UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2004.

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____________ to ____________

Commission file number 1-4422

ROLLINS, INC.
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	51-0068479 (I.R.S. Employer Identification No.)

2170 Piedmont Road, N.E., Atlanta, Georgia
(Address of principal executive offices)

30324
(Zip Code)

(404) 888-2000
(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in rule 12b-2 of the Exchange Act).

Yes [X] No [ ]

Rollins, Inc. had 45,439,640 shares of its $1 Par Value Common Stock outstanding as of April 15, 2004.

<TABLE>
<CAPTION>

ROLLINS, INC. AND SUBSIDIARIES

INDEX

</TABLE>

PART I FINANCIAL INFORMATION

Item 1. Financial Statements.

<TABLE>
<CAPTION>

ROLLINS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(in thousands except share and per share data)

<S>	March 31, 2004 (Unaudited) <C>	December 31, 2003 <C>
ASSETS		
Cash and Short-Term Investments	$ 97,888	$ 59,540
Marketable Securities	---	21,866
Trade Receivables, Net of Allowance for Doubtful Accounts of $3,805 and $4,616, respectively	45,549	48,471
Materials and Supplies	10,147	9,837
Deferred Income Taxes	20,580	23,243
Other Current Assets	10,092	7,414
Current Assets	184,256	170,371
Equipment and Property, Net	34,618	35,836
Goodwill	72,521	72,498
Customer Contracts and Other Intangible Assets	28,924	30,333
Deferred Income Taxes	17,287	15,902
Other Assets	25,350	24,964
Total Assets	$ 362,956	$ 349,904
LIABILITIES		
Accounts Payable	$ 15,325	$ 12,290
Accrued Insurance	13,050	13,050
Accrued Payroll	26,913	31,019
Unearned Revenue	50,702	46,007
Accrual for Termite Contracts	21,500	21,500
Other Current Liabilities	23,983	21,156
Current Liabilities	151,473	145,022
Accrued Insurance, Less Current Portion	24,764	26,024
Accrual for Termite Contracts, Less Current Portion	22,135	22,373
Long-Term Accrued Liabilities	16,741	17,711
Total Liabilities	215,113	211,130
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Common Stock, par value $1 per share; 99,500,000 shares authorized; 45,399,280 and 45,156,674 shares issued and outstanding, respectively	45,399	45,157
Additional Paid-In Capital	7,025	4,408
Accumulated Other Comprehensive Loss	(300)	(314)
Retained Earnings	95,719	89,523
Total Stockholders' Equity	147,843	138,774
Total Liabilities and Stockholders' Equity	$ 362,956	$ 349,904

<FN>

The accompanying notes are an integral part of these consolidated financial statements.
</FN>
</TABLE>

ROLLINS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
(in thousands except per share data)
(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
REVENUES		
Customer Services	$ 158,692	$ 155,122
COSTS AND EXPENSES		
Cost of Services Provided	85,357	83,926
Depreciation and Amortization	4,657	5,156
Sales, General & Administrative	54,175	54,376
(Gain)/Loss on Sale of Assets	1	(2)
Interest Income	(150)	(66)
	144,040	143,390
INCOME BEFORE INCOME TAXES	14,652	11,732
PROVISION FOR INCOME TAXES		
Current	4,661	3,463
Deferred	1,273	995
	5,934	4,458
NET INCOME	$ 8,718	$ 7,274
EARNINGS PER SHARE - BASIC	$ 0.19	$ 0.16
EARNINGS PER SHARE - DILUTED	$ 0.19	$ 0.16
Average Shares Outstanding---Basic	45,298	44,912
Average Shares Outstanding---Diluted	46,643	46,110
DIVIDENDS PER SHARE	$ 0.06	$ 0.05

The accompanying notes are an integral part of these consolidated financial statements.

<TABLE>
<CAPTION>

ROLLINS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)
(Unaudited)

	Three Months Ended March 31, 2004	Three Months Ended March 31, 2003
<S>	<C>	<C>
OPERATING ACTIVITIES		
Net Income	$ 8,718	$ 7,274
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	4,657	5,156
Deferred Income Taxes	1,273	1,009
Other, Net	64	

		35
(Increase) Decrease in Assets:		
Trade Receivables	2,873	495
Materials and Supplies	(310)	(526)
Other Current Assets	(2,678)	(2,063)
Other Non-Current Assets	(446)	44
Increase (Decrease) in Liabilities:		
Accounts Payable and Accrued Expenses	3,761	2,787
Unearned Revenue	4,694	2,989
Accrued Insurance	(1,261)	9
Accrual for Termite Contracts	(238)	997
Long-Term Accrued Liabilities	(917)	(52)
Net Cash Provided by Operating Activities	20,190	18,154
INVESTING ACTIVITIES		
Sale/(Purchase) of Marketable Securities, Net	21,866	---
Purchases of Equipment and Property	(1,739)	(961)
Acquisition of Companies	(158)	(385)
Net Cash Provided by (Used in) Investing Activities	19,969	(1,346)
FINANCING ACTIVITIES		
Dividends Paid	(2,718)	(2,247)
Other	907	1,475
Net Cash Used in Financing Activities	(1,811)	(772)
Net Increase in Cash and Short-Term Investments	38,348	16,036
Cash and Short-Term Investments At Beginning of Period	59,540	38,315
Cash and Short-Term Investments At End of Period	$ 97,888	$ 54,351

<FN>

The accompanying notes are an integral part of these consolidated financial statements.
</FN>
</TABLE>

ROLLINS, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1. BASIS OF PREPARATION AND OTHER

Basis of Preparation--The consolidated financial statements included herein have been prepared by Rollins, Inc. (the "Company"), without audit, pursuant to the rules and regulations of the Securities and

Exchange Commission applicable to quarterly reporting on Form 10-Q. These consolidated financial statements have been prepared in accordance with Statement of Financial Accounting Standard No. 94, Consolidation of All Majority-Owned Subsidiaries ("SFAS 94") and Rule 3A-02(a) of Regulation S-X. In accordance with SFAS 94 and with Rule 3A-02(a) of Regulation S-X, the Company's policy is to consolidate all subsidiaries and investees where it has voting control. The Company does not have any subsidiaries or investees where it has less than a 100% equity interest or less than 100% voting control, nor does it have any interest in other investees, joint ventures, or other entities that require consolidation.

Footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted pursuant to such rules and regulations. These consolidated financial statements should be read in conjunction with the financial statements and related notes contained in the Company's annual report on Form 10-K for the year ended December 31, 2003.

In the opinion of management, the consolidated financial statements included herein contain all adjustments, consisting of a normal recurring nature, necessary to present fairly the financial position of the Company as of March 31, 2004 and December 31, 2003, and the results of its operations and cash flows for the three months ended March 31, 2004 and 2003. Operating results for the three months ended March 31, 2004 are not necessarily indicative of the results that may be expected for the year ending December 31, 2004.

The Company has only one reportable segment, its pest and termite control business. The Company's results of operations and its financial condition are not reliant upon any single customer or a few customers or the Company's foreign operations.

Estimates Used in the Preparation of Consolidated Financial Statements--The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires Management to make estimates and assumptions that affect the amounts reported in the accompanying notes and financial statements. Actual results could differ from those estimates.

Cash and Short-Term Investments--The Company considers all investments with a maturity of three months or less to be cash equivalents. Short-term investments are stated at cost, which approximates fair market value.

Marketable Securities--From time to time, the Company maintains investments held by several large, well-capitalized financial institutions. The Company's investment policy does not allow investment in any securities rated less than "investment grade" by national rating services.

