

ADAMS EXPRESS CO  
Form N-30B-2  
April 16, 2010

LETTER TO STOCKHOLDERS

We are pleased to present summary financial information of The Adams Express Company (the Company) for the three months ended March 31, 2010.

Net assets of the Company at March 31, 2010 were \$12.56 per share on 87,427,760 shares outstanding, compared with \$11.95 per share at December 31, 2009 on 87,415,193 shares outstanding. On March 1, 2010, a distribution of \$0.05 per share was paid, consisting of \$0.01 from 2009 investment income, \$0.02 from 2009 short-term capital gain, \$0.01 from 2009 long-term capital gain, and \$0.01 from 2010 investment income, all taxable in 2010. On April 7, 2010, an investment income dividend of \$0.05 per share was declared to stockholders of record May 14, 2010, payable June 1, 2010.

Net investment income for the three months ended March 31, 2010 amounted to \$3,135,897, compared with \$3,033,510 for the same three month period in 2009. These earnings are equal to \$0.04 and \$0.03 per share, respectively.

Net capital gain realized on investments for the three months ended March 31, 2010 amounted to \$8,375,428, or \$0.10 per share.

For the three months ended March 31, 2010, the total return on the net asset value (with dividends and capital gains reinvested) of the Company's shares was 5.6%. The total return on the market value of the Company's shares for the period was 5.0%. These compare to a 5.4% total return for the Standard & Poor's 500 Composite Stock Index (S&P 500) and a 4.9% total return for the Lipper Large-Cap Core Mutual Fund Average over the same time period.

For the twelve months ended March 31, 2010, the Company's total return on net asset value was 50.1% and on market value was 46.9%. Comparable figures for the S&P 500 and the Lipper Large-Cap Core Mutual Fund Average were 49.8% and 48.5%, respectively.

The Annual Meeting was held on March 23, 2010 in Baltimore, Maryland. The results of the voting at the Annual Meeting are shown on page 7.

We are pleased to announce that on March 23, 2010, the Board of Directors elected the following executives to new positions. Mr. David D. Weaver was elected President, after serving the Company as Executive Vice President. He has been a member of our portfolio management team since 2008 and started as a research analyst in 2004. Ms. Nancy J. F. Prue was elected Executive Vice President and has now joined our portfolio management team. Ms. Prue has served as a research analyst for the Company since 1982. She also is Executive Vice President of the Company's non-controlled affiliate, Petroleum & Resources Corporation, and has served in that capacity since 2009. She has also been a research analyst for Petroleum & Resources since 1986. Mr. Richard A. Church was elected Vice President-Research. Mr. Church has been with the Company as a senior research analyst covering the information technology and telecom services sectors since 2008.

Current and potential stockholders can find information about the Company, including the daily net asset value (NAV) per share, the market price, and the discount/premium to the NAV, on our website at [www.adamsexpress.com](http://www.adamsexpress.com). Also available on the website are a history of the Company, historical financial information, and other useful content.

By order of the Board of Directors,

Douglas G. Ober,

*Chairman and*

*Chief Executive Officer*

David D. Weaver,

*President*

April 7, 2010

## SUMMARY FINANCIAL INFORMATION

Three Months Ended March 31

(unaudited)

	2010	2009
Net asset value per share	\$ 12.56	\$ 8.76
Total net assets	1,097,711,849	760,002,176
Unrealized appreciation (depreciation)	140,472,812	(205,512,286)
Net investment income	3,135,897	3,033,510
Net realized gain	8,375,428	19,462,868
Market price	10.55	7.52
Shares outstanding	87,427,760	86,767,691
Shares repurchased	28,300	676,675
Total return (based on market price)	5.0%	(5.6)%
Total return (based on net asset value)	5.6%	(8.1)%
Key ratios:		
Net investment income to average net assets (annualized)	1.20%	1.58%
Expenses to average net assets (annualized)	0.60%	0.92%
Portfolio turnover	3.20%	5.28%
Net cash & short-term investments to net assets	3.1%	9.2%

## RETURNS ON NET ASSET VALUE

As of March 31, 2010

(unaudited)

## FIVE YEAR DISTRIBUTION HISTORY

*(unaudited)*

	Income Dividends Per Share	Short-Term Capital Gains Per Share	Long-Term Capital Gains Per Share	Total Distributions Per Share	Dividend Yield*	Annual Rate of Distribution**
2005	\$ 0.22	\$ 0.09	\$ 0.55	\$ 0.86	1.7%	6.7%
2006	0.23	0.04	0.63	0.90	1.7	6.8
2007	0.32	0.08	0.63	1.03	2.2	7.2
2008	0.26	0.01	0.37	0.64	2.3	5.6
2009	0.15	0.05	0.25	0.45	1.7	5.2
				Average:	1.9%	6.3%

\* The dividend yield is the total income dividends during the year divided by the average daily market price of the Company's Common Stock.

