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

FORM 10-K/A
Amendment No. 1

(Mark One)

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

For the fiscal year ended December 31, 1999

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 No. 1-4422

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

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

2170 Piedmont Road, N.E., Atlanta, Georgia 30324
(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, $1 Par Value	The New York Stock Exchange The Pacific Stock Exchange

Securities registered pursuant to section 12(g) of the Act: None.

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of Rollins, Inc. Common Stock held by non-affiliates on February 29, 2000, was $220,694,369 based on the closing price on the New York Stock Exchange on such date of $16 3/16 per share.

Rollins, Inc. had 29,881,458 shares of Common Stock outstanding as of February 29, 2000.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of Rollins, Inc.'s Annual Report to Stockholders for the calendar year ended December 31, 1999 are incorporated by reference into Part I, Item 1, Part II, Items 5-7, and Part IV, Item 14.

Portions of the Proxy Statement for the 2000 Annual Meeting of Stockholders of Rollins, Inc. are incorporated by reference into Part III, Items 10-13.

The purpose of this amendment is to amend Item 8 of the Registrant's Form 10-K for the year ended December 31, 1999, which was filed with the Commission on March 20, 2000, in order to add Footnote 11 to the financial statements regarding the disclosure of a subsequent event.

Item 8. Financial Statements and Supplementary Data

consolidated statements of financial position
ROLLINS, INC. AND SUBSIDIARIES

<TABLE>

<CAPTION>

At December 31, (In thousands except share data)	1999	1998
<S>	<C>	<C>
ASSETS		
Cash and Short-Term Investments	$ 5,689	$ 1,244
Marketable Securities	12,967	110,229
Trade Receivables, Net	44,878	42,353
Materials and Supplies	13,429	13,335
Deferred Income Taxes	19,644	20,083
Other Current Assets	11,142	11,864
Current Assets	107,749	199,108
Equipment and Property, Net	46,245	35,466
Goodwill and Other Intangible Assets	112,024	47,092
Deferred Income Taxes	45,015	44,369
Other Assets	1,907	1,230
Total Assets	$ 312,940	$ 327,265
LIABILITIES		
Capital Lease Obligations	$ 3,638	$ 3,419
Accounts Payable	15,275	10,890
Accrued Insurance	11,165	18,348
Accrued Payroll	23,100	18,400
Accrued Pension	6,523	5,635
Unearned Revenue	20,441	15,210
State Income Taxes Payable	6,295	7,188
Accrual for Termite Contracts	15,000	25,800
Other Expenses	10,004	10,203
Current Liabilities	111,441	115,093
Capital Lease Obligations	2,450	6,090
Accrued Insurance	43,745	38,975
Accrual for Termite Contracts	54,352	66,350
Long-Term Accrued Liabilities	29,162	20,522
Total Liabilities	241,150	247,030
Commitments and Contingencies		
STOCKHOLDERS' EQUITY		
Common Stock, par value $1 per share; 99,500,000 shares authorized; 29,881,402 and 30,488,741 shares issued	29,881	30,489
Earnings Retained	41,909	49,746
Total Stockholders' Equity	71,790	80,235
Total Liabilities and Stockholders' Equity	$ 312,940	$ 327,265

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

consolidated statements of income
ROLLINS, INC. AND SUBSIDIARIES

<TABLE>
<CAPTION>

Years Ended December 31, (In thousands except per share data)	1999	1998	1997
<S>	<C>	<C>	<C>
REVENUES			
Customer Services	$ 586,639	$ 549,136	$ 538,639
COSTS AND EXPENSES			
Cost of Services Provided	341,487	327,353	362,161
Depreciation and Amortization	13,433	11,458	10,712
Provision for Termite Contracts	-	-	

