

LETTER TO STOCKHOLDERS

We submit herewith the financial statements of The Adams Express Company (the Company) for the six months ended June 30, 2008. Also provided are the report of the independent registered public accounting firm, a schedule of investments, and other financial information.

Net assets of the Company at June 30, 2008 were \$13.74 per share on 86,647,623 shares outstanding, compared with \$15.72 per share at December 31, 2007 on 87,668,847 shares outstanding. On March 1, 2008, a distribution of \$0.05 per share was paid, consisting of \$0.02 from 2007 investment income, \$0.01 from 2007 short-term capital gain, \$0.01 from 2007 long-term capital gain, and \$0.01 from 2008 investment income, all taxable in 2008. A 2008 investment income dividend of \$0.05 per share was paid on June 1, 2008, and another \$0.05 per share investment income dividend has been declared to shareholders of record August 12, 2008, payable September 1, 2008.

Net investment income for the six months ended June 30, 2008 amounted to \$11,509,546, compared with \$16,387,719 for the same six month period in 2007. These earnings are equal to \$0.13 and \$0.19 per share in each period.

Net capital gain realized on investments for the six months ended June 30, 2008 amounted to \$18,996,616, or \$0.22 per share.

For the six months ended June 30, 2008, the total return on the net asset value (with dividends and capital gains reinvested) of the Company's shares was (11.9)%. The total return on the market value of the Company's shares for the period was (15.4)%. These compare to a (11.6)% total return for the Standard & Poor's 500 Composite Stock Index and a (11.5)% total return for the Lipper Large Cap Core Mutual Fund Average over the same time period.

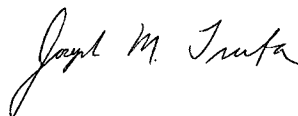
For the twelve months ended June 30, 2008, the Company's total return on net asset value was (13.4)% and on market value was (14.4)%. Comparable figures for the S&P 500 and the Lipper Large Cap Core Mutual Fund Average were (13.1)% and (12.3)%, respectively.

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. Also available on the website are a history of the Company, historical financial information, and other useful content. Further information regarding stockholder services is located on page 15 of this report.

By order of the Board of Directors,



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



Joseph M. Truta,
President

July 10, 2008

STATEMENT OF ASSETS AND LIABILITIES

June 30, 2008

Assets

Investments* at value:

Common stocks and convertible securities (cost \$862,257,962)	\$1,014,805,608	
Non-controlled affiliate, Petroleum & Resources Corporation (cost \$34,735,404)	95,321,479	
Short-term investments (cost \$75,619,755)	75,619,755	
Securities lending collateral (cost \$106,477,312)	106,477,312	\$1,292,224,154

Cash		374,536
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Receivables:

Investment securities sold		959,765
Dividends and interest		1,526,235

Prepaid pension cost		3,173,760
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Prepaid expenses and other assets		2,229,074
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<i>Total Assets</i>		1,300,487,524
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Liabilities

Open written option contracts at value (proceeds \$454,707)		220,400
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Obligations to return securities lending collateral		106,477,312
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Accrued expenses		3,368,931
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<i>Total Liabilities</i>		110,066,643
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Net Assets		\$1,190,420,881
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Net Assets

Common Stock at par value \$0.001 per share, authorized 150,000,000 shares; issued and outstanding 86,647,623 shares (includes 106,486 restricted shares, 7,500 restricted stock units, and 6,333 deferred stock units) (Note 6)		\$ 86,648
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Additional capital surplus		952,601,143
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Accumulated other comprehensive income (Note 5)		(1,549,593)
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Undistributed net investment income		7,581,579
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Undistributed net realized gain on investments		18,333,076
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Unrealized appreciation on investments		213,368,028
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Net Assets Applicable to Common Stock		\$1,190,420,881
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Net Asset Value Per Share of Common Stock		\$13.74
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* See Schedule of Investments on pages 9 and 10.

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

STATEMENT OF OPERATIONS

Six Months Ended June 30, 2008

Investment Income

Income:

Dividends:

From unaffiliated issuers \$ 13,033,402

From non-controlled affiliate 459,223

Interest and other income 974,768

Total income 14,467,393

Expenses:

Investment research 1,182,504

Administration and operations 666,167

Directors' fees 181,435

Transfer agent, registrar and custodian expenses 178,099

Reports and stockholder communications 153,296

Occupancy and other office expenses 115,943

Insurance 99,492

Investment data services 96,936

Auditing and accounting services 67,383

Travel, telephone and postage 47,410

Legal services 36,626

Other 132,556

Total expenses 2,957,847

Net Investment Income 11,509,546

Other Comprehensive Income (Note 5) 430,570

Realized Gain and Change in Unrealized Appreciation on Investments

Net realized gain on security transactions 18,887,277

Net realized gain distributed by regulated investment company (non-controlled affiliate) 109,339

Change in unrealized appreciation on investments (197,086,942)

Net Loss on Investments (178,090,326)

