

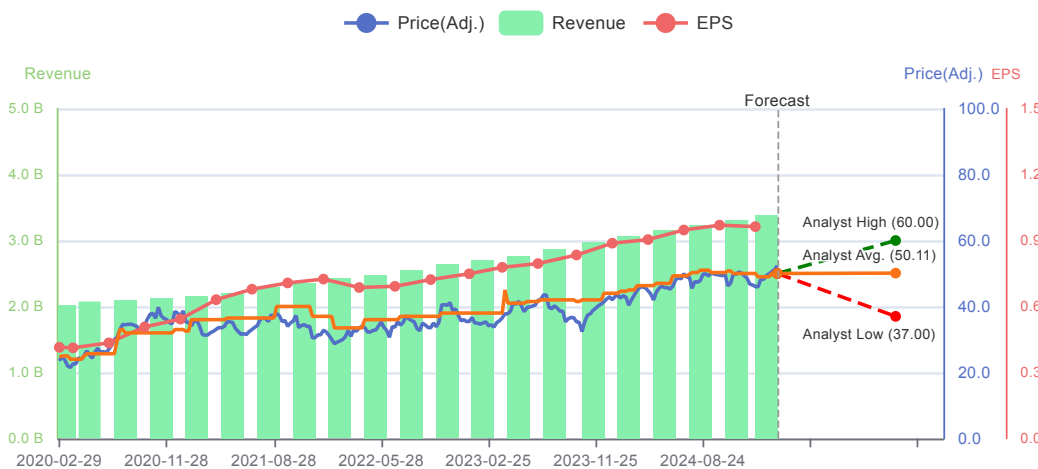


## Key Indicators:

🕒 Date: Mar 3, 2025

|               |                 |                     |         |                    |            |
|---------------|-----------------|---------------------|---------|--------------------|------------|
| Stock Price   | \$52.4          | EPS Actual          | 0.99    | Beta (5Y)          | 0.76       |
| Upside        | -\$10.6         | EPS Estimate        | 1.10    | Revenue            | 3.4B       |
| Fair Value    | \$41.8          | EPS Revisions (90d) | ↑ 0 ↓ 3 | Revenue Forecast   | 3.7B       |
| 52-Week Range | \$41.2 - \$52.7 | PEG Ratio           | 6.68    | 1-Year Change      | 20.6%      |
| Market Cap    | 25.4B           | FCF Yield           | 2.26    | Div Yield          | 1.26%      |
| P/E Ratio     | 55.0            | EV / EBITDA         | 34.2    | Div. Growth Streak | 22 years   |
| P/E (Fwd.)    | 47.7            | Book / Share        | 2.75    | Next Earnings      | 2025-04-23 |

## 5-Year Chart



Financial health is determined by ranking the company on over 100 indicators compared to other companies in its sector that operate in similar economic markets.

## Financial Health

**6.7/10**  
Growth Rating

**8.9/10**  
Profitability Rating

**6.1/10**  
Cash Flow Rating

## Executive Summary

**Rollins, Inc.** stands as North America's leading pest control services provider, commanding a **24% market share** through well-known brands including Orkin and HomeTeam Pest Defense.

The company has demonstrated remarkable financial resilience with **consistent organic growth above industry average**, achieving rates of 7.8% and 8.1% in 2022 and 2023 respectively. Rollins' robust operational performance is evidenced by its impressive **52.7% gross profit margins** and strong free cash flow conversion exceeding 100%. The company's commitment to shareholder returns is highlighted by its **55-year track record of consecutive dividend payments**, including 22 years of consistent increases.

Rollins' growth strategy encompasses both organic expansion and strategic acquisitions, having completed 44 acquisition deals recently. The company is capitalizing on opportunities through geographic expansion, technological advancements in pest control methods, and implementing strategic price increases of 3-4% in its Residential segment. The anticipated **high single-digit growth in the Commercial segment for 2025** and increasing demand due to climate change present significant growth catalysts.

However, the company faces several challenges, including recent margin pressures with **incremental margins around 15% compared to mid-term guidance of over 30%**. The competitive landscape has intensified following Rentokil's acquisition of Terminix, while labor shortages and wage inflation continue to impact operational costs. Additional headwinds include potential market saturation in core regions and regulatory uncertainties affecting pest control practices.

In recent developments, Rollins has issued **\$500 million in 5.25% Senior Notes due 2035**, while reporting strong Q4 2024 results with revenue of \$832 million, exceeding analyst expectations and contributing to a full-year revenue growth of 10.3% to \$3.4 billion.

