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Pitney Bowes Second Quarter Earnings

July 29, 2026

Forward-Looking Statements and Financial Presentation

This document contains “forward-looking statements” about the Company’s expected or potential future business and financial performance, including, but not limited to, statements about future revenue and profitability, earnings guidance, future events or conditions, capital allocation strategy, expected cost savings and efficiency improvements, and strategic initiatives and priorities. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results to differ materially from those projected. Factors which could cause future performance to differ materially from expectations include, without limitation, changes in postal regulations or the operations and financial health of posts in the U.S. or other major markets or changes to the broader postal or shipping markets; accelerated or sudden declines in physical mail volumes or shipping volumes; the loss of some of our larger clients; changes in trade policies, tariffs and regulations; periods of difficult economic conditions, the impacts of inflation and rising prices, higher interest rates and a slow-down in economic activity, including a global recession, or a prolonged U.S. government shutdown, to the Company and our clients; changes in labor and transportation availability and costs; and other factors as more fully outlined in the Company's Annual Report on Form 10-K/A for the year ended December 31, 2025 and subsequent reports filed with the Securities and Exchange Commission. Pitney Bowes assumes no obligation to update any forward-looking statements contained in this document as a result of new information, events, or developments, except as required by law.

Use of Non-GAAP Measures

Adjusted Segment EBIT

Adjusted Segment EBIT is the primary measure of profitability and operational performance at the segment level. Adjusted Segment EBIT includes segment revenues and related costs and expenses attributable to the segment, but excludes interest, taxes, general corporate expenses, restructuring charges, and other items not allocated to a business segment. Effective January 1, 2026, Adjusted Segment EBIT also excludes pension expense related to U.S. and Canada pension plans that we have taken steps to terminate. We also report Adjusted Segment EBITDA as an additional useful measure of segment profitability and operational performance, which is calculated as Adjusted Segment EBIT plus depreciation and amortization expense of the segment.

Use of Non-GAAP Measures

Pitney Bowes' financial results are reported in accordance with generally accepted accounting principles (GAAP). Pitney Bowes also discloses certain non-GAAP measures, such as adjusted earnings before interest and taxes (Adjusted EBIT), adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), adjusted earnings per share (Adjusted EPS) and adjusted free cash flow.

Adjusted EBIT, Adjusted EBITDA and Adjusted EPS exclude the impact of restructuring charges, foreign currency gains and losses on intercompany loans, certain costs associated with the Ecommerce Restructuring, gains and losses on debt redemptions and other unusual items that we believe are not indicative to our core business operations. For the 2026 periods, these measures also exclude pension expense related to the U.S. and Canada pension plans that we have taken steps to terminate.

Effective Q2 2026, the Company has renamed "Free Cash Flow" to "Adjusted Free Cash Flow". This is a change in title only. There is no change in definition nor calculation methodology, and all prior-period amounts remain unchanged. Adjusted free cash flow adjusts cash flow from operations calculated in accordance with GAAP for capital expenditures, restructuring payments and other special items. Management believes adjusted free cash flow provides better insight into the amount of cash available for other discretionary uses.

Reconciliations of non-GAAP measures to comparable GAAP measures can be found in the attached financial schedules and at the Company's website at: https://www.investorrelations.pitneybowes.com. We do not provide a reconciliation of forward-looking non-GAAP measures to the most comparable GAAP measures because items necessary for such reconciliation are not available on a reasonable basis without unreasonable efforts

