Pitney Bowes Inc.

Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

Procession		Thr	ee months end	ember 30,	Nine months ended September 30,					
Business services \$ 518,405 \$ 513,344 \$ 1,687,267 \$ 1,688,806 Support services 107,642 113,413 325,619 347,266 Financing 67,757 71,966 202,010 263,04 Euptyment sales 83,528 83,234 262,810 256,304 Suppise 37,555 38,211 116,761 111,078 111,078 Rentals 16,127 17,271 49,810 55,128 Total revenue 830,914 875,449 2,629,301 2,698,404 Cost of business services 36,618 38,250 111,463 11,455,456 Cost of business services 36,618 38,250 111,463 11,254,666 Financing interiest expense 13,692 11,710 37,827 35,569 Cost of suppinest seles 60,595 62,221 188,161 185,562 Cost of suppinest seles 60,595 62,221 188,161 185,562 Cost of suppinest seles 60,952 10,705 33,074 32,333			2022		2021		2022		2021	
Support services 107,642 113,413 326,619 347,266 Financing 67,757 71,308 207,084 223,201 Equipment sakes 83,525 83,234 262,810 263,003 Supplies 37,455 38,211 116,761 119,000 Rentals 16,127 17,271 49,810 55,128 Total revenue 830,914 875,449 2,629,361 2,689,849 Costs and expenses:	Revenue:		_		_			· ·	_	
Financing 67,757 71,936 207,094 228,201 Equipment sales 83,285 83,234 262,810 256,000 Supplies 37,455 38,211 116,761 119,000 Rentals 16,127 17,271 48,810 55,128 Total revenue 83,014 875,449 2,529,351 2,698,781 Cost of business services Cost of business services 36,618 38,250 111,463 11,454,664 Cost of support services 36,618 38,250 111,463 11,454,664 Cost of pulport services 60,955 62,221 188,181 18,562 Cost of pulport services 60,955 62,221 188,181 18,562 Cost of pulport services 60,955 62,221 188,181 18,562 Cost of pulport services 10,529 10,705 33,074 23,838 Cost of pulport services 10,529 10,705 33,074 32,838 Cost of pulport services 10,529 10,705 47,9	Business services	\$	518,405	\$	551,384	\$	1,667,267	\$	1,688,860	
Equipment sales 83,528 83,244 26,2810 26,080 Supplies 37,455 38,211 116,761 119,090 Rentals 16,127 11,271 49,810 5,128 Total revenue 830,914 875,449 2,629,351 2,689,849 Costs and expenses: Cost of business services 452,715 472,216 1,433,474 1,454,664 Cost of support services 36,618 38,250 111,463 112,646 Financing interest expense 13,692 11,710 37,827 35,369 Cost of supplies 0,695 62,221 188,181 185,622 Cost of requipment sales 6,670 6,480 19,052 18,440 Selling, apental and administrative 29,676 225,024 678,999 699,140 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 1,427 46 3,229 <td>Support services</td> <td></td> <td>107,642</td> <td></td> <td>113,413</td> <td></td> <td>325,619</td> <td></td> <td>347,266</td>	Support services		107,642		113,413		325,619		347,266	
Supplies 37,455 38,211 116,761 130,000 Rentals 16,127 17,271 49,810 55,128 Total revenue 3830,914 875,449 2,629,351 2,689,849 Costs and expenses: ***********************************	Financing		67,757		71,936		207,084		223,201	
Rentals 16,127 17,271 49,810 55,128 Total revenue 830,914 875,449 2,629,351 2,689,649 Costs of support services 852,715 472,216 1,433,474 1,454,564 Cost of business services 36,618 38,250 111,463 112,646 Financing interest expense 13,692 11,710 37,827 35,868 Cost of support services 60,695 62,221 188,181 185,652 Cost of supplies 10,629 10,705 33,074 32,383 Cost of registers 6,6270 6,480 13,052 18,940 Research and development 9,812 10,621 32,400 32,996 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,224 10,621 32,400 32,996 Restructuring charges 1,427 46 3,229 708 Restructuring charges 1,427 46 3,229 708 Other components of net pension	Equipment sales		83,528		83,234		262,810		256,304	
Total revenue 830,914 875,449 2,629,351 2,689,849 Costs and expenses: Cost of business services 452,715 472,216 1,433,474 1,454,564 Cost of support services 36,618 38,250 111,463 112,646 Financing interest expense 13,692 11,710 37,827 3,568 Cost of equipment sales 60,595 62,221 188,181 185,622 Cost of supplies 10,529 10,705 33,074 32,833 Cost of rentals 6,270 6,480 19,052 18,940 Selling, general and administrative 209,676 225,024 678,999 699,316 Respact And development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,885 24,312 66,816 73,816 Other (momponents of net pension and postretirement expense 1,427 46 3,229 708 Other (momponents of net pension and postretirement expense 10,	Supplies		37,455		38,211		116,761		119,090	
Costs and expenses: 452,715 472,216 1,433,474 1,454,564 Cost of business services 36,618 38,250 111,463 112,646 Financing interest expenses 13,692 11,710 37,827 35,569 Cost of equipment sales 60,995 62,221 188,181 18,552 Cost of equipment sales 60,995 62,221 188,181 18,552 Cost of rentals 6,270 6,480 19,052 19,940 Selling, general and administrative 209,576 225,024 678,99 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,865 24,312 66,816 73,316 Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888	Rentals		16,127		17,271		49,810		55,128	