## Valuation

| Reporting Date           | 2022  | 2023  | 2024  | 2025  | 2026  |
|--------------------------|-------|-------|-------|-------|-------|
| Period Ending            | 31/12 | 31/12 | 31/12 | 31/12 | 31/12 |
| Capitalization           | 18.0B | 21.1B | 22.4B | 25.4B | 25.4B |
| P/E Ratio                | 50.6  | 51.5  | 55.0  | 47.7  | 42.1  |
| Div. Yield               | 1.47  | 1.40  | 1.43  | 1.26  | -     |
| Capitalization / Revenue | 6.83  | 7.09  | 7.56  | 6.83  | 6.35  |
| EV / Revenue             | 6.93  | 7.35  | 7.78  | 7.03  | 6.52  |
| EV / EBITDA              | 32.8  | 32.9  | 34.2  | 30.3  | 27.3  |
| EV / FCF                 | 44.2  | 42.7  | 46.4  | -     | -     |
| FCF Yield                | 2.31  | 2.22  | 2.26  | -     | -     |
| Price / Book             | 15.0  | 19.2  | 19.3  | 19.3  | -     |

- Forecast

## Analyst Projections:

### Analyst EPS Forecasts

| Period Ending | Average | YoY Growth | Forward P/E | # of Analysts |
|---------------|---------|------------|-------------|---------------|
| 2024          | 1.1     | 11.1%      | 47.7x       | 12            |
| 2025          | 1.24    | 12.1%      | 42.1x       | 12            |
| 2026          | 1.42    | 12.0%      | 37.0x       | 8             |

### Latest Ratings

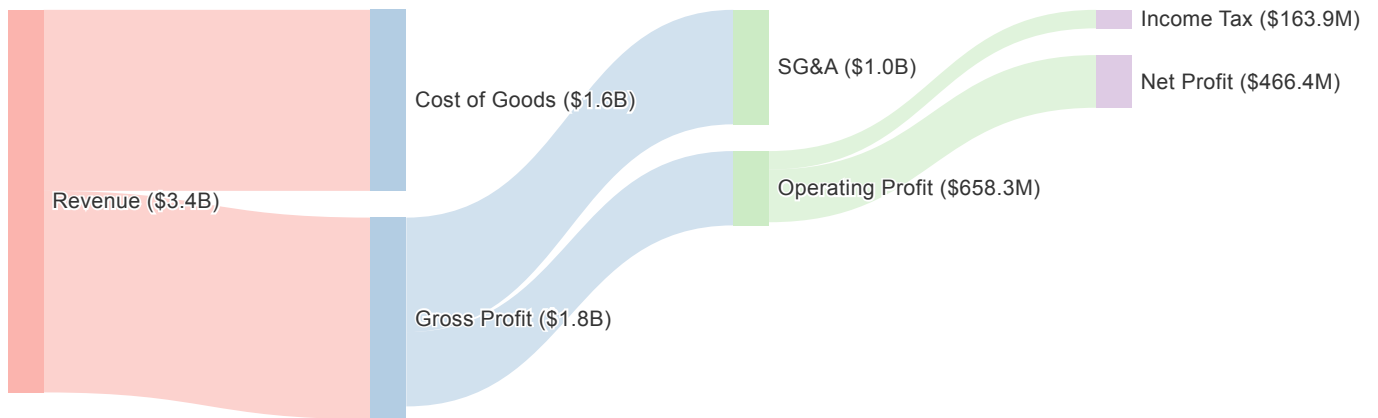
| Date       | Analyst                | Rating | Target  |
|------------|------------------------|--------|---------|
| Feb 21, 25 | Barclays               |        | \$50.00 |
| Feb 14, 25 | Canaccord Genuity      |        | \$49.00 |
| Feb 13, 25 | RBC Capital Markets    |        | \$52.00 |
| Feb 7, 25  | Wells Fargo Securities |        | \$58.00 |
| Jan 7, 25  | Canaccord Genuity      |        | \$48.00 |
| Jan 6, 25  | RBC Capital Markets    |        | \$52.00 |
| Nov 4, 24  | Barclays               |        | \$50.00 |
| Oct 24, 24 | RBC Capital Markets    |        | \$52.00 |

### EPS Revisions Q1 2025



The chart above depicts the trend in analyst earnings per share (EPS) forecasts for the upcoming quarter. Analysts have reduced this quarter's expectations by 2.0% for EPS from \$0.24 per share to \$0.23 per share over the last 12 months. The company is expected to report earnings for Q1, 2025, on April 23, 2025.

