

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

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF  
THE SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported): January 23, 2008

**ROLLINS, INC.**

(Exact name of registrant as specified in its charter)

<b>Delaware</b>	<b>1-4422</b>	<b>51-0068479</b>
(State or other jurisdiction of incorporation)	(Commission File Number)	(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**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On January 23, 2008, the Company issued a press release announcing its results for the fourth quarter and full year 2007. The Company hereby incorporates by reference herein the information set forth in its Press Release dated January 23, 2008, a copy of which is attached hereto as Exhibit 99.1. Except as otherwise provided in the press release, the press release speaks only as of the date of such press release and such press release shall not create any implication that the affairs of the Company have continued unchanged since such date.

Except for the historical information contained in this report, the statements made by the Company are forward-looking statements that involve risks and uncertainties. All such statements are subject to the safe harbor created by the Private Securities Litigation Reform Act of 1995. The Company's future performance could differ significantly from the expectations of management and from results expressed or implied in the Press Release. See the risk factors contained in the Press Release for a discussion of certain risks and uncertainties that may impact such forward-looking statements. For further information on other risk factors, please refer to the "Risk Factors" contained in the Company's Form 10-K for the year ended December 31, 2006 filed with the Securities and Exchange Commission. The Company disclaims any obligation or duty to update or modify these forward-looking statements.

**Item 9.01. Financial Statements and Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release Dated January 23, 2008

**SIGNATURES**

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

**ROLLINS, INC.**

Date: January 23, 2008

By: /s/ Harry J. Cynkus  
Name: Harry J. Cynkus  
Title: Chief Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)

FOR IMMEDIATE RELEASE

## **ROLLINS, INC. REPORTS RECORD FOURTH QUARTER AND FULL-YEAR 2007 FINANCIAL RESULTS**

**Company Posts 10th Consecutive Year of Improving Financial Performance**

- **Revenue increased 5.5% for the quarter and 4.2% for full year**
- **Diluted Earnings per share rose from \$0.56 to \$0.64 for 2007, a 14.3% increase and 20% for the quarter from \$0.10 to \$0.12**
- **Cash and Cash Equivalents increased 12.5% to \$71.3 million**

**ATLANTA, GEORGIA, January 23, 2008:** Rollins, Inc. (NYSE:ROL), a premier North American consumer and commercial services company, today reported unaudited financial results for its fourth quarter and year ended December 31, 2007.

The Company recorded fourth quarter revenues of \$216.0 million, an increase of 5.5% over the prior year's fourth quarter revenue of \$204.7 million. Net income increased 13.2% to \$11.9 million or \$0.12 per diluted share for the fourth quarter ended December 31, 2007, compared to \$10.5 million or \$0.10 per diluted share for the same period in 2006.

Revenues for full year 2007 rose 4.2% to \$894.9 million, compared to \$858.9 million for the prior year. Rollins' net income for the full year rose 12% to \$64.7 million or \$0.64 per diluted share compared to net income of \$57.8 million or \$0.56 per diluted share for the prior year.

Rollins' balance sheet continued to grow with total assets increasing to \$475.2 million and stockholder's equity growth to \$233.6 million. The Company ended the year with cash and cash equivalents of \$71.3 million, up 12.5% over last year.

Gary W. Rollins, President and Chief Executive Officer of Rollins, Inc. stated, "The positive performance we achieved in our fourth quarter and full year reflect the success of our sales and service programs. We are seeing the benefits from the investments we are making that are generating improved sales growth as well as improving service efficiency".

Mr. Rollins concluded, "We are excited about our Company's opportunities in the new year. The continued development and deployment of our key programs should enable us to maintain our momentum. We are very proud of our people who have worked diligently to make 2007 such a success and likewise will be key in 2008."

Rollins, Inc. is a premier North American consumer and commercial services company. Through its wholly owned subsidiaries, Orkin, Inc., PCO Services, Western Pest Services, and The Industrial Fumigant Company, the Company provides essential pest control services and protection against termite damage, rodents and insects to approximately 1.7 million customers in the United States, Canada, Mexico, Central America, the Caribbean, the Middle East and Asia from over 400 locations. You can learn more about our subsidiaries by visiting our Web sites at [www.orkin.com](http://www.orkin.com), [www.westernpest.com](http://www.westernpest.com), [www.indfumco.com](http://www.indfumco.com) and [www.rollins.com](http://www.rollins.com). You can also find this and other news releases at [www.rollins.com](http://www.rollins.com) by accessing the news releases button.

