

NORTH COAST ENERGY

Ticker Symbol: **NCEB**

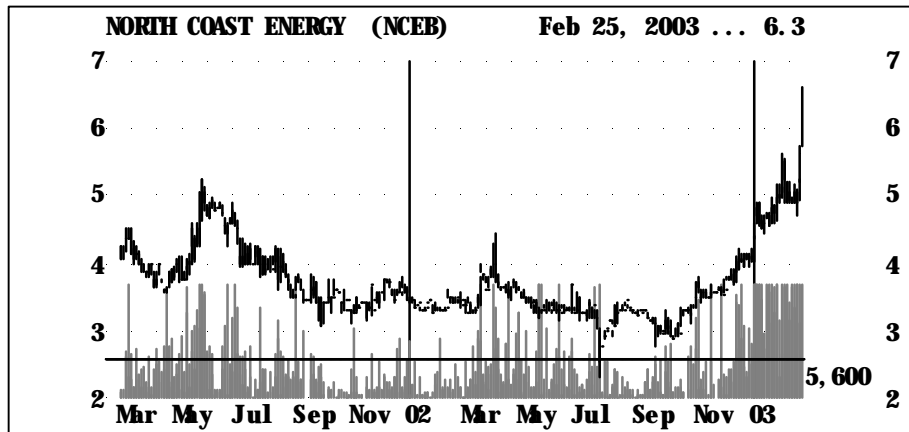
February 26, 2003

Current Data

Current Price	\$	6.30
52-Week Range		7-2
Shares Out (Mill)		15.2
Ave Volume LTM		7,226
Market Capitalization	\$	95.8
LTD/Tot Cap		52.0%
Institutional Holdings		0.0%
Insider Buys-Sells		0.0
Book Value	\$	4.09

Valuation

P/E (Last FY)	10.68
P/B	1.54
Price/Sales	1.71
PEG (2003)	0.10



Operating Data

Sales Growth	4.8%
EBITDA Margin Grwt	16.9%
Net Inc. Growth	21.14%

This Qtr Annual Results (FY-Mar.)

	1998	1999	2000	2001	9/30/01	9/30/02
Sales (\$Million)	\$13.9	\$16.5	\$45.5	\$32.1	\$10.3	\$10.8
Gr Margin	51.8%	47.9%	58.0%	61.1%	63%	68%
EBITDA	37.4%	35.2%	53.0%	53.9%	66%	77%
EPS	\$0.06	\$0.11	\$0.47	\$0.56	\$ 0.10	\$0.14
LTD/Cap.	54.6%	79.4%	55.5%	53.0%	53.9%	51.8%
Times Int	1.5	1.7	2.4	3.4	4.78	6.24

Company Description

North Coast Energy, Inc. (NCE) is an oil and gas company engaged in exploration, development, and production activities in the Appalachian Basin. The company focuses primarily on the acquisition of proved developed and undeveloped properties and on the drilling and development of these properties. North Coast Energy owns interests in over 3,810 wells, operating about 3,730 of these wells. In connection with the drilling and development of the wells it operates, NCE owns and operates approximately 1,420 miles of natural gas gathering systems with access to the commercial and industrial gas markets of the northeastern US. The company has estimated net proved reserves of over 140 Bcf (billion cubic feet) of natural gas and approximately 1.2 million Bbls (barrels) of oil.

Operating Data-LTM

Company	Symbol	Sales(MM)	Sales Growth	Gross Margin	EBITDA Margin	\$ Flow /Share	LT Debt/ Total Cap	ROE
NORTH COAST ENER	NCEB	\$44	-10%	65.4%	51.2	\$ 0.98	52.0	14.5
Peer Group Avg*		\$41	-24%	64.4%	51.2	\$ 1.42	29.3	8.0
Industry Average		-	-30%	-	46.4	\$ 20.95	47.0	10.0
Top Competitors								
PETROQUEST ENER	PQUE	\$45	-14%	80.2%	59.8	\$ 0.62	17.0	3.3
PRIMA ENERGY	PENG	\$35	-47%	76.4%	59.2	\$ 1.43	0.0	7.5
PRIMEENERGY	PNRG	\$35	-22%	33.3%	21.9	\$ 1.85	73.0	15.5

Valuation Data

	Price	CY P/E			Price/ \$ Flow	Pr/Sales	Price/Bk
		2000	2001	2002			
NORTH COAST ENER	NCEB	\$6.30	10.7	8.5	-	2.2	1.5
Peer Group Avg*		\$11.18	33.1	15.3	16.0	3.5	2.4
Industry Average		\$132.32	17.4	12.7	-	2.2	2.0
Top Competitors							
PETROQUEST ENER	PQUE	\$2.22	31.7	11.1	7.9	2.1	1.1
PRIMA ENERGY	PENG	\$22.68	34.4	19.4	24.1	8.3	2.8
PRIMEENERGY	PNRG	\$9.33	-	-	-	1.0	4.3

*Peer Group includes companies with LTM sales between \$35 to 40 million.