Management determines the appropriate classification of debt securities at the time of purchase and re-evaluates such designations as of each balance sheet date. Debt securities are classified as available-for-sale because the Company does not have the intent to hold the securities to maturity. Available-for-sale securities are stated at their fair values, with the unrealized gains and losses, net of tax, reported as a separate component of stockholders' equity. Realized gains and losses and declines in value judged to be other than temporary on available-for-sale securities are included in interest income. In the first quarter of 2004, the Company sold the balance of its marketable securities, the proceeds of which will be used to pay for the Western Industries, Inc. acquisition scheduled to be completed in the second quarter of 2004. The cost of securities sold is based on the specific identification method. Interest and dividends on securities classified as available-for-sale are included in interest income. The Company's marketable securities generally consist of United States government, corporate and municipal debt securities.

Comprehensive Income (Loss)--Other Comprehensive Income (Loss) results from foreign currency translations and unrealized loss on marketable securities.

New Accounting Standards--In December 2002, the FASB issued Interpretation No. 46, Consolidation of Variable Interest Entities ("FIN 46"). The Interpretation requires that a variable interest entity be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's

activities or entitled to receive a majority of the entity's residual returns or both. The consolidation requirements of FIN 46 are effective for all variable interest entities created or acquired after January 31, 2003. In December 2003, the Financial Accounting Standards Board issued a revision to FIN 46 referred to as Interpretation No. 46 (R). Among other provisions, the revision extended the adoption date of FIN 46 (R) to the first quarter of 2004 for variable interest entities created prior to February 1, 2003. During 2003, the Company adopted FIN 46 with respect to variable interest entities created after January 31, 2003. The Company adopted FIN 46 (R) in the first quarter of 2004 for variable interest entities created prior to February 1, 2003. The adoption did not have a significant effect on the Company's financial position or results of operations.

Franchising Program--Orkin has 45 franchises as of March 31, 2004, including international franchises in Mexico, established in 2000, and Panama, established in 2003. Transactions with franchises involve sales of customer contracts to establish new franchises, initial franchise fees and royalties. The customer contracts and initial franchise fees are typically sold for a combination of cash and notes due over periods ranging up to 5 years. As of March 31, 2004 and 2003, notes receivable from franchises aggregated $4.5 million and $4.0 million, respectively. The Company recognizes gains from the sale of customer contracts at the time they are sold to franchises and collection on the notes is reasonably assured, which amounted to approximately $0.9 million in the first quarter of 2004 compared to $1.6 million in first quarter of 2003, and are included as revenues in the accompanying Consolidated Statements of Income. Initial franchise fees are deferred for the duration of the initial contract period and are included as unearned revenue in the Consolidated Statements of Financial Position. Deferred franchise fees amounted to $1.5 million and $1.3 million at March 31, 2004 and 2003, respectively. Royalties from franchises are accrued and recognized as revenues as earned on a monthly basis. Revenues from royalties were $0.4 million in the first quarter of 2004 compared to $0.2 million in the first quarter of 2003. The Company's maximum exposure to loss relating to the franchises aggregate $3.0 million and $2.7 million at March 31, 2004 and 2003, respectively.

Fair Value of Financial Instruments--The Company's financial instruments consist of cash, short-term investments, marketable securities, trade and notes receivables, accounts payable and other short-term liabilities. The carrying amounts of these financial instruments approximate their fair values.

Reclassifications--Certain amounts for prior periods have been reclassified to conform with the current period consolidated financial statement presentation. Such reclassifications had no effect on previously reported net income.

Seasonality--The business of the Company is affected by the seasonal nature of the Company's pest and termite control services as evidenced by the following chart.

	Total Net Revenues		
	2004	2003	2002
First Quarter	$158,692	$155,122	$153,302
Second Quarter	N/A	185,105	184,189
Third Quarter	N/A	178,262	174,063
Fourth Quarter	N/A	158,524	153,871

NOTE 2. EARNINGS PER SHARE

In accordance with SFAS No. 128, Earnings Per Share ("EPS"), the Company presents basic EPS and diluted EPS. Basic EPS is computed on the basis of weighted-average shares outstanding. Diluted EPS is computed on the basis of weighted-average shares outstanding plus common stock options outstanding during the year which, if exercised, would have a dilutive effect on EPS. A reconciliation of the number of weighted-average shares used in computing basic and diluted EPS is as follows:

<TABLE>
<CAPTION>

	Three Months Ended March 31,	
(in thousands except per share data and per share amounts)	2004	2003
<S>	<C>	<C>

Basic and diluted earnings available to stockholders (numerator):	$ 8,718	$ 7,274
Shares (denominator):		
Weighted-average shares outstanding	45,298	44,912
Effect of Dilutive securities:		
Employee Stock Options	1,345	1,198
Adjusted Weighted-Average Shares	46,643	46,110
Per share amounts:		
Basic earnings per common share	$ 0.19	$ 0.16
Diluted earnings per common share	$ 0.19	$ 0.16

</TABLE>

NOTE 3. LEGAL PROCEEDINGS

Orkin, one of the Company's subsidiaries, is a named defendant in Helen Cutler and Mary Lewin v. Orkin Exterminating Company, Inc. et al. pending in the District Court of Houston County, Alabama. The plaintiffs in the above mentioned case filed suit in March of 1996 and are seeking monetary damages and injunctive relief for alleged breach of contract arising out of alleged missed or inadequate reinspections. The attorneys for the plaintiffs contend that the case is suitable for a class action and the court has ruled that the plaintiffs would be permitted to pursue a class action lawsuit against Orkin. Orkin believes this case to be without merit and intends to defend itself vigorously at trial. The trial is currently set for June 2004. At this time, the final outcome of the litigation cannot be determined. However, in the opinion of Management, the ultimate resolution of this action will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

Orkin is also a named defendant in Butland et al. v. Orkin Exterminating Company, Inc. et al. pending in the Circuit Court of Hillsborough County, Tampa, Florida. The plaintiffs filed suit in March of 1999 and are seeking monetary damages and injunctive relief. The Court ruled in early April 2002, certifying the class action lawsuit against Orkin. Orkin appealed this ruling to the Florida Second District Court of Appeals which remanded the case back to the trial court for further findings. Orkin believes this case to be without merit and intends to defend itself vigorously through trial, if necessary. At this time, the final outcome of the litigation cannot be determined. However, in the opinion of Management, the ultimate resolution of this action will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

Orkin is involved in certain environmental matters primarily arising in the normal course of business. In the opinion of Management, the Company's liability under any of these matters would not materially affect its financial condition or results of operations.

Additionally, in the normal course of business, Orkin is a defendant in a number of lawsuits, which allege that plaintiffs have been damaged as a result of the rendering of services by Orkin personnel and equipment. Orkin is actively contesting these actions. Some lawsuits have been filed (Ernest W. Warren and Dolores G. Warren et al. v. Orkin Exterminating Company, Inc., et al.; Elizabeth Allen and William Allen et al. v. Rollins, Inc. and Orkin Exterminating Company, Inc.; Francis D. Petsch, et al. v. Orkin Exterminating Company, Inc. et al.; and Bob J. Stevens v. Orkin Exterminating Company, Inc. and Rollins, Inc.) in which the Plaintiffs are seeking certification of a class. The cases originate in Georgia, Florida, and Texas. The Company believes them to be without merit and intends to vigorously contest certification and defend itself through trial, if necessary. In the opinion of Management, the outcome of these actions will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

NOTE 4. STOCKHOLDERS' EQUITY

During the first quarter ended March 31, 2004, approximately 249,000 shares of common stock were issued upon exercise of stock options by employees. As permitted by SFAS No. 123, Accounting for Stock-Based Compensation, the Company accounts for employee stock compensation plans using the intrinsic value method prescribed by Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees. No stock-based employee compensation cost is reflected in net income, as all options granted had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net income and earnings per share if the Company had applied the fair value recognition provisions of FASB Statement No. 123, Accounting for Stock-Based Compensation, to stock-based employee compensation.

