

Pitney Bowes Inc.**Consolidated Statements of Operations**

(Unaudited; in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Revenue:				
Services	\$ 307,700	\$ 327,922	\$ 1,206,031	\$ 1,260,612
Products	90,927	106,613	364,709	430,845
Financing and other	78,998	81,586	321,889	335,141
Total revenue	<u>477,625</u>	<u>516,121</u>	<u>1,892,629</u>	<u>2,026,598</u>
Costs and expenses:				
Cost of services	148,391	157,672	594,898	639,039
Cost of products	52,666	61,646	212,366	244,198
Cost of financing and other	13,632	19,202	61,503	81,061
Selling, general and administrative	140,956	148,269	621,567	717,894
Research and development	3,505	9,492	15,278	31,957
Restructuring charges	41,618	12,056	58,660	76,915
Interest expense, net	26,181	26,771	101,460	110,094
Other components of net pension and postretirement cost	2,097	90,774	7,543	89,044
Other expense	10,202	38,436	26,830	88,723
Total costs and expenses	<u>439,248</u>	<u>564,318</u>	<u>1,700,105</u>	<u>2,078,925</u>
Income (loss) from continuing operations before taxes	38,377	(48,197)	192,524	(52,327)
Provision (benefit) for income taxes	11,040	(6,134)	47,827	(154,829)
Income (loss) from continuing operations	<u>27,337</u>	<u>(42,063)</u>	<u>144,697</u>	<u>102,502</u>
Income (loss) from discontinued operations, net of tax	-	4,690	-	(306,099)
Net income (loss)	<u>\$ 27,337</u>	<u>\$ (37,373)</u>	<u>\$ 144,697</u>	<u>\$ (203,597)</u>
Basic earnings (loss) per share:				
Continuing operations	\$ 0.17	\$ (0.23)	\$ 0.84	\$ 0.57
Discontinued operations	-	0.03	-	(1.71)
Net income (loss)	<u>\$ 0.17</u>	<u>\$ (0.21)</u>	<u>\$ 0.84</u>	<u>\$ (1.13)</u>
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.17	\$ (0.23)	\$ 0.84	\$ 0.56
Discontinued operations	-	0.03	-	(1.68)
Net income (loss)	<u>\$ 0.17</u>	<u>\$ (0.21)</u>	<u>\$ 0.84</u>	<u>\$ (1.12)</u>
Weighted-average shares used in diluted earnings per share	<u>157,534</u>	<u>182,006</u>	<u>173,040</u>	<u>182,526</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	December 31, 2025	December 31, 2024
Current assets:		
Cash and cash equivalents	\$284,887	\$469,726
Short-term investments	12,232	16,374
Accounts and other receivables, net	168,099	159,951
Short-term finance receivables, net	496,446	535,608
Inventories	66,241	59,836
Current income taxes	3,143	10,429
Other current assets and prepayments	69,451	66,030
Total current assets	<u>1,100,499</u>	<u>1,317,954</u>
Property, plant and equipment, net	185,913	218,657
Rental property and equipment, net	24,054	24,587
Long-term finance receivables, net	605,129	610,316
Goodwill	746,687	721,003
Intangible assets, net	14,741	15,780
Operating lease assets	106,996	113,357
Noncurrent income taxes	95,412	99,773
Other assets	289,520	276,089
Total assets	<u><u>\$3,168,951</u></u>	<u><u>\$3,397,516</u></u>
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	\$845,378	\$873,626
Customer deposits at Pitney Bowes Bank	582,630	645,860
Current operating lease liabilities	28,396	26,912
Current portion of long-term debt	17,150	53,250
Advance billings	69,075	70,131
Current income taxes	5,210	2,948
Total current liabilities	<u>1,547,839</u>	<u>1,672,727</u>
Long-term debt	1,975,888	1,866,458
Deferred taxes on income	72,665	49,187
Tax uncertainties and other income tax liabilities	278	13,770
Noncurrent operating lease liabilities	99,757	100,804
Noncurrent customer deposits at Pitney Bowes Bank	71,000	57,977
Other noncurrent liabilities	203,884	215,026
Total liabilities	<u>3,971,311</u>	<u>3,975,949</u>
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,655,703	2,671,868
Accumulated other comprehensive loss	(789,132)	(839,171)
Treasury stock, at cost	(2,939,269)	(2,681,468)
Total stockholders' deficit	<u>(802,360)</u>	<u>(578,433)</u>
Total liabilities and stockholders' deficit	<u><u>\$3,168,951</u></u>	<u><u>\$3,397,516</u></u>

PITNEY BOWES INC.
STATEMENTS OF CASH FLOWS
DECEMBER 2025
(Dollars in thousands)

