

LETTER TO STOCKHOLDERS

We are pleased to submit the financial statements for the three months ended March 31, 2001. In addition, a schedule of investments and summary financial information for the Company are provided.

Net assets of the Company at March 31, 2001 were \$19.49 per share on 81,926,962 shares outstanding, compared with \$23.72 per share at December 31, 2000 on 82,292,262 shares outstanding. On March 1, 2001, a distribution of \$0.08 per share was paid consisting of \$0.04 from 2000 long-term capital gain, \$0.03 from 2000 investment income, and \$0.01 from 2001 investment income, all taxable in 2001. A 2001 investment income dividend of \$0.08 per share has been declared to shareholders of record May 18, 2001, payable June 1, 2001.

Net investment income for the three months ended March 31, 2001 amounted to \$5,180,500, compared with \$3,425,653 for the same period in 2000. These earnings are equal to \$0.06 and \$0.04 per share, respectively, on the average number of shares outstanding during each period.

Net capital gain realized on investments for the three months ended March 31, 2001 amounted to \$80,426,068, the equivalent of \$0.98 per share.

The Annual Meeting, held on March 27, 2001 in Baltimore, Maryland, was well attended by shareholders. Upon conclusion of the formal segment of the meeting, management reviewed the portfolio's performance in 2000 and discussed the outlook for the future. The results of the voting at the Annual Meeting are shown on page 10.

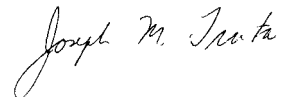
Current and potential shareholders can find information about the Company, including the daily net asset value (NAV) per share, the market price, and the discount/premium to the NAV, at its site on the Internet. The address for the site is www.adamsexpress.com. Also available at the website are a brief history of the Company, historical financial information, and more general industry material. Further information regarding shareholder services is located on page 11 of this report.

The Company is an internally-managed equity fund whose investment policy is essentially based on the primary objectives of preservation of capital, the attainment of reasonable income from investments and, in addition, an opportunity for capital appreciation.

By order of the Board of Directors,



Douglas G. Ober,
*Chairman and Chief
Executive Officer*



Joseph M. Truta,
President

April 20, 2001

STATEMENT OF ASSETS AND LIABILITIES

March 31, 2001 (unaudited)

Assets

Investments* at value:

Common stocks and convertible securities (cost \$910,724,768)	\$1,506,044,419	
Non-controlled affiliate, Petroleum & Resources Corporation (cost \$26,585,260)	52,054,286	
Short-term investments (cost \$36,340,229)	36,340,229	\$1,594,438,934

Cash		208,451
Securities lending collateral		293,183,469
Dividends and interest receivable		1,510,206
Prepaid expenses and other assets		6,835,280
<i>Total Assets</i>		1,896,176,340

Liabilities

Investment securities purchased		703,550
Open option contracts at value (proceeds \$1,531,733)		953,770
Obligations to return securities lending collateral		293,183,469
Accrued expenses		4,483,131
<i>Total Liabilities</i>		299,323,920

Net Assets		\$1,596,852,420
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Net Assets

Common Stock at par value \$1.00 per share, authorized 150,000,000 shares; issued and outstanding 81,926,962 shares	\$	81,926,962
Additional capital surplus		806,939,614
Undistributed net investment income		5,669,708
Undistributed net realized gain on investments		80,949,496
Unrealized appreciation on investments		621,366,640
Net Assets Applicable to Common Stock		\$1,596,852,420
Net Asset Value Per Share of Common Stock		\$19.49

*See Schedule of Investments on pages 6 through 8.

The accompanying notes are an integral part of the financial statements.

STATEMENT OF OPERATIONS

Three Months Ended March 31, 2001 (unaudited)

Investment Income

Income:	
Dividends:	
From unaffiliated issuers	\$ 4,992,125
From non-controlled affiliate	191,376
Interest	942,057
<i>Total income</i>	6,125,558
Expenses:	
Investment research	338,711
Administration and operations	64,462
Directors' fees	54,250
Reports and stockholder communications	134,730
Transfer agent, registrar and custodian expenses	127,965
Auditing and accounting services	27,652
Legal services	11,651
Occupancy and other office expenses	51,268
Travel, telephone and postage	30,567
Other	103,802
<i>Total expenses</i>	945,058
Net Investment Income	5,180,500
Realized Gain and Change in Unrealized Appreciation on Investments	
Net realized gain on security transactions	80,368,655
Net realized gain distributed by regulated investment company (non-controlled affiliate)	57,413
Change in unrealized appreciation on investments	(426,102,704)
Net Loss on Investments	(345,676,636)
Change in Net Assets Resulting from Operations	\$(340,496,136)