(in thousands, except per share data)	Three Months Ended March 31, 2004	2003
Net income, as reported	$ 8,718	$ 7,274
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(202)	(483)
Pro forma net income	$ 8,516	$ 6,791
Earnings per share:		
Basic-as reported	$ 0.19	$ 0.16
Basic-pro forma	$ 0.19	$ 0.15
Diluted-as reported	$ 0.19	$ 0.16
Diluted-pro forma	$ 0.18	$ 0.15

NOTE 5. ACCUMULATED OTHER COMPREHENSIVE LOSS

Accumulated other comprehensive loss consists of the following (in thousands):

<TABLE>
<CAPTION>

	Minimum Pension Liability	Foreig n Currency Translation	Unrealized Loss on Marketable Securities	Total
<S>	<C>	<C>	<C>	<C>
Balance at December 31, 2002	$ (16,182)	$ (765)	$ ---	$ (16,947)
Change during 2003:				
Before-tax amount..	26,079	842	(108)	26,813
Tax benefit (expense)	(9,897)	(324)	41	(10,180)
	16,182	518	(67)	16,633
Balance at December 31, 2003	$ ---	$ (247)	$ (67)	$ (314)
Change during first three months of 2004:				
Before-tax amount..	---	(89)	108	19
Tax benefit (expense)	---	36	(41)	(5)
	---	(53)	67	14
Balance at March 31, 2004	$ ---	$ (300)	$ ---	$ (300)

</TABLE>

NOTE 6. ACCRUAL FOR TERMITE CONTRACTS

The Company maintains an accrual for termite contracts representing the estimated costs of reapplications, repair claims and associated labor, chemicals, and other costs relative to termite control services performed prior to the balance sheet date. A reconciliation of the beginning and ending balances of the accrual for termite contracts is as follows:

(in thousands)	Three Months Ended March 31, 2004	2003
Beginning Balance	$43,873	$46,446
Current Period Provision	4,532	5,525
Settlements, Claims and Expenditures Made During the Period	(4,770)	(4,528)
Ending Balance	$43,635	$47,443

NOTE 7. PENSION AND POST-RETIREMENT BENEFIT PLANS

The following represents the net periodic pension benefit costs and related components in accordance with SFAS 132 (R):

Components of Net Pension Benefit Cost

(in thousands)	Three Months Ended March 31, 2004	2003
Service Cost	$ 1,297	$ 1,171
Interest Cost	2,074	1,950
Expected Return on Plan Assets	(2,394)	(2,123)
Amortization of:		
Prior Service Benefit	(217)	(217)
Unrecognized Net Loss	845	506
Net Periodic Benefit Cost	$ 1,605	$ 1,287

A contribution of $3.0 million was made to the pension plan in April 2004. The Company expects to contribute an additional $0.0 to $3.0 million to the pension plan in 2004.

NOTE 8. RELATED PARTY TRANSACTIONS

On April 28, 2004, the Company sold real estate in Okeechobee County, Florida to LOR, Inc., a company controlled by R. Randall Rollins, Chairman of the Board of Rollins, Inc. and Gary W. Rollins, Chief Executive Officer, President and Chief Operating Officer of Rollins, Inc. for $16.6 million in cash. The sale is expected to result in a net gain after tax ranging from $0.17 to $0.19 per share since the real estate has appreciated over approximately 30 years it has been owned by the Company. The real estate is under a lease agreement with annual rentals of $131,939 that expires June 30, 2007. The Board of Directors, at its quarterly meeting on January 27, 2004, approved the formation of a committee (the "Committee") made up of Messrs. Bill J. Dismuke and James B. Williams, who are independent directors, to evaluate the transaction. The Committee was furnished with full disclosure of the transaction, including independent appraisals, and determined that the terms of the transaction were reasonable and fair to the Company. The Company is also contemplating the sale of two pieces of real estate in Sussex County, Delaware to LOR, Inc. or an entity wholly owned by LOR, Inc. In addition, the Company is contemplating the purchase of real estate located at 2158 Piedmont Road, N.E., Atlanta, Georgia 30324, adjacent to the Company's headquarters, from LOR, Inc.

NOTE 9. SUBSEQUENT EVENTS

On March 8, 2004, the Company entered into a definitive agreement to acquire, through a purchase of assets, the pest control business and certain ancillary operations of Western Industries, Inc. ("Western") and its affiliates, including Residex Corporation ("Residex"), Western's distribution business. The aggregate consideration will be paid in a combination of approximately $95.0 million in cash and short-term investments, on hand as well as $15.0 million in borrowings from the below mentioned Wachovia Bank NA credit facility, totaling approximately $110.0 million. The Company is anticipating closing on the purchase in the second

quarter of 2004. Shortly following the purchase of Western, the Company anticipates selling Residex, the distribution business of Western. No gain is expected on the sale of Residex.

On April 28, 2004 the Company entered into a $15.0 million senior unsecured revolving credit facility with Wachovia Bank NA. The entire amount of the credit facility will be used to fund a portion of the Western Industries, Inc. acquisition that the Company anticipates closing on in the second quarter of 2004.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Overview

The Company's investment in our new marketing and sales initiatives and continued emphasis on customer retention resulted in revenue growth of 2.3% in the first quarter of 2004 compared to the first quarter of 2003, year-over-year sales growth and further increases in the Company's cash position.

For the first quarter of 2004, the Company had net income of $8.7 million compared to net income of $7.3 million in the first quarter of 2003, which represents a 19.9% increase. In addition to the revenue increase of 2.3%, the Company's Cost of Services Provided decreased 0.3 percentage points, as a percentage of revenues, and the Company achieved an improvement in Sales, General and Administrative expenses of 1.0 percentage point, as a percentage of revenues.

The financial results for the first quarter of 2004 were positively impacted by the continued benefit of our recent service and sales and marketing initiatives, which included every-other-month residential pest control service, Gold Medal premium commercial pest control services, the investment in Business Development Managers for every Orkin division, the Commercial Pest Control Quality Assurance Program, termite directed liquid and baiting treatment, and the creation of or enhancement of regional call centers, which have enabled better accountability over leads and better coordination of scheduling starts for new customers.

A key component of these revenue-generating initiatives is our new Business Development Managers ("BDM"). These managers work closely with Division Vice Presidents and Region Managers to identify specific market opportunities and to develop action plans that specifically meet these situations. As a result, the Company is experiencing increased calls from interested consumers, improved sales productivity and sales gains.

In addition, our Commercial Pest Control Quality Assurance Program is improving the service being provided to our commercial customers and helping the Company build stronger customer relationships. This program clearly defines the Company's service expectations and branches and service technicians are being independently audited against these expectations.

The Company is also gaining brand recognition through its new media plan and advertising plans, in part as a result of a new Creative advertising campaign, and an increase in its national radio advertising. A large portion of the Company's potential customers are highly reachable with radio and it avoids much of the clutter that exists in T.V. advertising today.

An example of building the Orkin brand is the recently forged partnership with the National Science Teachers Association (NSTA), a nationwide organization of educators with over 50,000 members. At the national conference in Atlanta earlier this month, over 950 teachers signed up for an Orkin Man School Presentation and 4,000 Orkin pest identification posters were distributed.

In the summer of 2003, the Company test marketed a mosquito control program in a few U.S. locations and two provinces in Canada, in response to the health risk caused by mosquitoes and the spread of West Nile Virus in North America. The Company is now in the process of expanding this program to ninety-five U.S. branches. Additionally, the Canadian provinces that utilized the mosquito control program last year have renewed their agreements. This is a significant endorsement to the effectiveness of the service. The Company will also be marketing the mosquito program to neighborhood associations in the U.S.