	Year Ended December 31,	
	2025	2024
Cash Flows From Operating Activities:		
Net income (loss)	\$ 144,697	\$ (203,597)
Loss from discontinued operations	-	306,099
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation and amortization	111,575	114,485
Allowance for doubtful accounts and credit losses	13,234	13,182
Allowance for DIP Facility	(8,907)	19,373
Stock-based compensation	14,151	16,524
Amortization of debt fees	7,226	12,907
Loss on debt refinancing	14,072	10,892
Restructuring charges	58,392	76,915
Restructuring payments	(41,338)	(86,024)
Pension contributions and retiree medical payments	(25,931)	(24,907)
Pension settlement charge	-	91,339
Loss on sale/disposal of fixed assets	11,066	13,192
Loss (gain) on revaluation of intercompany loans	21,944	(10,241)
Impairment charges	268	10,000
Deferred tax provision (benefit)	38,405	(173,710)
Other, net	8,241	(12,954)
<i>Changes in operating assets and liabilities, net of acquisitions:</i>		
Accounts receivables	(13,999)	31,983
Finance receivables	107,223	60,342
Inventories	(5,566)	2,260
Other current assets	817	996
Accounts payable and accrued liabilities	(62,028)	47,348
Income taxes	(6,806)	(35,070)
Advance billings	(3,479)	(4,882)
Net cash from operating activities - continuing operations	383,257	276,452
Net cash from operating activities - discontinued operations	-	(47,282)
Net cash from operating activities	383,257	229,170
Cash Flows From Investing Activities:		
Capital expenditures	(66,278)	(72,403)
Purchase of investment securities	(34,772)	(30,099)
Proceeds from sales / maturities of investment securities	28,345	76,563
DIP Facility reimbursement (disbursement)	8,907	(17,234)
Net investment in loans receivables	(61,200)	(9,467)
Acquisitions	(2,200)	-
Other investing activities	2,101	10,969
Net cash from investing activities - continuing operations	(125,097)	(41,671)
Net cash from investing activities - discontinued operations	-	(7,385)
Net cash from investing activities	(125,097)	(49,056)
Cash Flows From Financing Activities:		
Proceeds from issuance of long-term debt	1,005,000	-
Payments to redeem long-term debt	(934,316)	(233,930)
Change in customer deposits at PB Bank	(50,208)	(10,458)
Dividends paid to stockholders	(51,059)	(35,956)
Premium and fees paid to redeem/refinance debt	(17,271)	(13,688)
Capped call payment	(24,702)	-
Common stock repurchases	(378,361)	-
Other financing activities	5,559	(4,568)
Net cash from financing activities - continuing operations	(445,358)	(298,600)
Net cash from financing activities - discontinued operations	-	(6,855)
Net cash from financing activities	(445,358)	(305,455)
Effect of exchange rate changes on cash and cash equivalents	2,359	(4,987)
Change in cash and cash equivalents	(184,839)	(130,328)
Cash and cash equivalents at beginning of period	469,726	600,054
Cash and cash equivalents at end of period	\$ 284,887	\$ 469,726

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

	<u>Three Months Ended December 31,</u>			<u>Year Ended December 31,</u>		
	<u>2025</u>	<u>2024</u>	<u>% Change</u>	<u>2025</u>	<u>2024</u>	<u>% Change</u>
Sending Technology Solutions	\$317,897	\$336,562	(6%)	\$1,256,001	\$1,354,032	(7%)
Presort Services	159,728	179,555	(11%)	636,628	662,587	(4%)
Total reportable segments	477,625	516,117	(7%)	1,892,629	2,016,619	(6%)
Other	-	4	(100%)	-	9,979	(100%)
Total revenue	<u>\$477,625</u>	<u>\$516,121</u>	<u>(7%)</u>	<u>\$1,892,629</u>	<u>\$2,026,598</u>	<u>(7%)</u>

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

	Three Months Ended December 31,							
	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	\$ 112,848	\$ 10,923	\$ 123,771	\$ 90,833	\$ 12,146	\$ 102,979	24%	20%
Presort Services	41,932	9,380	51,312	52,228	9,103	61,331	(20%)	(16%)
Total reportable segments	<u>\$ 154,780</u>	<u>\$ 20,303</u>	<u>175,083</u>	<u>\$ 143,061</u>	<u>\$ 21,249</u>	<u>164,310</u>	<u>8%</u>	<u>7%</u>