STATEMENT OF CHANGES IN NET ASSETS

	Three Months Ended March 31, 2001 (unaudited)	Year Ended Dec. 31, 2000
From Operations:		
Net investment income	\$ 5,180,500	\$ 20,941,465
Net realized gain on investments	80,426,068	128,091,337
Change in unrealized appreciation on investments	(426,102,704)	(251,193,342)
<i>Change in net assets resulting from operations</i>	(340,496,136)	(102,160,540)
Dividends to Stockholders from:		
Net investment income	(3,278,331)	(17,702,862)
Net realized gain from investment transactions	(3,278,334)	(128,205,341)
<i>Decrease in net assets from distributions</i>	(6,556,665)	(145,908,203)
From Capital Share Transactions:		
Value of shares issued in payment of exercised options and distributions	-0-	77,508,318
Cash in lieu of fractional shares issued in payment of 3-for-2 stock split	-0-	(123,043)
Cost of shares purchased (Note 4)	(7,657,757)	(48,555,429)
<i>Change in net assets from capital share transactions</i>	(7,657,757)	28,829,846
Total Increase (Decrease) in Net Assets	(354,710,558)	(219,238,897)
Net Assets:		
Beginning of period	1,951,562,978	2,170,801,875
End of period (including undistributed net investment income of \$5,669,708 and \$3,767,539, respectively)	\$1,596,852,420	\$1,951,562,978

The accompanying notes are an integral part of the financial statements.

1. Significant Accounting Policies

The Adams Express Company (the Company) is registered under the Investment Company Act of 1940 as a diversified investment company. The Company's investment objectives as well as the nature and risk of its investment transactions are set forth in the Company's registration statement.

Security Valuation — Investments in securities traded on a national security exchange are valued at the last reported sale price on the day of valuation. Over-the-counter and listed securities for which a sale price is not available are valued at the last quoted bid price. Short-term investments are valued at amortized cost. Written options are valued at the last sale price or last quoted asked price.

Affiliated Companies — Investments in companies 5% or more of whose outstanding voting securities are held by the Company are defined as "Affiliated Companies" in Section 2(a)(3) of the Investment Company Act of 1940.

Security Transactions and Investment Income — Investment transactions are accounted for on the trade date. Gain or loss on sales of securities and options is determined on the basis of identified cost. Dividend income and distributions to shareholders are recognized on the ex-dividend date, and interest income is recognized on the accrual basis.

2. Federal Income Taxes

The Company's policy is to distribute all of its taxable income to its shareholders in compliance with the requirements of the Internal Revenue Code applicable to regulated investment companies. Therefore, no federal income tax provision is required. For federal income tax purposes, the identified cost of securities, including options, at March 31, 2001 was \$974,116,862, and net unrealized appreciation aggregated \$621,853,805, of which the related gross unrealized appreciation and depreciation were \$752,736,503 and \$130,882,698, respectively.

Distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. Accordingly, periodic reclassifications are made within the Company's capital accounts to reflect income and gains available for distribution under income tax regulations.

3. Investment Transactions

Purchases and sales of portfolio securities, other than options and short-term investments, during the three months ended March 31, 2001 were \$149,524,634 and \$153,990,913, respectively. The Company, as writer of an option, bears the market risk of an unfavorable change in the price of the security underlying the written option. Option transactions comprised an insignificant portion of operations during the period ended March 31, 2001. All investment decisions are made by a committee, and no one person is primarily responsible for making recommendations to that committee.

4. Capital Stock

The Company has 10,000,000 authorized and unissued preferred shares without par value.

The Company may purchase shares of its common stock from time to time at such prices and amounts as the Board of Directors may deem advisable. During the three months ended March 31, 2001, the Company purchased 365,300 shares of its common stock at a total cost of \$7,657,757 and a weighted

average discount from net asset value of 10.0%, compared to purchases of 690,600 shares at a total cost of \$23,388,422 and a weighted average discount from net asset value of 14.9% for the same period in 2000.