## Y LTM Financials:



\* Income Statement is based on LTM data from 2023-12-31 to 2024-12-31

### Income Statement

| Date                       | 2021  | 2022  | 2022  | 2024  | LTM   |
|----------------------------|-------|-------|-------|-------|-------|
| Revenue                    | 2,424 | 2,695 | 3,073 | 3,388 | 3,388 |
| Operating Income           | 447.6 | 493.4 | 591.6 | 658.3 | 658.3 |
| Net Income to Stockholders | 356.6 | 368.6 | 435.0 | 466.4 | 466.4 |
| Shares Outstanding         | 492.0 | 492.5 | 484.0 | 484.3 | 484.2 |
| Diluted EPS                | 0.72  | 0.75  | 0.89  | 0.96  | 0.96  |
| EBITDA                     | 534.2 | 584.7 | 691.3 | 771.5 | 771.5 |

### Balance Sheet

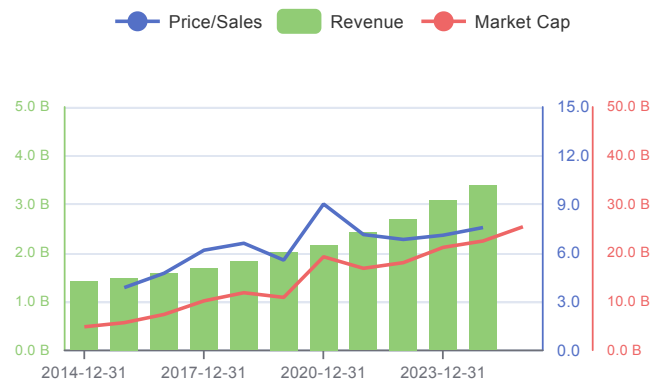
| Date                      | 2021  | 2022  | 2022  | 2024  | LTM   |
|---------------------------|-------|-------|-------|-------|-------|
| Total Current Assets      | 352.4 | 348.6 | 406.6 | 442.6 | 442.6 |
| Total Assets              | 2,021 | 2,122 | 2,595 | 2,819 | 2,819 |
| Total Current Liabilities | 491.2 | 493.8 | 576.7 | 645.2 | 645.2 |
| Total Liabilities         | 910.3 | 854.8 | 1,439 | 1,489 | 1,489 |
| Total Equity              | 1,111 | 1,267 | 1,155 | 1,330 | 1,330 |
| Total Debt                | 402.8 | 336.3 | 816.3 | 812.5 | 812.5 |

### Cash Flow Statement

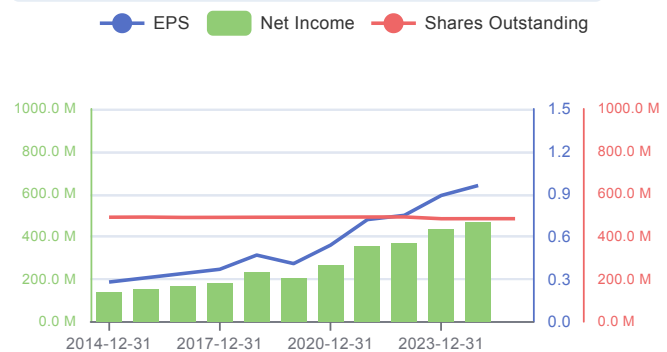
| Date                   | 2021   | 2022   | 2022   | 2024   | LTM    |
|------------------------|--------|--------|--------|--------|--------|
| Cash from Operations   | 401.8  | 465.9  | 528.4  | 607.7  | 607.7  |
| Cash from Investing    | -99.0  | -134.1 | -372.9 | -176.2 | -176.2 |
| Cash from Financing    | -290.2 | -336.0 | -149.4 | -440.7 | -440.7 |
| Levered Free Cash Flow | 374.6  | 435.3  | 495.9  | 580.1  | 580.1  |

\*In millions, except number of shares, which are reflected in thousands, and per share amounts.