Change in Net Assets Resulting from Operations \$(166,150,210)

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

STATEMENTS OF CHANGES IN NET ASSETS

	<u>Six Months Ended June 30, 2008</u>	<u>Year Ended December 31, 2007</u>
From Operations:		
Net investment income	\$ 11,509,546	\$ 25,884,799
Net realized gain on investments	18,996,616	60,426,376
Change in unrealized appreciation on investments	(197,086,942)	(8,301,286)
Other comprehensive income (Note 5)	430,570	(156,058)
<i>Change in net assets resulting from operations</i>	(166,150,210)	77,853,831
Distributions to Stockholders from:		
Net investment income	(6,961,677)	(27,409,018)
Net realized gain from investment transactions	(1,749,608)	(60,607,292)
<i>Decrease in net assets from distributions</i>	(8,711,285)	(88,016,310)
From Capital Share Transactions:		
Value of shares issued in payment of distributions	2,787	33,223,573
Cost of shares purchased (Note 4)	(13,498,454)	(22,516,525)
Deferred compensation (Notes 4,6)	298,516	516,648
<i>Change in net assets from capital share transactions</i>	(13,197,151)	11,223,696
Total Change in Net Assets	(188,058,646)	1,061,217
Net Assets:		
Beginning of period	1,378,479,527	1,377,418,310
End of period (including undistributed net investment income of \$7,581,579 and \$3,033,710, respectively)	\$1,190,420,881	\$1,378,479,527

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

NOTES TO 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 is an internally-managed fund whose investment objectives are preservation of capital, the attainment of reasonable income from investments, and an opportunity for capital appreciation.

The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America, which require the use of estimates made by Company management. Management believes that estimates and security valuations are appropriate; however, actual results may differ from those estimates, and the security valuations reflected in the financial statements may differ from the value the Company ultimately realizes upon sale of the securities.

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 stockholders are recognized on the ex-dividend date, and interest income is recognized on the accrual basis.

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 (excluding purchased options) are valued at amortized cost which approximates fair value. Purchased and written options are valued at the last quoted asked price.

The Company adopted Financial Accounting Standard Board Statement of Financial Accounting Standards No. 157, Fair Value Measurements (“FAS 157”), effective January 1, 2008. There was no impact on the fair value of assets individually or in aggregate upon adoption. In accordance with FAS 157, fair value is defined as the price that the Company would receive upon selling an investment in an orderly transaction to an independent buyer. FAS 157 established a three-tier hierarchy to establish classification of fair value measurements, summarized as follows:

- Level 1 — fair value is determined based on market data obtained from independent sources; for example, quoted prices in active markets for identical investments,
- Level 2 — fair value is determined using other assumptions obtained from independent sources; for example, quoted prices for similar investments,
- Level 3 — fair value is determined using the Company’s own assumptions, developed based on the best information available in the circumstances.

The Company’s investments at June 30, 2008 are classified as follows:

	Investment in securities	Written options
Level 1	\$1,110,127,087	\$220,400
Level 2	182,097,067*	—
Level 3	—	—
Total	\$1,292,224,154	\$220,400

* Comprised of short-term investments and securities lending collateral.

2. Federal Income Taxes

The Company’s policy is to distribute all of its taxable income to its stockholders 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 at June 30, 2008 was \$1,078,603,181 and net unrealized appreciation aggregated \$213,620,973, of which the related gross unrealized appreciation and depreciation were \$361,956,158 and \$148,335,185, respectively.

Distributions are determined in accordance with income tax regulations which may differ from generally accepted accounting principles. Accordingly, annual reclassifications are made within the Company’s capital accounts to reflect income and gains available for distribution under income tax regulations. Any income tax-related interest or penalties would be classified as income tax expense.

3. Investment Transactions

The Company’s investment decisions are made by a committee of management, and recommendations to that committee are made by the research staff.

Purchases and sales of portfolio securities, other than options and short-term investments, during the six months ended June 30, 2008 were \$108,005,817 and \$103,510,389, respectively. Options may be written (sold) or purchased by the Company. When the Company writes an option, an amount equal to the premium received by the Company is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Premiums received from unexercised put/call options are treated as realized gains from investments, premiums received from exercised put options reduces the cost basis of the securities purchased, and premiums received from exercised call options are added to the proceeds from the sale of the underlying security in determining whether there is a realized gain or loss. The Company as writer of an option bears the risks of possible illiquidity of the option markets and the unfavorable change in the price of the security underlying the written option. The risk is limited to the premium originally paid for the option. A schedule of outstanding option contracts as of June 30, 2008 can be found on page 12.

Transactions in written covered call and collateralized put options during the six months ended June 30, 2008 were as follows:

	Covered Calls		Collateralized Puts	
	Contracts	Premiums	Contracts	Premiums
Options outstanding, December 31, 2007	1,757	\$ 197,788	1,726	\$ 194,530
Options written	4,700	574,828	3,400	431,681
Options terminated in closing purchase transactions	(200)	(26,300)	—	—
Options expired	(2,814)	(339,129)	(2,900)	(362,288)
Options exercised	(743)	(92,390)	(1,076)	(124,013)
Options outstanding, June 30, 2008	2,700	\$ 314,797	1,150	\$ 139,910

4. Capital Stock

The Company has 10,000,000 authorized and unissued preferred shares, \$0.001 par value.