The Company has an employee incentive stock option and stock appreciation rights plan which provides for the issuance of options and stock appreciation rights for the purchase of up to 2,610,146 shares of the Company's common stock at 100% of the fair market value at date of grant. Options are exercisable beginning not less than one year after the date of grant and extend and vest over ten years from the date of grant. Stock appreciation rights are exercisable beginning not less than two years after the date of grant and extend over the period during which the option is exercisable. The stock appreciation rights allow the holders to surrender their rights to exercise their options and receive cash or shares in an amount equal to the difference between the option price and the fair market value of the common stock at the date of surrender. Under the plan, the exercise price of the options and related stock appreciation rights is reduced by the per share amount of capital gain paid by the Company during subsequent years. At the beginning of 2001, 339,403 options were outstanding, with a weighted average exercise price of \$8.1169 per share. During the three months ended March 31, 2001, the Company granted options including stock appreciation rights for 38,563 shares of common stock with a weighted average exercise price of \$21.00. Stock appreciation rights relating to 15,629 stock option shares were exercised at a weighted average market price of \$19.24 per share and the stock options relating to those rights, which had a weighted average exercise price of \$5.3121 per share, were cancelled. At March 31, 2001, there were outstanding exercisable options to purchase 126,511 common shares at \$3.7033-\$20.5417 per share (weighted average price of \$6.7414), and unexercisable options to purchase 235,826 common shares at \$3.7033-\$20.5417 per share (weighted average price of \$11.0833). The weighted average remaining contractual life of outstanding exercisable and unexercisable options is 3.7943 years and 6.1928 years, respectively. Total compensation expense recognized for the three months ended March 31, 2001 related to the stock options and stock appreciation rights plan was \$(727,865). At March 31, 2001, there were 1,272,022 shares available for future option grants.

5. Retirement Plans

The Company provides retirement benefits for its employees under a non-contributory qualified defined benefit pension plan. The benefits are based on years of service and compensation during the last 36 months of employment. The Company's current funding policy is to contribute annually to the plan only those amounts that can be deducted for federal income tax purposes. The plan assets consist of investments in individual stocks, bonds and mutual funds.

The actuarially computed net pension cost credit for the three months ended March 31, 2001 was \$104,219, and consisted of service cost of \$51,103, interest cost of \$90,562, expected return on plan assets of \$224,278, and net amortization credit of \$21,606.

In determining the actuarial present value of the projected benefit obligation, the interest rate used for the weighted average discount rate was 7.5%, the expected rate of annual salary increases was 7.0%, and the long-term expected rate of return on plan assets was 8.0%.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

On January 1, 2001, the projected benefit obligation for service rendered to date was \$4,932,613. During the three months ended March 31, 2001, the projected benefit obligation increased due to service cost and interest cost of \$51,103 and \$90,562, respectively, and decreased due to benefit payments in the amount of \$51,334. The projected benefit obligation March 31, 2001 was \$5,022,944.

On January 1, 2001, the actual fair value of plan assets was \$11,316,574. During the three months ended March 31, 2001, the fair value of plan assets increased due to the expected return on plan assets of \$224,278 and decreased due to benefit payments in the amount of \$51,334. At March 31, 2001, the projected fair value of plan assets amounted to \$11,489,518, which resulted in excess plan assets of \$6,466,574. The remaining components of prepaid pension cost at March 31, 2001 included \$986,308 in unrecognized net gain, \$513,336 in unrecognized prior service cost and \$71,942 is the remaining portion of the unrecognized net asset existing at January 1, 1987, which is being amortized over 15 years. Prepaid pension cost included in other assets at March 31, 2001 was \$5,921,660.

In addition, the Company has a nonqualified benefit plan which provides employees with defined retirement benefits to supplement the qualified plan. The Company does not provide postretirement medical benefits.

6. Expenses

The cumulative amount of accrued expenses at March 31, 2001 for employees and former employees of the Company was \$4,261,755. Aggregate remuneration paid or accrued during the three months ended March 31, 2001 to officers and directors amounted to \$252,326, which includes a credit of \$727,865 for stock options and stock appreciation rights.

7. Portfolio Securities Loaned

The Company makes loans of securities to brokers, secured by cash deposits, U.S. Government securities, or bank letters of credit. The Company accounts for securities lending transactions as secured financing and receives compensation in the form of fees or retains a portion of interest on the investment of any cash received as collateral. The Company also continues to receive interest or dividends on the securities loaned. The loans are secured by collateral of at least 102%, at all times, of the fair value of the securities loaned plus accrued interest. Gain or loss in the fair value of the securities loaned that may occur during the term of the loan will be for the account of the Company. At March 31, 2001, the Company had securities on loan of \$280,852,157 and held collateral of \$293,183,469.