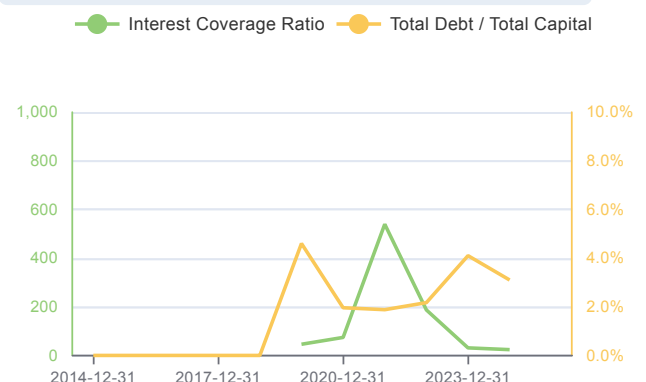
### Revenue, Market Cap, Price/sales



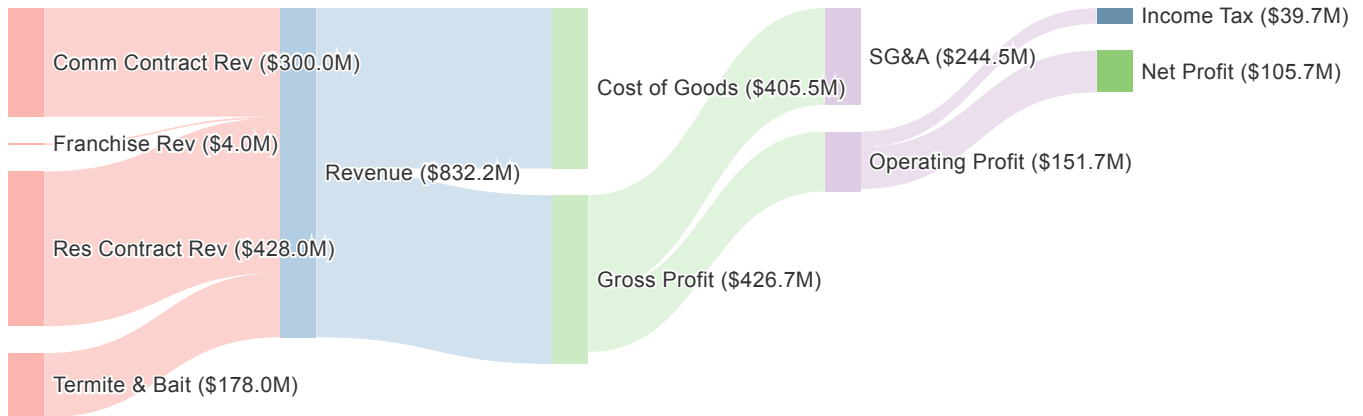
### Net Income, EPS, Shares



### Leverage and Debt



## Q3 Financials



\* Revenue segments are based on data from 2024-09-30

\* Income Statement is based on LTM data from 2024-12-31

### Income Statement

| Date                       | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 |
|----------------------------|---------|---------|---------|---------|---------|
| Revenue                    | 754.1   | 748.3   | 891.9   | 916.3   | 832.2   |
| Operating Income           | 142.2   | 132.4   | 182.4   | 191.8   | 151.7   |
| Net Income to Stockholders | 108.8   | 94.4    | 129.4   | 136.9   | 105.7   |
| Shares Outstanding         | 484.0   | 484.5   | 484.2   | 484.3   | 484.3   |
| Diluted EPS                | 0.22    | 0.19    | 0.27    | 0.28    | 0.22    |
| EBITDA                     | 168.4   | 159.7   | 210.1   | 219.5   | 182.2   |

### Balance Sheet

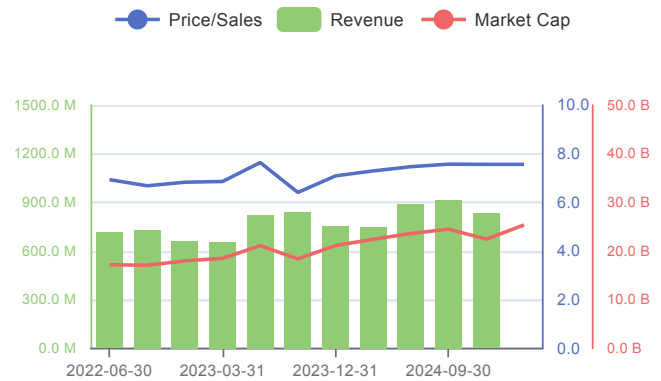
| Date                      | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 |
|---------------------------|---------|---------|---------|---------|---------|
| Total Current Assets      | 406.6   | 424.4   | 474.3   | 486.5   | 442.6   |
| Total Assets              | 2,595   | 2,658   | 2,766   | 2,816   | 2,819   |
| Total Current Liabilities | 576.7   | 591.9   | 610.0   | 622.1   | 645.2   |
| Total Liabilities         | 1,439   | 1,491   | 1,530   | 1,498   | 1,489   |
| Total Equity              | 1,155   | 1,167   | 1,236   | 1,317   | 1,330   |
| Total Debt                | 816.3   | 854.9   | 875.6   | 839.5   | 812.5   |

