

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): July 26, 2006

ROLLINS, INC.

(Exact name of registrant as specified in its charter)

Delaware	1-4422	51-0068479
(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))
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Item 2.02. Results of Operations and Financial Condition.

On July 26, 2006, the Company issued a press release announcing its results for the quarter ended June 30, 2006. The Company hereby incorporates by reference herein the information set forth in its Press Release dated July 26, 2006, 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 financial 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, 2005 filed with the Securities and Exchange Commission. The Company disclaims any obligation or duty to update or modify these forward-looking statements.

Included in Exhibit 99.1 are the following non-GAAP financial measures:

- Growth in revenue for second quarter 2006, excluding revenue attributable to the Industrial Fumigant Company.
- Increase in the Company's net income excluding the impact of the pension curtailment gain in 2005.

Growth in revenue, excluding that attributable to the Industrial Fumigant Company, is presented and deemed useful by management in order to present the Company's results for the quarter ended June 30, 2006 as more readily comparable to its results for the quarter ended June 30, 2005. The Company's 2005 results do not include revenue attributable to the Industrial Fumigant Company prior to October 1, 2005, the date it was acquired.

Increase in the Company's net income, excluding the impact of the pension curtailment gain in 2005, is presented and deemed useful by management in order to present the Company results for the quarter ended June 30, 2006 as more readily comparable to its results for the quarter ended June 30, 2005. The Company's results for the quarter ended June 30, 2005 include a \$2.5 million pension curtailment gain in connection with freezing the Company's defined benefit pension plan which was recorded in accordance with GAAP. There is no comparable gain for the quarter ended June 30, 2006.

Management of the Company believes that these non-GAAP measures provide both management and investors with a more complete understanding of the Company's underlying operating results and operating trends. Management uses these non-GAAP financial measures to analyze and forecast the Company's operating results and trends, especially when comparing such results to the Company's prior periods and forecasts. Because the excluded items do not exhibit the same growth pattern or variances as other factors affecting the Company's revenues and net income, management believes that the non-GAAP measures are useful for trend analysis. However, the usefulness of the non-GAAP measures is limited because the measures alone do not give a complete assessment of historical financial position, operating results or cash flows. These are reflected in the U.S. GAAP financial statements, including the Company's consolidated statement of income. The non-GAAP financial information that the Company provides may also differ from the financial information provided by other companies. Therefore, the Company only uses the non-GAAP financial measures in the context of a complete disclosure of operating results. Investors should only consider the non-GAAP measures as part of the overall analysis of the Company's financial results and trends.

The reconciliation of the non-GAAP financial measures to their corresponding GAAP measure is included at Exhibit 99.1.

Item 9.01. Financial Statements and Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release Dated July 26, 2006.

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 July 26, 2006

By: /s/Harry J. Cynkus
Name: Harry J. Cynkus
Title: Chief Financial Officer and Treasurer



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

FOR IMMEDIATE RELEASE

ROLLINS, INC. REPORTS SECOND QUARTER FINANCIAL RESULTS

Revenue for the Quarter Rose 8.4% Over Previous Year's Second Quarter

ATLANTA, GEORGIA, July 26, 2006: Rollins, Inc. (NYSE:ROL), a premier North American consumer and commercial services company, today reported that revenues for the second quarter ended June 30, 2006 grew 8.4% to \$232.2 million, compared to revenues of \$214.3 million for the second quarter ended June 30, 2005. Excluding revenues resulting from the Company's October 1, 2005 acquisition of the Industrial Fumigant Company, revenues grew 4.8%. See attached detailed reconciliation.

Rollins recorded net income of \$19.3 million, or \$0.28 per diluted share for the second quarter ended June 30, 2006, compared to \$18.7 million, or \$0.27 per diluted share for the second quarter ended June 30, 2005. Included in the second quarter of last years results was a \$2.5 million gain, net of taxes, or \$0.04 per diluted share, as the Company curtailed Rollins, Inc.'s pension plan effective June 30, 2005. Excluding the impact of the pension curtailment gain in 2005, the Company's net income increased 19.0% or \$.05 per diluted share compared to the same period last year. See attached detailed reconciliation.

Rollins' balance sheet remains strong with total assets of \$443.2 million and stockholders' equity increasing to \$188.0 million. In the second quarter, the Company announced that it repurchased 667,908 shares of common stock at a weighted average price of \$19.26 per share. In total, approximately 2.4 million additional shares may be purchased under programs previously approved by the Board of Directors.