FINANCIAL HIGHLIGHTS

	Three Months Ended		Year Ended December 31				
	(unaudited)						
	March 31, 2001	March 31, 2000	2000	1999	1998	1997	1996
Per Share Operating Performance*							
Net asset value, beginning of period	\$23.72	\$26.85	\$26.85	\$21.69	\$19.01	\$15.80	\$14.24
Net investment income	0.06	0.04	0.26	0.25	0.30	0.29	0.35
Net realized gains and change in unrealized appreciation and other changes	(4.22)	2.01	(1.63)	6.54	3.78	4.22	2.36
Total from investment operations	(4.16)	2.05	(1.37)	6.79	4.08	4.51	2.71
Capital share repurchases	0.01	0.05	0.09	—	—	—	—
Less distributions							
Dividends from net investment income	(0.04)	(0.03)	(0.22)	(0.26)	(0.30)	(0.29)	(0.35)
Distributions from net realized gains	(0.04)	(0.05)	(1.63)	(1.37)	(1.10)	(1.01)	(0.80)
Total distributions	(0.08)	(0.08)	(1.85)	(1.63)	(1.40)	(1.30)	(1.15)
Net asset value, end of period	\$19.49	\$28.87	\$23.72	\$26.85	\$21.69	\$19.01	\$15.80
Per share market price, end of period	\$17.52	\$24.92	\$21.00	\$22.38	\$17.75	\$16.13	\$13.17
Total Investment Return							
Based on market price	(16.3)%	11.8%	1.7%	36.1%	19.3%	33.1%	16.4%
Based on net asset value	(17.5)%	7.9%	(4.3)%	33.6%	23.7%	30.7%	21.0%
Ratios/Supplemental Data							
Net assets, end of period (in 000's)	\$1,596,852	\$2,303,559	\$1,951,563	\$2,170,802	\$1,688,080	\$1,424,170	\$1,138,760
Ratio of expenses to average net assets	0.21%†	0.50%†	0.24%	0.32%	0.22%	0.39%	0.34%
Ratio of net investment income to average net assets	1.14%†	0.63%†	0.97%	1.06%	1.48%	1.61%	2.30%
Portfolio turnover	33.65%†	13.75%†	12.74%	15.94%	22.65%	17.36%	19.60%
Number of shares outstanding at end of period (in 000's)*	81,927	79,806	82,292	80,842	77,815	74,924	72,055

* Prior year data has been adjusted to reflect the 3-for-2 stock split effected in October, 2000.

† Ratios presented on an annualized basis.

SCHEDULE OF INVESTMENTS

March 31, 2001 (unaudited)