### Cash Flow Statement

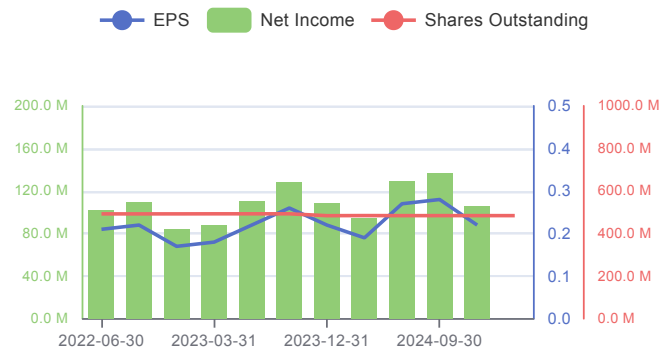
| Date                   | Q3 2023 | Q4 2023 | Q1 2024 | Q2 2024 | Q3 2024 |
|------------------------|---------|---------|---------|---------|---------|
| Cash from Operations   | 152.8   | 127.4   | 145.1   | 146.9   | 188.2   |
| Cash from Investing    | -10.6   | -52.5   | -41.2   | -29.9   | -52.7   |
| Cash from Financing    | -183.2  | -64.3   | -109.6  | -131.6  | -135.2  |
| Levered Free Cash Flow | 141.6   | 120.3   | 136.4   | 139.4   | 184.0   |

\*In millions, except number of shares, which are reflected in thousands, and per share amounts.

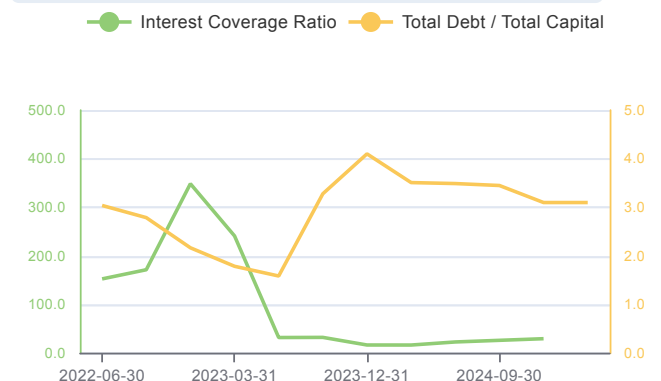
### Revenue, Market Cap, Price/sales



### Net Income, EPS, Shares



### Leverage and Debt



## Latest Wall Street Insights

### Bull Case

- Strong market position and brand recognition provide a solid foundation for continued growth and customer retention
- Consistent organic growth above industry average demonstrates effective business strategies and competitive advantages
- Potential for margin expansion through operational efficiencies, including back-office optimization, procurement improvements, and route optimization
- Opportunities for cross-selling and up-selling to existing customers can increase revenue without significant customer acquisition costs
- Strategic M&A activities and geographic expansion offer pathways for sustained growth
- Technological advancements in pest control methods could improve service efficiency and profitability
- Strong free cash flow conversion and consistent dividend growth demonstrate financial discipline and shareholder commitment

### Bear Case

- Recent margin pressures could persist, impacting profitability and the ability to meet earnings growth targets
- Missed EPS estimates in recent quarters may indicate challenges in managing costs or accurately forecasting performance
- Intensifying competition, especially after industry consolidation, could challenge Rollins' market share and growth rate
- Labor shortages and wage inflation in a labor-intensive industry could further strain margins
- The pest control market may be approaching saturation in core regions, potentially limiting organic growth opportunities
- Economic downturns could affect discretionary spending on pest control services, impacting revenue
- Regulatory changes or environmental concerns could impact pest control practices and increase compliance costs

### Additional Analyst Takeaways

- Rollins maintains a "GREAT" financial health score according to InvestingPro analysis, reflecting its strong market position
- The company's stock is trading at a P/E ratio of 53.3x, suggesting premium valuation levels that may warrant caution
- Four analysts have recently revised their earnings estimates downward for the upcoming period
- Rollins has reaffirmed its commitment to improving margins and achieving double-digit earnings growth for fiscal year 2025
- The company is focusing on strategic initiatives including pricing strategy, service expansion, operational efficiency, and market share gains to achieve its financial goals
- Analysts project high single-digit to low double-digit revenue growth in 2025, driven by 7-8% organic growth and 2-3% from M&A
- The U.S. pest control market has grown at a CAGR of approximately 5% since 2013, reaching \$11.7 billion in 2023
- Rollins' ability to outpace market growth underscores its competitive advantages and effective business strategies

## SWOT Analysis

### Strengths

- Strong brand recognition and market leadership with a 24% market share in North America
- Diverse portfolio of pest control services including well-known brands like Orkin and HomeTeam Pest Defense
- Consistent organic growth above industry average, with rates of 7.8% and 8.1% in 2022 and 2023 respectively
- High percentage of recurring revenue
- Strong free cash flow conversion, with targets greater than 100%
- Robust gross profit margins of 52.7%, demonstrating strong pricing power
- Impressive track record of maintaining dividend payments for 55 consecutive years, with 22 years of consecutive increases

### Weaknesses

- Recent margin pressures impacting profitability, with incremental margins around 15% compared to mid-term guidance of over 30%
- Missed EPS estimates in recent quarters, reporting \$0.29 in Q4 2024 versus estimates of \$0.31
- Dependence on labor in a tight job market, potentially impacting operational costs
- Potential integration challenges from acquisitions as part of growth strategy