Cost of business services 452,715 472,216 1,433,474 1,454,564 Cost of support services 36,618 38,250 111,463 112,646 Financing interest expense 13,692 11,710 37,827 35,568 Cost of equipment sales 60,595 62,221 188,181 185,622 Cost of supplies 10,529 10,705 33,074 32,383 Cost of rentals 6,270 6,480 19,052 18,940 Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,685 24,312 66,816 73,816 Other (incomponents of net pension and postretirement expense 1,427 46 3,229 708 Other (incomp) expense, net 820,785 86,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970	Total revenue		830,914		875,449		2,629,351		2,689,849	
Cost of support services 36,618 38,250 111,463 112,646 Financing interest expense 13,692 11,710 37,827 35,368 Cost of equipment sales 60,595 62,221 188,181 185,622 Cost of supplies 10,529 10,705 33,074 32,383 Cost of rentals 6,270 6,480 19,052 18,440 Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,665 24,312 66,816 73,816 Other (incomponents of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 8,207,85 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 8,970	Costs and expenses:									
Financing interest expense 13,692 11,710 37,927 35,369 Cost of equipment sales 60,955 62,221 188,181 186,622 Cost of supplies 10,529 10,705 33,074 32,383 Cost of trentals 6,270 6,480 19,052 18,940 Selling, general and administrative 298,576 225,024 678,999 699,316 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,885 24,312 66,816 73,816 Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (fincome) expense, net (8,388) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 10,129 6,970 32,463 10,602) Income (loss) from discontinued operations, net of tax	Cost of business services		452,715		472,216		1,433,474		1,454,564	
Cost of equipment sales 60,595 62,221 188,181 185,622 Cost of supplies 10,529 10,705 33,074 32,383 Cost of rentals 6,270 6,480 19,052 18,940 Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,685 24,312 66,816 73,816 Other (income) expenses, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 80,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,002) Income (loss) from discontinued operations, net of tax 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations \$ 0,003 <td>Cost of support services</td> <td></td> <td>36,618</td> <td></td> <td>38,250</td> <td></td> <td>111,463</td> <td></td> <td>112,646</td>	Cost of support services		36,618		38,250		111,463		112,646	
Cost of supplies 10,529 10,705 33,074 32,383 Cost of rentals 6,270 6,480 19,052 18,940 Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,885 24,312 66,816 73,816 Other components of net pension and postretirement expense 1,427 46 3,229 709 Other (income) expense, net 8,398 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (beenefit) for income taxes 10,129 6,970 32,463 10,602 Income (loss) from discontinued operations, net of tax 5,487 8,495 30,644 1,716 Income (loss) per share: 2,00,0	Financing interest expense		13,692		11,710		37,827		35,369	
Cost of rentals 6,270 6,480 19,052 18,940 Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,685 24,312 66,816 73,816 Other (incomponents of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income (loss) from discontinued operations, net of tax 5,487 8,495 30,644 1,716 Income (loss) per share: 2 5,487 9,067 30,644 2,619 Discontinued opera	Cost of equipment sales		60,595		62,221		188,181		185,622	
Selling, general and administrative 209,576 225,024 678,999 699,316 Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,685 24,312 66,816 73,816 Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 888,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income from continuing operations before taxes 5,487 9,067 3,044 1,716 Income (loss) from discontinued operations, net of tax - 572 - (4,334) Net income (loss) perations \$ 0,03 0,05 0,18 0,002 Ne	Cost of supplies		10,529		10,705		33,074		32,383	
Research and development 9,812 10,621 32,400 32,996 Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,685 24,312 66,816 73,816 Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income (loss) from discontinued operations 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations, net of tax 5,487 9,067 30,644 1,612 Net income (loss) ps share: 2 5,722 - - - - - - - - - - - - -	Cost of rentals		6,270		6,480		19,052		18,940	
Restructuring charges 4,264 3,701 12,672 11,434 Interest expense, net 23,885 24,312 66,816 73,816 Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income (loss) from discontinued operations, net of tax 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations, net of tax 5,487 8,095 30,644 1,716 Income (loss) per share: 2 5,2487 8,005 30,644 2,618 Discontinued operations \$ 0.03 0.05 0.18 0.01 Net income (loss) \$ 0.03 0.05 0.18 0.02 Discontinued ope	Selling, general and administrative		209,576		225,024		678,999		699,316	