On December 27, 2007, the Company issued 2,381,872 shares of its Common Stock at a price of \$13.945 per share (the average market price on December 10, 2007) to stockholders of record on

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

November 21, 2007 who elected to take stock in payment of the year-end distribution from 2007 capital gain and investment income. In addition, 597 shares were issued at a weighted average price of \$14.00 per share as dividend equivalents to holders of deferred stock units and restricted stock units under the 2005 Equity Incentive Compensation Plan.

During 2008, the Company has issued 392 shares of its Common Stock at a weighted average price of \$12.97 per share as dividend equivalents to holders of deferred stock units and restricted stock units under the 2005 Equity Incentive Compensation Plan.

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.

Transactions in Common Stock for 2008 and 2007 were as follows:

	Shares		Amount	
	Six months ended June 30, 2008	Year ended December 31, 2007	Six months ended June 30, 2008	Year ended December 31, 2007
Shares issued in payment of distributions	392	2,382,469	\$ 2,787	\$ 33,223,573
Shares purchased (at a weighted average discount from net asset value of 13.1% and 13.2%, respectively)	(1,063,308)	(1,585,773)	(13,498,454)	(22,516,525)
Net activity under the Equity-Based Compensation Plans	41,692	33,928	298,516	516,648
Net change	(1,021,224)	830,624	\$(13,197,151)	\$ 11,223,696

5. Retirement Plans

The Company's non-contributory qualified defined benefit pension plan ("qualified plan") covers all employees with at least one year of service. In addition, the Company has a non-contributory nonqualified defined benefit plan which provides eligible employees with retirement benefits to supplement the qualified plan. Benefits are based on length of service and compensation during the last five years of employment.

The funded status of the plans is recognized as an asset (overfunded plan) or a liability (underfunded plan) in the Statement of Assets and Liabilities. Changes in the prior service costs and accumulated actuarial gains and losses are recognized as accumulated other comprehensive income, a component of net assets, in the year in which the changes occur.

The Company's policy is to contribute annually to the plans those amounts that can be deducted for federal income tax purposes, plus additional amounts as the Company deems appropriate in order to provide assets sufficient to meet benefits to be paid to plan participants. During the six months ended June 30, 2008, the Company did not contribute to the plans. The Company does not anticipate making any contribution to the overfunded qualified plan in 2008.

The following table aggregates the components of the plans' net periodic pension cost:

	Six months ended June 30, 2008	Year ended December 31, 2007
Service cost	\$ 168,823	\$ 487,315
Interest cost	224,561	568,495
Expected return on plan assets	(345,871)	(855,553)
Amortization of prior service cost	47,930	94,508
Amortization of net loss	59,449	162,625
Net periodic pension cost	\$ 154,892	\$ 457,390

The Company also sponsors a defined contribution plan that covers substantially all employees. For the six months ended June 30, 2008, the Company expensed contributions of \$84,817. The Company does not provide postretirement medical benefits.

6. Equity-Based Compensation

Although the Stock Option Plan of 1985 ("1985 Plan") has been discontinued and no further grants will be made under this plan, unexercised grants of stock options and stock appreciation rights granted in 2004 and prior years remain outstanding. The exercise price of the unexercised options and related stock appreciation rights is the fair market value on date of grant, reduced by the per share amount of capital gains paid by the Company during subsequent years. All options and related stock appreciation rights terminate 10 years from date of grant, if not exercised.

A summary of option activity under the 1985 Plan as of June 30, 2008, and changes during the six month period then ended, is presented below:

	Options	Weighted-Average Exercise Price	Weighted-Average Remaining Life (Years)
Outstanding at December 31, 2007	146,804	\$11.63	3.47
Exercised	(9,246)	8.63	—
Outstanding at June 30, 2008	137,558	\$11.82	3.16
Exercisable at June 30, 2008	89,258	\$11.59	2.93

The options outstanding as of June 30, 2008 are set forth below:

Exercise Price	Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
\$7.00-\$9.24	18,222	\$ 7.67	4.50
\$9.25-\$11.49	68,188	10.12	3.61
\$11.50-\$13.74	—	—	—
\$13.75-\$16.00	51,148	15.56	2.09
Outstanding at June 30, 2008	137,558	\$11.82	3.16

Compensation cost resulting from stock options and stock appreciation rights granted under the 1985 Plan is based on the intrinsic value of the award, recognized over the award's vesting period, and remeasured at each reporting date through the date of settlement. The total compensation cost/(credit) recognized for the six months ended June 30, 2008 was \$(161,490).