**CAUTION CONCERNING FORWARD-LOOKING STATEMENTS**

*This release contains statements that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include the Company's belief that the investments the Company is making are generating improved sales growth and service efficiency; the Company's excitement about the Company's opportunities for the new year; and the Company's belief that the continued development and deployment of its key programs should enable the Company to maintain its momentum. The actual results of the Company could differ materially from those indicated by the forward-looking statements because of various risks and uncertainties, including without limitation, general economic conditions; market risk; changes in industry practices or technologies; the degree of success of the Company's pest and termite process reforms and pest control selling and treatment methods; the Company's ability to identify and integrate potential acquisitions; climate and weather trends; competitive factors and pricing practices; expected benefits of the commercial re-engineering project may not be realized; potential increases in labor costs; uncertainties of litigation; and changes in various government laws and regulations, including environmental regulations. 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. A more detailed discussion of potential risks facing the Company can be found in the Company's Report on Form 10-K filed with the Securities and Exchange Commission for the year ended December 31, 2006.*

ROLLINS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
(in thousands)

At December 31,	2007 (unaudited)	2006 (unaudited)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 71,280	\$ 63,344
Trade receivables, short-term	54,457	52,693
Materials and supplies	8,846	8,401
Deferred income taxes	17,162	19,435
Other current assets	8,495	7,200
Total Current Assets	<u>160,240</u>	<u>151,073</u>
Equipment and property, net	77,370	72,141
Goodwill	126,684	125,161
Customer Contracts	63,056	67,761
Other Intangible assets	9,232	9,294
Deferred income taxes	7,576	14,069
Trade receivables, long-term	8,409	8,796
Prepaid Pension	16,624	—
Other assets	6,037	4,880
<b>Total Assets</b>	<u>\$ 475,228</u>	<u>\$ 453,175</u>
<b>LIABILITIES</b>		
Capital leases	\$ 1,186	\$ 498
Accounts payable	19,140	16,309
Accrued insurance	13,505	14,310
Accrued compensation and related liabilities	45,605	47,305
Unearned revenue	81,678	79,441
Other current liabilities	26,587	27,343
Total Current Liabilities	<u>187,701</u>	<u>185,206</u>
Capital leases, less current portion	601	124
Accrued pension	—	6,946
Long-term accrued liabilities	53,373	49,440
Total Liabilities	<u>241,675</u>	<u>241,716</u>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock	100,636	101,837
Retained earnings and other equity	132,917	109,622
Total Stockholders' Equity	<u>233,553</u>	<u>211,459</u>
<b>Total Liabilities and Stockholders' Equity</b>	<u>\$ 475,228</u>	<u>\$ 453,175</u>

ROLLINS, INC. AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF INCOME  
FOR THE FOURTH QUARTER AND TWELVE MONTHS ENDED DECEMBER 31,  
(in thousands except per share data)  
(unaudited)

	Fourth Quarter Ended December 31,		Twelve Months Ended December 31,	
	2007	2006	2007	2006
<b>REVENUES</b>				
Customer services	\$ 215,954	\$ 204,653	\$ 894,920	\$ 858,878
<b>COSTS AND EXPENSES</b>				
Cost of services provided	117,199	112,601	468,665	457,869
Depreciation and amortization	6,586	6,460	27,068	26,860
Sales, general and administrative	74,633	69,250	296,615	280,578
(Gain)/Loss on sale of assets	61	(65)	(52)	(81)
Interest income	(749)	(539)	(2,289)	(1,507)
	<u>197,730</u>	<u>187,707</u>	<u>790,007</u>	<u>763,719</u>
<b>INCOME BEFORE TAXES</b>	<u>18,224</u>	<u>16,946</u>	<u>104,913</u>	<u>95,159</u>
<b>PROVISION FOR INCOME TAXES</b>	<u>6,290</u>	<u>6,407</u>	<u>40,182</u>	<u>37,350</u>
<b>NET INCOME</b>	<u>\$ 11,934</u>	<u>\$ 10,539</u>	<u>\$ 64,731</u>	<u>\$ 57,809</u>
<b>NET INCOME PER SHARE - BASIC</b>	<u>\$ 0.12</u>	<u>\$ 0.10</u>	<u>\$ 0.65</u>	<u>\$ 0.57</u>
<b>NET INCOME PER SHARE - DILUTED</b>	<u>\$ 0.12</u>	<u>\$ 0.10</u>	<u>\$ 0.64</u>	<u>\$ 0.56</u>
Weighted average shares outstanding - basic	99,854	100,662	100,299	100,747
Weighted average shares outstanding - Diluted	101,051	103,090	101,409	103,314

# CONFERENCE CALL ANNOUNCEMENT

**Rollins, Inc.**

(NYSE: ROL)



**Management will hold a conference call to discuss  
Fourth quarter results on:**

**Wednesday, January 23, 2008 at:**

**10:00 a.m. Eastern**

**9:00 a.m. Central**

**8:00 a.m. Mountain**

**7:00 a.m. Pacific**

## **TO PARTICIPATE:**

**Please dial 800-240-2430 domestic;  
303-262-2140 international  
at least 5 minutes before start time.**

REPLAY: available through January 30, 2008

Please dial **800-405-2236/303-590-3000**, Passcode: 11106089

*THIS CALL CAN ALSO BE ACCESSED THROUGH THE INTERNET AT*

[www.viavid.net](http://www.viavid.net)

**Questions?**

**Contact Janet Jazimin at Financial Relations Board at 212-827-3777**

**Or email to [jjazimin@financialrelationsboard.com](mailto:jjazimin@financialrelationsboard.com)**