Interest expense, net	Research and development		9,812		10,621		32,400		32,996	
Other components of net pension and postretirement expense 1,427 46 3,229 708 Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income from continuing operations 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations, net of tax - 572 - - (4,334) Net income (loss) \$ 5,487 \$ 9,067 \$ 30,644 \$ 1,716 Income (loss) \$ 5,487 \$ 9,067 \$ 30,644 \$ 1,716 Provision (loss) per share: \$ 0,03 \$ 0,05 \$ 0,18 \$ 0,01 Discontinued operations \$ 0,03 \$ 0,05 \$ 0,18 \$ 0,02 Diluted earnings (loss) per share: \$ 0,00 \$ 0,00 \$ 0,00 \$ 0,00 Discontinued	Restructuring charges		4,264		3,701		12,672		11,434	
Other (income) expense, net (8,398) 3,193 (20,299) 40,941 Total costs and expenses 820,785 868,479 2,596,888 2,698,735 Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886) Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income from continuing operations 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations, net of tax - 572 - (4,334) Net income (loss) \$ 5,487 \$ 9,067 \$ 30,644 \$ (2,618) Basic earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.01 Discontinued operations \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.02 Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.02 Discontinued operations \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.02 Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations	Interest expense, net		23,685		24,312		66,816		73,816	
Total costs and expenses 820,785 868,479 2,596,888 2,698,735	Other components of net pension and postretirement expense		1,427		46		3,229		708	
Income (loss) from continuing operations before taxes 10,129 6,970 32,463 (8,886)	Other (income) expense, net		(8,398)		3,193		(20,299)		40,941	
Provision (benefit) for income taxes 4,642 (1,525) 1,819 (10,602) Income from continuing operations 5,487 8,495 30,644 1,716 Income (loss) from discontinued operations, net of tax - 572 - (4,334) Net income (loss) \$ 5,487 \$ 9,067 \$ 30,644 \$ (2,618) Basic earnings (loss) per share: - - - - - 0.05 \$ 0.18 \$ 0.01 - 0.02 - - 0.02 - - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 - 0.02 0.02 - 0.02 - 0.02 0.02 0.02 0.02 - 0.02 0.02 0.02 0.02 0.02 0.02 0.02<	Total costs and expenses		820,785		868,479		2,596,888		2,698,735	
Income from continuing operations	Income (loss) from continuing operations before taxes		10,129		6,970		32,463		(8,886)	
Income (loss) from discontinued operations, net of tax	Provision (benefit) for income taxes		4,642		(1,525)		1,819		(10,602)	
Net income (loss) \$ 5,487 \$ 9,067 \$ 30,644 \$ (2,618) Basic earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.01 Discontinued operations Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ (0.02) Diluted earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01	Income from continuing operations		5,487		8,495		30,644		1,716	
Basic earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.18 \$ 0.01 Discontinued operations - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ (0.02) Diluted earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	Income (loss) from discontinued operations, net of tax		-		572		-		(4,334)	
Continuing operations \$ 0.03 0.05 \$ 0.18 0.01 Discontinued operations - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ (0.02) Diluted earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	Net income (loss)	\$	5,487	\$	9,067	\$	30,644	\$	(2,618)	
Discontinued operations Net income (loss) - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ (0.02) Diluted earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations Net income (loss) - - - - - (0.02)	Basic earnings (loss) per share:									
Net income (loss) \$ 0.03 \$ 0.05 \$ 0.18 \$ (0.02) Diluted earnings (loss) per share: Continuing operations Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations - - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	Continuing operations	\$	0.03	\$	0.05	\$	0.18	\$	0.01	
Diluted earnings (loss) per share: Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations - - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	·	-	-				-			
Continuing operations \$ 0.03 \$ 0.05 \$ 0.17 \$ 0.01 Discontinued operations - - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	Net income (loss)	\$	0.03	\$	0.05	\$	0.18	\$	(0.02)	
Discontinued operations - - - - (0.02) Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	Diluted earnings (loss) per share:									
Net income (loss) \$ 0.03 \$ 0.05 \$ 0.17 \$ (0.02)	• .	\$	0.03	\$	0.05	\$	0.17	\$		
<u> </u>	•	_	-		-	_	-			
Weighted-average shares used in diluted earnings per share 176,966 179,409 177,418 178,949	Net income (loss)	\$	0.03	\$	0.05	\$	0.17	\$	(0.02)	
	Weighted-average shares used in diluted earnings per share		176,966		179,409		177,418		178,949	