The Company continues to expand its growth through the Orkin franchise program. This program is primarily used in smaller markets where it is currently not economically feasible to locate a conventional Orkin branch. There is a contractual buyback provision at the Company's option with a pre-determined purchase price using a formula applied to revenues of the franchise. There were 45 Company franchises at the end of the first quarter of 2004 compared to 44 at the end of 2003.

Results of Operations
<TABLE>
<CAPTION>

	Three Months Ended March 31,		% Better/Worse as Compared to Prior Year
(in thousands)	2004	2003	2004
<S>	<C>	<C>	<C>
Revenues	$158,692	$155,122	2.3%
Cost of Services Provided	85,357	83,926	(1.7)
Depreciation and Amortization	4,657	5,156	9.7
Sales, General and Administrative	54,175	54,376	0.4
(Gain)/Loss on Sale of Assets	1	(2)	(150.0)
Interest Income	(150)	(66)	127.3
Income Before Income Taxes	14,652	11,732	24.9
Provision for Income Taxes	5,934	4,458	(33.1)
Net Income	$ 8,718	$ 7,274	19.9%

</TABLE>
Revenues for the quarter ended March 31, 2004 increased to $158.7 million, an increase of $3.6 million or 2.3% from last year's first quarter revenues of

$155.1 million. The Company deferred $1.8 million more in termite renewals received in March this year than in previous year's first quarter. Refinements in systems and reporting have allowed the Company to more accurately match specific cash receipts against the renewal period to which they apply. Consequently, termite revenues declined slightly. April is traditionally one of the largest completions months for termite sales and many people pay their annual renewals in the following March. As a result, certain termite renewal revenue that was received in the first quarter of 2004 has been deferred until the second quarter of 2004 at which time the renewal anniversary will occur. This refinement will have no impact over the course of the year, but delays recognition of some revenue to a later quarter. Every-other-month service, our primary residential pest control service offering, continues to grow in importance, comprising 55.3% of our residential pest control customer base at March 31, 2004. The Company's largest growth for the first quarter of 2004 was in the Company's commercial pest control business which exceeded 7.0%, while modest growth was achieved in residential pest control. The Company's foreign operations accounted for approximately 6% of total first quarter revenues of 2004 compared to approximately 5% in the first quarter of 2003.

The business of the Company is affected by the seasonal nature of the Company's pest and termite control services as evidenced by the following chart.

	Total Net Revenues		
	2004	2003	2002
First Quarter	$158,692	$155,122	$153,302
Second Quarter	N/A	185,105	184,189
Third Quarter	N/A	178,262	174,063
Fourth Quarter	N/A	158,524	153,871

Cost of Services Provided for the first quarter ended March 31, 2004 increased $1.4 million or 1.7%, although the expense expressed as a percentage of revenues decreased by 0.3 percentage points, representing 53.8% of revenues for the first quarter 2004 compared to 54.1% of revenues in the prior year first quarter. The dollar increase was mainly due to higher expenses for personnel related costs and materials and supplies partially offset by lower insurance and claims.

Sales, General and Administrative for the first quarter ended March 31, 2004 decreased $201,000 or 0.4% and, as a percentage of revenues, improved by 1.0 percentage point or 2.8%, averaging 34.1% of total revenues compared to 35.1% for the prior year quarter. The improvement for the quarter was mainly a result of a change in the period over which the summer sales program is expensed. Outside sales commissions for the summer sales program are now expensed over the selling period, whereas they were formerly amortized over a twelve month period. This policy change started in the fourth quarter of 2003.

Depreciation and Amortization expenses for the quarter ended March 31, 2004 were $499,000 or 9.7% lower than the prior year quarter. The decrease was due to lower capital spending and certain technology assets becoming fully depreciated in the last twelve months.

The Company's tax provision of $5.9 million for the first quarter ended March 31, 2004 reflects increased pre-tax income over the prior year period and an increase in the effective tax rate. The effective tax rate was 40.5% for the first quarter ended March 31, 2004, up from 38.0% for the first quarter ended March 31, 2003. The increase reflects increases in the Company's effective state income tax rate, as well as the impact of permanent differences associated with the Company's Canadian operations.

Critical Accounting Policies

We view critical accounting policies to be those policies that are very important to the portrayal of our financial condition and results of operations, and that require Management's most difficult, complex or subjective judgments. The circumstances that make these judgments difficult or complex relate to the need for Management to make estimates about the effect of matters that are inherently uncertain. We believe our critical accounting policies to be as follows:

Accrual for Termite Contracts--The Company maintains an accrual for termite contracts representing the estimated costs of reapplications, repair claims, associated labor and chemicals, settlements, awards and other costs relative to termite control services performed prior to the balance sheet date. The Company contracts an independent third party actuary on an annual basis to provide the Company an estimate of the liability based upon historical claims information for the largest portion of the accrual. In addition, Management estimates and accrues for costs outside the scope of the actuarial study including the estimated costs of retreatments, representing costs to be incurred that are estimatable at the balance sheet date, as well as liability and costs associated with claims in litigation. The actuarial study and historical experience are major considerations in determining the accrual balance, along with Management's knowledge of changes in business practices, contract changes, ongoing claims, and termite remediation trends. The accrual is established based on all these factors. Management makes judgments utilizing these operational and other factors but recognizes that they are inherently subjective due to the difficulty in predicting settlements and awards. Other factors that may impact future cost include chemical life expectancy and government regulation. It is significant that the actual number of claims has decreased in recent years due to changes in the Company's business practices. However, it is not possible to accurately predict future significant claims. Positive changes to our business practices include revisions made to our contracts, more effective treatment methods that include a directed-liquid baiting program, more effective termiticides, and expanded training methods and techniques.

Accrued Insurance--The Company self-insures, up to specified limits, certain risks related to general liability, workers' compensation and vehicle liability. The estimated costs of existing and future claims under the self-insurance program are accrued based upon historical trends as incidents occur, whether reported or unreported (although actual settlement of the claims may not be made until future periods) and may be subsequently revised based on developments relating to such claims. The Company contracts an independent third party actuary on an annual basis to provide the Company an estimated liability based upon historical claims information. The actuarial study is a major consideration, along with Management's knowledge of changes in business practices and existing claims compared to current balances. The reserve is established based on all these factors. Management's judgment is inherently subjective and a number of factors are outside Management's knowledge and control. Additionally, historical information is not always an accurate indication of future events. It should be noted that the number of claims has been decreasing due to the Company's proactive risk management to develop and maintain ongoing programs. However, it is not possible to accurately predict future significant claims. Initiatives that have been implemented include pre-employment screening and an annual motor vehicle report required on all its drivers, utilization of a Global Positioning System that has been fully deployed to our Company vehicles, post-offer physicals for new employees, and pre-hire, random and post-accident drug testing. The Company has improved the time required to report a claim by utilizing a "Red Alert" program that provides serious accident assessment twenty four hours a day and seven days a week and has instituted a modified duty program that enables employees to go back to work on a limited-duty basis.