			117,000
Sales, General and Administrative	223,235	214,182	225,356
Interest Income	(3,048)	(8,981)	(7,588)
	575,107	544,012	707,641
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	11,532	5,124	(169,002)
PROVISION (BENEFIT) FOR INCOME TAXES			
Current	(2,694)	(4,937)	6,021
Deferred	7,076	6,884	(70,242)
	4,382	1,947	(64,221)
INCOME (LOSS) FROM CONTINUING OPERATIONS	7,150	3,177	(104,781)
DISCONTINUED OPERATIONS			
Operating Income, Less Income Tax Expense of $119	-	-	192
Gain on Disposal, Less Income Tax Expense of $2,090 and $70,214 in 1998 and 1997, Respectively	-	3,410	106,086
INCOME FROM DISCONTINUED OPERATIONS	-	3,410	106,278
NET INCOME	$ 7,150	$ 6,587	$ 1,497
EARNINGS (LOSS) PER SHARE			
Continuing Operations	$ .24	$ .10	$ (3.09)
Discontinued Operations	-	.11	3.13
EARNINGS PER SHARE - BASIC AND DILUTED	$ .24	$ .21	$ .04

</TABLE>

consolidated statements of earnings retained
ROLLINS, INC. AND SUBSIDIARIES

<TABLE>
<CAPTION>

Years Ended December 31, (In thousands except per share data)	1999	1998	1997
<S>	<C>	<C>	<C>
Balance at Beginning of Year	$ 49,746	$ 112,365	$ 155,696
Net Income	7,150	6,587	1,497
Cash Dividends	(6,076)	(16,064)	(20,360)
Common Stock Purchased and Retired	(11,076)	(53,429)	(24,733)
Common Stock Issued for Acquisition of Companies	1,892	-	-
Other	273	287	265

Balance at End of Year	$ 41,909	$ 49,746	$ 112,365
DIVIDENDS PER SHARE	$ .20	$ .50	$ .60

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

consolidated statements of cash flows
ROLLINS, INC. AND SUBSIDIARIES

<TABLE>
<CAPTION>

Years Ended December 31, (In thousands)	1999	1998	1997
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net Income	$ 7,150	$ 6,587	$ 1,497
Adjustments to Reconcile Net Income to Net Cash Provided by (Used in) Operating Activities:			
Provision for Termite Contracts	-	-	117,000
Provision for Self-Insurance Reserves	-	-	15,000
Provision for Bad Debts	-	-	8,000
Depreciation and Amortization	13,433	11,458	10,712
Provision (Benefit) for Deferred Income Taxes	7,076	8,974	(69,228)
Discontinued Operations, Net of Taxes	-	(3,410)	(106,278)
Other, Net	1,471	5,121	7,169
(Increase) Decrease in Assets:			
Trade Receivables	2,243	7,087	7,505
Materials and Supplies	1,310	1,719	(3,388)
Other Current Assets	(759)	1,638	(2,034)
Other Non-Current Assets	(6,611)	520	(2,330)
Increase (Decrease) in Liabilities:			
Accounts Payable and Accrued Expenses	(1,186)	(15,167)	11,608
Unearned Revenue	5,134	1,379	2,154
Accrued Insurance	(2,413)	5,220	9,629
Accrual for Termite Contracts	(22,798)	(24,850)	-
Long-Term Accrued Liabilities	4,112	(6,955)	(1,336)
Net Cash Provided by (Used in) Operating Activities	8,162	(679)	5,680
INVESTING ACTIVITIES			
Purchases of Equipment and Property	(18,818)	(10,402)	(8,956)
Net Cash Used for Acquisition of Companies	(60,964)	(3,517)	(1,440)
Net Proceeds from Sale of Discontinued Operations, Net of Current Taxes Paid	-	-	156,469
Marketable Securities, Net	97,145	(35,033)	9,846
Net Cash Provided by (Used in) Investing Activities	17,363	(48,952)	