Commenting on the Company's results, Gary W. Rollins, President and Chief Executive Officer of Rollins, Inc. said, "We are particularly pleased about the growth we experienced in revenues in the second quarter. This growth came from all lines of our business and reflects the early positive results we are seeing in the investment we are making in the build up of our sales force. This investment as well as other key operational initiatives and the dedication of our employees to further increase our business have put us on track year-to-date to meet our financial goals for 2006."

"We are excited about our Company's future and we expect 2006 to be another notable year for Rollins and our shareholders."

Rollins, Inc. is a premier North American consumer and commercial services company. Through its wholly owned subsidiaries, Orkin, Inc., 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, Panama and Costa Rica from over 400 locations. You can learn more about our subsidiaries by visiting our Web sites at www.orkin.com, www.westernpest.com, www.indfumco.com and www.rollins.com. You can also find this and other news releases at 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 include statements regarding effect of various operational initiatives and the dedication of the Company's employees to further increase the Company's business put the Company on track year-to-date to meet the Company's financial goals for 2006 and the Company's expectation that 2006 will be another notable year for the Company and its shareholders. 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, 2005.

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

At June 30,	2006 (unaudited)	2005 (unaudited)
ASSETS		
Cash and cash equivalents	\$ 37,221	\$ 65,179
Marketable securities	-	629
Total cash and marketable securities	37,221	65,808
Trade receivables, short-term	56,617	48,556
Materials and supplies	8,545	8,120
Deferred income taxes	23,983	29,496
Other current assets	10,023	9,949
Total Current Assets	136,389	161,929
Equipment and property, net	70,908	57,873
Goodwill and other intangible assets	205,063	190,085
Deferred income taxes	16,263	18,544
Trade receivables, long-term	10,170	10,604
Other assets	4,429	4,142
Total Assets	\$ 443,222	\$ 443,177
LIABILITIES		
Capital leases	\$ 705	\$ -
Accounts payable	14,740	12,405
Accrued insurance	19,143	16,437
Accrued compensation and related liabilities	39,185	36,618
Unearned revenue	84,378	85,306
Other current liabilities	35,059	41,940
Total Current Liabilities	193,210	192,706
Capital leases, less current portion	287	-
Accrued pension	15,651	27,291
Long-term accrued liabilities	46,033	47,979
Total Liabilities	255,181	267,976
STOCKHOLDERS' EQUITY		
Common stock	67,874	68,603
Retained earnings and other equity	120,167	106,598
Total Stockholders' Equity	188,041	175,201
Total Liabilities and Stockholders' Equity	\$ 443,222	\$ 443,177

ROLLINS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME
FOR THE SECOND QUARTER AND SIX MONTHS ENDED JUNE 30,
(in thousands except per share data)
(unaudited)

	Second Quarter June 30		Six months ended June 30	
	2006	2005	2006	2005
REVENUES				
Customer services	\$ 232,222	\$ 214,326	\$ 426,408	\$ 398,241
COSTS AND EXPENSES				
Cost of services provided	119,035	114,294	226,049	214,544
Depreciation and amortization	6,945	6,045	13,738	12,008
Sales, general and administrative	74,368	67,594	136,868	126,265
Pension curtailment gain	-	(4,176)	-	(4,176)
(Gain)/loss on sales of assets	2	(546)	1	(544)
Interest income	(344)	(354)	(636)	(816)
	<u>200,006</u>	<u>182,857</u>	<u>376,020</u>	<u>347,281</u>
INCOME BEFORE TAXES	<u>32,216</u>	<u>31,469</u>	<u>50,388</u>	<u>50,960</u>
PROVISION FOR INCOME TAXES	<u>12,886</u>	<u>12,745</u>	<u>20,155</u>	<u>20,639</u>
NET INCOME	<u>\$ 19,330</u>	<u>\$ 18,724</u>	<u>\$ 30,233</u>	<u>\$ 30,321</u>
NET INCOME PER SHARE - BASIC	<u>\$ 0.29</u>	<u>\$ 0.28</u>	<u>\$ 0.45</u>	<u>\$ 0.45</u>
NET INCOME PER SHARE - DILUTED	<u>\$ 0.28</u>	<u>\$ 0.27</u>	<u>\$ 0.44</u>	<u>\$ 0.43</u>
Weighted average shares outstanding – basic	67,556	67,937	67,243	67,940
Weighted average shares outstanding – diluted	69,243	70,029	69,040	70,046

ROLLINS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30,
(in thousands)

