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CALCASIEU REAL ESTATE & OIL CO., INC.

Form 10-Q for the Quarter ended March 31, 2003

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Reference is made to the Notes to Financial Statements contained in the Company's Annual Report on Form 10-K

The information furnished is not in connection with any sale or offer for sale of, or solicitation of an offer to buy, any securities.

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CALCASIEU REAL ESTATE & OIL CO., INC.

PART I

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The Company earned \$251,777 net income for the first quarter of 2003 compared to \$89,991 for the first quarter of 2002, an increase of 180.8%. This increase was due entirely to the increase of income from oil and gas properties. Oil and gas income increased partly due to higher prices but primarily because of production from one well in the North Gordon field, which began production after the first quarter of 2002.

During the second quarter the Company hopes to receive income from the

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settlement of the Strohe suit. This is a one time event and we are projecting receipt of approximately \$70,000. The Company is also pursuing receipt of approximately \$120,000 being held in escrow pending proof of mineral ownership. There is currently no new mineral activity on the Company's lands.

The enclosed financial statements are unaudited with the exception of the Balance Sheet for December 31, 2002. The unaudited interim financial statements reflect all adjustments which are, in the opinion of management, necessary to a fair statement of the results for the interim periods presented. All such adjustments are of a normal recurring nature.

Management believes that the Company's revenues will be sufficient to meet its existing needs and the needs for its anticipated future operations. Long-term trends will depend upon the ability of management to continue to find new production to replace the depletion of the Company's present minerals as well as increasing the Company's income from timber and agriculture. Management does not presently anticipate that the Company will incur material additional liabilities in its future operations. The Company participates in no off-balance sheet entities.

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CALCASIEU REAL ESTATE & OIL CO., INC.

BALANCE SHEET

ASSETS

CURRENT ASSETS	March 31, 2003	December 31, 2002
Cash and cash equivalents	\$ 785,768	\$ 583,327
Accounts receivables	311,642	152,373
Prepaid income tax & expenses	0	64,793
Inventory, crops	0	10,125
	-----	-----
Total Current Assets	1,097,410	810,618
	-----	-----
SECURITIES AVAILABLE FOR SALE	1,156,326	1,361,123
	-----	-----
PROPERTY AND EQUIPMENT, Less accumulated depreciation, Depletion and amortization	90,923	91,949
Timber, less accumulated depletion	503,490	484,161
Land	3,904,851	3,904,851
	-----	-----
Total Property	4,499,264	4,480,961
	-----	-----
TOTAL	\$6,753,000	\$6,652,702
	-----	-----

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CALCASIEU REAL ESTATE & OIL CO., INC.

BALANCE SHEET

LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES	March 31, 2003	December 31, 2002
Trade payables and accrued expenses	\$ 5,284	\$ 8,863
Dividends payable	97,989	195,742
Current deferred tax liability, net	22,295	23,370
Income taxes payable	50,531	0
	-----	-----
Total Current Liabilities	176,099	227,975
	-----	-----
STOCKHOLDER'S EQUITY		
Common Stock, no par value		
3,000,000 shares authorized; 2,100,000 shares issued	\$ 72,256	\$ 72,256
Retained earnings	6,796,526	6,642,737
Accumulated other comprehensive income	14,948	16,563
	-----	-----
	6,883,730	6,731,556
Less cost treasury stock (2003 - 144,956 shares; 2002 - 144,956 shares)	306,829	306,829
	-----	-----
Total Equity	6,576,901	6,424,727
	-----	-----
TOTAL	\$6,753,000	\$6,652,702
	-----	-----

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CALCASIEU REAL ESTATE & OIL CO., INC.

STATEMENTS OF INCOME AND RETAINED EARNINGS

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
REVENUES		
Income-primarily from oil and gas properties	\$ 378,497	\$ 138,013
Income-agricultural properties	58,286	63,581
Income-timber properties	13,423	25,494
	-----	-----
Total	\$ 450,206	\$ 227,088