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

The 2005 Equity Incentive Compensation Plan (“2005 Plan”), adopted at the 2005 Annual Meeting, permits the grant of stock options, restricted stock awards and other stock incentives to key employees and all non-employee directors. The 2005 Plan provides for the issuance of up to 3,413,131 shares of the Company’s Common Stock, including both performance and nonperformance-based restricted stock. Performance-based restricted stock awards vest at the end of a specified three year period, with the ultimate number of shares earned contingent on achievement of certain performance targets. If performance targets are not achieved, all or a portion of the performance-based awards are forfeited and become available for future grants. Nonperformance-based restricted stock awards vest ratably over a three year period and nonperformance-based restricted stock units (granted to non-employee directors) vest over a one year period. It is the current intention that employee grants will be performance-based. The 2005 Plan provides for accelerated vesting in the event of death or retirement. Non-employee directors also may elect to defer a portion of their cash compensation, with such deferred amount to be paid by delivery of deferred stock units. Outstanding awards are granted at fair market value on grant date. The number of shares of Common Stock which remains available for future grants under the 2005 Plan at June 30, 2008 is 3,258,668 shares.

A summary of the status of the Company’s awards granted under the 2005 Plan as of June 30, 2008, and changes during the six month period then ended, is presented below:

Awards	Shares/ Units	Weighted Average Grant-Date Fair Value
Balance at December 31, 2007	87,471	\$13.29
Granted:		
Restricted stock	34,438	13.14
Restricted stock units	7,500	12.49
Deferred stock units	1,026	13.26
Vested	(10,116)	13.46
Forfeited	—	—
Balance at June 30, 2008 (includes 103,354 performance-based awards and 16,965 nonperformance-based awards)	120,319	\$13.18

Compensation costs resulting from awards granted under the 2005 Plan are based on the fair value of the award on grant date (determined by the average of the high and low price on grant date) and recognized on

a straight-line basis over the requisite service period. For those awards with performance conditions, compensation costs are based on the most probable outcome and, if such goals are not met, compensation cost is not recognized and any previously recognized compensation cost is reversed. The total compensation costs for restricted stock granted to employees for the period ending June 30, 2008 were \$247,205. The total compensation costs for restricted stock units granted to non-employee directors for the period ended June 30, 2008 were \$53,968. As of June 30, 2008, there were total unrecognized compensation costs of \$731,029, a component of additional capital surplus, related to non-vested equity-based compensation arrangements granted under the 2005 Plan. Those costs are expected to be recognized over a weighted average period of 1.79 years. The total fair value of shares vested during the six month period ended June 30, 2008 was \$106,363.

7. Officer and Director Compensation

The aggregate remuneration paid during the six months ended June 30, 2008 to officers and directors amounted to \$1,665,343, of which \$167,281 was paid as fees and compensation to directors who were not officers. These amounts represent the taxable income to the Company’s officers and directors and therefore differ from the amounts reported in the accompanying Statement of Operations that are recorded and expensed in accordance with generally accepted accounting principles.

8. 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 at all times by collateral of at least 102% of the fair value of the securities loaned plus accrued interest. The market value of the loaned securities is calculated based upon the most recent closing prices and any additional required collateral is delivered to the Company on the next business day. 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 June 30, 2008, the Company had securities on loan of \$102,136,348 and held collateral of \$106,477,312, consisting of an investment trust fund which may invest in money market instruments, commercial paper, repurchase agreements, U.S. Treasury Bills, and U.S. agency obligations.

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 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.

FINANCIAL HIGHLIGHTS

	Six Months Ended		Year Ended December 31				
	June 30, 2008	June 30, 2007	2007	2006	2005	2004	2003
Per Share Operating Performance							
Net asset value, beginning of period	\$15.72	\$15.86	\$15.86	\$14.71	\$15.04	\$14.36	\$12.12
Net investment income	0.13	0.19	0.30*	0.23	0.22	0.23**	0.19
Net realized gains and increase (decrease) in unrealized appreciation	(2.03)	1.09	0.61	1.86	0.32	1.39	2.85
Change in accumulated other comprehensive income (note 5)	0.00	0.00	0.00	(0.02)	—	—	—
Total from investment operations	(1.90)	1.28	0.91	2.07	0.54	1.62	3.04
Less distributions							
Dividends from net investment income	(0.08)	(0.09)	(0.32)	(0.23)	(0.22)	(0.24)	(0.17)
Distributions from net realized gains	(0.02)	(0.01)	(0.71)	(0.67)	(0.64)	(0.66)	(0.61)
Total distributions	(0.10)	(0.10)	(1.03)	(0.90)	(0.86)	(0.90)	(0.78)
Capital share repurchases	0.02	0.02	0.04	0.04	0.05	0.02	0.04
Reinvestment of distributions	0.00	0.00	(0.06)	(0.06)	(0.06)	(0.06)	(0.06)
Total capital share transactions	0.02	0.02	0.02	(0.02)	(0.01)	(0.04)	(0.02)
Net asset value, end of period	\$13.74	\$17.06	\$15.72	\$15.86	\$14.71	\$15.04	\$14.36
Market price, end of period	\$11.85	\$14.89	\$14.12	\$13.87	\$12.55	\$13.12	\$12.41
Total Investment Return							
Based on market price	(15.4)%	8.1%	9.4%	17.9%	2.2%	13.2%	25.2%
Based on net asset value	(11.9)%	8.3%	6.5%	15.0%	4.5%	12.1%	26.3%
Ratios/Supplemental Data							
Net assets, end of period (in 000's)	\$1,190,421	\$1,465,250	\$1,378,480	\$1,377,418	\$1,266,729	\$1,295,549	\$1,218,862
Ratio of expenses to average net assets	0.46%†	0.46%†	0.44%	0.50%	0.45%	0.43%	0.47%
Ratio of net investment income to average net assets	1.79%†	2.31%†	1.82%	1.50%	1.44%	1.54%	1.45%
Portfolio turnover	17.15%†	13.11%†	10.46%	10.87%	12.96%	13.43%	12.74%
Number of shares outstanding at end of period (in 000's)	86,648	85,893	87,669	86,838	86,100	86,135	84,886