### Opportunities

- Expansion through strategic M&A activities, contributing 2-3% to revenue growth
- Cross-selling and up-selling to existing customers to increase revenue per customer
- Geographic expansion into new markets leveraging strong brand recognition
- Technological advancements in pest control methods to improve service efficiency
- Increasing demand for pest control services due to climate change
- Implementation of price increases of 3-4% in the Residential segment
- Anticipated low double-digit growth in Ancillary services and acceleration to high single-digit growth in the Commercial segment for 2025

### Threats

- Intensifying competition in the pest control industry, especially after Rentokil's acquisition of Terminix
- Labor shortages and wage inflation potentially impacting operational costs
- Economic downturns affecting discretionary spending on pest control services
- Regulatory changes impacting pest control practices
- Potential for market saturation in core regions limiting organic growth opportunities

## Pro Tips

Tips that distill complex financial data into concise, actionable investment insights.

- ✔ Has raised its dividend for 22 consecutive years
- ✔ Impressive gross profit margins
- ✔ Stock generally trades with low price volatility
- ✔ Cash flows can sufficiently cover interest payments
- ✔ Has maintained dividend payments for 55 consecutive years
- ✔ Analysts predict the company will be profitable this year
- ✔ Profitable over the last twelve months
- ✔ High return over the last decade
- ✔ Strong return over the last five years

- ⚠ 4 analysts have revised their earnings downwards for the upcoming period
- ⚠ RSI suggests the stock is in overbought territory
- ⚠ Trading at a high earnings multiple
- ⚠ Trading at a high P/E ratio relative to near-term earnings growth
- ⚠ Trading at a high EBIT valuation multiple
- ⚠ Trading at a high EBITDA valuation multiple
- ⚠ Trading at a high revenue valuation multiple
- ⚠ Trading at a high Price / Book multiple

⚠ Short term obligations exceed liquid assets

⚠ Operates with a moderate level of debt

## Momentum & Technical Indicators

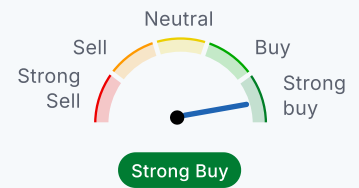
### Price Momentum

| Metric                     | ROL    | Percentile | Score |
|----------------------------|--------|------------|-------|
| Price % of 52 Week High    | 99.5%  | 100%       | 5     |
| 1 Month Price Total Return | 6.2%   | 82.0%      | 4.1   |
| 1 Week Price Total Return  | 2.5%   | 84.0%      | 4.2   |
| 1 Year Price Total Return  | 20.6%  | 75.4%      | 3.8   |
| 2 Week Price Total Return  | 3.6%   | 86.0%      | 4.3   |
| 2 Year Price Total Return  | 53.9%  | 77.2%      | 3.9   |
| 3 Month Price Total Return | 5.4%   | 67.1%      | 3.4   |
| 3 Week Price Total Return  | 4.9%   | 82.4%      | 4.1   |
| 3 Year Price Total Return  | 59.9%  | 71.5%      | 3.6   |
| 4 Year Price Total Return  | 64.7%  | 71.0%      | 3.5   |
| 5 Year Price Total Return  | 113.5% | 74.5%      | 3.7   |
| 6 Month Price Total Return | 5.1%   | 60.5%      | 3.0   |

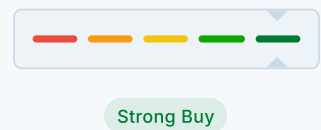
### Peers

|  | RTOKY  | VLTO  |
|--|--------|-------|
|  | 77.4%  | 86.8% |
|  | -0.2%  | -1.4% |
|  | -0.9%  | -0.3% |
|  | -7.5%  | 15.4% |
|  | -6.3%  | 1.8%  |
|  | -19.9% | 24.4% |
|  | -1.0%  | -6.9% |
|  | 0.9%   | -0.0% |
|  | -20.4% | 24.4% |
|  | -10.8% | 24.4% |
|  | -17.7% | 24.4% |
|  | -17.0% | -9.4% |

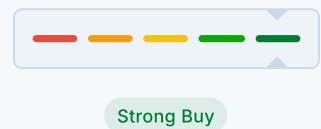
### Technical Summary



### Moving Averages



### Technical Indicators



The Moving Average Score is based on various moving averages, both simple and exponential, with ranges from 5 to 200.

The Technical Score is calculated based on key technical indicators, including RSI, Stochastic, MACD, Williams %R, CCI, ATR, Highs/Lows, Ultimate Oscillator, ROC, and Bull/Bear Power, among others.

