

Rollins, Inc. Reports Second Quarter And Six Months 2013 Financial Results

Company posts 29th consecutive quarter of improved earnings results

ATLANTA, July 24, 2013 /PRNewswire/ -- Rollins, Inc. (NYSE: ROL), a premier North American consumer and commercial services company, today reported strong unaudited financial results for its second quarter and six months ended June 30, 2013.

The Company recorded second quarter revenues of \$350.8 million, an increase of 4.8% compared to \$334.9 million in the prior year's second quarter. Net income increased 8.7% to \$36.0 million or \$0.25 per diluted share for the second quarter endedJune 30, 2013, compared to \$33.1 million or \$0.23 per diluted share for the same period in 2012.

Rollins' revenues rose 4.2% for the first six months of 2013 to\$650.5 million compared to \$624.3 million for the prior year. Net income for the first six months of 2013 was\$59.2 million, or \$0.40 per diluted share, compared to net income of\$56.2 million, or \$0.38 per diluted share for the same period last year.

In the second quarter, the Company repurchased 172,589 shares at a weighted average price of \$24.41 per share. In total, 5,125,594 additional shares may be purchased under the share repurchase program.

Commenting on the Company's results, Gary W. Rollins, Vice Chairman and Chief Executive Officer of Rollins, Inc. said, "We are very pleased with the solid financial results our Company reported for the second quarter. We are particularly pleased about the growth we experienced in revenues, which accelerated over our first quarter. This improvement reflects the positive impact of our new marketing and sales programs."

Mr. Rollins concluded, "Our progress in the first six months of this year has been encouraging. We are confident that as we continue to execute our plans that we will achieve our goals for the year relative to growth and improving profitability."

Rollins Inc. is a premier North American consumer and commercial services company. Through its wholly owned subsidiaries, Orkin LLC., HomeTeam Pest Defense, Western Pest Services, Orkin Canada, The Industrial Fumigant Company, Waltham Services LLC., Crane Pest Control and Trutech LLC., the company provides essential pest control services and protection against termite damage, rodents and insects to more than 2 million customers in the United States, Canada, Central America, South America, the Caribbean, the Middle East, Asia, the Mediterranean, Europe, Africa and Mexico from more than 500 locations. You can learn more about our subsidiaries by visiting our web sites at www.orkin.com,

<u>www.pestdefense.com</u>, <u>www.westernpest.com</u>, <u>www.orkincanada.ca</u>, <u>www.indfumco.com</u>, <u>www.walthamservices.com</u>, <u>www.cranepestcontrol.com</u>, <u>www.trutechinc.com</u> and <u>www.rollins.com</u>. You can also find this and other news releases at <u>www.rollins.com</u> 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 regarding the Company's belief that its improved operating results reflect the positive impact of the Company's new marketing and sales programs, and the Company's confidence that it will continue to execute its plan and will achieve its goals for the year relative to growth and improving profitability. 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; 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, 2012.

For Further Information Contact Harry J. Cynkus (404) 888-2922

ROLLINS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(in thousands)

At June 30, (unaudited)	2013	2012		
ASSETS				
Cash and cash equivalents	\$ 91,597	\$	62,060	
Trade accounts receivables, net	79,015		73,784	
Financed receivables, net	12,443		12,822	
Materials and supplies	12,117		12,162	
Deferred income taxes, net	34,299		30,477	
Other current assets	 28,321		19,004	

Total Current Assets Equipment and property, net Goodwill Customer contracts and other intangible assets, net Deferred income taxes, net	210,309 76,963 210,971 137,865 21,088 12,569 11,009
Equipment and property, net Goodwill Customer contracts and other intangible assets, net 212,004 131,122	210,971 137,865 21,088 12,569
Goodwill Customer contracts and other intangible assets, net 26.245	137,865 21,088 12,569
Customer contracts and other intangible assets, net 26.245	21,088 12,569
Deferred income taxes, net	12,569
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Financed receivables, long-term, net	11 009
Other assets 12,602	11,000
Total Assets \$ 737,069 \$	680,774
LIABILITIES	
Accounts payable \$ 30,724 \$	29,676
Accrued insurance, current 26,392	22,244
Accrued compensation and related liabilities 57,088	56,234
Unearned revenue 100,057	96,127
Other current liabilities 32,805	36,459
Total Current Liabilities 247,066	240,740
Accrued insurance, less current portion 28,575	28,185
Accrued pension 42,263	29,793
Long-term accrued liabilities 34,358	37,749
Total Liabilities 352,262	336,467
STOCKHOLDERS' EQUITY	
Common stock 146,078	146,071
Retained earnings and other equity	198,236
Total stockholders' equity	344,307
Total Liabilities and Stockholders' Equity \$ 737,069 \$	680,774

ROLLINS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in thousands except per share data)

(unaudited)

	Second Quarter Ended			Six Months Ended				
	June 30,			June 30,				
	2013		2012		2013		2012	
REVENUES						_		
Customer services	\$	350,798	\$	334,872	\$	650,512	\$	624,337
COSTS AND EXPENSES								
Cost of services provided		174,361		165,993		329,967		314,075
Depreciation and amortization		9,768		9,613		19,662		19,380
Sales, general and administrative		109,518		106,068		208,652		200,892
Interest (income)/expense		(127)		20		(172)		71
		293,520		281,694		558,109		534,418
INCOME BEFORE INCOME TAXES		57,278		53,178	-	92,403		89,919
PROVISION FOR INCOME TAXES		21,284		20,051		33,230		33,712
NET INCOME	\$	35,994	\$	33,127	\$	59,173	\$	56,207
NET INCOME PER SHARE - BASIC	\$	0.25	\$	0.23	\$	0.40	\$	0.38
NET INCOME PER SHARE - DILUTED		0.25		0.23	\$	0.40	\$	0.38
Weighted average shares outstanding - basic		146,210		146,417		146,224		146,557
Weighted average shares outstanding - diluted		146,210		146,428		146,224		146,571

CONFERENCE CALL ANNOUNCEMENT Rollins, Inc. (NYSE: ROL)

Management will hold a conference call to discuss Second Quarter 2013 results on:

Wednesday, July 24, 2013 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 877-941-8609 domestic; 480-629-9692 international at least 5 minutes before start time.

REPLAY: available through July 31, 2013
Please dial **800-406-7325/303-590-3030**, Passcode: 4628395
THIS CALL CAN ALSO BE ACCESSED THROUGH THE INTERNET AT

www.viavid.net

Questions?

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

Or email to salphonso@mww.com

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