Business Overview and Financial Results

Second Quarter – Overview

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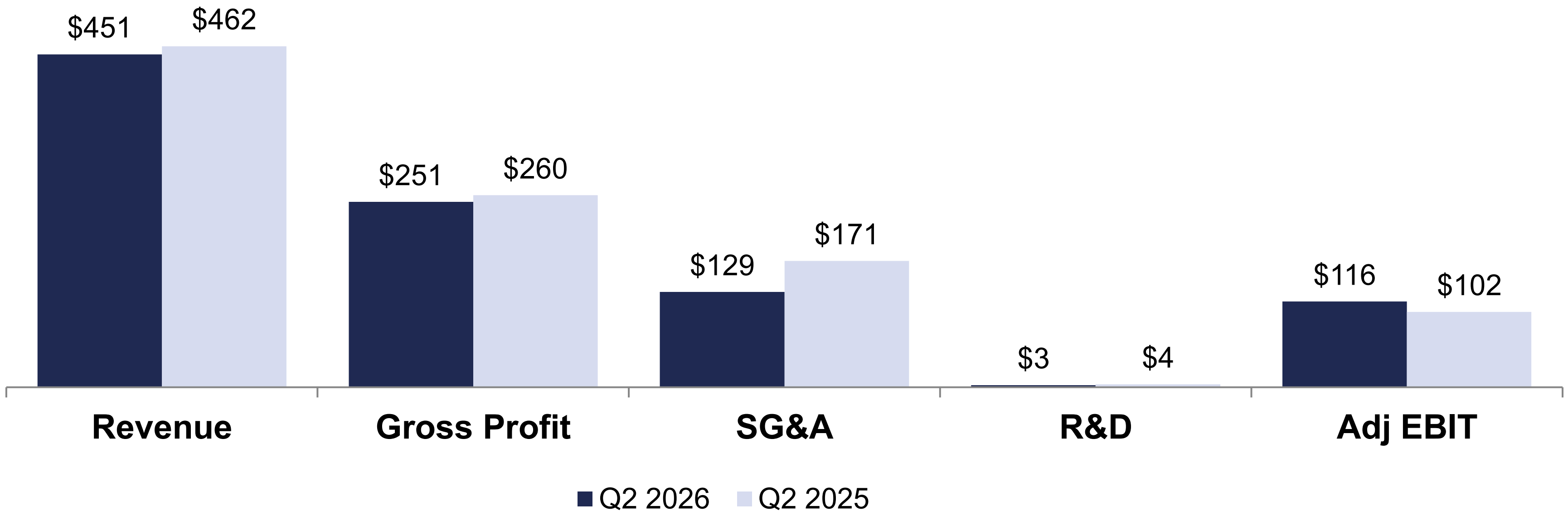
- **Revenue was $451 million**, down 2% year-over-year
- **GAAP EPS was $0.36**, an improvement of $0.19 year over year
- **Adjusted EPS was $0.43**, an improvement of $0.16 year over year
- **GAAP net income of $50 million**, an improvement of $20 million year over year
- **Adjusted EBIT was $116 million**, an improvement of $14 million year over year
- **GAAP cash from operating activities was $153 million,** an improvement of $42 million year over year
- **Free Cash Flow was $148 million,** an improvement of $42 million year over year

Second Quarter – Results vs. Prior Year

$ millions

(2%) Growth Y/Y	Gross Margin	SG&A as % of Revenue	R&D as a % of Revenue	Adj EBIT Margin
	Q2 2026: 55.7%	*Q2 2026: 28.4%*	*Q2 2026: 0.7%*	*Q2 2026: 25.7%*
	Q2 2025: 56.3%	*Q2 2025: 37.0%*	*Q2 2025: 0.8%*	*Q2 2025: 22.1%*



Second Quarter – SendTech Solutions

SendTech Solutions offers physical and digital shipping and mailing technology solutions, financing, services, supplies and other applications for small and medium businesses, retail, enterprise, and government clients around the world to help simplify and save on the sending, tracking and receiving of letters, parcels and flats.

($ millions)	Q2 2026	Q2 2025	% Change Reported
Revenue	$309	$312	(1%)
Adjusted Segment EBITDA	$133	$113	17%
Adjusted Segment EBIT	$123	$101	21%

Key Drivers:

- **SendTech revenue declined slightly, as continued erosion in the mailing install base was partially offset by strong sales execution and growth in services revenue.**
- **Adjusted Segment EBITDA and EBIT improved as a result of cost reductions, with operating expenses declining $14 million versus prior year, and a $5 million tariff refund received in the quarter.**

Second Quarter – Presort Services

Presort Services provides sortation services that enable clients to qualify for USPS workshare discounts in First Class Mail, Marketing Mail, Marketing Mail Flats and Bound Printed Matter.

($ millions)	Q2 2026	Q2 2025	% Change Reported
Revenue	$143	$150	(5%)
Adjusted Segment EBITDA	$29	$45	(36%)
Adjusted Segment EBIT	$20	$36	(44%)

Key Drivers:

- **Presort revenue decline continued to moderate in the second quarter. Total volume sorted in the quarter was 3.3 billion pieces of mail, a 3% reduction year-over-year driven by market decline and previously communicated client losses from the first half of 2025.**
- **Adjusted Segment EBITDA and EBIT declined due to the decrease in revenue with margins contracting from reduced operating leverage from lower volumes as well as higher fuel and transportation costs.**

Guidance and Outlook

Full Year 2026 Guidance

Updated Guidance

Pitney Bowes raised its guidance for Adjusted EBIT, Adjusted EPS, and Adjusted Free Cash Flow and reaffirmed its guidance for Revenue.