\*\* The annual rate of distribution is the total dividends and capital gain distributions during the year divided by the average daily market price of the Company's Common Stock.

## CHANGES IN PORTFOLIO SECURITIES

*During the Three Months Ended March 31, 2010**(unaudited)*

	Shares		Held
	Additions	Reductions	March 31, 2010
Bank of America Corp.	50,000 <sup>(1)</sup>		1,185,000
Cliffs Natural Resources Inc.	75,740		102,140
Freeport-McMoRan Copper & Gold Inc.	5,000		115,000
Google Inc.	4,000		24,000
Hewlett-Packard Co.	199,989		199,989
JPMorgan Chase & Co.	60,000		510,000
Norfolk Southern Corp.	100,000		100,000
Praxair, Inc.	109,292		109,292
QUALCOMM Inc.	50,000		300,000
T. Rowe Price Group Inc.	190,000		190,000
Bank of America Corp. Common			

Edgar Filing: ADAMS EXPRESS CO - Form N-30B-2

Equivalent Securities	50,000 <sup>(1)</sup>	
Capital One Financial Corp.	110,000	100,000
ConocoPhillips	100,000	
Del Monte Foods Co.	200,000	800,000
Northwest Natural Gas Co.	200,000	
Visa Inc.	100,000	90,000
WGL Holdings, Inc.	74,375	164,225

<sup>(1)</sup> Received one share for each share of Bank Of America Corp. Common Equivalent Securities exchanged.

## PORTFOLIO SUMMARY

March 31, 2010

(unaudited)

## Ten Largest Portfolio Holdings

	<i>Market Value</i>	<i>% of Net Assets</i>
Petroleum & Resources Corporation*	\$ 52,110,824	4.8%
Microsoft Corp.	34,538,600	3.1
Oracle Corp.	28,259,000	2.6
General Electric Co.	27,081,600	2.5
PepsiCo, Inc.	23,817,600	2.2
JPMorgan Chase & Co.	22,822,500	2.1
Cisco Systems, Inc.	22,125,500	2.0
United Technologies Corp.	22,083,000	2.0
Bank of America Corp.	21,152,250	1.9
Unilever plc ADR	21,119,664	1.9
Total	\$ 275,110,538	25.1%

\*Non-controlled affiliate

## Sector Weightings

## SCHEDULE OF INVESTMENTS

March 31, 2010

(unaudited)

	Shares	Value (A)
<b>Stocks 96.9%</b>		
<b>Consumer 21.4%</b>		
<b>Consumer Discretionary 7.2%</b>		
Lowe's Companies, Inc.	600,000	\$ 14,544,000
McDonald's Corp.	250,000	16,680,000
Newell Rubbermaid Inc. (B)	400,000	6,080,000
Ryland Group Inc.	343,500	7,708,140
Target Corp.	320,000	16,832,000
Walt Disney Co.	480,000	16,756,800
		78,600,940
<b>Consumer Staples 14.2%</b>		
Avon Products, Inc.	324,600	10,994,202
Bunge Ltd. (B)(F)	160,000	9,860,800
Coca-Cola Co.	250,000	13,750,000
CVS/Caremark Corp.	285,000	10,419,600
Dean Foods Co. (B)(C)	425,000	6,668,250
Del Monte Foods Co.	800,000	11,680,000
Hansen Natural Corp. (C)(F)	260,000	11,278,800
Mead Johnson Nutrition Co.	117,383	6,107,437
PepsiCo, Inc. (G)	360,000	23,817,600
Procter & Gamble Co.	315,000	19,930,050
Safeway Inc.	390,000	9,695,400
Unilever plc ADR	721,300	21,119,664
		155,321,803
<b>Energy 11.1%</b>		
Chevron Corp.	200,000	15,166,000
CONSOL Energy Inc. (F)	200,000	8,532,000
Exxon Mobil Corp. (G)	215,000	14,400,700
Halliburton Co.	300,000	9,039,000
Petroleum & Resources Corporation (D)	2,186,774	52,110,824
Spectra Energy Corp.	405,780	9,142,223
Transocean Ltd. (C)	160,000	13,820,800
		122,211,547
<b>Financials 12.6%</b>		
<b>Banks 2.7%</b>		
PNC Financial Services Group, Inc.	270,000	16,119,000
Wells Fargo & Co.	425,000	13,226,000
		29,345,000