* In 2007 the Company received \$5,100,000, or \$0.06 per share, in a special cash dividend from Dean Foods Co., of which \$2,295,000, or \$0.03 per share, was considered a taxable dividend.

** In 2004 the Company received \$2,400,000, or \$0.03 per share, in an extraordinary dividend from Microsoft Corp.

† Ratios presented on an annualized basis.

SCHEDULE OF INVESTMENTS

June 30, 2008

	Shares	Value (A)		Shares	Value (A)
Stocks and Convertible Securities — 93.3%					
Consumer — 17.2%					
<i>Consumer Discretionary — 4.6%</i>					
Comcast Corp.	525,000	\$ 9,959,250			
Harley-Davidson, Inc.	130,000	4,713,800			
Lowe's Companies, Inc. (B)	600,000	12,450,000			
Newell Rubbermaid Inc.	400,000	6,716,000			
Ryland Group Inc. (B)	343,500	7,491,735			
Target Corp.	290,000	13,482,100			
		54,812,885			
<i>Consumer Staples — 12.6%</i>					
Avon Products, Inc.	402,400	14,494,448			
Bunge Ltd. (B)	100,000	10,769,000			
Coca-Cola Co.	200,000	10,396,000			
CVS/Caremark Corp.	250,000	9,892,500			
Dean Foods Co.	340,000	6,670,800			
Del Monte Foods Co.	1,300,000	9,230,000			
Hansen Natural Corp. (B) (C)	375,000	10,807,500			
PepsiCo, Inc.	360,000	22,892,400			
Procter & Gamble Co.	340,000	20,675,400			
Safeway Inc.	390,000	11,134,500			
Unilever plc ADR	800,000	22,728,000			
		149,690,548			
Energy — 18.2%					
Chevron Corp.	150,000	14,869,500			
ConocoPhillips	295,000	27,845,050			
Exxon Mobil Corp.	215,000	18,947,950			
Halliburton Co.	300,000	15,921,000			
Petroleum & Resources Corporation (D)	2,186,774	95,321,479			
Schlumberger Ltd.	380,000	40,823,400			
Transocean Inc. (C)	20,000	3,047,800			
		216,776,179			
Financials — 11.4%					
<i>Banking — 9.3%</i>					
Bank of America Corp.	730,000	17,425,100			
Bank of New York Mellon Corp.	403,775	15,274,808			
Morgan Stanley (B)	200,000	7,214,000			
PNC Financial Services Group, Inc. (The) (B)	200,000	11,420,000			
Prosperity Bancshares, Inc.	250,000	6,682,500			
State Street Corp.	260,000	16,637,400			
Visa Inc. (C)	20,000	1,626,200			
Wachovia Corp. (B)	570,000	8,852,100			
Wells Fargo & Co.	665,000	15,793,750			
Wilmington Trust Corp. (B)	363,000	9,597,720			
		110,523,578			
Insurance — 2.1%					
American International Group, Inc. (B)	500,000	\$ 13,230,000			
Prudential Financial, Inc.	190,000	11,350,600			
		24,580,600			
Health Care — 11.7%					
Abbott Laboratories	320,000	16,950,400			
Bristol-Myers Squibb Co.	345,000	7,082,850			
Genentech, Inc. (C)	220,000	16,698,000			
Johnson & Johnson	255,000	16,406,700			
Medtronic, Inc.	310,000	16,042,500			
Pfizer Inc.	1,120,000	19,566,400			
Senomyx, Inc. (B) (C)	984,400	4,853,092			
Teva Pharmaceutical Industries Ltd. ADR	370,000	16,946,000			
Wyeth Co.	325,000	15,587,000			
Zimmer Holdings, Inc. (C)	140,000	9,527,000			
		139,659,942			
Industrials — 12.7%					
Cintas Corp.	300,000	7,953,000			
Curtiss-Wright Corp. (B)	360,000	16,106,400			
Emerson Electric Co.	300,000	14,835,000			
General Electric Co.	1,388,000	37,045,720			
Illinois Tool Works Inc.	250,000	11,877,500			
Masco Corp.	450,000	7,078,500			
Oshkosh Corp. (B)	305,000	6,310,450			
3M Co.	160,000	11,134,400			
Spirit AeroSystems Holdings, Inc. (C)	550,000	10,549,000			
Tata Motors Ltd. ADR	1,000,000	10,050,000			
United Technologies Corp.	300,000	18,510,000			
		151,449,970			
Information Technology — 11.5%					
<i>Communication Equipment — 0.9%</i>					
Corning Inc.	500,000	11,525,000			
<i>Computer Related — 8.5%</i>					
Automatic Data Processing Inc.	300,000	12,570,000			
Cisco Systems, Inc. (C)	850,000	19,771,000			
Dell Inc. (C)	585,000	12,799,800			
Microsoft Corp.	1,180,000	32,461,800			
Oracle Corp. (C)	1,100,000	23,100,000			
		100,702,600			
<i>Electronics — 2.1%</i>					
Broadcom Corp. (C)	400,000	10,916,000			
Intel Corp.	640,000	13,747,200			
		24,663,200			