155,919

FINANCING ACTIVITIES			
Dividends Paid	(6,076)	(16,064)	(20,360)
Common Stock Purchased and Retired	(11,795)	(56,195)	(26,083)
Payments on Capital Leases	(3,421)	(2,868)	(2,521)
Other	212	160	300
Net Cash Used in Financing Activities	(21,080)	(74,967)	(48,664)
NET CASH PROVIDED BY DISCONTINUED OPERATIONS	-	-	757
Net Increase (Decrease) in Cash and Short-Term Investments	4,445	(124,598)	113,692
Cash and Short-Term Investments at Beginning of Year	1,244	125,842	12,150
Cash and Short-Term Investments at End of Year	$ 5,689	$ 1,244	$ 125,842

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

notes to consolidated financial statements
Years Ended December 31, 1999, 1998 and 1997 ROLLINS, INC. AND SUBSIDIARIES

1. SIGNIFICANT ACCOUNTING POLICIES

Business Description - Rollins, Inc. (the Company) is a national service company with headquarters located in Atlanta, Georgia, providing pest and termite control services to both residential and commercial customers.

In 1998, the Company adopted Statement of Financial Accounting Standards No. 131 (SFAS 131), "Disclosures About Segments of an Enterprise and Related Information." As the Company has only one reportable segment - its pest and termite control business - the majority of the disclosures required by SFAS 131 do not apply to the Company. In regard to the general disclosures required by SFAS 131, the Company's results of operations and its financial condition are not significantly reliant upon any single customer or the Company's foreign operations.

Principles of Consolidation - The consolidated financial statements of the Company include the accounts of Rollins, Inc. and its subsidiaries. All significant intercompany transactions and balances have been eliminated.

Estimates Used in the Preparation of Consolidated Financial Statements - The preparation of the consolidated financial statements in conformity with generally accepted accounting principles requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Revenues - Revenue is recognized at the time services are performed.

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 - The Company's marketable securities are classified as "available for sale" and have been recorded at current market value with an offsetting adjustment to stockholders' equity.

Materials and Supplies - Materials and supplies are recorded at the lower of cost (first-in, first-out basis) or market.

Equipment and Property - Depreciation and amortization, which includes the amortization of assets recorded under capital leases, are provided principally on a straight-line basis over the estimated useful lives of the related assets. Annual provisions for depreciation are computed using the following asset lives: buildings, ten to forty years; and furniture, fixtures, and operating equipment, three to ten years. The cost of assets retired or otherwise disposed of and the related accumulated depreciation and amortization are eliminated from the accounts in the year of disposal with the resulting gain or loss credited or charged to income. Expenditures for additions, major renewals and betterments are capitalized and expenditures for maintenance and repairs are expensed as incurred.

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. These estimated outstanding claims have been reflected in the Consolidated Statements of Financial Position in the line items entitled Accrued Insurance.

Advertising - Advertising expenses are charged to income during the year in which they are incurred. The total advertising costs were approximately $28.3 million in 1999 and $27.5 million for each of the years 1998 and 1997.

Income Taxes - The Company follows the practice of providing for income taxes based on SFAS 109, "Accounting for Income Taxes", which requires recognition of deferred tax liabilities and assets for the expected future tax consequences of events that have been included in the consolidated financial statements or tax returns.

Earnings Per Share - In 1997, the Company adopted SFAS 128, "Earnings Per Share" (EPS), which requires companies to present 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. Basic and diluted EPS are the same for all years reported.

A reconciliation of the number of weighted-average shares used in computing basic and diluted EPS is as follows:

(In thousands)	1999	1998	1997
Basic EPS	30,325	31,973	33,896
Effect of Dilutive Stock Options	7	30	28
Diluted EPS	30,332	32,003	33,924

Stock-Based Compensation - As permitted by SFAS 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." See Note 10 to the consolidated financial statements for additional information.

Comprehensive Income - In 1997, the Financial Accounting Standards Board issued SFAS 130, "Reporting Comprehensive Income," effective for fiscal years beginning after December 15, 1997. For the years ended December 31, 1999, 1998 and 1997, comprehensive income is not materially different from net

income and, as a result, the impact of SFAS 130 is not reflected in the Company's consolidated financial statements.

Reclassifications - Certain amounts for previous years have been reclassified to conform with the 1999 consolidated financial statement presentation.