Revenue Recognition--The Company's revenue recognition policies are designed to recognize revenues at the time services are performed. For certain revenue types, because of the timing of billing and the receipt of cash versus the timing of performing services, certain accounting estimates are utilized. Residential and commercial pest control services are primarily recurring in nature on a monthly or bi-monthly basis, while certain types of commercial customers may receive multiple treatments within a given month. In general, pest control customers sign an initial one-year contract, and revenues are recognized at the time services are performed. For pest control customers, the Company offers a discount for those customers who prepay for a full year of services. The Company defers recognition of these advance payments and recognizes the revenue as the services are rendered. The Company classifies the discounts related to the advance payments as a reduction in revenues. Termite baiting revenues are recognized based on the delivery of the individual units of accounting. At the inception of a new baiting services contract upon quality control review of the installation, the Company recognizes revenue for the delivery of the monitoring stations, initial directed liquid termiticide treatment and installation of the monitoring services. The amount deferred is the fair value of monitoring services to be rendered after the initial service. The amount deferred for the undelivered monitoring element is then recognized as income on a straight-line basis over the remaining contract term, which results in recognition of revenue in a pattern that approximates the timing of performing monitoring visits. Baiting renewal revenue is deferred and recognized over the annual contract period on a straight-line basis that approximates the timing of performing the required monitoring visits. Traditional termite treatments are recognized as revenue at the time services are performed. Traditional termite contract renewals are recognized as revenues at the renewal date in order to match the revenue with the approximate timing of the corresponding service provided. Interest income on installment receivables is accrued monthly based on actual loan balances and stated interest rates. Franchise fees are treated as unearned revenue in the Statement of Financial Position for the duration of the initial contract period. Royalties from Orkin franchises are accrued and recognized as revenues as earned on a monthly basis. Gains on sales of pest control customer accounts to franchises are recognized at the time of sale and when collection is reasonably assured.

Contingency Accruals--The Company is a party to legal proceedings with respect to matters in the ordinary course of business. In accordance with Statement of Financial Accounting Standards No. 5, Accounting for Contingencies, the Company estimates and accrues for its liability and costs associated with the litigation. Estimates and accruals are determined in consultation with outside counsel. It is not possible to accurately predict the ultimate result of the litigation. However, in the opinion of Management, the outcome of the litigation will not have a material adverse impact on the Company's financial condition or results of operations.

Liquidity and Capital Resources

Cash and Cash Flow

(in thousands)	Three Months Ended March 31, 2004	2003
Net Cash Provided by Operating Activities	$ 20,190	$ 18,154
Net Cash Provided by (Used in) Investing Activities	19,969	(1,346)
Net Cash Used in Financing Activities	(1,811)	(772)
Net Increase in Cash and Short-Term Investments	$ 38,348	$ 16,036

The Company believes its current cash and short-term investments balances, future cash flows from operating activities and available borrowings under its $55.0 million credit facility and $15.0 million credit facility, as discussed below, will be sufficient to finance its current operations and obligations, and fund expansion of the business for the foreseeable future, and acquisition of other select pest control businesses including the previously announced acquisition of Western Industries, Inc. The Company's operations generated cash of $20.2 million for the first quarter ended March 31, 2004, compared with cash provided by operating activities of $18.2 million for the same period in 2003. The 2004 increase was achieved primarily from higher Net Income and strong collections in accounts receivable and advance payments received from customers.

The Company invested approximately $1.7 million in capital expenditures during the three months ended March 31, 2004, compared to $1.0 million during the same period in 2003, and expects to invest between $8.0 million and $10.0 million for the full year. Capital expenditures for the first three months consisted primarily of the purchase of equipment replacements and upgrades and improvements to the Company's management information systems. During the first three months, the Company made acquisitions totaling $158,000, compared to $385,000 during the same period in 2003. A total of $2.7 million was paid in cash dividends ($0.06 per share) during the first three months of 2004, compared to $2.2 million or $0.05 per share during the same period in 2003. At the January 27, 2004 Board of Directors' Meeting, the Board approved a 20% increase in the quarterly dividend, from $0.05 to $0.06 per share to holders of record on February 10, 2004, payable March 10, 2004. The Company did not repurchase any shares of Common Stock in the first quarter of 2004 and there remain 649,684 shares authorized to be repurchased. The capital expenditures, acquisitions and cash dividends were funded entirely through existing cash balances and operating activities. The Company maintains a $55.0 million credit facility with a commercial bank, of which no borrowings were outstanding as of March 31, 2004 or April 15, 2004. However, the Company does maintain approximately $32.0 million in Letters of Credit.

On March 8, 2004, the Company entered into a definitive agreement to acquire, through a purchase of assets, the pest control business and certain ancillary operations of Western Industries, Inc. ("Western") and its affiliates, including Residex Corporation ("Residex"), Western's distribution business. The aggregate consideration will be funded through a combination of approximately $95.0 million in cash and short-term investments on hand, as well as $15.0 million in borrowings from the below mentioned Wachovia Bank NA credit facility, totaling approximately $110.0 million. The Company is anticipating closing on the purchase in April 2004. Shortly following the purchase of Western, the Company anticipates selling Residex, the distribution business of Western. No gain is expected on the sale of Residex.

On April 28, 2004, the Company entered into a $15.0 million senior unsecured revolving credit facility with Wachovia Bank NA. The entire amount of the credit facility will be used to fund a portion of the Western Industries, Inc. acquisition that the Company anticipates closing on in April 2004.

On April 28, 2004, the Company sold real estate in Okeechobee County, Florida to LOR, Inc., a company controlled by R. Randall Rollins, Chairman of the Board of Rollins, Inc. and Gary W. Rollins, Chief Executive Officer, President and Chief Operating Officer of Rollins, Inc. for $16.6 million in cash. The sale is expected to result in a net gain after tax ranging from $0.17 to $0.19 per share since the real estate has appreciated over approximately 30 years it has been owned by the Company. The real estate is under a lease agreement with annual rentals of $131,939 that expires June 30, 2007. The Board of Directors, at its quarterly meeting on January 27, 2004, approved the formation of a committee (the "Committee") made up of Messrs. Bill J. Dismuke and James B. Williams, who are independent directors, to evaluate the transaction. The Committee was furnished with full disclosure of the transaction, including independent appraisals, and determined that the terms of the

transaction were reasonable and fair to the Company. The Company is also contemplating the sale of two pieces of real estate in Sussex County, Delaware to LOR, Inc. or an entity wholly owned by LOR, Inc. In addition, the Company is contemplating the purchase of real estate located at 2158 Piedmont Road, N.E., Atlanta, Georgia 30324, adjacent to the Company's headquarters, from LOR, Inc.

Orkin, one of the Company's subsidiaries, is aggressively defending a class action lawsuit filed in Hillsborough County, Tampa, Florida. In early April 2002, the Circuit Court of Hillsborough County certified the class action status of Butland et al. v. Orkin Exterminating Company, Inc. et al. Orkin is also a defendant in Helen Cutler and Mary Lewin v. Orkin Exterminating Company, Inc. et al pending in the District Court of Houston County, Alabama. Other lawsuits against Orkin, and in some instances the Company, are also being vigorously defended, including the Warren, Allen, Petsch, and Stevens cases. For further discussion, see Note 3 to the accompanying financial statements.

A contribution of $3.0 million was made to the pension plan in April 2004. The Company expects to contribute an additional $0.0 to $3.0 million to the pension plan in 2004. In the opinion of Management, additional Plan contributions will not have a material effect on the Company's financial position, results of operations or liquidity.

Impact of Recent Accounting Pronouncements

In December 2002, the FASB issued Interpretation No. 46, Consolidation of Variable Interest Entities ("FIN 46"). The Interpretation requires that a variable interest entity be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both. The consolidation requirements of FIN 46 are effective for all variable interest entities created or acquired after January 31, 2003. In December 2003, the Financial Accounting Standards Board issued a revision to FIN 46 referred to as Interpretation No. 46 (R). Among other provisions, the revision extended the adoption date of FIN 46 (R) to the first quarter of 2004 for variable interest entities created prior to February 1, 2003. During 2003, the Company adopted FIN 46 with respect to variable interest entities created after January 31, 2003. The Company adopted FIN 46 (R) in the first quarter of 2004 for variable interest entities created prior to February 1, 2003. The adoption did not have a significant effect on the Company's financial position or results of operations (see Note 1 to the accompanying financial statements).