PORTFOLIO SUMMARY

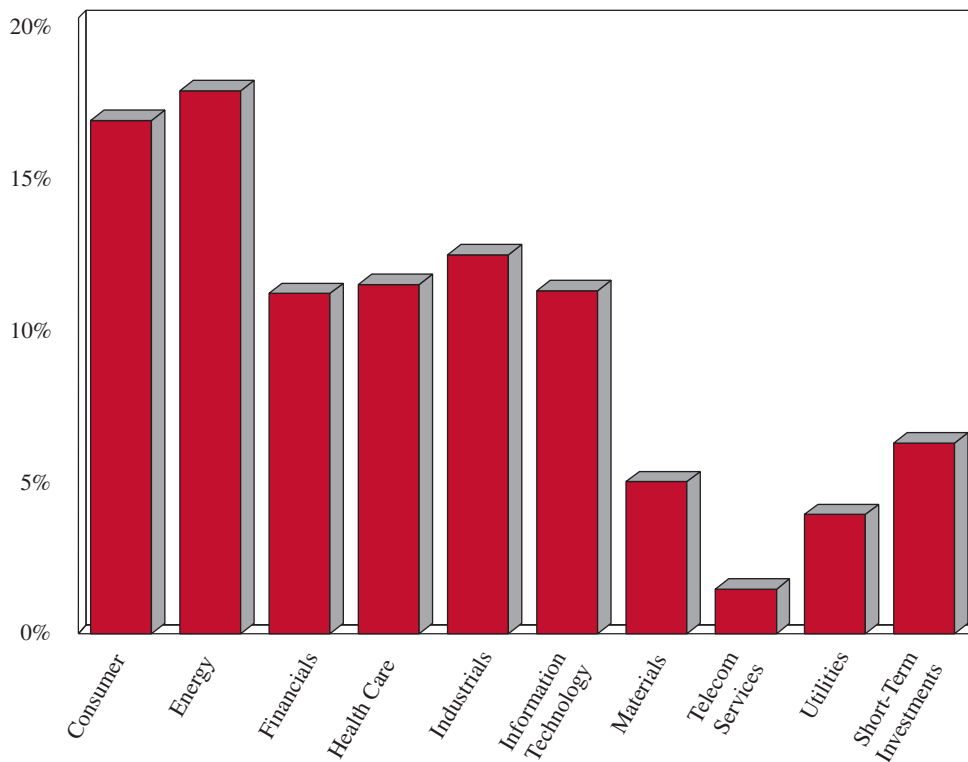
June 30, 2008
(unaudited)

Ten Largest Portfolio Holdings

	<u>Market Value</u>	<u>% of Net Assets</u>
Petroleum & Resources Corporation*	\$ 95,321,479	8.0
Schlumberger Ltd.	40,823,400	3.4
General Electric Co.	37,045,720	3.1
Microsoft Corp.	32,461,800	2.7
ConocoPhillips	27,845,050	2.4
Oracle Corp.	23,100,000	2.0
PepsiCo, Inc.	22,892,400	1.9
Air Products and Chemicals, Inc.	22,737,800	1.9
Unilever plc ADR	22,728,000	1.9
Procter & Gamble Co.	20,675,400	1.7
Total	\$345,631,049	29.0%