Pitney Bowes Inc. Consolidated Balance Sheets

(Unaudited; in thousands)

Courrent assets: Cash and cash equivalents \$ 596,647 \$ 732,480 Cash and cash equivalents 10,014 14,440 Short-term investments 10,014 14,440 Accounts and other receivables, net 287,751 334,630 Short-term finance receivables, net 551,476 560,680 Inventories 27,442 13,894 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 28,451 34,774 Long-term finance receivables, net 597,198 587,427 Goodwill 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets 766,170 922,543 Current liabilities 766,170 922,543	Assets	September 30, 2022	December 31, 2021			
Cash and cash equivalents \$ 596,647 \$ 732,480 Short-term investments 10,014 14,440 Accounts and other receivables, net 287,751 334,630 Short-term finance receivables, net 551,476 560,680 Inventories 89,946 78,588 Current income taxes 27,442 13,884 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 25,451 34,772 Long-term finance receivables, net 597,198 587,472 Goodwill 1,045,940 1,135,101 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets 766,170 \$ 922,543 Current liabilities 766,170 \$ 922,543 Customer deposits at Pfiney			2021			
Short-term investments 10,014 14,440 Accounts and other receivables, net 551,476 560,860 Short-term finance receivables, net 551,476 560,880 Inventories 89,946 78,588 Current income taxes 27,442 13,894 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 28,451 34,774 Long-term finance receivables, net 597,198 587,427 Goodwill 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets 766,170 922,543 Current liabilities 766,170 922,543 Customer deposits at Pitney Bowes Bank 663,420 632,062 Current operating lease		\$ 596.647	\$ 732,480			
Accounts and other receivables, net 287,751 334,630 Short-term finance receivables, net 551,476 560,680 Inventories 89,946 78,588 Current income taxes 27,442 13,894 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 28,451 34,774 Long-term finance receivables, net 597,198 587,427 Goodwill 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets 766,170 922,543 Cutrent payable and accrued liabilities 766,170 922,543 Cutrent operating lease liabilities 4,5761 40,299 Cutrent operating lease liabilities 45,761 40,299		· · · · · ·	*			
Short-term finance receivables, net Inventories 551,476 560,680 Inventories 89,946 75,588 Current income taxes 27,442 13,894 Other current assets and prepayments 116,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 28,451 34,774 Long-term finance receivables, net 597,198 587,427 Goodwill 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets \$ 4,593,149 \$ 4,956,871 Current liabilities \$ 766,170 \$ 922,543 Customer deposits at Pitney Bowes Bank 663,420 632,062 Current operating lease liabilities \$ 766,170 \$ 922,543 Current portion of long-term debt 27,133 24,739 Advance billings 94,100 99,280 Curr						
Inventories 89,946 78,588 Current income taxes 27,442 13,894 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 28,451 34,774 Cond-will 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,248 Noncurrent income taxes 56,339 68,398 Other assets 388,704 471,084 Total assets 388,704 471,084 Total assets 766,170 922,543 Current liabilities 766,170 922,543 Current portating lease liabilities 766,170 922,543 Current poperating lease liabilities 45,761 40,299 Current portion of long-term debt 27,133 24,739 Advance billings 94,100 99,280 Current income taxes 2,051 <						
Current income taxes 27,442 13,894 Other current assets and prepayments 146,636 157,341 Total current assets 1,709,912 1,892,053 Property, plant and equipment, net 427,958 429,162 Rental property and equipment, net 28,451 34,774 Long-term finance receivables, net 597,198 587,427 Goodwill 1,045,940 1,135,103 Intangible assets, net 79,399 132,442 Operating lease assets 259,248 208,428 Noncurrent income taxes 56,339 68,398 Other assets 38,704 471,084 Total assets \$ 4,593,149 \$ 4,958,871 Liabilities and stockholders' equity \$ 766,170 \$ 922,543 Current liabilities \$ 766,170 \$ 922,543 Current poerating lease liabilities \$ 766,170 \$ 922,543 Current operating lease liabilities \$ 766,170 \$ 922,543 Current portion of long-term debt 27,133 24,739 Advance billings 94,100 99,280 <tr< td=""><td></td><td></td><td></td></tr<>						
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Tax uncertainties and other income tax liabilities 31,566 31,935 Noncurrent operating lease liabilities 239,788 192,092 Other noncurrent liabilities 268,415 308,728 Total liabilities 4,601,425 4,846,239 Stockholders' equity: 200 200 Common stock 323,338 323,338 Additional paid-in-capital - 2,485 Retained earnings 5,128,030 5,169,270 Accumulated other comprehensive loss (905,453) (780,312) Treasury stock, at cost (4,554,191) (4,602,149) Total stockholders' (deficit) equity (8,276) 112,632	Accounts payable and accrued liabilities Customer deposits at Pitney Bowes Bank Current operating lease liabilities Current portion of long-term debt Advance billings Current income taxes Total current liabilities Long-term debt	663,420 45,761 27,133 94,100 2,051 1,598,635 2,189,566	632,062 40,299 24,739 99,280 9,017 1,727,940 2,299,099			
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Pitney Bowes Inc. Business Segment Revenue