Source: Baseline

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Update:

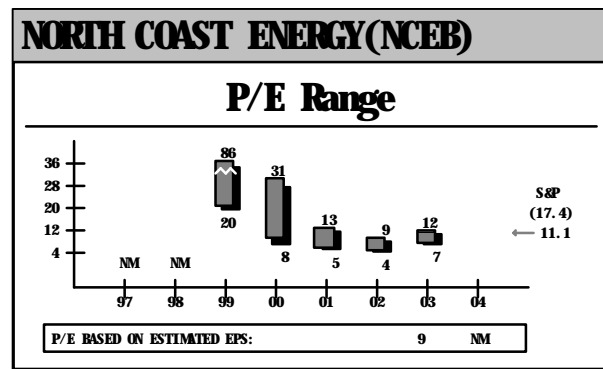
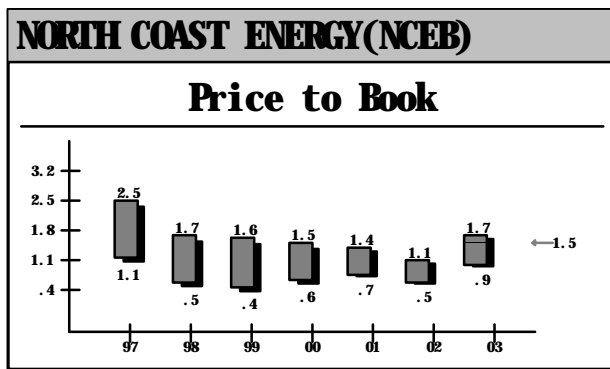
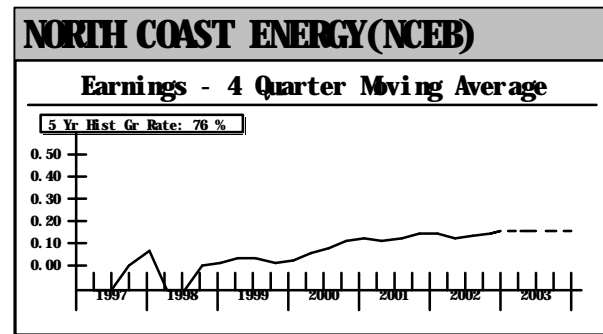
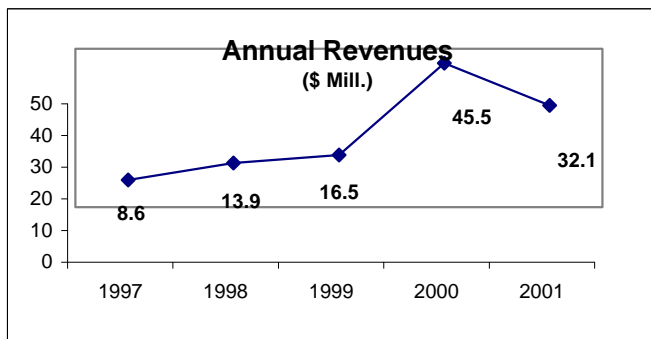
The stock is up sharply in response to the rise in oil and gas prices. Despite the rise, the stock still looks relatively cheap. The key question is how far (if at all) will the stock weaken as weather gets warmer and war fears ease?

3Q02 Results

Oil and gas revenues increased 16% for 3Q02 and EPS increased 25%. For the nine months, revenues increased 11% while EPS was flat versus last year. Operating cash flows rose 18% (to \$5.7 million) for the quarter and 8% (to \$16.8 million) for the year to date period. NCEB ended the quarter with \$13.8 million (\$0.91 per share) in cash and \$67 million (\$4.41 per share) in bank debt.

NCEB transitioned itself from a drilling program sponsor to an exploration and production company during the last year. The Company plans to remain focused on increasing production and increasing reserves through a program of drilling and acquisitions.

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