2. CHANGES IN ACCOUNTING ESTIMATES

In the fourth quarter of 1997, the Company made certain changes in accounting estimates totaling $23.0 million due to 1997 events and new information becoming available. The Company's provision for its self-insurance program for automobile, workers' compensation, and general liability was increased by $15.0 million. This provision has been reflected in the Consolidated Statements of Income in the line item entitled Cost of Services Provided. The provision for bad debts was also increased by $8.0 million and has been reflected in the Consolidated Statements of Income in the line item entitled Sales, General and Administrative.

In the fourth quarter of 1997, a provision for termite contracts of $117.0

million was recorded related to the estimated costs of reinspections, reapplications, repair claims and associated labor, chemicals, and other costs incurred relative to termite work performed prior to December 31, 1997. These anticipated costs reflected the Company's response to current trends in the termite treatment area of its operations and the pest control industry. The provision was reflected in the 1997 Consolidated Statements of Income in the line item entitled Provision for Termite Contracts. The related liabilities at December 31, 1999 and 1998, reflecting the estimated costs incurred but as yet unpaid related to termite work performed prior to these dates, have been reflected in the Consolidated Statements of Financial Position in the line items entitled Accrual for Termite Contracts.

3. ACQUISITIONS AND JOINT VENTURE

On April 30, 1999, the Company and Johnson Wax Professional entered into a joint venture, Acurid Retail Services, L.L.C. (Acurid Retail), created to sell and provide pest elimination services to customers in the retail market and jointly contributed existing customers to the joint venture. The Company owns 50% of the joint venture, which is accounted for using the equity method. In addition, on April 30, 1999, the Company's wholly-owned subsidiary, Orkin Exterminating Company, Inc. (Orkin), acquired the remaining pest elimination business operations of PRISM, a subsidiary of Johnson Wax Professional, for approximately twenty-four million dollars. The acquisition was accounted for as a purchase with the results of operations of the business acquired included from the effective date of the acquisition. The acquisition resulted in excess costs over net assets acquired of approximately sixteen million dollars which are being amortized over a life of twenty years using the straight-line method.

On October 29, 1999, Orkin acquired PCO Services, Inc. (PCO), a subsidiary of Johnson Wax Professional. Orkin acquired all the shares of capital stock of PCO for approximately twenty-five million dollars. The acquisition was accounted for as a purchase with the results of operations of the business acquired included from the effective date of the acquisition. The acquisition resulted in excess costs over net assets acquired of approximately five hundred thousand dollars which are being amortized over a life of twenty years using the straight-line method.

On December 3, 1999, Orkin acquired the pest control business operations of Redd Pest Control Company, Inc. (Redd) for approximately thirteen million dollars, of which approximately seven million dollars was paid in cash. Under the terms of the agreement, Orkin acquired all the pest control customers of Redd, together with certain assets. The acquisition was accounted for as a purchase with the results of operations of the business acquired included from the effective date of the acquisition. The acquisition resulted in excess costs over net assets acquired of approximately eight million dollars which are being amortized over a life of twenty years using the straight-line method.

4. DISCONTINUED OPERATIONS

In October 1997, the Company sold its Rollins Protective Services (RPS) business segment for approximately $200.0 million in cash. In July 1997, the Company sold its Lawn Care and Plantscaping divisions for approximately $37.0 million in cash. In 1997, the Company estimated its liabilities associated with these divested operations and recorded a gain from the sales of RPS and the Lawn Care and Plantscaping divisions of $106.1 million, net of taxes. In the fourth quarter of 1998, the Company reevaluated its liabilities associated with these divested operations and recorded an additional gain of $3.4 million, net of taxes.

The Company's results of operations for the year ended December 31, 1997 have been restated for the divestitures of the RPS business segment and the Lawn Care and Plantscaping divisions. The results of operations of these divested operations and the gains on their disposal have been reflected in the Consolidated Statements of Income in the section entitled Discontinued Operations.