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COSTS AND EXPENSES		
Forestry expenses	\$ 7,807	\$ 6,843
Agriculture expense	2,836	3,171
Oil and gas production costs	19,345	11,790
General and administrative	67,275	81,491
Depreciation and depletion	2,046	1,325
	-----	-----
Total	\$ 99,309	\$ 104,620
	-----	-----
OTHER INCOME (EXPENSE)		
Interest income	\$ 4,607	\$ 4,784
Dividends on common stock	7,917	2,704
	-----	-----
Total	\$ 12,524	\$ 7,488
	-----	-----
INCOME BEFORE INCOME TAXES AND EXTRAORDINARY CREDITS	\$ 363,421	\$ 129,956
PROVISION FOR INCOME TAXES:		
Current	111,644	39,965
Deferred	0	0
	-----	-----
Total	\$ 111,644	\$ 39,965
	-----	-----
NET INCOME	\$ 251,777	\$ 89,991
RETAINED EARNINGS, BEGINNING OF PERIOD	6,642,737	6,387,579
DIVIDENDS DECLARED	(97,988)	(97,961)
	-----	-----
RETAINED EARNINGS END OF PERIOD	\$ 6,796,526	\$ 6,379,609
	-----	-----
Earnings per share	\$.13	\$.05

OTHER COMPREHENSIVE INCOME

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
Unrealized gain (loss) on securities available for sale, net of taxes	\$ (1,615)	\$ 0
Other Comprehensive Income, Beginning of Period	16,563	26,059
	-----	-----
Other Comprehensive Income, End of Period	\$ 14,948	\$ 26,059
	-----	-----

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STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2003	Three Months Ended March 31, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 251,777	\$ 89,991
Non cash (income) expenses included in net income:		
Depreciation, depletion and amortization	2,046	1,325
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	(159,269)	(43,938)
(Increase) decrease in inventory	10,125	11,042
(Increase) decrease in prepaid expenses	3,680	3,309
(Increase) decrease in prepaid income taxes	61,113	58,052
Increase (decrease) in trade payable	(3,579)	10,902
Increase (decrease) in income tax payable	50,531	0
	-----	-----
Net cash provided by operating activities	\$ 216,424	\$ 130,683
	-----	-----
CASH FLOWS FROM INVESTING ACTIVITIES:		
Maturity of securities available for sale	\$ 700,657	\$ 0
Reforestation expenditures	(20,000)	0
Investment in land & fixed assets	(349)	(7,173)
Purchase of securities available for sale	(498,550)	(899,933)
	-----	-----
	\$ 181,758	\$ (907,106)
	-----	-----
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends paid	\$ (195,741)	\$ (195,725)
	-----	-----
Net cash provided by (used in) financing activities	\$ (195,741)	\$ (195,725)
	-----	-----
Net increase (decrease) in cash and cash equivalents:	\$ 202,441	\$ (972,148)
Cash and cash equivalents:		
Beginning	583,327	1,419,084
	-----	-----
Ending	\$ 785,768	\$ 446,936
	-----	-----

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CALCASIEU REAL ESTATE & OIL CO., INC.

PART II OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security Holders.

(a) The Annual Meeting was held on April 25, 2003.

(b) The following were elected Directors:

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Henry C. Alexander
William D. Blake
Troy A. Freund
Arthur Hollins, III
Laura A. Leach
Frank O. Pruitt
B. James Reaves, III
Mary W. Savoy
Charles D. Viccellio

No other director's term of office continued after the meeting.

- (c) There were 1,435,023 shares represented at the meeting of whom 1,432,873 voted in favor of both propositions. The Company furnished its security holders proxy soliciting material pursuant to Regulation 14 under the Act and there was no solicitation in opposition to either the nominees for directors nor any other matters.

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CALCASIEU REAL ESTATE & OIL CO., INC.

PART II OTHER INFORMATION

Item 6. EXHIBITS AND REPORTS ON FORM 8-K.

(A) Exhibits

None

(B) Management's Certification

This is to certify that we, the officers signing below, have reviewed this report and based on our knowledge, the report does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading. Based on our knowledge, the financial statements, and other financial information included in the report, fairly present in all material respects the financial condition and results of operations of the issuer, as of, and for, the periods presented in the report. We are responsible for establishing and maintaining internal controls; have designed such controls to ensure that material information relating to the issuer is made known to such officers by others within the Company, particularly during the period in which these reports are prepared. We have evaluated the effectiveness of the Company's internal controls and believe that said controls are effective and sufficient. We have disclosed to the Company's auditors and audit committee the operation of the internal controls and have stated to same that we are unaware of any material weakness in said controls nor are we aware of any fraud. There have been no significant changes in the Company's internal controls.

Dated: May 5, 2003

/s/ Arthur Hollins, III

Arthur Hollins, III
President

/s/ William D. Blake

William D. Blake
Vice-President and Treasurer