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

Other operations ⁽²⁾	-	(677)
Depreciation and amortization - reportable segments	(20,303)	(21,249)
Corporate expenses	(22,804)	(27,946)
Restructuring charges	(41,618)	(12,056)
Interest expense, net	(36,485)	(41,708)
Gain (loss) on debt transactions	10,362	(8,750)
Pension settlement charge	-	(91,339)
Foreign currency (loss) gain on intercompany loans	(710)	23,724
Transaction and Strategic review costs	(4,584)	(2,820)
Charges in connection with Ecommerce Restructuring	(20,564)	(29,686)
Income (loss) from continuing operations before taxes	<u>\$ 38,377</u>	<u>\$ (48,197)</u>

	Year Ended December 31,							
	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	\$ 412,189	\$ 45,525	\$ 457,714	\$ 384,751	\$ 45,867	\$ 430,618	7%	6%
Presort Services	165,277	37,029	202,306	165,784	35,825	201,609	(0%)	0%
Total reportable segments	<u>\$ 577,466</u>	<u>\$ 82,554</u>	<u>660,020</u>	<u>\$ 550,535</u>	<u>\$ 81,692</u>	<u>632,227</u>	<u>5%</u>	<u>4%</u>

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

Other operations ⁽²⁾	-	(12,821)
Depreciation and amortization - reportable segments	(82,554)	(81,692)
Corporate expenses	(116,173)	(152,503)
Restructuring charges	(58,392)	(76,915)
Interest expense, net	(149,156)	(173,694)
Loss on debt transactions	(14,072)	(10,892)
Pension settlement charge	-	(91,339)
Foreign currency (loss) gain on intercompany loans	(21,944)	10,243
Transaction and Strategic review costs	(12,179)	(17,110)
Impairment charge	(268)	(10,000)
Charges in connection with Ecommerce Restructuring	(12,758)	(67,831)
Income (loss) from continuing operations before taxes	<u>\$ 192,524</u>	<u>\$ (52,327)</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 December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Reconciliation of reported net income (loss) to adjusted net income, adjusted EBIT and adjusted EBITDA				
Net income (loss) - GAAP	\$27,337	(\$37,373)	\$144,697	(\$203,597)
(Income) loss from discontinued operations, net of tax	-	(4,690)	-	306,099
Provision (benefit) for income taxes	11,040	(6,134)	47,827	(154,829)
Income (loss) from continuing operations before taxes	38,377	(48,197)	192,524	(52,327)
Restructuring charges	41,618	12,056	58,392	76,915
Pension settlement charge	-	91,339	-	91,339
Foreign currency loss (gain) on intercompany loans	710	(23,724)	21,944	(10,243)
Transaction and Strategic review costs	4,584	2,820	12,179	17,110
Impairment charge	-	-	268	10,000
Charges in connection with Ecommerce Restructuring	20,564	29,686	12,758	67,831
(Gain) loss on debt transactions	(10,362)	8,750	14,072	10,892
Adjusted net income before tax	95,491	72,730	312,137	211,517
Adjusted tax provision	25,255	14,322	77,743	61,254
Adjusted net income	<u>\$70,236</u>	<u>\$58,408</u>	<u>\$234,394</u>	<u>\$150,263</u>
Adjusted net income before tax	\$95,491	\$72,730	\$312,137	\$211,517
Interest, net	36,485	41,708	149,156	173,694
Adjusted EBIT	131,976	114,438	461,293	385,211
Depreciation and amortization	27,072	28,588	111,575	114,485
Adjusted EBITDA	<u>\$159,048</u>	<u>\$143,026</u>	<u>\$572,868</u>	<u>\$499,696</u>
Reconciliation of reported diluted earnings (loss) per share to adjusted diluted earnings per share				
Diluted earnings (loss) per share - GAAP	\$0.17	(\$0.21)	\$0.84	(\$1.12)
(Income) loss from discontinued operations, net of tax	-	(0.03)	-	1.68
Restructuring charges	0.20	0.05	0.25	0.32
Pension settlement charge	-	0.37	-	0.37
Foreign currency loss (gain) on intercompany loans	0.00	(0.10)	0.10	(0.04)
Transaction and Strategic review costs	0.02	0.01	0.05	0.07
(Gain) loss on debt transactions	(0.05)	0.04	0.06	0.05
Charges in connection with Ecommerce Restructuring	0.10	0.12	0.06	0.28
Asset impairment charge	-	-	-	0.06
Tax on settlement of investment securities	-	0.05	-	0.05
Tax benefit from affiliate reorganization	-	-	-	(0.90)
Adjusted diluted earnings per share	<u>\$0.45</u>	<u>\$0.32</u>	<u>\$1.35</u>	<u>\$0.82</u>
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	\$221,699	\$131,837	\$383,257	\$276,452
Capital expenditures	(20,251)	(22,182)	(66,278)	(72,403)
Restructuring payments	10,495	32,104	41,338	86,024
Free cash flow	<u>\$211,943</u>	<u>\$141,759</u>	<u>\$358,317</u>	<u>\$290,073</u>