	<u>Prin. Amt. or Shares</u>	<u>Value (A)</u>		<u>Prin. Amt. or Shares</u>	<u>Value (A)</u>
Stocks And Convertible Securities — 97.8%					
Basic Materials — 1.5%					
Engelhard Corp.	530,000	\$ 13,705,800			
Mead Corp.	400,000	10,036,000			
		<u>23,741,800</u>			
Capital Goods — 10.9%					
Black & Decker Corp. (B)	300,000	11,025,000			
General Electric Co.	1,855,000	77,650,301			
ITT Industries	355,000	13,756,250			
Minnesota Mining & Manufacturing Co. (B)	285,000	29,611,500			
Pall Corp.	600,000	13,152,000			
United Technologies Corp.	390,000	28,587,000			
		<u>173,782,051</u>			
Communication Services — 11.0%					
Telecommunications —					
Cellular and Wireless — 2.2%					
MediaOne Group, Inc. 6.25% PIES due 2001	85,000	5,593,000			
Nextel Communications Inc. 5.25% Conv. Notes due 2010 (C)	\$10,000,000	6,412,500			
Nextel Communications Inc. (B)(D)	1,040,000	14,950,000			
Vodafone Group plc ADS (B)	287,500	7,805,625			
		<u>34,761,125</u>			
Telecommunications — Long Distance — 3.0%					
Qwest Communications International, Inc. 5.75% TRENDS Pfd. due 2003 (C)	538,000	32,616,250			
Williams Communications Group, Inc. (B)(D)	500,000	4,500,000			
WorldCom, Inc. (B)(D)	550,000	10,278,125			
		<u>47,394,375</u>			
Telephone — 5.8%					
American Tower Corp. 5.00% Conv. Notes due 2010 (C)	\$10,000,000	8,050,000			
BellSouth Corp.	440,000	18,004,800			
Global Crossing Ltd. 6.75% Conv. Pfd. due 2012	40,000	6,020,000			
Global Crossing Ltd. (B)(D)	644,000	8,687,560			
RCN Corp. (B)(D)	280,000	1,688,750			
SBC Communications Inc.	787,960	35,166,655			
Time Warner Telecom Inc. (B)(D)	404,500	14,713,688			
		<u>92,331,453</u>			
Consumer — 4.0%					
Coca-Cola Co. (B)	170,000	\$ 7,677,200			
Dean Foods Co.	300,000	10,158,000			
Ivex Packaging Corp. (D)	928,000	12,760,000			
PepsiCo, Inc. (B)	295,000	12,965,250			
Procter & Gamble Co. (B)	160,000	10,016,000			
Tiffany & Co. (B)	350,000	9,537,500			
		<u>63,113,950</u>			
Energy — 10.9%					
BP Amoco plc ADR	270,000	13,397,401			
Calpine Capital Trust 5.75% Conv. Pfd. HIGH TIDES	202,500	39,639,375			
Calpine Corp. (B)(D)	50,000	2,753,500			
Enron Corp. (B)	450,000	26,145,000			
Exxon Mobil Corp.	158,418	12,831,858			
Petroleum & Resources Corporation (E)	1,913,761	52,054,286			
Schlumberger Ltd.	88,400	5,092,724			
Williams Companies, Inc.	500,000	21,425,000			
		<u>173,339,144</u>			
Financial — 18.4%					
Banking — 11.0%					
BankNorth Group, Inc.	474,000	9,420,750			
Citigroup Inc.	401,023	18,038,020			
Federal Home Loan Mortgage Corp.	345,000	22,366,350			
Greenpoint Financial Corp.	435,000	14,181,000			
Investors Financial Services Corp.	630,000	36,933,750			
Mellon Financial Corp.	420,000	17,018,400			
Provident Bankshares Corp.	319,068	7,139,147			
Wachovia Corp.	190,000	11,447,500			
Wells Fargo & Co.	550,000	27,208,500			
Wilmington Trust Corp.	210,000	12,406,800			
		<u>176,160,217</u>			
Insurance — 7.4%					
AMBAC Financial Group, Inc.	569,400	36,117,042			
American International Group, Inc.	759,375	61,129,689			
Annuity & Life Re (Holdings), Ltd.	695,000	20,676,250			
		<u>117,922,981</u>			

SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2001 (unaudited)

	<u>Prin. Amt or Shares</u>	<u>Value (A)</u>		<u>Prin. Amt. or Shares</u>	<u>Value (A)</u>
Health Care — 13.5%			Transportation — 1.7%		
Abbott Laboratories (B)	255,000	\$ 12,033,450	Canadian National Railway Co.		
ALZA Corp. (B)(D)	480,000	19,440,000	5.25% Conv. Pfd. QUIDS due 2029	170,000	\$ 9,129,000
American Home Products Corp.	300,000	17,625,000	Canadian National Railway Co. (B)	85,000	3,201,950
Baxter International	255,000	24,005,700	United Parcel Service, Inc. (B)	255,000	14,509,500
Elan Corp., plc ADR (B)(D)	550,000	28,737,500			<u>26,840,450</u>
Genentech, Inc. (B)(D)	270,000	13,635,000	Utilities — 8.9%		
GlaxoSmithKline plc ADR	250,360	13,093,828	Black Hills Corp. (B)	555,000	25,369,050
Human Genome Sciences Inc. (B)(D)	200,000	9,200,000	CINergy Corp.	300,000	10,065,000
Johnson & Johnson	180,000	15,744,600	Duke Energy Corp. 8.25% Conv. Pfd. due 2004	400,000	10,900,000
Lilly (Eli) & Co.	190,000	14,565,400	Duke Energy Corp. (B)	355,000	15,172,700
Merck & Co., Inc.	250,000	18,975,000	Keyspan Corp.	400,000	15,252,000
Pharmacia Corp. (B)	368,900	18,581,493	Mirant Corp. (B)(D)	310,000	11,005,000
Vertex Pharmaceuticals Inc. (D)	248,016	9,083,586	Northwestern Corp.	500,000	12,250,000
		<u>214,720,557</u>	Orion Power Holdings, Inc. (B)	750,000	23,025,000
			TECO Energy, Inc.	650,000	19,474,000
Technology — 17.0%					<u>142,512,750</u>
Communication Equipment — 7.5%			Total Stocks and Convertible Securities		
Corning Inc.	1,170,000	24,207,300	(Cost \$937,310,028) (F)		<u>1,558,098,705</u>
Ericsson (L.M.) Telephone Co. ADR (B)	3,133,333	17,527,081			
Lucent Technologies Inc. (B)	508,920	5,073,932			
Motorola, Inc.	495,622	7,067,570			
Nokia Corp. ADR (B)	1,840,000	44,160,000			
Nortel Networks Corp.	1,490,000	20,934,500			
		<u>118,970,383</u>			
Computer Related — 6.0%					
BMC Software Inc. (B)(D)	310,000	6,665,000			
Cisco Systems, Inc. (D)	1,835,000	29,015,938			
Diamondcluster International Inc. (B)(D)	300,000	2,606,250			
First Data Corp. (B)	175,000	10,449,250			
Oracle Corp. (D)	1,180,000	17,676,400			
QRS Corp. (D)	585,000	4,972,500			
Sapient Corp. (B)(D)	1,150,000	8,265,625			
Sun Microsystems Inc. (D)	480,000	7,377,600			
Symantec Corp. (D)	222,500	9,303,281			
		<u>96,331,844</u>			
Electronics — 3.5%					
Intel Corp.	690,000	18,155,625			
Soletron Corp. (B)(D)	2,000,000	38,020,000			
		<u>56,175,625</u>			