Edgar Filing: ADAMS EXPRESS CO - Form N-30B-2

<b>Diversified Financials 8.2%</b>		
Bank of America Corp.	1,185,000	21,152,250
Bank of New York Mellon Corp.	403,775	12,468,572
Capital One Financial Corp.	100,000	4,141,000
JPMorgan Chase & Co.	510,000	22,822,500
Morgan Stanley	300,000	8,787,000
State Street Corp.	230,000	10,382,200
T. Rowe Price Group Inc. (B)	190,000	10,436,700
		90,190,222
<b>Insurance 1.7%</b>		
Prudential Financial, Inc. (B)	310,000	18,755,000
<b>Health Care 12.0%</b>		
Abbott Laboratories	320,000	16,857,600
Bristol-Myers Squibb Co.	159,061	4,246,929
Gilead Sciences Inc. (C)	200,000	9,096,000
Hospira Inc. (C)(F)	225,000	12,746,250
Johnson & Johnson	255,000	16,626,000
Medtronic, Inc.	350,000	15,760,500
Pfizer Inc.	1,015,125	17,409,394
Senomyx, Inc. (C)	1,284,400	4,206,410
Teva Pharmaceutical Industries Ltd. ADR	330,000	20,816,400
UnitedHealth Group Inc.	140,000	4,573,800
Zimmer Holdings, Inc. (C)(F)	150,000	8,880,000
		131,219,283
<b>Industrials 15.5%</b>		
Cintas Corp. (B)	300,000	8,427,000
Curtiss-Wright Corp.	360,000	12,528,000
Emerson Electric Co.	300,000	15,102,000
General Electric Co.	1,488,000	27,081,600
Harsco Corp.	310,000	9,901,400
Illinois Tool Works Inc.	250,000	11,840,000
Masco Corp.	450,000	6,984,000
Norfolk Southern Corp.	100,000	5,589,000
Oshkosh Corp. (B)(F)	380,000	15,329,200
Spirit AeroSystems Holdings, Inc. (C)	720,000	16,833,600
Tata Motors Ltd. ADR (B)	1,000,000	18,460,000
United Technologies Corp.	300,000	22,083,000
		170,158,800
<b>Information Technology 17.9%</b>		
<b>Semiconductors 2.9%</b>		
Broadcom Corp.	400,000	13,272,000
Intel Corp.	840,000	18,698,400
		31,970,400
<b>Software &amp; Services 8.9%</b>		
Automatic Data Processing Inc.	300,000	13,341,000
Google Inc. (C)	24,000	13,608,240
Microsoft Corp.	1,180,000	34,538,600
Oracle Corp.	1,100,000	28,259,000
Visa Inc.	90,000	8,192,700
		97,939,540
<b>Technology Hardware &amp; Equipment 6.1%</b>		

## Edgar Filing: ADAMS EXPRESS CO - Form N-30B-2

Apple Inc. (C)	75,000	17,619,750
Cisco Systems, Inc. (C)	850,000	22,125,500
Dell Inc. (C)	285,000	4,277,850
Hewlett-Packard Co. (B)	199,989	10,629,415
QUALCOMM Inc.	300,000	12,597,000
		67,249,515
<b>Materials 2.9%</b>		
Cliffs Natural Resources Inc. (F)	102,140	7,246,833
Freeport-McMoRan Copper & Gold Inc.	115,000	9,607,100
Potash Corporation of Saskatchewan Inc. (B)(F)	54,000	6,444,900
Praxair, Inc.	109,292	9,071,237
		32,370,070
<b>Telecom Services 1.0%</b>		
AT&T Corp.	400,000	10,336,000
<b>Utilities 2.5%</b>		
MDU Resources Group, Inc.	562,500	12,138,750
Northeast Utilities	350,000	9,674,000
WGL Holdings, Inc. (B)	164,225	5,690,396
		27,503,146
<b>Total Stocks (Cost \$922,835,109)</b>		<b>1,063,171,266</b>
<b>Short-Term Investments 3.0%</b>		
<b>Commercial Paper 0.8%</b>		
General Electric Capital Corp., 0.15%, due 4/16/10	9,800,000	9,799,388
<b>Money Market Funds 2.2%</b>		
Fidelity Institutional Money Market Government Portfolio, 0.04% (E)	100,778	100,778
	<b>Shares</b>	<b>Value (A)</b>
RBC U.S. Government Money Market (Institutional Class I), 0.09% (E)	19,947,082	19,947,082

### Notes:

- (A) Securities are listed on the New York Stock Exchange or the NASDAQ and are valued at the last reported sale price on the day of valuation.
- (B) A portion of shares held are on loan.
- (C) Presently non-dividend paying.
- (D) Non-controlled affiliate, a closed-end sector fund, registered as an investment company under the Investment Company Act of 1940.
- (E) Rate presented is as of period-end and represents the annualized yield earned over the previous seven days.
- (F) All or a portion of this security is pledged to cover open written call option contracts. Aggregate market value of such pledged securities is \$9,736,764.
- (G) All or a portion of this security is pledged to collateralize open written put option contracts with an aggregate value to deliver upon exercise of \$2,090,000.

