

Pitney Bowes Inc.

Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue:				
Services	\$ 289,476	\$ 312,747	\$ 898,331	\$ 932,690
Products	89,712	101,846	273,782	324,232
Financing and other	80,487	84,870	242,891	253,555
Total revenue	<u>459,675</u>	<u>499,463</u>	<u>1,415,004</u>	<u>1,510,477</u>
Costs and expenses:				
Cost of services	146,394	158,690	446,507	481,367
Cost of products	54,294	59,126	159,700	182,552
Cost of financing and other	14,708	20,174	47,871	61,859
Selling, general and administrative	144,154	189,989	480,611	569,625
Research and development	3,409	7,580	11,773	22,465
Restructuring charges	1,836	30,694	17,042	64,859
Interest expense, net	26,072	27,764	75,279	83,323
Other components of net pension and postretirement cost	1,645	(961)	5,446	(1,730)
Other (income) expense	(981)	50,287	16,628	50,287
Total costs and expenses	<u>391,531</u>	<u>543,343</u>	<u>1,260,857</u>	<u>1,514,607</u>
Income (loss) from continuing operations before taxes	68,144	(43,880)	154,147	(4,130)
Provision (benefit) for income taxes	16,181	(166,466)	36,787	(148,695)
Income from continuing operations	<u>51,963</u>	<u>122,586</u>	<u>117,360</u>	<u>144,565</u>
Loss from discontinued operations, net of tax	-	(261,058)	-	(310,789)
Net income (loss)	<u>\$ 51,963</u>	<u>\$ (138,472)</u>	<u>\$ 117,360</u>	<u>\$ (166,224)</u>
Basic earnings (loss) per share:				
Continuing operations	\$ 0.31	\$ 0.68	\$ 0.66	\$ 0.81
Discontinued operations	-	(1.45)	-	(1.74)
Net income (loss)	<u>\$ 0.31</u>	<u>\$ (0.77)</u>	<u>\$ 0.66</u>	<u>\$ (0.93)</u>
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.30	\$ 0.67	\$ 0.66	\$ 0.79
Discontinued operations	-	(1.42)	-	(1.70)
Net income (loss)	<u>\$ 0.30</u>	<u>\$ (0.75)</u>	<u>\$ 0.66</u>	<u>\$ (0.91)</u>
Weighted-average shares used in diluted earnings per share	<u>170,370</u>	<u>183,838</u>	<u>178,375</u>	<u>182,445</u>

The sum of the earnings per share amounts may not equal the totals due to rounding.

Pitney Bowes Inc.
Consolidated Balance Sheets
(Unaudited; in thousands)

Assets	September 30, 2025	December 31, 2024
Current assets:		
Cash and cash equivalents	\$ 320,994	\$ 469,726
Short-term investments	14,978	16,374
Accounts and other receivables, net	161,696	159,951
Short-term finance receivables, net	497,573	535,608
Inventories	75,699	59,836
Current income taxes	4,313	10,429
Other current assets and prepayments	74,290	66,030
Total current assets	<u>1,149,543</u>	<u>1,317,954</u>
Property, plant and equipment, net	184,043	218,657
Rental property and equipment, net	22,605	24,587
Long-term finance receivables, net	624,496	610,316
Goodwill	746,525	721,003
Intangible assets, net	16,019	15,780
Operating lease assets	107,457	113,357
Noncurrent income taxes	101,738	99,773
Other assets	302,785	276,089
Total assets	<u>\$ 3,255,211</u>	<u>\$ 3,397,516</u>
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 698,686	\$ 873,626
Customer deposits at Pitney Bowes Bank	602,189	645,860
Current operating lease liabilities	27,030	26,912
Current portion of long-term debt	16,150	53,250
Advance billings	72,766	70,131
Current income taxes	4,909	2,948
Total current liabilities	<u>1,421,730</u>	<u>1,672,727</u>
Long-term debt	2,087,966	1,866,458
Deferred taxes on income	70,165	49,187
Tax uncertainties and other income tax liabilities	724	13,770
Noncurrent operating lease liabilities	94,260	100,804
Noncurrent customer deposits at Pitney Bowes Bank	46,000	57,977
Other noncurrent liabilities	195,904	215,026
Total liabilities	<u>3,916,749</u>	<u>3,975,949</u>
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,657,001	2,671,868
Accumulated other comprehensive loss	(765,354)	(839,171)
Treasury stock, at cost	(2,823,523)	(2,681,468)
Total stockholders' deficit	<u>(661,538)</u>	<u>(578,433)</u>
Total liabilities and stockholders' deficit	<u>\$ 3,255,211</u>	<u>\$ 3,397,516</u>