SCHEDULE OF INVESTMENTS (CONTINUED)

March 31, 2001 (unaudited)

	<u>Prin. Amt. or Shares</u>	<u>Value (A)</u>		<u>Value (A)</u>
Short-Term Investments — 2.3%			Total Short-Term Investments	
<i>U.S. Government Obligations — 1.2%</i>			(Cost \$36,340,229)	\$ 36,340,229
U.S. Treasury Bills, 4.54-4.85%, due 5/24/01	\$20,000,000	<u>\$19,856,906</u>	Total Investments	
			(Cost \$973,650,257)	1,594,438,934
			Cash, receivables and other assets, less liabilities	<u>2,413,486</u>
Commercial Paper — 1.1%			Net Assets — 100.0%	<u>\$1,596,852,420</u>
Ford Motor Credit Corp., 4.88-4.97%, due 4/03/01-4/17/01	9,650,000	9,639,436		
General Electric Capital Corp., 4.83-4.98%, due 4/05/01-4/10/01	6,850,000	<u>6,843,887</u>		
		<u>16,483,323</u>		

Notes:

- (A) See note 1 to financial statements. Securities are listed on the New York Stock Exchange, the American Stock Exchange or the NASDAQ, except restricted securities.
- (B) All or a portion of these securities is on loan. See Note 7 to Financial Statements.
- (C) Restricted securities (American Tower Corp. 5% Conv. Notes due 2010, acquired 2/9/00-4/13/00, cost \$10,037,239, Nextel Communications Inc. 5.25% Conv. Notes due 2010, acquired 1/21/00, cost \$10,000,000, and Qwest Communications International, Inc. 5.75% TRENDS Pfd. due 2003, acquired 12/4/98-2/21/01, cost \$32,969,481).
- (D) Presently non-dividend paying.
- (E) Non-controlled affiliate.
- (F) The aggregate market value of stocks held in escrow at March 31, 2001 covering open call option contracts written was \$22,333,448. In addition, the aggregate market value of securities segregated by the custodian required to collateralize open put option contracts written was \$14,085,000.

HISTORICAL FINANCIAL STATISTICS

<u>December 31</u>	<u>Value of Net Assets</u>	<u>Shares Outstanding*</u>	<u>Net Asset Value per Share*</u>	<u>Dividends from Net Investment Income Per Share*</u>	<u>Distributions from Net Realized Gains Per Share*</u>
1991	\$ 661,895,779	49,121,246	\$13.47	\$.36	\$.73
1992	696,924,779	51,039,938	13.65	.31	.77
1993	840,610,252	63,746,498	13.19	.30	.79
1994	798,297,600	66,584,985	11.99	.33	.73
1995	986,230,914	69,248,276	14.24	.35	.76
1996	1,138,760,396	72,054,792	15.80	.35	.80
1997	1,424,170,425	74,923,859	19.01	.29	1.01
1998	1,688,080,336	77,814,977	21.69	.30	1.10
1999	2,170,801,875	80,842,241	26.85	.26	1.37
2000	1,951,562,978	82,292,262	23.72	.22	1.63
March 31, 2001 (unaudited) . .	1,596,852,420	81,926,962	19.49	.12†	.04

* Prior years have been adjusted to reflect the 3-for-2 stock split effected in October, 2000.

