

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): **April 24, 2019**

**ROLLINS, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**1-4422**  
(Commission File Number)

**51-0068479**  
(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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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

On April 24, 2019, the Company issued a press release announcing its unaudited financial results for the first quarter ended March 31, 2019. The Company hereby incorporates by reference herein the information set forth in its Press Release dated April 24, 2019, 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, 2018 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	<a href="#">Press Release Dated April 24, 2019</a>

**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: April 24, 2019

By: /s/ Paul Edward Northen  
Name: Paul Edward Northen  
Title: Sr. Vice President, Chief Financial Officer and Treasurer  
(Principal Financial and Accounting Officer)

FOR IMMEDIATE RELEASE

**ROLLINS, INC. REPORTS FIRST QUARTER 2019  
FINANCIAL RESULTS**

- **U.S. Weather conditions dampened first quarter results**
- **Tax rate higher due to impact of certain non-deductible expenses**
- **International results affected by currency headwinds**
- **Enhanced employee benefits had residual cost increases**

**ATLANTA, GEORGIA, April 24, 2019:** Rollins, Inc. (NYSE:ROL), a premier global consumer and commercial services company, reported strong unaudited financial results for its first quarter ended March 31, 2019.

The Company recorded first quarter revenues of \$429.1 million, an increase of 5.0% over the prior year's first quarter revenue of \$408.7 million. Rollins reported net income of \$44.2 million or \$0.14 per diluted share in the first quarter ended March 31, 2019, compared to \$48.5 million or \$0.15 per diluted share for the same period in 2018.

Gary W. Rollins, Vice Chairman and Chief Executive Officer of Rollins, Inc. stated, "We had a successful quarter even while feeling the effects of arctic weather and torrential rains in the country causing termites and other pests to remain dormant for the first quarter, however the company had improvements in both customer and employee retention. We look forward to warm weather and the spring pest season."

"Our operations were well prepared and ready for a spring that has been delayed in many parts of the United States. Additionally, several items negatively impacted our EPS for the quarter by 1.5 cents. Mainly a higher tax rate, the strengthening U.S. dollar against foreign currency, professional services expenses related to acquisitions and enhanced employee benefit participation, affected the quarter by an average of \$1M each," stated Eddie Northen, Senior VP, CFO, and Treasurer of Rollins, Inc.

The Company continues to expect to close the acquisition of Clark Pest Control of Stockton, Inc. located in Lodi, California during the second quarter of 2019. Closing remains subject to the receipt of regulatory clearance. Over the past month, we have completed the due diligence and met with expanded members of the Clark team and continue to be eager to bring them into our family of brands.

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Rollins, Inc. is a premier global consumer and commercial services company. Through its wholly owned subsidiaries, Orkin LLC., HomeTeam Pest Defense, Orkin Canada, Western Pest Services, Northwest Exterminating, Critter Control, Inc., The Industrial Fumigant Company, Trutech LLC., Rollins Australia, Waltham Services LLC., PermaTreat, Rollins UK, and Crane Pest Control, the Company provides essential pest control services and protection against termite damage, rodents and insects to more than two million customers in the United States, Canada, Central America, South America, the Caribbean, the Middle East, Asia, the Mediterranean, Europe, Africa, Mexico, and Australia from more than 700 locations. You can learn more about Rollins and its subsidiaries by visiting our web sites at [www.orkin.com](http://www.orkin.com), [www.pestdefense.com](http://www.pestdefense.com), [www.orkincanada.ca](http://www.orkincanada.ca), [www.westernpest.com](http://www.westernpest.com), [www.callnorthwest.com](http://www.callnorthwest.com), [www.crittercontrol.com](http://www.crittercontrol.com), [www.indfumco.com](http://www.indfumco.com), [www.trutechinc.com](http://www.trutechinc.com), [www.orkinau.com](http://www.orkinau.com), [www.walthamservices.com](http://www.walthamservices.com), [www.opcpest.com](http://www.opcpest.com), [www.permatreat.com](http://www.permatreat.com), [www.cranepestcontrol.com](http://www.cranepestcontrol.com), [www.safeguardpestcontrol.co.uk](http://www.safeguardpestcontrol.co.uk), [www.aardwolfpestkare.com](http://www.aardwolfpestkare.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 statements about the Company’s focus on achieving our 2019 plans and objectives and the expectation that the Clark Pest Control of Stockton, Inc. acquisition will close during the second quarter of 2019 subject to the receipt of regulatory clearance, including the expiration of the applicable waiting period under the Hart-Scott-Rodino Act. 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, economic and competitive conditions which may adversely affect the Company’s business; the degree of success of the Company’s pest and termite process, 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; the Company’s ability to attract and retain skilled workers, and potential increases in labor costs; uncertainties of litigation; changes in various government laws and regulations, including environmental regulations; and the impact of the U. S. Government shutdown. 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, 2018.*