Pitney Bowes Inc.
Business Segment Revenue
(Unaudited; in thousands)

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2025	2024	% Change	2025	2024	% Change
Sending Technology Solutions	\$ 310,782	\$ 331,376	(6%)	\$ 938,104	\$ 1,017,470	(8%)
Presort Services	148,893	166,367	(11%)	476,900	483,032	(1%)
Total reportable segments	459,675	497,743	(8%)	1,415,004	1,500,502	(6%)
Other	-	1,720	(100%)	-	9,975	(100%)
Total revenue, as reported	459,675	499,463	(8%)	1,415,004	1,510,477	(6%)
Impact of currency on revenue	(2,101)			(2,652)		
Total revenue, constant currency	<u>\$ 457,574</u>	<u>\$ 499,463</u>	<u>(8%)</u>	<u>\$ 1,412,352</u>	<u>\$ 1,510,477</u>	<u>(6%)</u>

Pitney Bowes Inc.
Adjusted Segment EBIT & EBITDA
(Unaudited; in thousands)

	Three Months Ended September 30,								
	2025			2024			% change		
	Adjusted Segment EBIT ⁽¹⁾	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT ⁽¹⁾	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	Adjusted Segment EBITDA	
Sending Technology Solutions	\$ 101,059	\$ 11,190	\$ 112,249	\$ 101,980	\$ 10,294	\$ 112,274	(1%)	(0%)	
Presort Services	32,626	9,242	41,868	46,179	9,008	55,187	(29%)	(24%)	
Total reportable segments	<u>\$ 133,685</u>	<u>\$ 20,432</u>	<u>154,117</u>	<u>\$ 148,159</u>	<u>\$ 19,302</u>	<u>167,461</u>	<u>(10%)</u>	<u>(8%)</u>	

Reconciliation of Adjusted Segment EBITDA to income or loss from continuing operations before taxes:

Other operations ⁽²⁾	-	(7,312)
Depreciation and amortization - reportable segments	(20,432)	(19,302)
Corporate expenses	(26,350)	(38,062)
Restructuring charges	(1,836)	(30,694)
Interest expense, net	(37,287)	(43,859)
Loss on debt redemption/refinancing	(82)	(2,142)
Foreign currency gain (loss) on intercompany loans	3,390	(18,831)
Transaction and Strategic review costs	(4,439)	(2,994)
Asset impairment charge	-	(10,000)
Benefit (charge) in connection with Ecommerce Restructuring	1,063	(38,145)
Income (loss) from continuing operations before taxes	<u>\$ 68,144</u>	<u>\$ (43,880)</u>

	Nine Months Ended September 30,								
	2025			2024			% change		
	Adjusted Segment EBIT ⁽¹⁾	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT ⁽¹⁾	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	Adjusted Segment EBITDA	
Sending Technology Solutions	\$ 299,341	\$ 34,602	\$ 333,943	\$ 293,917	\$ 33,721	\$ 327,638	2%	2%	
Presort Services	123,345	27,649	150,994	113,556	26,722	140,278	9%	8%	
Total reportable segments	<u>\$ 422,686</u>	<u>\$ 62,251</u>	<u>484,937</u>	<u>\$ 407,473</u>	<u>\$ 60,443</u>	<u>467,916</u>	<u>4%</u>	<u>4%</u>	