Forward-Looking Statements

This Quarterly Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include statements regarding the expected amount and impact of potential future pension plan contributions, the expected impact of related party transactions, the outcome of litigation arising in the ordinary course of business and the outcome of the Helen Cutler and Mary Lewin v. Orkin Exterminating Company, Inc. et al. ("Cutler") and the Butland et al. v. Orkin Exterminating Company, Inc. et al. ("Butland") litigation on the Company's financial position, results of operations and liquidity; the adequacy of the Company's resources to fund operations and obligations; the Company's projected 2004 capital expenditures; the amount and impact of the sale of Residex; and the impact of recent accounting pronouncements. The actual results of the Company could differ materially from those indicated by the forward-looking statements because of various risks, timing and uncertainties including, without limitation, the possibility of an adverse ruling against the Company in the Cutler, Butland or other litigation; general economic conditions; market risk; changes in industry practices or technologies; the degree of success of the Company's termite process reforms and pest control selling and treatment methods; the Company's ability to identify potential acquisitions; climate and weather trends; competitive factors and pricing practices; potential increases in labor costs; and changes in various government laws and regulations, including environmental regulations and additional risks discussed in the Company's Form 10-K for 2003. All of the foregoing risks and uncertainties are beyond the ability of the Company to control, and in many cases the Company cannot predict the risks and uncertainties that could cause its actual results to differ materially from those indicated by the forward-looking statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

As of March 31, 2004, the Company maintained an investment portfolio subject to short-term interest rate risk exposure. The Company has been affected by the impact of lower interest rates on interest income from its short-term investments. The Company is also subject to interest rate risk exposure through borrowings on its $55.0 million credit facility. Due to the absence of such borrowings as of March 31, 2004, this risk was not significant in 2003 and is not expected to have a material effect upon the Company's results of operations or financial position going forward. However, the Company does maintain approximately $32.0 million in Letters of Credit. The Company is also exposed to market risks arising from changes in foreign exchange rates. The Company believes that this foreign exchange rate risk will not have a material effect upon the Company's results of operations or financial position going forward.

Item 4. Controls and Procedures.

Under the supervision and with the participation of our Management, including our principal executive officer and principal financial officer, we conducted an evaluation of the effectiveness of the design and operations of our disclosure controls and procedures, as defined in rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as of March 31, 2004. Based on this evaluation, our principal executive officer and principal financial officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level such that the material information required to be included in our Securities and Exchange Commission ("SEC") reports is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms relating to Rollins, Inc., including our consolidated subsidiaries, and was made known to them by others within those entities, particularly during the period when this report was being prepared.

In addition, there were no significant changes in our internal control over financial reporting during the quarter that could significantly affect these controls. As of March 31, 2004, we did not identify any significant deficiency or material weaknesses in our internal controls, and therefore no corrective actions were taken.

PART II OTHER INFORMATION

Item 1. Legal Proceedings.

See Note 3 to Part I, Item 1 for discussion of certain litigation.

Item 6. Exhibits and Reports on Form 8-K.

(a) Exhibits

(2) (i) Asset Purchase Agreement by and among Orkin, Inc. and Western Industries, Inc., Western Exterminating Company, Inc. et al. dated March 8, 2004*.

(3) (i) Restated Certificate of Incorporation of Rollins, Inc. is incorporated herein by reference to Exhibit (3) (i) as filed with its Form 10-K for the year ended December 31, 1997.

(ii) Amended and Restated By-laws of Rollins, Inc.

(4) Form of Common Stock Certificate of Rollins, Inc. is incorporated herein by reference to Exhibit (4) as filed with its Form 10-K for the year ended December 31, 1998.

(31.1) Certification of Chief Executive Officer Pursuant to Item 601(b)(31) of Regulation S-K, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(31.2) Certification of Chief Financial Officer Pursuant to Item 601(b)(31) of Regulation S-K, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

(32.1) Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* To be filed with amendment.

(b) Reports on Form 8-K.

On January 30, 2004, the Company furnished a report on Form 8-K, which reported under Items 7 and 9 that on January 27, 2004, the Company reported that the Board of Directors approved a 20% increase in the Company's quarterly dividend on January 27, 2004. The increased regular quarterly dividend of $0.06 per share will be payable March 10, 2004 to stockholders of record at the close of business February 10, 2004.

On February 6, 2004, the Company furnished a report on Form 8-K, which reported under Items 7 and 9 that on February 4, 2004, the Company reported that in the company's January 27, 2004 board of directors meeting, Glen Rollins was named President and Chief Operating Officer of Orkin, Inc. and former President, Gary W. Rollins, became Orkin, Inc. chairman.

On February 17, 2004, the Company furnished a report that on Form 8-K, which reported under Items 7 and 9 reported unaudited financial results for its fourth quarter and year ended December 31, 2003.

On February 24, 2004, the Company furnished a report that on Form 8-K, which reported under Item 12 that on February 17, 2004, Rollins, Inc. had a conference call in which financial results for the fourth quarter and the year ended December 31, 2003 were discussed. A transcript of the conference call is attached to this report as Exhibit 99.1 and is incorporated herein by reference.

On March 10, 2004, the Company furnished a report that on Form 8-K, which reported under Items 5 and 7 that on March 8, 2004, Rollins, Inc. sent out a press release announcing, that it had entered into a definitive purchase agreement to acquire, through a purchase of assets, the pest control business and certain ancillary operations of Western Industries, Inc. and its affiliates.

On March 19, 2004, the Company furnished a report that on Form 8-K, which reported under Items 7 and 12 that on March 16, 2004, Rollins, Inc. a nationwide consumer services company (NYSE:ROL), announced that it filed Form 10-K for the year ended December 31, 2003 with the Securities and Exchange Commission on March 15, 2004.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ROLLINS, INC.
(Registrant)

Date: April 29, 2004 By: /s/ Gary W. Rollins

Gary W. Rollins
Chief Executive Officer, President
and Chief Operating Officer
(Member of the Board of Directors)

Date: April 29, 2004 By: /s/ Harry J. Cynkus

Harry J. Cynkus
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Exhibit (3) (ii)

REVISED BY-LAWS OF ROLLINS, INC.

March 2, 2004

OFFICES

FIRST: The registered office of the corporation shall be located at 2170 Piedmont Road, N.E.. in the City of Atlanta, Georgia, and the registered agent in charge of said office shall be Corporation Service Company. CORPORATE SEAL

SECOND: The corporate seal shall have inscribed thereon the name of the corporation, the year of its incorporation and the words "Incorporated Delaware."

MEETINGS OF STOCKHOLDERS

THIRD: The annual meeting of stockholders for the election of directors shall be held on the fourth Tuesday of April at such office of the corporation as may be designated by the Board of Directors and included in the notice of such meeting, in each year, or if that day be a legal holiday, on the next succeeding day not a legal holiday, at which meeting they shall elect by ballot, by plurality vote, a board of directors and may transact such other business as may come before the meeting.

Special meetings of the stockholders may be called at any time by the chairman and shall be called by the chairman or secretary on the request in writing or by vote of a majority of the directors or at the request in writing of stockholders of record owning a majority in amount of the capital stock outstanding and entitled to vote.

All such meetings of the stockholders shall be held at such place or places, within or without the State of Delaware, as may from time to time be fixed by the board of directors or as shall be specified and fixed by the respective notices or waivers of notice thereof.

