A quarterly newsletter for shareholders

INVESTOR EXPRESS

Generation after generation - we grow with you.™

GROW | PROTECT | INVEST

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Annual Meeting

The 78th Adams Express Company and Petroleum & Resources Corporation Annual Meetings will be held in Baltimore, MD, on March 27, 2007. The Adams Express meeting is scheduled to start at 9:30 am and Petroleum & Resources will commence at 11:00 am. They will be held at THE MARYLAND CLUB, One East Eager Street, Baltimore, MD 21202. If you are interested in attending and want more information, please contact Ms. Geri Paré at pare@adamsexpress.com or 410-752-5900.

ADAMS EXPRESS COMPANY®

Petroleum & Resources Corporation®

We Are Busy Making Things Better for You

It's not your eyes. The newsletter is different! And more changes are coming! "Over the years, our shareholders have told us they like the way financial information was provided through our reports and on our Web site. However, through more recent discussions, we find that many of our shareholders hold deeper values about the funds that were not being reflected in our communications," says Doug Ober, chairman and CEO of both Adams Express and Petroleum & Resources.

Since early last year, Geri Paré, assistant secretary and head of Investor Relations, put on another hat and worked diligently to design a more robust communications program for our shareholders as well as initiate more aggressive efforts to connect with the public through various news media. A communications plan was adopted by senior management and put into place last summer. One of the immediate results of the team's efforts was a feature article in the *Kiplinger's* newsletter on August 30, 2006. Along with raising editors' and financial writers' awareness of the Funds by contacting over 60 newspapers and magazines, Mr. Ober was interviewed on an investment radio show. The hits to the Companies' Web sites after that show were phenomenal– clearly indicating that a lot of interest was generated by that interview.

In our summer newsletter, Ms. Paré launched the Anniversary Archive – a request for stories from investors on how they originally came upon their shares of Adams and Petroleum. "The response to the request for the Archives has been truly amazing. We've heard from so many investors and their stories are fascinating," says Mr. Ober. Those responses have had a strong influence on our new communications efforts.

Is there more to come?

So far, the results of our media outreach program have been positive and Adams and Petroleum are going to extend communication efforts through the next year. As the communication efforts continue to evolve, senior management is ever conscious of keeping shareholders informed, maintaining the values that earn loyalty, and working to generate returns for our shareholders.

If you have any suggestions, please contact Geri Paré at pare@adamsexpress.com.

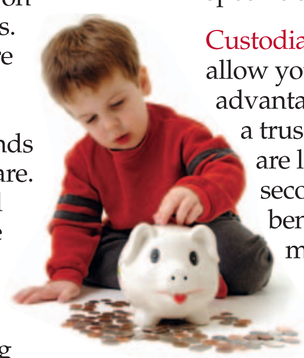
Contact Information: Editor, Investor Express • e-mail: contact@adamsexpress.com • The Adams Express Company • Seven St. Paul Street, Suite 1140, Baltimore, MD 21202 • (410) 752-5900 • (800) 638-2479 • www.adamsexpress.com
Petroleum & Resources Corporation • e-mail: contact@peteres.com • www.peteres.com

GROW

Never Too Young To Invest

When is a good time to start investing for a child? *As early as you can.* The average cost of raising a child to 18 years old can range from $180,000 to $270,000 (U.S. Dept. of Agriculture). College tuitions are now well over $40,000 a year at some private colleges and many college graduates need help with their first few years out of school to pay for furniture, a car, and a work wardrobe.

Aside from making the financial impact of having a child more reasonable, starting young also takes advantage of two trends in investing – dollar-cost averaging and compound interest. Dollar-cost averaging means that you are investing the same amount of money on a regular basis regardless of market conditions. For fund investing, this means when prices are low, the fixed amount you invest buys more shares of your fund. When prices are high, it buys fewer shares. Over time, this strategy tends to reduce your average purchase price per share. It's important to remember that you can build up a solid portfolio over time by investing the same amount each month. And, more good news, one option for fund shareholders is to enroll in an automatic investment plan that electronically transfers money from a checking or savings account into a fund account.



Compound interest is interest that is paid on both the principal and on the interest from past years. It's often the reason why a "buy and hold" strategy makes so much financial sense. For example, if you earn 8% interest on a $1000 investment and reinvest the money back the following year into the original investment, you would get 8% interest on $1000 and on the $80 you earned in interest. Over time, compound interest will grow your investment faster than simple interest.

To help you out, the government encourages early investment for children. Common plans people use are a Coverdell Education Savings Account and UTMAs.

A Coverdell Education Savings Account (formerly known as an Education IRA) can be established for your child, grandchild, or other young person under 18 years of age. Earnings in ESAs grow tax-free. You can contribute up to $2,000 per year for each designated beneficiary, although specific contribution eligibility requirements apply.

Custodial Accounts – sometimes referred to as UTMAs– allow you to give a financial gift to a minor with tax advantages. Custodial accounts are similar in concept to a trust, but differ from a trust in two ways. First, they are less complicated and expensive to establish and, second, the custodian manages the property for the benefit of the minor, not a trustee. A custodial account may be best if you are interested in contributing a small dollar amount into a savings account and want to take advantage of compound interest. Another option is to put some stock away for a child. For instance, you could establish a custodial account and purchase some shares of Adams Express and Petroleum & Resources Corporation on a regular basis on behalf of the child. It's important to keep in mind that while the child cannot access the account until age 21 (in some states the age is lower), the assets that are placed in the account are the child's and cannot be transferred out or used by the contributor for any purpose other than the child's benefit.

As always, we recommend you speak to your investment advisor or tax consultant before taking any steps.

INVEST

Anniversary Archive – *Ms. Mary Jean Houchen*

On a clear, crisp February afternoon in 1956 in downtown Cincinnati, Ms. Mary Jean Houchen sat down with a family friend to talk about investing for her future. "I'd worked pretty much my whole adult life. As a matter of fact, I started with the Air Force during World War II at a supply depot. After the war, I settled down at the Federal Home Administration; most people know it as the Department of Housing and Urban Development. I eventually got promoted to administrative officer – that was as far as a working girl was going to get in those days. So, I knew I had to put money away for my future."

"When I sat down with Mr. Gradison, who was a broker, I explained to him what my goals were and my situation. He said, and I'll never forget this, – 'there are two stocks that you can never go wrong with – IBM and Adams Express.' I didn't have a lot of money back then; it was hard to save. But I did, and bought 20 shares of Adams Express and re-invested periodically since then."

Ms. Houchen continued to work at the Federal Home Administration as an administrative officer for another 30 years, until she retired. "I saved when I could and put money into buying more shares of Adams Express." And why has Ms. Houchen been such a consistent investor? "The Company has never failed me. I like the capital gains and the dividends. As a matter of fact, I've accumulated a nice retirement fund because of Adams Express and the Petroleum & Resources funds. I even advised my sister and son to invest, which they did. And, now that I am a great, great aunt, I'm pleased to have given shares to my nieces."

If you have a story you'd like to share, please send an email to contact@adamsexpress.com; or write to us at ADAMS EXPRESS c/o Anniversary Archive, 7 St. Paul Street, Suite 1140, Baltimore, MD 21202