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

<b>At March 31, (unaudited)</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 116,607	\$ 84,319
Trade accounts receivables, net	104,593	96,459
Financed receivables, net	19,258	16,979
Materials and supplies	16,572	15,885
Other current assets	32,909	27,062
<b>Total Current Assets</b>	<b>289,939</b>	<b>240,704</b>
Equipment and property, net	136,806	136,272
Goodwill	370,492	364,606
Customer contracts	174,777	176,447
Other intangible assets, net	64,646	61,636
Operating lease, ROU assets	182,176	—
Financed receivables, long-term, net	26,376	22,305
Deferred income taxes, net	961	10,428
Prepaid pension	5,274	18,237
Other assets	20,625	20,061
<b>Total Assets</b>	<b>\$ 1,272,072</b>	<b>\$ 1,050,696</b>
<b>LIABILITIES</b>		
Accounts payable	27,496	30,624
Accrued insurance, current	27,940	28,462
Accrued compensation and related liabilities	58,853	64,610
Unearned revenue	123,935	117,934
Operating lease liability, current	60,454	—
Other current liabilities	54,034	57,443
<b>Total Current Liabilities</b>	<b>352,712</b>	<b>299,073</b>
Accrued insurance, less current portion	34,148	34,787
Operating lease liability, less current portion	121,775	—
Long-term accrued liabilities	44,313	54,073
<b>Total Liabilities</b>	<b>552,948</b>	<b>387,933</b>
<b>STOCKHOLDERS' EQUITY</b>		
Common stock	327,530	327,280
Retained earnings and other equity	391,594	335,483
<b>Total stockholders' equity</b>	<b>719,124</b>	<b>662,763</b>
<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 1,272,072</b>	<b>\$ 1,050,696</b>

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

	Three Months Ended	
	March 31,	
	2019	2018
<b>REVENUES</b>		
Customer services	\$ 429,069	\$ 408,742
<b>COSTS AND EXPENSES</b>		
Cost of services provided	217,258	206,143
Depreciation and amortization	16,683	16,916
Sales, general and administrative	139,530	126,487
Gain on sale of assets, net	(181)	(56)
Interest (income)/expense, net	(274)	58
	373,016	349,548
<b>INCOME BEFORE INCOME TAXES</b>	<b>56,053</b>	<b>59,194</b>
<b>PROVISION FOR INCOME TAXES</b>	<b>11,827</b>	<b>10,669</b>
<b>NET INCOME</b>	<b>\$ 44,226</b>	<b>\$ 48,525</b>
<b>NET INCOME PER SHARE - BASIC AND DILUTED</b>	<b>\$ 0.14</b>	<b>\$ 0.15</b>
Weighted average shares outstanding - basic and diluted	<b>327,506</b>	<b>327,244</b>

  CONFERENCE CALL ANNOUNCEMENT  

# Rollins, Inc.

(NYSE: ROL)



Management will hold a conference call to discuss  
First Quarter 2019 results on

**Wednesday, April 24, 2019 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 **855-719-5012** domestic;  
**334-323-0505** international  
at **least 5 minutes** before start time.

REPLAY: available through May 1, 2019

Please dial **888-203-1112/719-457-0820**, Passcode 2305197

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

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

### Questions?

Contact Samantha Alphonso at Financial Relations Board at **212-827-3746**

Or email to [salphonso@mww.com](mailto:salphonso@mww.com)

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