Each stockholder entitled to vote shall, at every meeting of the stockholders, be entitled to one vote in person or by proxy, signed by him, for each share of voting stock held by him, but no proxy shall be voted on after the meeting of stockholders for which such proxy was solicited and which has been adjourned sine die. Such right to vote shall be subject to the right of the board of directors to close the transfer books or to fix a record date for voting stockholders as hereinafter provided and if the directors shall not have exercised such right, no share of stock shall be voted on at any election for directors which shall have been transferred on the books of the corporation within twenty days next preceding such election.

Notice of all meetings shall be mailed by the secretary to each stockholder of record entitled to vote, at his or her last known post office address, not less than ten days before any annual or special meeting.

The holders of a majority of the stock outstanding and entitled to vote shall constitute a quorum, but the holders of a smaller amount may adjourn from time to time without further notice until a quorum is secured.

DIRECTORS

FOURTH: The property and business of this Corporation shall be managed by a Board of up to nine Directors. The Directors shall be divided into three classes of approximately equal size except that the classes may be unequal as a result of the death, resignation, removal or other vacancy of a member of a class unless a class were to have no members remaining, in which case such class vacancy will be filled as soon as practicable. Subject to the foregoing sentence, there shall be no limitation on the number of Directors that may be designated to a particular class. At each Annual Meeting of Stockholders, the successors to the class of Directors whose term expires at that time shall be elected to hold office for the term of three years to succeed those whose term expires, so that the term of office of one class of Directors shall expire in each year. Each Director shall hold office for

the remainder of the term for which he is elected or appointed or until his successor shall be elected and qualified, or until his death of until he shall resign.

POWERS OF DIRECTORS

FIFTH: The board of directors shall have, in addition to such powers as are hereinafter expressly conferred on it, all such powers as may be exercised by the corporation, subject to the provisions of the statute, the certificate of incorporation and the by-laws.

The board of directors shall have power:

To purchase or otherwise acquire property, rights or privileges for the corporation, which the corporation has power to take, at such prices and on such terms as the board of directors may deem proper.

To pay for such property, rights or privileges in whole or in part with money, stock, bonds, debentures or other securities of the corporation, or by the delivery of other property to the corporation.

To create, make and issue mortgages, bonds, deeds of trust, trust agreements and negotiable or transferable instruments and securities, secured by mortgages or otherwise, and to do every other act and thing necessary to effectuate the same.

To appoint agents, clerks, assistants, factors, employees and trustees, and to dismiss them at its discretion, to fix their duties and emoluments and to change them from time to time and to require security as it may deem proper. Any employee appointed by the board may be given such designation or title as the board shall determine; however, any such designation or title given any such employee shall not be deemed to constitute such employee a corporate officer under Article EIGHTH of these by-laws.

To confer on any officer of the corporation the power of selecting, discharging or suspending

such employees.

To determine by whom and in what manner the corporation's bills, notes, receipts, acceptances, endorsements, checks, releases, contracts or other documents shall be signed.

MEETING OF DIRECTORS

SIXTH: After such annual election of directors, the newly elected directors may meet for the purpose of organization, the election of officers and the transaction of other business, at such place and time as shall be fixed by the stockholders at the annual meeting, and, if a majority of the directors be present at such place and time as shall be fixed by the stockholders at the annual meeting, and, if a majority of the directors be present at such place and time, no prior notice of such meeting shall be required to be given to the directors. The place and time of such meeting may also be fixed by written consent of the directors.

Regular meetings of the directors shall be held annually following the stockholders meeting on the fourth Tuesday of April and quarterly on the fourth Tuesdays of July, October and January of each year at the executive office of the corporation in Atlanta, Georgia, or elsewhere and at other times as may be fixed by resolution of the board.

Special meetings of the directors may be called by the chairman on two days' notice in writing or on one day's notice by telegraph to each director and shall be called by the chairman in like manner on the written request of two directors.

Special meetings of the directors may be held within or without the State of Delaware at such places as is indicated in the notice or waiver of notice thereof

A majority of the directors shall constitute a quorum, but a smaller number may adjourn from time to time, without further notice, until a quorum is secured.

COMPENSATION OF DIRECTORS

AND MEMBERS OF COMMITTEES

SEVENTH: Directors and members of standing committees shall receive such compensation for attendance at each regular or special meeting as the board shall from time to time prescribe.

OFFICERS OF THE CORPORATION

EIGHTH: The officers of the corporation shall be a chairman, a president, a secretary, a treasurer and such other officers as may from time to time be chosen by the board of directors. The chairman and the president shall be chosen from among the directors.

One person may hold more than one office.

The officers of the corporation shall hold office until their successors are chosen and qualify in their stead. Any officer chosen or appointed by the board of directors may be removed either with or without cause at any time by the affirmative vote of a majority of the whole board of directors. If the office of any officer or officers becomes vacant for any reason, the vacancy shall be filled by the affirmative vote of a majority of the whole board of directors.

DUTIES OF THE CHAIRMAN

NINTH: It shall be the duty of the chairman to preside at all meetings of stockholders and directors; to have general and active management of the business of the corporation; and to see that all orders and resolutions of the board of directors are carried into effect. The chairman shall be vested with all the powers and be required to perform all the duties of the president in his absence or disability.

DUTIES OF THE PRESIDENT

TENTH: The president shall be the chief executive officer of the corporation. It shall be the duty of the president to execute, unless otherwise delegated, all contracts, agreements, deeds, bonds, mortgages and other obligations and instruments, in the name of the corporation, and to affix the corporate seal thereto when authorized by the board.

He shall have the general supervision and direction of the other officers of the corporation and shall see that their duties are properly performed.

The president shall be vested with all the powers and be required to perform all the duties of the chairman in his absence or disability.

CHAIRMAN PRO TEM

ELEVENTH: In the absence or disability of the chairman and the president, the board may appoint from their own number a chairman.

SECRETARY

TWELFTH: The secretary shall attend all meetings of the board of directors, and all other meetings as directed by the board of directors. He shall act as clerk thereof and shall record all of the proceedings of such meetings in a book kept for that purpose. He shall give proper notice of meetings of stockholders and directors and shall perform such other duties as shall be assigned to him by the president or the chairman of the board of directors.

TREASURER

THIRTEENTH: The treasurer shall have custody of the funds and securities of the

corporation and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors.

He shall keep an account of stock registered and transferred in such manner and subject to such regulations as the board of directors may prescribe.

He shall give the corporation a bond, if required by the board of directors, in such sum and in form and with security satisfactory to the board of directors for the faithful performance of the duties of his office and the restoration to the corporation, in case of his death, resignation or removal from office, of all books, papers. vouchers, money and other property of whatever kind in his possession, belonging to the corporation. He shall perform such other duties as the board of directors may from time to time prescribe or require.

DUTIES OF OFFICERS MAY BE DELEGATED

FOURTEENTH: In case of the absence or disability of any officer of the corporation or for any other reason deemed sufficient by a majority of the board, the board of directors may delegate his powers or duties to any other officer or to any director for the time being.

CERTIFICATES OF STOCK

FIFTEENTH: Certificates of stock shall be signed by the chairman or the president and either the treasurer, assistant treasurer, secretary or assistant secretary. If a certificate of stock be lost or destroyed, another may be issued in its stead upon proof of such loss or destruction and the giving of a satisfactory bond of indemnity, in an amount sufficient to indemnify the corporation against any claim. A new certificate may be issued without requiring bond when, in the judgment of the directors, it is proper to do so. Certificates may be signed by facsimile signature if so ordered by the board of directors.

TRANSFER OF STOCK

SIXTEENTH: All transfers of stock of the corporation shall be made upon its books by the holder of the shares in person or by his lawfully constituted representative, upon surrender of certificates of stock for cancellation.

The corporation shall have authority to appoint transfer agents and registrars by resolution of the board of directors.