This report is transmitted to the stockholders of The Adams Express Company for their information. It is not a prospectus, circular or representation intended for use in the purchase or sale of shares of the Company or of any securities mentioned in the report. The rates of return will vary and the principal value of an investment will fluctuate. Shares, if sold, may be worth more or less than their original cost. Past performance is not indicative of future investment results.



ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders was held on March 23, 2010. The following votes were cast for directors:

	Votes For	Votes Withheld
Enrique R. Arzac	66,381,279	6,157,545
Phyllis O. Bonanno	67,774,039	4,764,785
Kenneth J. Dale	67,666,481	4,872,342
Daniel E. Emerson	66,090,091	6,448,732
Frederic A. Escherich	67,752,507	4,786,317
Roger W. Gale	67,856,773	4,682,051
Thomas H. Lenagh	67,807,454	6,731,369
Kathleen T. McGahran	67,729,510	4,809,313
Douglas G. Ober	66,595,361	5,943,462
Craig R. Smith	63,125,035	9,413,788

A proposal to approve and ratify the selection of PricewaterhouseCoopers LLP as the independent registered public accounting firm for the Company for 2010 was approved with 68,391,097 votes for, 2,634,005 votes against, and 1,513,723 shares abstaining.

A proposal to reapprove the 2005 Equity Compensation Plan was approved with 39,999,398 votes for, 6,670,082 votes against, and 2,367,272 shares abstaining.

**The Company**

**The Adams Express Company**

Lawrence L. Hooper, Jr.

Vice President, General Counsel and Secretary

Seven St. Paul Street, Suite 1140, Baltimore, MD 21202

(800) 638-2479

**Website:** [www.adamsexpress.com](http://www.adamsexpress.com)

**E-mail:** [contact@adamsexpress.com](mailto:contact@adamsexpress.com)

**The Transfer Agent**

**American Stock Transfer & Trust Company**

*Address Stockholder Inquiries to:*

Stockholder Relations Department

59 Maiden Lane

New York, NY 10038

(877) 260-8188

**Website:** www.amstock.com

**E-mail:** info@amstock.com

*Investors Choice Mailing Address:*

Attention: Dividend Reinvestment

P.O. Box 922

Wall Street Station

New York, NY 10269-0560

**Website:** www.amstock.com

**E-mail:** info@amstock.com

7

**THE ADAMS EXPRESS COMPANY**

**Board of Directors**

Enrique R. Arzac<sup>2,4</sup>

Phyllis O. Bonanno<sup>2,4</sup>

Kenneth J. Dale<sup>3,4</sup>

Daniel E. Emerson<sup>1,3,5</sup>

Roger W. Gale<sup>2,4</sup>

Thomas H. Lenagh<sup>2,3</sup>

Kathleen T. McGahran<sup>1,3,5</sup>

Douglas G. Ober<sup>1</sup>

## Edgar Filing: ADAMS EXPRESS CO - Form N-30B-2

Frederic A. Escherich<sup>1,4,5</sup>

1. *Member of Executive Committee*

2. *Member of Audit Committee*

3. *Member of Compensation Committee*

4. *Member of Retirement Benefits Committee*

5. *Member of Nominating and Governance Committee*

Craig R. Smith<sup>1,3,5</sup>

### Officers

Douglas G. Ober

David D. Weaver

Nancy J. F. Prue

Lawrence L. Hooper, Jr.

Richard A. Church

David R. Schiminger

D. Cotton Swindell

Brian S. Hook

Christine M. Sloan

Geraldine H. Paré

*Chairman and Chief Executive Officer*

*President*

*Executive Vice President*

*Vice President, General Counsel and Secretary*

*Vice President Research*

*Vice President Research*

*Vice President Research*

*Treasurer*

*Assistant Treasurer*

*Assistant Secretary*

### Stock Data

Market Price (3/31/10)	\$10.55
Net Asset Value (3/31/10)	\$12.56
Discount:	16.0%

New York Stock Exchange ticker symbol: ADX

NASDAQ Mutual Fund Quotation Symbol: XADEX

Newspaper stock listings are generally under the abbreviation: AdamsExp

### Distributions in 2010

From Investment Income (paid or declared)	\$ 0.07
From Net Realized Gains	0.03
Total	\$ 0.10

**2010 Dividend Payment Dates**

March 1, 2010

June 1, 2010

September 1, 2010\*

December 27, 2010\*

\*Anticipated