Summarized financial information for the discontinued operations is as follows:

<TABLE>
<CAPTION>

(In thousands)	1997
<S>	<C>
Revenues	$ 64,721
Income Before Income Taxes	311
Net Income	192
Assets	-
Liabilities	-
Net Assets of Discontinued Operations	$ -

</TABLE>

5. TRADE RECEIVABLES

Trade receivables, net, at December 31, 1999, totaling $44.9 million and at December 31, 1998, totaling $42.4 million are net of allowances for doubtful accounts of $4.9 million and $5.3 million, respectively. Trade receivables include installment receivable amounts which are due subsequent to one year from the balance sheet dates. These amounts were approximately $6.7 million and $9.0 million at the end of 1999 and 1998, respectively. The carrying amount of installment receivables approximates fair value because the interest rates approximate market rates.

6. EQUIPMENT AND PROPERTY

Equipment and property are presented at cost less accumulated depreciation and are detailed as follows:
<TABLE>
<CAPTION>

(In thousands)	1999	1998
<S>	<C>	<C>
Buildings	$ 10,158	$ 9,759
Operating Equipment	56,445	44,805
Furniture and Fixtures	10,186	8,542
Computer Equipment Under Capital Leases	7,787	8,736
	84,576	71,842
Less - Accumulated Depreciation	41,912	39,704
	42,664	32,138
Land	3,581	3,328
	$ 46,245	$ 35,466

</TABLE>

7. GOODWILL AND OTHER INTANGIBLE ASSETS

Goodwill represents the excess of cost over net assets of businesses acquired and is stated at cost less accumulated amortization. Goodwill which arose from acquisitions prior to November 1970 is not being amortized for financial statement purposes, since, in the opinion of Management, there has been no decrease in the value of the acquired businesses. Goodwill arising from acquisitions since November 1970 is being amortized from fifteen to forty years.

Other intangible assets include trademarks, customer contracts and non-compete agreements and are being amortized from three to twenty years.

8. INCOME TAXES

A reconciliation between taxes computed at the statutory rate on the Income (Loss) From Continuing Operations Before Income Taxes and the Provision (Benefit) for Income Taxes is as follows:
<TABLE>
<CAPTION>

(In thousands)	1999	1998	1997
<S>	<C>	<C>	<C>
Federal Income Taxes at Statutory Rate	$ 4,036	$ 1,595	$ (64,680)
State Income Taxes (Net of Federal Benefit)	697	367	268
Other	(351)	(15)	191
	$ 4,382	$ 1,947	$ (64,221)

</TABLE>

The Provision (Benefit) for Income Taxes was based on a 38.0% estimated effective income tax rate on Income (Loss) From Continuing Operations Before Income Taxes for the years ended December 31, 1999, 1998 and 1997. The effective income tax rate differs from the annual federal statutory tax rate primarily because of state income taxes.

During 1999, the Company paid income taxes of $662,000, net of refunds received. For 1998, the Company received a refund of income taxes of $2.4 million, net of payments. Income taxes remitted, related to both continuing and discontinued operations, were $85.2 million for the year ended December 31, 1997.

Components of the net deferred income tax assets (liabilities) at December 31, 1999 and 1998 include:

<TABLE>
<CAPTION>

(In thousands)	1999	1998
<S>	<C>	<C>
Termite Accrual	$ 34,322	$ 40,125
Insurance Reserves	35,035	31,909
Safe Harbor Lease	(9,847)	(11,449)
Other	5,149	3,867
	$ 64,659	$ 64,452

</TABLE>

9. COMMITMENTS AND CONTINGENCIES

The Company has capitalized lease obligations and several operating leases. The minimum lease payments under the capital leases and non-cancelable operating leases with terms in excess of one year, in effect at December 31, 1999, are summarized as follows:

<TABLE>
<CAPTION>

(In thousands)	Capitalized Leases	Operating Leases
<S>	<C>	<C>
2000	$ 3,918	$ 22,618
2001	2,231	19,837
2002	307	14,239
2003	-	9,682
2004	-	6,751
Thereafter	-	34,390
	$ 6,456	$107,517
Amount Representing Interest	(368)	
Present Value of Obligations	6,088	
Portion Due Within One Year	(3,638)	
Long-Term Obligations	$ 2,450	

</TABLE>

Total rental expense under operating leases charged to operations was $25.6 million, $25.4 million and $23.5 million for the years ended December 31, 1999, 1998 and 1997, respectively.