CLOSING OF TRANSFER BOOKS

SEVENTEENTH: The board of directors shall have power to close the stock transfer books of the corporation for a period not exceeding sixty days preceding the date of any meeting of stockholders or the date for payment of any dividend or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect or for a period of not exceeding sixty days in connection with obtaining the consent of stockholders for any purpose; provided, however, that in lieu of closing the stock transfer books as aforesaid, the by-laws may fix or authorize the board of directors to fix in advance a date not exceeding sixty days preceding the date of any meeting of stockholders or the date for the payment of any dividend, or the date for the allotment of rights or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent, and in such case such stockholders and only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to such notice of, and to vote at such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights, or to exercise such rights, or to give such consent, as the case may be, notwithstanding any

transfer of any stock on the books of the corporation after any such record date fixed as aforesaid.

STOCKHOLDERS OF RECORD

EIGHTEENTH: The corporation shall be entitled to treat the holder of record of any share or shares of stock as the holder in fact thereof and accordingly shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, save as expressly provided by the laws of Delaware.

FISCAL YEAR

NINETEENTH: The fiscal year of the corporation shall begin on the first day of January in each year.

DIVIDENDS

TWENTIETH: Dividends upon the capital stock may be declared by the board of directors at any regular or special meeting and may be paid in cash or in property or in shares of the capital stock. Before paying any dividend or making any distribution of profits, the directors may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may alter or abolish any such reserve or reserves.

CHECKS FOR MONEY

TWENTY-FIRST: All checks, drafts or orders for the payment of money shall be signed by the treasurer or by such other officer or officers as the board of directors may from time to time designate. No check shall be signed in blank. The board of directors also from time to time

may authorize specified employees to sign checks on the corporation's accounts.

BOOKS AND RECORDS

TWENTY-SECOND: The books, accounts and records of the corporation except as otherwise required by the laws of the State of Delaware, may be kept within or without the State of Delaware, at such place or places as may from time to time be designated by the by-laws or by resolution of the directors.

NOTICES

TWENTY-THIRD: Notice required to be given under the provisions of these by-laws to any director, officer or stockholder shall not be construed to mean personal notice, but may be given in writing by depositing the same in a post office or letter-box, in a postpaid sealed wrapper, addressed to such stockholder, officer or director at such address as appears on the books of the corporation, and such notice shall be deemed to be given at the time when the same shall be thus mailed. Any stockholder, officer or director may waive, in writing, any notice, required to be given under these by-laws whether before or after the time stated therein

AMENDMENTS OF BY-LAWS

TWENTY-FOURTH: These by-laws may be amended, altered, repealed, or added to at any regular meeting of the stockholders or board of directors or at any special meeting called for that purpose, by affirmative vote of a majority of the stock issued and outstanding and entitled to vote or of a majority of the directors in office, as the case may be.

INDEMNIFICATION OF DIRECTORS.

OFFICERS AND EMPLOYEES

TWENTY-FIFTH: Indemnification. The Corporation shall indemnify, in the manner and to the fullest extent now or hereafter permitted by the General Corporation Law of the State of Delaware, any person (or the estate of any person) who was or is a party to, or is threatened to be made a party to, any threatened, pending or completed action, suit or proceeding, whether or not by or in the right of the Corporation and whether civil, criminal, administrative, investigative or otherwise, by reason of the fact that such person is or was a director, officer or General Counsel of the Corporation, or is or was serving at the request of the Corporation as a director, officer or General Counsel of another corporation, partnership, joint venture, trust or other enterprise. The indemnification provided herein shall be made if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the Corporation, and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been determined to be liable for gross negligence or willful misconduct in the performance of his duty to the Corporation. Such determination may be made by a majority of a committee composed of the directors not involved in the matter in controversy (whether or not a quorum). To the full extent permitted by law, the indemnification provided herein shall include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, and, in the manner provided by law, any such expenses may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding. The indemnification provided herein shall not be deemed to limit the right of the Corporation to indemnify any other employee for any such expenses to the full extent provided by the law, nor shall it be deemed exclusive of any other rights to which any person seeking indemnification from the Corporation may be entitled under any agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to act in another capacity while holding such office. The Corporation may, to the full extent permitted by law, purchase and maintain insurance on behalf of any such person against any liability which may be asserted against him.

NON-DISCRIMATION STATEMENT

TWENTY-SIXTH: Consistent with the Corporation's equal employment opportunity policy, nominations for the elections of directors shall be made by the Board of Directors and voted upon by the stockholders in a manner consistent with these By-Laws and without regard to the nominee's race, color, ethnicity, religion, sex, age, national origin, veteran status, or disability.

NOTICE OF NOMINATION OF DIRECTORS

TWENTY-SEVENTH: Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 27th and on the record date for the determination of stockholders entitled to vote at such meeting and (ii) who complies with the notice procedures set forth in this Section 27th.. Shareholders will not be entitled to nominate any candidate for director at any annual or special meeting unless the shareholder shall have first provided notice in writing, delivered or mailed by first class United States mail, postage prepaid, to the Secretary of the Corporation so that it is received (a) not less than ninety nor more than one hundred thirty days prior to the anniversary of the prior year's annual meeting of stockholders with respect to an annual meeting; provided, however, that in the event the annual meeting is scheduled to be held on a date more than 30 days prior to or delayed by more than 60 days after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the later of the close of business 90 days prior to such annual meeting or the tenth day

following the day on which such notice of the date of the annual meeting was mailed or such public disclosure of the date of the annual meeting was made and (b) in the case of a special meeting of stockholders called for the purpose of electing directors, not later than the close of business on the tenth day following the day on which notice of the date of the special meeting was mailed or public disclosure of the date of the special meeting was made, whichever first occurs (and in no event shall the public announcement of an adjournment of the meeting commence a new time period for a giving of a stockholder's notice under this Section).

Each such notice shall set forth (a) with respect to the nominee, (i) the name, age, business address and, if known, residence address of each nominee proposed in such notice, (ii) the principal occupation or employment of each such nominee for the past five years, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated there under; (b) as to the stockholder giving the notice (i) the name and record address of such stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iii) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (iv) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and

regulations promulgated there under; and (c) whether such stockholder or beneficial owner has delivered or intends to deliver a proxy statement and form of proxy to holders of a sufficient number of holders of the Corporation's voting shares to elect such nominee or nominees. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected.

The Chairman of the meeting may, if the facts warrant, determine and declare to the meeting that a shareholder failed to provide notice of a nomination in accordance with the foregoing procedure, and if he should so determine, he shall so declare to the meeting and the defective nomination shall be disregarded.

Exhibit 31.1

Certifications

I, Gary W. Rollins, President and Chief Executive Officer of Rollins, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rollins, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2004 By: /s/ Gary W. Rollins

Gary W. Rollins
Chief Executive Officer, President
and Chief Operating Officer
(Member of the Board of Directors)

Exhibit 31.2

I, Harry J. Cynkus, Chief Financial Officer of Rollins, Inc., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Rollins, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 29, 2004 By: /s/ Harry J. Cynkus

Harry J. Cynkus
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF PERIODIC FINANCIAL REPORTS PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

To the best of their knowledge the undersigned hereby certify that the Quarterly Report on Form 10-Q of Rollins, Inc. for the quarterly period ended March 31, 2004, fully complies with the requirements of Sections 13(a) and 15(d) of The Securities Exchange Act of 1934 (15 U.S.C. 78m) and that the information contained in the quarterly report fairly presents, in all material respects, the financial condition and results of operations of Rollins, Inc.

Date: April 29, 2004 By: /s/ Gary W. Rollins

Gary W. Rollins
Chief Executive Officer, President
and Chief Operating Officer
(Member of the Board of Directors)

Date: April 29, 2004 By: /s/ Harry J. Cynkus

Harry J. Cynkus
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)