## Peer Benchmarks:

### Market and Yield Metrics

| Metric                  | ROL   | RTOKY   | VLTO    |
|-------------------------|-------|---------|---------|
| Market Cap              | 25.4B | \$12.7B | \$24.7B |
| Price % of 52 Week High | 99.2% | -       | 87.5%   |
| Div Yield               | 1.26% | 1.45%   | 0.44%   |
| Beta                    | 0.76  | 0.51    | -       |
| 1 Year Return           | 20.6% | -11.1%  | 15.4%   |

### Growth Metrics

| Metric                        | ROL   | RTOKY | VLTO   |
|-------------------------------|-------|-------|--------|
| Revenue Growth                | 10.3% | 12.4% | 3.43%  |
| Revenue CAGR (5y)             | 11.0% | 16.8% |        |
| Net Income Growth             | 7.22% | 33.8% | -0.72% |
| Net Income CAGR (5y)          | 18.1% |       |        |
| Revenue Forecast CAGR (5y)    | 8.03% | 6.48% | 4.53%  |
| Net Income Forecast CAGR (5y) | 11.9% | 22.3% | 9.26%  |

### Financial Statement Metrics

| Metric               | ROL      | RTOKY    | VLTO     |
|----------------------|----------|----------|----------|
| Revenue              | \$3.4B   | \$6.8B   | \$5.2B   |
| Gross Profit         | 1.8B     | 5.6B     | 3.1B     |
| Operating Income     | \$658.3M | \$924.1M | \$1.2B   |
| Gross Profit Margin  | 52.7     | 82.5     | 59.8     |
| Net Income to Common | \$466.4M | \$495.5M | \$833.0M |
| ROE                  | 37.5     | 9.66     | 48.7     |
| ROI                  | 23.7     | 6.59     | 21.0     |
| ROA                  | 17.2     | 3.53     | 13.8     |
| Total Assets         | 2.8B     | \$14.2B  | \$6.4B   |
| Total Debt           | 812.5    | \$6.1B   | \$2.8B   |

### Valuation Metrics

| Metric            | ROL    | RTOKY | VLTO   |
|-------------------|--------|-------|--------|
| P/E Ratio (LTM)   | 55.0   | 25.5  | 29.9   |
| PEG Ratio         | 6.68   | -     | -16.8  |
| Price / Book      | 19.3   | 2.40  | 12.2   |
| Price / LTM Sales | 7.56   | 1.84  | 4.80   |
| Analyst Upside    | -4.56% |       | 10.3%  |
| Fair Value Upside | -20.9% | -     | -16.7% |

## Earnings Call - Q4 2024

Date: 02/13/25

- Rollins' Q4 revenue exceeded expectations, reaching \$832 million, a 10.4% year-over-year increase.
- The company's stock increased by 3.15% post-earnings announcement.
- Full-year revenue grew by 10.3% to \$3.4 billion.

### Bullish Highlights

- Strong demand across residential, commercial, and termite services drove revenue growth.
- Rollins' strategic initiatives, such as expanding its sales force and enhancing safety training, contributed to sustained growth.
- The company expects organic growth of 7-8% in 2025, with additional growth from M&A expected at 2-3%.
- Rollins maintains a strong cash flow conversion above 100% and has investment grade corporate credit ratings from Fitch and S&P.

### Q&A Highlights

- Analysts inquired about the strong residential growth despite concerns over web traffic; Rollins highlighted increased investments in sales and marketing.
- The company addressed questions on sales and marketing expenses, emphasizing investments in people rather than just cost increases.
- Rollins discussed the impact of legacy auto claims on EBITDA margins and the measures taken to reduce future claims.
- Investors asked about pricing strategies and growth investments for 2025, with Rollins confident in achieving pricing above CPI and maintaining strong growth investment returns.

- Rollins closed 44 acquisition deals and anticipates further growth through mergers and acquisitions.
- Operating cash flow stood at \$688 million, with free cash flow up 15.17%.

### Bearish Highlights

- Rollins trades above its Fair Value with a P/E ratio of 51.6x, indicating a premium market valuation.
- Potential macroeconomic pressures, market saturation in some regions, supply chain disruptions, increased competition, and regulatory changes pose risks.
- Operating margins were pressured by growth investments and legacy auto claims, impacting profitability.

### Misses

- Although Rollins' Q4 EPS of \$0.23 met analyst expectations, it was not exceeded.
- The commercial business experienced slight deceleration in growth despite easier comps, potentially due to some large one-time jobs lapsing out.
- Insurance and claims experience related to legacy auto claims were a headwind, impacting profitability.