† Paid or declared.

PRINCIPAL CHANGES IN PORTFOLIO SECURITIES

During the Three Months Ended March 31, 2001 (unaudited)

	Shares		Held March 31, 2001
	Additions	Reductions	
AOL Time Warner Inc.	223,128 ⁽¹⁾	223,128	—
Canadian National Railway Co. 5.25% Conv. Pfd. QUIDS due 2029	155,000		170,000
Duke Energy Corp. 8.25% Conv. Pfd. due 2004	400,000		400,000
Duke Energy Corp.	338,000 ⁽²⁾	245,000	355,000
Genentech, Inc.	270,000		270,000
Human Genome Sciences Inc.	200,000		200,000
ITT Industries	355,000		355,000
Keyspan Corp.	400,000		400,000
Mirant Corp.	310,000		310,000
Orion Power Holdings, Inc.	360,000		750,000
TECO Energy, Inc.	350,000		650,000
United Parcel Service, Inc.	80,000		255,000
United Technologies Corp.	135,000		390,000
Qwest Communications International, Inc. 5.75% TRENDS Pfd. due 2003	413,000		538,000
Cabot Corp.		470,000	—
Chiron Corp.		550,000	—
Delphi Automotive, Inc.		370,000	—
Dover Corp.		260,000	—
First Data Corp.		168,980	175,000
Hewlett-Packard Co.		400,000	—
McDonald's Corp.		560,000	—
National City Corp.		160,000	—
Qwest Communications International, Inc.		760,000	—

⁽¹⁾ Received 1.5 shares of AOL Time Warner Inc. for each share of Time Warner Inc. held.

⁽²⁾ Received 300,000 shares of Duke Energy Corp. from stock split. Additionally purchased 38,000 shares of Duke Energy Corp.

Common Stock

Listed on the New York Stock Exchange
and the Pacific Exchange

The Adams Express Company

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

Website: www.adamsexpress.com

E-mail: contact@adamsexpress.com

Telephone: (410) 752-5900 or (800) 638-2479

Counsel: Chadbourne & Parke L.L.P.

Independent Accountants: PricewaterhouseCoopers LLP

Transfer Agent, Registrar & Custodian of Securities

The Bank of New York

101 Barclay Street

New York, NY 10286

The Bank's Shareholder Relations Department: (800) 432-8224

E-mail: Shareowner-svcs@bankofny.com

ANNUAL MEETING OF STOCKHOLDERS

The Annual Meeting of Stockholders was held on March 27, 2001. For those nominated, the following votes were cast for directors:

	<u>votes for</u>	<u>votes withheld</u>
(A) Enrique R. Arzac:	68,370,823	572,379
(B) Daniel E. Emerson:	68,187,505	755,697
(C) Thomas H. Lenagh:	67,816,679	1,126,523
(D) W.D. MacCallan:	68,146,076	797,126
(E) W. Perry Neff:	68,242,428	700,774
(F) Douglas G. Ober:	68,094,854	848,348
(G) Landon Peters:	68,285,348	657,854
(H) John J. Roberts:	68,123,524	819,678
(I) Susan C. Schwab:	68,308,217	634,985
(J) Robert J.M. Wilson:	67,951,649	991,553

A proposal to approve and ratify the selection of PricewaterhouseCoopers LLP as the firm of independent accountants of the Company for 2001 was approved with 68,170,131 votes for, 387,364 votes against, and 385,707 votes abstaining.

This report, including the financial statements herein, 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 market 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.

DIVIDEND PAYMENT SCHEDULE

The Company presently pays dividends four times a year, as follows: (a) three interim distributions on or about March 1, June 1, and September 1, and (b) a “year-end” distribution, payable in late December, consisting of the estimated balance of the net investment income for the year and the net realized capital gain earned through October 31. Stockholders may elect to receive the year-end distribution in stock or cash. In connection with this distribution, all **stockholders of record** are sent a dividend announcement notice and an election card in mid-November.

Stockholders holding shares in “street” or brokerage accounts may make their election by notifying their brokerage house representative.