*Non-controlled affiliate

Sector Weightings



SCHEDULE OF OUTSTANDING OPTION CONTRACTS

June 30, 2008

Contracts (100 shares each)	Security	Strike Price	Contract Expiration Date	Appreciation/ (Depreciation)
COVERED CALLS				
200	Air Products and Chemicals, Inc.	\$ 115	Sep 08	\$ 400
150	American International Group, Inc.	39	Aug 08	13,050
200	American International Group, Inc.	60	Aug 08	21,100
150	Avon Products, Inc.	45	Jul 08	15,675
100	Bunge Ltd.	160	Jul 08	10,255
200	du Pont (E.I.) de Nemours and Co.	55	Oct 08	27,400
100	Genentech, Inc.	100	Sep 08	10,200
250	PepsiCo, Inc.	75	Jul 08	31,124
150	Prudential Financial, Inc.	105	Sep 08	11,550
250	Ryland Group Inc.	50	Jul 08	23,220
200	Ryland Group Inc.	50	Oct 08	27,399
150	State Street Corp.	105	Aug 08	17,550
200	Target Corp.	65	Jul 08	26,999
200	Target Corp.	67.50	Jul 08	21,200
200	Visa Inc.	105	Sep 08	(2,974)
2,700				254,148
COLLATERALIZED PUTS				
250	Hansen Natural Corp.	22.50	Sep 08	(9,890)
150	Procter & Gamble Co.	57.50	Jul 08	10,050
100	Prudential Financial, Inc.	65	Jul 08	(54,300)
250	Spirit AeroSystems Holdings, Inc.	20	Jul 08	499
200	State Street Corp.	50	Aug 08	10,400
200	Transocean Inc.	125	Jul 08	23,400
1,150				(19,841)
				\$234,307

Common Stock

Listed on the New York Stock Exchange

The Adams Express Company

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

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

Website: www.adamsexpress.com

E-mail: contact@adamsexpress.com

Counsel: Chadbourne & Parke L.L.P.

Independent Registered Public Accounting Firm: PricewaterhouseCoopers LLP

Transfer Agent & Registrar: American Stock Transfer & Trust Co.

Custodian of Securities: Brown Brothers Harriman & Co.

CHANGES IN PORTFOLIO SECURITIES

During the Three Months Ended June 30, 2008
(unaudited)

	Shares		
	Additions	Reductions	Held June 30, 2008
Chevron Corp.	150,000		150,000
Halliburton Co.	300,000		300,000
Hansen Natural Corp.	375,000		375,000
Oshkosh Corp.	10,000		305,000
Prudential Financial, Inc.	20,000		190,000
Schlumberger Ltd.	140,000	140,000	380,000
Spirit AeroSystems Holdings, Inc.	25,000		550,000
Tata Motors Ltd. ADR	250,000		1,000,000
Unilever plc ADR	250,000		800,000
Aqua America, Inc.		499,000	—
BJ's Wholesale Club, Inc.		400,000	—
Emerson Electric Co.		100,000	300,000
ENSCO International, Inc.		209,150	—
Fifth Third Bancorp		280,000	—
Gannett Co., Inc.		112,500	—
Marathon Oil Co.		240,000	—
Rohm & Haas Co.		39,300	260,700
United Parcel Service, Inc.		155,000	—

HISTORICAL FINANCIAL STATISTICS

(unaudited)

Dec. 31	Value Of Net Assets	Shares Outstanding*	Net Asset Value Per Share*	Market Value Per Share*	Dividends From Investment Income Per Share*	Distributions From Net Realized Gains Per Share*	Total Dividends and Distributions Per Share*	Annual Rate of Distribution**
1998	\$1,688,080,336	77,814,977	\$21.69	\$17.75	\$.30	\$1.10	\$1.40	8.17%
1999	2,170,801,875	80,842,241	26.85	22.38	.26	1.37	1.63	8.53
2000	1,951,562,978	82,292,262	23.72	21.00	.22	1.63	1.85	7.76
2001	1,368,366,316	85,233,262	16.05	14.22	.26	1.39	1.65	9.44
2002	1,024,810,092	84,536,250	12.12	10.57	.19	.57	.76	6.14
2003	1,218,862,456	84,886,412	14.36	12.41	.17	.61	.78	6.80
2004	1,295,548,900	86,135,292	15.04	13.12	.24	.66	.90	7.05
2005	1,266,728,652	86,099,607	14.71	12.55	.22	.64	.86	6.65
2006	1,377,418,310	86,838,223	15.86	13.87	.23	.67	.90	6.80
2007	1,378,479,527	87,668,847	15.72	14.12	.32	.71	1.03	7.15
June 30, 2008	1,190,420,881	86,647,623	13.74	11.85	.13†	.02†	.15†	—

* Adjusted to reflect the 3-for-2 stock split effected in October 2000.

** 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.

† Paid or declared.

**To the Board of Directors and Stockholders of
The Adams Express Company:**

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of The Adams Express Company (the “Company”) at June 30, 2008, the results of its operations, the changes in its net assets and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Company’s management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our

audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at June 30, 2008 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Baltimore, Maryland
July 14, 2008

OTHER INFORMATION

**Statement on Quarterly Filing of Complete
Portfolio Schedule**

In addition to publishing its complete schedule of portfolio holdings in the First and Third Quarter Reports to stockholders, the Company files its complete schedule of portfolio holdings with the Securities and Exchange Commission for the first and third quarters of each fiscal year on Form N-Q. The Company’s Forms N-Q are available on the Commission’s website at www.sec.gov. The Company’s Forms N-Q may be reviewed and copied at the Commission’s Public Reference Room, and information on the operation of the Public Reference Room may be obtained by calling (800) SEC-0330. The Company also posts its Forms N-Q on its website at www.adamsexpress.com under the heading “Financial Reports”.

