$ (36,790) | \$ 70,003 | \$ 70,397 |
| Adjustments to net (loss) income related to ESOP under the "if-converted" method: | | | |
| Add loss of deduction from net income for actual dividends paid on convertible preferred stock, net of tax | - | 1,287 | 1,325 |
| Deduct additional cash contribution required which is equal to dividends on preferred stock less dividends paid at the common dividend rate, net of tax | - | (74) | (37) |
| Add tax benefit associated with dividends paid on allocated common shares | - | 590 | 526 |
| Adjusted (loss) income applicable to common stock from continuing operations | (36,790) | 71,806 | 72,211 |
| Diluted net (loss) income per share from continuing operations | <u>\$ (0.79)</u> | <u>\$ 1.47</u> | <u>\$ 1.51</u> |
| Loss from discontinued operation, net | - | - | (2,035) |
| Diluted net loss per share from discontinued operation | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (0.04)</u> |
| Total adjusted net (loss) income applicable to common stock | (36,790) | 71,806 | 70,176 |
| Total diluted net (loss) income per common stock | <u>\$ (0.79)</u> | <u>\$ 1.47</u> | <u>\$ 1.47</u> |
| Weighted average number of shares of common stock outstanding during the year | 46,820,058 | 46,245,104 | 45,000,955 |
| Number of equivalent common shares attributable to ESOP | - | 2,479,806 | 2,550,234 |
| Common stock under stock option grants average shares | - | 46,954 | 212,524 |
| Average diluted shares | <u>46,820,058</u> * | <u>48,771,864</u> | <u>47,763,713</u> |

* For the year ended December 31, 2003, as Cleco incurred a loss from operations, there is no assumption of any potentially dilutive shares in the computation of diluted (loss) earnings per share.