(Unaudited; in thousands)

	 Three mor	nths e	ended Septen	nber 30,	Nine months ended September 30,							
	 2022		2021	% Change	2022	2021	% Change					
Global Ecommerce	\$ 354,326	\$	398,011	(11%)	\$ 1,166,623	\$ 1,229,526	(5%)					
Presort Services	144,824		139,296	4%	444,302	417,041	7%					
Sending Technology Solutions	331,764		338,142	(2%)	1,018,426	1,043,282	(2%)					
Total revenue - GAAP	830,914		875,449	(5%)	2,629,351	2,689,849	(2%)					
Currency impact on revenue	13,354		-		28,123	-						
Revenue, at constant currency	\$ 844,268	\$	875,449	(4%)	\$ 2,657,474	\$ 2,689,849	(1%)					

Pitney Bowes Inc. Business Segment EBIT & EBITDA

(Unaudited; in thousands)

						Т	hree r	nonths en	ded	Septembe	r 30,			
	2022						2021					% ch	ange	
		EBIT (1)		D&A		EBITDA		EBIT ⁽¹⁾		D&A	EBITDA		EBIT	EBITDA
Global Ecommerce	\$	(34,881)	\$	17,982	\$	(16,899)	\$	(20,950)	\$	20,935	\$ (15	5)	(66%)	>(100%)
Presort Services	•	20,561	•	7,182	•	27,743	•	21,062	•	6,235	27,297		(2%)	2%
Sending Technology Solutions		95,234		7,248		102,482		98,950		7,694	106,644		(4%)	(4%)
Segment total	\$	80,914	\$	32,412		113,326	\$	99,062	\$	34,864	133,926	5	(18%)	(15%)
Reconciliation of Segment EBITDA to Net Income:														
Segment depreciation and amortization						(32,412)					(34,864	4)		
Unallocated corporate expenses						(42,908)					(49,176	3)		
Restructuring charges						(4,264)					(3,70	1)		
Gain on sale of businesses						13,764					-			
Loss on debt refinancing						-					(3,193	3)		
Interest, net						(37,377)					(36,022	2)		
(Provision) benefit for income taxes						(4,642)					1,525	5		
Income from continuing operations						5,487				'-	8,495	5		
Income from discontinued operations, net of tax						-					572	2		
Net income					\$	5,487				•	\$ 9,067	7		
				2022			Nine m	onths end	led S	September 2021	30,		% ch	ange
		EBIT (1)		D&A		EBITDA		EBIT ⁽¹⁾		D&A	EBITDA	╛╘	EBIT	EBITDA
Global Ecommerce	\$	(77,402)	\$	60,906	\$	(16,496)	\$	(58,157)	\$	58,171	\$ 14	4	(33%)	>(100%)
Presort Services		53,044		20,601		73,645		56,247		20,532	76,779		(6%)	(4%)
Sending Technology Solutions		295,374		22,159		317,533		320,541		22,835	343,376	6	(8%)	(8%)
Segment Total	\$	271,016	\$	103,666		374,682	\$	318,631	\$	101,538	420,169	9 =	(15%)	(11%)
Reconciliation of Segment EBITDA to Net Income (Lo	ss):													
Segment depreciation and amortization						(103,666)					(101,538			
Unallocated corporate expenses						(141,537)					(162,957	7)		
Restructuring charges						(12,672)					(11,434	4)		
Gain on sale of assets						14,372					1,434	4		
Gain on sale of businesses, including transaction costs						10,920					10,201	1		
Loss on debt redemption/refinancing						(4,993)					(55,576	,		
Interest, net						(104,643)					(109,185	,		
(Provision) benefit for income taxes						(1,819)					10,602			
Income from continuing operations						00 044					1,716	3		
						30,644								
Loss from discontinued operations, net of tax Net income (loss)					\$	30,644					(4,33 ⁴ \$ (2,618	4)		