BuyDIRECTSM*

BuyDIRECT is a direct purchase and sale plan, as well as a dividend reinvestment plan, sponsored and administered by our transfer agent, The Bank of New York. The Plan provides registered stockholders and interested first time investors an affordable alternative for buying, selling, and reinvesting in Adams Express shares. Direct purchase plans are growing in popularity and Adams Express is pleased to participate in such a plan.

The costs to participants in administrative service fees and brokerage commissions for each type of transaction are listed below. Please note that the fees for the reinvestment of dividends as well as the \$0.05 per share commission for each share purchased under the Plan have not increased since 1973.

Initial Enrollment	\$7.50
<i>A one-time fee for new accounts who are not currently registered holders.</i>	
Optional Cash Investments	
Service Fee	\$2.50 per investment
Brokerage Commission	\$0.05 per share
Reinvestment of Dividends**	
Service Fee	10% of amount invested (maximum of \$2.50 per investment)
Brokerage Commission	\$0.05 per share

Sale of Shares	
Service Fee	\$10.00
Brokerage Commission	\$0.05 per share
Deposit of Certificates for safekeeping	Included
Book to Book Transfers	Included
<i>To transfer shares to another participant or to a new participant</i>	

Fees are subject to change at any time.

Minimum and Maximum Cash Investments

Initial minimum investment (non-holders)	\$500.00
Minimum optional investment (existing holders)	\$50.00
Electronic Funds Transfer (monthly minimum)	\$50.00
Maximum per transaction	\$25,000.00
Maximum per year	NONE

A brochure which further details the benefits and features of BuyDIRECT as well as an enrollment form may be obtained by contacting The Bank of New York.

For Non-Registered Shareholders

For shareholders whose stock is held by a broker in “street” name, The Bank of New York’s Dividend Reinvestment Plan remains available through many registered investment security dealers. If your shares are currently held in a “street” name or brokerage account, please contact your broker for details about how you can participate in the Plan or contact The Bank of New York about the BuyDIRECT Plan.

The Company

The Adams Express Company
Lawrence L. Hooper, Jr.,
Vice President, Secretary and
General Counsel
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The Transfer Agent

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Dept.–8W
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Church Street Station
New York, NY 10286
(800) 432-8224
Website:
<http://stock.bankofny.com>
E-mail:
Shareowner-svcs@bankofny.com

*BuyDIRECT is a service mark of The Bank of New York.

**The year-end dividend and capital gain distribution may be made in newly issued shares of common stock in which event there would be no fees or commissions in connection with this dividend and capital gain distribution.

THE ADAMS EXPRESS COMPANY

Board of Directors

Enrique R. Arzac ^{2,4}	Douglas G. Ober ¹
Daniel E. Emerson ^{1,4}	Landon Peters ^{3,4}
Thomas H. Lenagh ^{2,3}	John J. Roberts ^{2,4}
W.D. MacCallan ^{1,4}	Susan C. Schwab ^{1,3}
W. Perry Neff ^{1,2}	Robert J.M. Wilson ^{1,3}

1. Member of Executive Committee
2. Member of Audit Committee
3. Member of Compensation Committee
4. Member of Retirement Benefits Committee

Officers

Douglas G. Ober	<i>Chairman and Chief Executive Officer</i>
Joseph M. Truta	<i>President</i>
Richard F. Koloski	<i>Executive Vice President</i>
Richard B. Tumolo	<i>Vice President—Research</i>
Lawrence L. Hooper, Jr.	<i>Vice President, Secretary and General Counsel</i>
Maureen A. Jones	<i>Vice President and Treasurer</i>
Christine M. Sloan	<i>Assistant Treasurer</i>
Geraldine H. Stegner	<i>Assistant Secretary</i>

Stock Data

Price (3/31/01)	\$17.52
Net Asset Value (3/31/01)	\$19.49
Discount:	10.1%

New York Stock Exchange and Pacific Exchange
ticker symbol: ADX

NASDAQ Mutual Fund Quotation Symbol: XADEX

Newspaper stock listings are generally under the
abbreviation: AdaEx

Distributions in 2001

From Investment Income (paid or declared)	\$0.12
From Net Realized Gains	<u>0.04</u>
Total	<u>\$0.16</u>

2001 Dividend Payment Dates

March 1, 2001
June 1, 2001
September 1, 2001*
December 27, 2001*

*Anticipated



FIRST QUARTER REPORT

March 31, 2001



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with solid investments®