The Company is aggressively defending a lawsuit filed in Dothan, Alabama, in which the plaintiffs seek compensatory damages 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. The Company believes this

case to be without merit and intends to defend itself vigorously at trial. At this time, the final outcome of the litigation cannot be determined. However, it is the opinion of Management that the ultimate resolution of this action will not have a material adverse effect on the Company's financial position, results of operations or liquidity.

The Company is involved in other litigation matters incidental to its business. With respect to such other suits, Management does not believe the litigation in which it is involved will have a material effect upon its results of operations or financial condition.

10. EMPLOYEE BENEFIT PLANS

The Company maintains a noncontributory tax-qualified defined benefit retirement plan (the Plan) covering all employees meeting certain age and service requirements. The Plan provides benefits based on the average compensation for the highest five years during the last ten years of credited service (as defined) in which compensation was received, and the average anticipated Social Security covered earnings. The Company funds the Plan with at least the minimum amount required by ERISA.

The funded status of the Plan and the resulting accrued benefit liability are summarized as follows at December 31:

(In thousands)	1999	1998
CHANGE IN BENEFIT OBLIGATION		
Benefit Obligation at Beginning of Year	$ 77,288	$ 66,908
Service Cost	4,379	3,611
Interest Cost	5,694	5,182
Actuarial (Gain) Loss	(8,263)	4,258
Benefits Paid	(3,672)	(2,671)
Benefit Obligation at End of Year	75,426	77,288
CHANGE IN PLAN ASSETS		
Fair Value of Plan Assets at Beginning of Year	63,258	59,741
Actual Return on Plan Assets	2,928	6,188
Employer Contribution	4,000	-
Benefits Paid	(3,672)	(2,671)
Fair Value of Plan Assets at End of Year	66,514	63,258
Funded Status	(8,912)	(14,030)
Unrecognized Net Actuarial Loss	2,546	8,621
Unrecognized Prior Service Cost	(157)	(226)
Accrued Benefit Liability	$ (6,523)	$ (5,635)

Accrued benefit liabilities at December 31, 1999 and 1998 of $6.5 million and $5.6 million, respectively, have been reflected in the Consolidated Statements of Financial Position in the line item entitled Accrued Pension.

The weighted-average assumptions as of December 31 were as follows:

(In thousands)	1999	1998	1997
Discount Rate	8.0%	7.0%	7.5%
Expected Return on Plan Assets	9.5%	9.5%	9.5%
Rate of Compensation Increase	5.0%	4.0%	4.5%

The components of net periodic benefit cost for the past three years are summarized as follows:

(In thousands)	1999	1998	1997
Service Cost	$ 4,379	$ 3,611	$ 3,221
Interest Cost	5,694	5,182	4,437
Expected Return on Plan Assets	(5,751)	(5,269)	(5,007)
Net Amortizations:			
Amortization of Net Asset	-	-	(575)
Amortization of Net Loss	634	203	-
Amortization of Net Prior Service Cost	(69)	(36)	(31)
Net Periodic Benefit Cost	$ 4,887	$ 3,691	$ 2,045

In 1998, the Company adopted SFAS 132, "Employers' Disclosures About Pensions and Other Postretirement Benefits." The 1997 amounts shown in the tables above have been restated in accordance with the disclosures required by SFAS 132.

At December 31, 1999, the Plan's assets were comprised of listed common stocks and U.S. government and corporate securities. Included in the assets of the Plan were shares of Rollins, Inc. Common Stock with a market value of $4.5 million.

The Company sponsors a deferred compensation 401(k) plan that is available to substantially all employees with six months of service. The charges to expense for the Company match were approximately $2.2 million in 1999, $1.5 million in 1998 and $1.7 million in 1997.