Reconciliation of Adjusted Segment EBITDA to income or loss from continuing operations before taxes:

Other operations ⁽²⁾	-	(12,142)
Depreciation and amortization - reportable segments	(62,251)	(60,443)
Corporate expenses	(93,369)	(124,557)
Restructuring charges	(17,042)	(64,859)
Interest expense, net	(112,671)	(131,986)
Loss on debt redemption/refinancing	(24,446)	(2,142)
Foreign currency loss on intercompany loans	(21,234)	(13,481)
Transaction and Strategic review costs	(7,595)	(14,291)
Asset impairment charge	-	(10,000)
Benefit (charge) in connection with Ecommerce Restructuring	7,818	(38,145)
Income (loss) from continuing operations before taxes	<u>\$ 154,147</u>	<u>\$ (4,130)</u>

(1) Adjusted segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, foreign currency gains and losses from the revaluation of intercompany loans and other items that are not allocated to a business segment.

(2) Other operations includes the revenue and related expenses of our former Global Ecommerce business that did not qualify for discontinued operations treatment.

Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results

(Unaudited; in thousands, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Reconciliation of reported net income (loss) to adjusted EBIT and adjusted EBITDA				
Net income (loss)	\$ 51,963	\$ (138,472)	\$ 117,360	\$ (166,224)
Loss from discontinued operations, net of tax	-	261,058	-	310,789
Provision for income taxes	16,181	(166,466)	36,787	(148,695)
Income (loss) from continuing operations before taxes	68,144	(43,880)	154,147	(4,130)
Restructuring charges	1,836	30,694	17,042	64,859
Foreign currency (gain) loss on intercompany loans	(3,390)	18,831	21,234	13,481
Transaction and Strategic review costs	4,439	2,994	7,595	14,291
Asset impairment charge	-	10,000	-	10,000
(Benefit) charge in connection with Ecommerce Restructuring	(1,063)	38,145	(7,818)	38,145
Loss on debt redemption/refinancing	82	2,142	24,446	2,142
Adjusted net income before tax	70,048	58,926	216,646	138,788
Interest, net	37,287	43,859	112,671	131,986
Adjusted EBIT	107,335	102,785	329,317	270,774
Depreciation and amortization	27,418	28,564	84,503	85,897
Adjusted EBITDA	\$ 134,753	\$ 131,349	\$ 413,820	\$ 356,671
Reconciliation of reported diluted earnings (loss) per share to adjusted diluted earnings per share				
Diluted earnings (loss) per share	\$ 0.30	\$ (0.75)	\$ 0.66	\$ (0.91)
Loss from discontinued operations, net of tax	-	1.42	-	1.70
Restructuring charges	0.01	0.13	0.07	0.27
Foreign currency (gain) loss on intercompany loans	(0.02)	0.08	0.09	0.06
Transaction and Strategic review costs	0.02	0.01	0.03	0.06
Loss on debt redemption/refinancing	-	0.01	0.10	0.01
(Benefit) charge in connection with Ecommerce Restructuring	(0.01)	0.16	(0.03)	0.16
Asset impairment charge	-	0.05	-	0.06
Tax benefit from affiliate reorganization	-	(0.89)	-	(0.90)
Adjusted diluted earnings per share	\$ 0.31	\$ 0.21	\$ 0.92	\$ 0.50
The sum of the earnings per share amounts may not equal the totals due to rounding.				
Reconciliation of reported net cash from operating activities to free cash flow				
Net cash from operating activities - continuing operations	\$ 66,848	\$ 65,721	\$ 161,557	\$ 144,616
Capital expenditures	(15,797)	(19,438)	(46,027)	(50,221)
Restructuring payments	9,325	27,222	30,843	53,919
Free cash flow	\$ 60,376	\$ 73,505	\$ 146,373	\$ 148,314