Top News, last 60 days:

**USDA Announces \$1 Billion Investment to Combat Bird Flu Crisis**

February 26, 2025

- The U.S. Department of Agriculture will invest up to \$1 billion to fight bird flu, including increasing egg imports
- Bird flu outbreak has killed 166 million chickens in the U.S. since 2022
- USDA will provide free biosecurity audits to farms and increase payment rates for farmers who must cull their chickens
- While exploring chicken vaccination options, USDA is not yet authorizing their use due to divided industry opinions on trade implications

Importance - 7/10 Neutral

**Trump Administration Fires USDA Research Staff Under Government Efficiency Initiative**

February 14, 2025

- The Trump administration has fired probationary staff at two USDA research agencies overnight on 20250214.
- Affected agencies are the National Institute of Food and Agriculture and the Economic Research Service.
- The firings are part of a larger initiative led by Elon Musk's Department of Government Efficiency that has terminated thousands of federal workers this week.
- Agriculture Secretary Brooke Rollins confirmed DOGE has been operating at the agency for weeks and supports their reforms.
- Terminated employees have the right to appeal through the Merit Systems Protection Board, whose head Trump attempted to fire on Monday.

Importance - 7/10 Negative 🐻

**Rollins Inc Issues \$500M Senior Notes Due 2035, Reports Strong Q4 2024**

February 24, 2025

- Rollins Inc (NYSE:ROL) has issued \$500 million in 5.25% Senior Notes due February 24, 2035, with interest payable semiannually starting August 24, 2025.
- The notes will rank equally with existing senior debt and are guaranteed by subsidiaries backing Rollins' \$1.0 billion revolving credit facility.
- Proceeds will be used to repay outstanding borrowings under the credit facility, with the company currently having total debt of \$812.53 million and annual revenue of \$3.39 billion.
- Q4 2024 results showed revenue of \$832 million (exceeding \$815.99M forecast) and EPS of \$0.23, with fullyear revenue growth of 10.3% to \$3.4 billion.
- Jefferies raised Rollins' price target to \$48.00 while maintaining a Hold rating, noting revenue exceeded estimates by 2% despite EBITDA falling 3% short due to increased expenses.

Importance - 6/10 Neutral

**Rollins Prices \$500M Senior Notes Offering at 5.25% Due 2035**

February 19, 2025

- Rollins, Inc. (NYSE: ROL) has priced \$500 million aggregate principal amount of 5.25% Senior Notes due February 24, 2035.
- The offering is expected to close on February 24, 2025, subject to customary closing conditions.
- Notes are being offered to qualified institutional buyers under Rule 144A and nonU.S. persons under Regulation S of the Securities Act.
- Proceeds will primarily repay senior credit facility debt and support general corporate purposes including dividends, share repurchases, acquisitions, working capital, and capital expenditures.
- The Notes will be guaranteed by Rollins' subsidiaries that are guarantors under its senior credit facility.

Importance - 6/10 Neutral

## [Rollins Reports Strong Q4 2024 Results with Revenue Growth and Investment Grade Rating Achievement](#)

February 13, 2025

- Rollins reported Q4 2024 EPS of \$0.23, meeting analyst expectations, with revenue of \$832 million exceeding forecasts of \$815.99 million.
- Q4 2024 revenue increased 10.4% yearoveryear, with organic growth of 8.5%, led by termite services at 14.9%, commercial at 7.2%, and residential at 6.5%.
- Fullyear 2024 revenue grew 10.3% to \$3.4 billion, with operating cash flow of \$688 million and free cash flow up 15.17%.
- The company closed 44 acquisition deals in 2024 and received investment grade ratings from Fitch (BBB+) and S&P (BBB).
- For 2025, Rollins projects organic growth of 78% with additional 23% growth from M&A, maintaining pricing above CPI levels.
- The company announced a new \$1 billion commercial paper program backed by existing credit facility.

Importance - 6/10 Positive 📈

## [Rollins Inc. Launches Private Senior Notes Offering, Reports Strong Q4 2024 Results](#)

February 19, 2025

- Rollins Inc. (NYSE:ROL), a \$24.2B market cap company, announced a private offering of senior notes on 20250219, with proceeds intended for debt repayment and general corporate purposes.
- The company reported Q4 2024 revenue of \$832M (beating \$815.99M forecast) and EPS of \$0.23, with fullyear revenue growing 10.3% to \$3.4B.
- Rollins completed 44 acquisitions in 2024 and maintains a 55year dividend payment streak with 22 consecutive years of dividend increases.
- Operating cash flow reached \$688M with free cash flow increasing 15.17%, while the company maintains 52.7% gross profit margins and 38% return on equity.
- Jefferies raised Rollins' price target to \$48 while maintaining a Hold rating following quarterly results.

Importance - 5/10 Neutral

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