The Company has two Employee Incentive Stock Option Plans, the first adopted in January 1994 (1994 Plan) and the second adopted in April 1998 (1998 Plan) as a supplement to the 1994 Plan. An aggregate of 3.0 million shares of Common Stock may be granted under various stock incentive programs sponsored by these plans, at a price not less than the market value of the underlying stock on the date of grant. Options may be issued under the 1994 Plan and the 1998 Plan through January 2004 and April 2008, respectively, and expire ten years from the date of grant, if not exercised.

Options are also outstanding under a prior Employee Incentive Stock Option Plan (1984 Plan). Under this plan, 1.2 million shares of Common Stock were subject to options granted during the ten-year period ended October 1994. The options were granted at the fair market value of the shares on the date of grant and expire ten years from the date of grant, if not exercised. No additional options will be granted under the 1984 Plan.

Option transactions during the last three years for the 1998, 1994 and 1984 Plans are summarized as follows:

<TABLE>
<CAPTION>

(In thousands)	1999	1998	1997
<S>	<C>	<C>	<C>
Number of Shares Under Stock Options:			
Outstanding at Beginning of Year	1,144,620	359,785	300,132
Granted	874,000	890,000	197,600
Exercised	(246)	(3,550)	(7,657)
Cancelled	(252,200)	(101,615)	(130,290)
Outstanding at End of Year	1,766,174	1,144,620	359,785
Exercisable at End of Year	263,834	106,960	80,405
Weighted-Average Exercise Price:			
Granted	$ 16.31	$ 19.69	$ 19.25
Exercised	13.25	13.18	12.47
Cancelled	18.53	20.77	22.57
Outstanding at End of Year	18.66	20.42	22.29
Exercisable at End of Year	21.29	23.40	23.31

</TABLE>

Information with respect to options outstanding and options exercisable at December 31, 1999 is as follows:

Exercise Price	Number Outstanding	Average Remaining Contractual Life	Number Exercisable
$12.25	3,180	0.08 years	3,180
13.25	11,494	1.08	11,494
19.08	4,200	2.08	4,200
25.50	2,900	3.08	2,900
28.38	78,900	4.08	57,900
24.25	4,000	5.08	1,920
20.88	40,000	6.08	9,360
19.25	117,000	7.08	36,880
19.69	715,000	8.33	136,000
16.31	789,500	9.08	-
	1,766,174		263,834

The Company applied Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees", in accounting for its stock options and, accordingly, no compensation cost has been recognized for stock options in the consolidated financial statements. Had the Company determined compensation cost based on the fair value at the grant date of its stock options granted in 1999, 1998 and 1997 under SFAS 123 (See Note 1 to the consolidated financial statements), the Company's net income, as disclosed on the Consolidated Statements of Income, would have been reduced by approximately $1.2 million in 1999, $578,000 in 1998 and $103,000 in 1997. Earnings per share would have been reduced by $.04 in 1999 and $.02 in 1998, with no earnings per share effect in 1997.

The per share weighted-average fair value of stock options granted during 1999, 1998 and 1997 was $4.30, $6.07 and $5.34, respectively, on the date of grant, using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	1999	1998	1997
Risk-Free Interest Rate	5.12%	6.04%	5.69%
Expected Life, in Years	8	8	8
Expected Volatility	21.30%	23.22%	18.55%
Expected Dividend Yield	2.49%	2.37%	2.17%

11. SUBSEQUENT EVENT

On May 14, 1999 a lawsuit was filed in the Circuit Court of Macon County, Alabama against the Company's subsidiary, Orkin Exterminating Company, Inc. ("Orkin")alleging breach of contract and fraud. The suit asserts a failure to treat and inspect the residence of the plaintiff and to repair the termite damage and alleges that Orkin concealed alleged misconduct by suppressing material facts. On August 18, 2000, the jury in the matter of The Estate of Artie Mae Jeter v. Orkin Exterminating Company, Inc. and Bill Maxwell, returned a verdict of $80.8 million against Orkin. The award consisted of $800,000 in compensatory damages (including property damage and mental anguish) and $80.0 million in punitive damages. The jury found simply that the contract had been breached and Orkin had committed fraud.