	2006 Unaudited	2005 Unaudited
OPERATING ACTIVITIES		
Net Income	\$ 30,233	\$ 30,321
Adjustments to reconcile net income to net cash		
Provided by operating activities:		
Depreciation and amortization	13,738	12,008
Pension curtailment gain	-	(4,176)
Provision for deferred income taxes	3,210	914
(Gain)/loss on sales of assets	1	(544)
Other, net	(770)	205
(Increase)/decrease in assets		
Trade receivables	(9,605)	(3,801)
Materials and supplies	537	761
Other current assets	(910)	(3,594)
Other non-current assets	747	297
Increase/(decrease) in liabilities:		
Accounts payable and accrued expenses	130	5,951
Unearned revenue	4,388	5,142
Accrued insurance	1,768	(1,967)
Accrual for termite contracts	1,000	599
Accrued Pension	(5,000)	-
Long-term accrued liabilities	(5,146)	(1,717)
Net cash provided by operating activities	<u>34,321</u>	<u>40,399</u>
INVESTING ACTIVITIES		
Purchase of equipment and property	(11,351)	(14,203)
Acquisitions of companies	(5,020)	(1,606)
Cash from sales of franchises	401	295
Marketable Securities, Net	-	(629)
Proceeds from sales of assets	-	749
Net cash used in investing activities	<u>(15,970)</u>	<u>(15,394)</u>
FINANCING ACTIVITIES		
Dividends paid	(8,556)	(6,858)
Common stock purchased	(16,987)	(11,105)
Common stock options exercised	381	2,889
Principal payments on capital leases	(393)	-
Other	451	(646)
Net cash used in financing activities	<u>(25,104)</u>	<u>(15,720)</u>
Effect of exchange rate changes on cash	909	(843)
Net increase/(decrease) in cash and cash equivalents	<u>(5,884)</u>	8,442
Cash and cash equivalents at beginning of period	<u>43,065</u>	<u>56,737</u>
Cash and cash equivalents at end of period	<u>\$ 37,221</u>	<u>\$ 65,179</u>

ROLLINS, INC. AND SUBSIDIARIES

Revenue Reconciliation
Revenues Excluding The Industrial Fumigant Company
Second Quarter Ended
June 30,

	2006	2005	\$ Better/ (Worse)	% Better/ (Worse)
	(Unaudited)	(Unaudited)		
Reported Net Revenues	\$ 232,222	\$ 214,326	\$ 17,896	8.4 %
Less:				
The Industrial Fumigant Company	7,571	-	7,571	100.0
Net Revenue Excluding the Industrial Fumigant Company	<u>\$ 224,651</u>	<u>\$ 214,326</u>	<u>\$ 10,325</u>	<u>4.8 %</u>

ROLLINS, INC. AND SUBSIDIARIES
Net Income and Earnings Per Share Reconciliation
Earnings and Earnings Per Share Excluding Pension Curtailment Gain
Second Quarter Ended

	June 30,		\$ Better/ (Worse)	% Better/ (Worse)
	2006	2005		
	(Unaudited)	(Unaudited)		
Reported Net Income	\$ 19,330	\$ 18,724	\$ 606	3.2%
Less:				
Pension Curtailment Gain	-	2,485	(2,485)	(100.0)
Earnings Excluding Pension Curtailment Gain	\$ 19,330	\$ 16,239	\$ 3,091	19.0%
Reported Earnings Per Share – Basic	\$ 0.29	\$ 0.28	\$ 0.01	3.6%
Less:				
Pension Curtailment Gain	-	(0.04)	(0.04)	(100.0)
Earnings Per Share – Basic Excluding Pension Curtailment Gain	\$ 0.29	\$ 0.24	\$ 0.05	20.8%
Reported Earnings Per Share – Diluted	\$ 0.28	\$ 0.27	\$ 0.01	3.7%
Less:				
Pension Curtailment Gain	-	(0.04)	(0.04)	(100.0)
Earnings Per Share – Diluted Excluding Pension Curtailment Gain	\$ 0.28	\$ 0.23	\$ 0.05	21.7%

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



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

Wednesday, July 26, 2006 at:

11:30 a.m. Eastern

10:30 a.m. Central

9:30 a.m. Mountain

8:30 a.m. Pacific

TO PARTICIPATE:

**Please dial 800-219-6110 domestic;
303-275-2170 international
at least 5 minutes before start time.**

REPLAY: available through August 2, 2006

Please dial **800-405-2236/303-590-3000**, Passcode: 11065999

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@financialrelationsboard.com