Proxy Voting Policies and Record

A description of the policies and procedures that the Company uses to determine how to vote proxies relating to portfolio securities owned by the Company and information as to how the Company voted proxies relating to portfolio securities during the 12 month period ended June 30, 2008 are available (i) without charge, upon request, by calling the Company’s toll free number at (800) 638-2479; (ii) on the Company’s website by clicking on “Corporate Information” heading on the website; and (iii) on the

Securities and Exchange Commission’s website at <http://www.sec.gov>.

Privacy Policy

In order to conduct its business, The Adams Express Company, through its transfer agent, currently American Stock Transfer & Trust Company, collects and maintains certain nonpublic personal information about our stockholders of record with respect to their transactions in shares of our securities. This information includes the stockholder’s address, tax identification or Social Security number, share balances, and dividend elections. We do not collect or maintain personal information about stockholders whose shares of our securities are held in “street name” by a financial institution such as a bank or broker.

We do not disclose any nonpublic personal information about you, our other stockholders or our former stockholders to third parties unless necessary to process a transaction, service an account or as otherwise permitted by law.

To protect your personal information internally, we restrict access to nonpublic personal information about our stockholders to those employees who need to know that information to provide services to our stockholders. We also maintain certain other safeguards to protect your nonpublic personal information.

STOCKHOLDER INFORMATION AND SERVICES

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.

INVESTORS CHOICE

INVESTORS CHOICE is a direct stock purchase and sale plan, as well as a dividend reinvestment plan, sponsored and administered by our transfer agent, American Stock Transfer & Trust Company (AST). The Plan provides registered stockholders and interested first time investors an affordable alternative for buying, selling, and reinvesting in Adams Express shares.

The costs to participants in administrative service fees and brokerage commissions for each type of transaction are listed below.

Initial Enrollment and	
Optional Cash Investments	
Service Fee	\$2.50 per investment
Brokerage Commission	\$0.05 per share
Reinvestment of Dividends*	
Service Fee	2% 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	\$7.50
Book to Book Transfers	Included

To transfer shares to another participant or to a new participant

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 INVESTORS CHOICE as well as an enrollment form may be obtained by contacting AST.

For Non-Registered Stockholders

For stockholders whose stock is held by a broker in “street” name, the AST INVESTORS CHOICE Direct Stock Purchase and Sale 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 AST’s Plan or contact AST.

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

E-mail: 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

*The year-end dividend and capital gain distribution will usually be made in newly issued shares of common stock. There are no fees or commissions in connection with this dividend and capital gain distribution when made in newly issued shares.

THE ADAMS EXPRESS COMPANY

Board of Directors

Enrique R. Arzac ^{2,4}	Roger W. Gale ^{1,3,5}
Phyllis O. Bonanno ^{1,4,5}	Thomas H. Lenagh ^{2,3}
Kenneth J. Dale ^{3,4}	Kathleen T. McGahran ^{1,4,5}
Daniel E. Emerson ^{1,3,5}	Douglas G. Ober ¹
Frederic A. Escherich ^{2,3}	Craig R. Smith ^{2,4}

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

Officers

Douglas G. Ober	<i>Chairman and Chief Executive Officer</i>
Joseph M. Truta	<i>President</i>
David D. Weaver	<i>Executive Vice President</i>
Lawrence L. Hooper, Jr.	<i>Vice President, General Counsel and Secretary</i>
Maureen A. Jones	<i>Vice President, Chief Financial Officer and Treasurer</i>
David R. Schiminger	<i>Vice President—Research</i>
D. Cotton Swindell	<i>Vice President—Research</i>
Christine M. Sloan	<i>Assistant Treasurer</i>
Geraldine H. Paré	<i>Assistant Secretary</i>

Stock Data

Market Price (6/30/08)	\$11.85
Net Asset Value (6/30/08)	\$13.74
Discount:	13.8%

New York Stock Exchange ticker symbol: ADX
NASDAQ Mutual Fund Quotation Symbol: XADEX
Newspaper stock listings are generally under the
abbreviation: AdaEx

Distributions in 2008

From Investment Income (paid or declared)	\$0.13
From Net Realized Gains	<u>0.02</u>
Total	<u>\$0.15</u>

2008 Dividend Payment Dates

March 1, 2008
June 1, 2008
September 1, 2008
December 27, 2008*

*Anticipated

Generation after generation –



*we grow with you.*TM

○ INVEST | ○ PROTECT | ○ GROW



The Adams Express Company
Semi-Annual Report – June 30, 2008