It is Orkin's position that it complied with its contractual obligations and that it did not attempt to conceal alleged misconduct or suppress material facts. Orkin will vigorously pursue post-trial relief and its right to appeal. However, if the verdict is permitted to stand, it would have a material adverse impact on the Company and Orkin. Although, it is the opinion of management and Orkin's attorneys involved in the case that this verdict will be substantially reduced and that the ultimate resolution of this litigation will not have a material impact on the Company and Orkin, there is no assurance that the verdict will be reduced or reversed on appeal.

REPORT OF MANAGEMENT
To the Stockholders of Rollins, Inc.:

We have prepared the accompanying financial statements and related information included herein for the years ended December 31, 1999, 1998 and 1997. The opinion of Arthur Andersen LLP, the Company's independent public accountants, on those financial statements is included herein. The primary responsibility for the integrity of the financial information included in this annual report rests with management. Such information was prepared in accordance with generally accepted accounting principles, appropriate in the circumstances, based on our best estimates and judgments and giving due consideration to materiality.

Rollins, Inc. maintains internal accounting control systems which are adequate to provide reasonable assurance that assets are safeguarded from loss or unauthorized use and which produce records adequate for preparation of financial information. The system and controls and compliance therewith are reviewed by an extensive program of internal audits and by our independent public accountants. There are limits inherent in all systems of internal accounting control based on the recognition that the cost of such a system should not exceed the benefit to be derived. We believe the Company's system provides this appropriate balance.

The Board of Directors pursues its review and oversight role for these financial statements through an Audit Committee composed of three outside directors. The Audit Committee's duties include recommending to the Board of Directors the appointment of an independent accounting firm to audit the financial statements of Rollins, Inc. The Audit Committee meets periodically with management and the Board of Directors. It also meets with representatives of the internal auditors and independent public accountants and reviews the work of each to insure that their respective responsibilities are being carried out and to discuss related matters. Both the internal auditors and independent public accountants have direct access to the Audit Committee.

/s/ R. Randall Rollins	/s/ Harry J. Cynkus
R. Randall Rollins Chairman of the Board and Chief Executive Officer	Harry J. Cynkus Chief Financial Officer and Treasurer

Atlanta, Georgia

February 16, 2000

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS
To the Directors and Stockholders of Rollins, Inc.:

We have audited the accompanying statements of financial position of Rollins, Inc. (a Delaware Corporation) and subsidiaries as of December 31, 1999 and 1998 and the related statements of income, earnings retained and cash flows for each of the three years in the period ended December 31, 1999. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Rollins, Inc. and subsidiaries as of December 31, 1999 and 1998 and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1999 in conformity with accounting principles generally accepted in the United States.

/s/ Arthur Andersen LLP
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Arthur Andersen LLP

Atlanta, Georgia
February 16, 2000 (except with respect to the matter discussed in Note 11, as to which the date is October 30, 2000)

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

By: /s/ GARY W. ROLLINS

Gary W. Rollins
President and Chief Operating Officer
(Member of the Board of Directors)
Date: November 3, 2000

By: /s/ HARRY J. CYNKUS

Harry J. Cynkus
Chief Financial Officer and Treasurer
(Principal Financial and Accounting Officer)
Date: November 3, 2000

Exhibit 23

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

As independent public accountants, we hereby consent to the incorporation of our reports, included (or incorporated by reference) in this Form 10-K/A, into the Company's previously filed Form S-8 Registration Statement (No. 33-06404), Form S-8 Registration Statement (No. 33-26056), Form S-8 Registration Statement (No. 33-52355), and Form S-8 Registration Statement (No. 33-47528).

/s/ ARTHUR ANDERSEN LLP

ARTHUR ANDERSEN LLP

Atlanta, Georgia
October 30, 2000