⁽¹⁾ Segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, and other items that are not allocated to a particular business segment. In 2022, we refined the methodology for allocating transportation costs between Global Ecommerce and Presort Services, resulting in an increase in Global Ecommerce EBIT and a corresponding decrease in Presort Services EBIT of \$3 million and \$9 million for the three and nine months ended September 30, 2022, respectively.

Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results

(Unaudited; in thousands, except per share amounts)

	 Three mor Septem				Nine months ended September 30,					
	 2022		2021		2022		2021			
Reconciliation of reported net income (loss) to adjusted EBIT and EBITDA										
Net income (loss)	\$ 5,487	\$	9,067	\$	30,644	\$	(2,618)			
(Income) loss from discontinued operations, net of tax	-		(572)		-		4,334			
Provision (benefit) for income taxes	4,642		(1,525)		1,819		(10,602)			
Income (loss) from continuing operations before taxes	 10,129		6,970		32,463		(8,886)			
Restructuring charges	4,264		3,701		12,672		11,434			
Gain on sale of assets	-		-		(14,372)		(1,434)			
Gain on sale of businesses, including transaction costs	(13,764)		-		(10,920)		(10,201)			
Loss on debt redemption/refinancing	-		3,193		4,993		55,576			
Adjusted net income before tax	 629		13,864		24,836		46,489			
Interest, net	37,377		36,022		104,643		109,185			
Adjusted EBIT	 38,006		49,886		129,479		155,674			
Depreciation and amortization	39,280		41,809		124,752		121,225			
Adjusted EBITDA	\$ 77,286	\$	91,695	\$	254,231	\$	276,899			
Share to adjusted diluted earnings per share Diluted earnings (loss) per share Loss from discontinued operations, net of tax	\$ 0.03	\$	0.05	\$	0.17	\$	(0.02) 0.02			
Restructuring charges	0.02		0.02		0.05		0.05			
Gain on sale of assets	-		-		(0.06)		(0.01)			
Gain on sale of businesses, including transaction costs	(0.05)		_		(0.09)		(0.02)			
Loss on debt redemption/refinancing	(0.00)		0.01		0.02		0.23			
Adjusted diluted earnings per share (1)	\$ (0.00)	\$	0.08	\$	0.10	\$	0.26			
(1) The sum of the earnings per share amounts may not equal the totals	 <u> </u>	<u> </u>	0.00	<u> </u>	0.10	<u> </u>	0.20			
Reconciliation of reported net cash from operating activities to free cash flow										
Net cash from operating activities	\$ (36,465)	\$	71,446	\$	9,229	\$	216,174			
Capital expenditures	(33,359)		(57,204)		(97,533)		(140,907)			
Restructuring payments	3,506		6,023		11,761		14,847			
Change in customer deposits at PB Bank	47,271		9,879		31,359		25,512			
Transaction costs paid	 3,268		-		5,400		-			
Free cash flow	\$ (15,779)	\$	30,144	\$	(39,784)	\$	115,626			