Updated guidance for Revenue, Adjusted EBIT, Adjusted EPS and Adjusted Free Cash Flow in 2026 is as follows

	Previous Guidance		Updated Guidance	
$ millions, except EPS	**Low**	**High**	**Low**	**High**
Revenue	$1,800	$1,860	$1,800	$1,860
Adjusted EBIT	$425	$465	$445	$475
Adjusted EPS	$1.50	$1.65	$1.55	$1.70
Adjusted Free Cash Flow	$345	$380	$360	$410

Appendix

Second Quarter 2026 – Debt Profile

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Total debt consisted of the following:

($000s)	Interest Rate	6/30/2026	3/31/2026
Notes due March 2027	6.875%	**-**	346,700
Notes due March 2029	7.25%	**476,000**	476,000
Convertible Note due August 2030	1.50%	**230,000**	230,000
Term loan due March 2031	SOFR + 2.10%	**298,225**	152,000
Revolving Credit Facility	SOFR + 2.10%	**96,700**	-
Term loan due March 2032	SOFR + 3.75%	**585,492**	587,030
Notes due January 2037	5.25%	**31,143**	31,666
Notes due March 2043	6.70%	**349,279**	349,279
Principal amount		**2,066,839**	**2,172,675**

Appendix: Financial Information

Pitney Bowes Inc.

Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Revenue:				
Services	$284,517	$290,423	$591,087	$608,855
Products	87,523	90,880	176,173	184,070
Financing and other	79,458	80,606	161,651	162,404
Total revenue	451,498	461,909	928,911	955,329
Costs and expenses:				
Cost of services	155,356	144,240	311,511	300,113
Cost of products	41,442	54,487	90,122	105,406
Cost of financing and other	12,424	15,656	25,219	33,163
Selling, general and administrative	128,746	170,542	262,123	336,457
Research and development	3,383	3,601	7,177	8,364
Restructuring charges	3,337	13,806	8,449	15,206
Interest expense, net	28,580	24,937	54,572	49,207
Other components of net pension and postretirement cost	12,256	1,947	23,290	3,801
Other expense	483	(6,578)	483	17,609
Total costs and expenses	386,007	422,638	782,946	869,326
Income before taxes	65,491	39,271	145,965	86,003
Provision for income taxes	15,583	9,296	37,919	20,606
Net income	$49,908	$29,975	$108,046	$65,397
Basic earnings per share	$0.37	$0.17	$0.76	$0.36
Diluted earnings per share	$0.36	$0.17	$0.75	$0.36
Weighted-average shares used in diluted earnings per share	139,043	181,005	143,864	182,708

Appendix: Financial Information

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

Assets	June 30, 2026	December 31, 2025
Current assets:		
Cash and cash equivalents	$266,833	$284,887
Short-term investments	11,920	12,232
Accounts and other receivables, net	147,898	168,099
Short-term finance receivables, net	468,702	496,446
Inventories	62,880	66,241
Current income taxes	2,419	3,143
Other current assets and prepayments	79,223	69,451
Total current assets	1,039,875	1,100,499
Property, plant and equipment, net	175,555	185,913
Rental property and equipment, net	22,526	24,054
Long-term finance receivables, net	550,602	605,129
Goodwill	740,417	746,687
Intangible assets, net	12,949	14,741
Operating lease assets	103,268	106,996
Noncurrent income taxes	89,953	95,412
Other assets	284,440	289,520
Total assets	$3,019,585	$3,168,951
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$743,248	$845,378
Customer deposits at Pitney Bowes Bank	546,503	582,630
Current operating lease liabilities	29,935	28,396
Current portion of long-term debt	23,138	17,150
Advance billings	71,689	69,075
Current income taxes	3,122	5,210
Total current liabilities	1,417,635	1,547,839
Long-term debt	2,010,756	1,975,888
Deferred taxes on income	97,581	72,665
Tax uncertainties and other income tax liabilities	161	278
Noncurrent operating lease liabilities	93,825	99,757
Noncurrent customer deposits at Pitney Bowes Bank	71,000	71,000
Other noncurrent liabilities	191,906	203,884
Total liabilities	3,882,864	3,971,311
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,698,586	2,655,703
Accumulated other comprehensive loss	(790,426)	(789,132)
Treasury stock, at cost	(3,041,777)	(2,939,269)
Total stockholders' deficit	(863,279)	(802,360)
Total liabilities and stockholders' deficit	$3,019,585	$3,168,951

Appendix: Financial Information

Pitney Bowes Inc.

Business Segment Revenue

(Unaudited; in thousands)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	**2025**	**% Change**	**2026**	**2025**	**% Change**
Sending Technology Solutions	$308,930	$311,716	(1%)	$622,877	$627,322	(1%)
Presort Services	142,568	150,193	(5%)	306,034	328,007	(7%)
Total revenue	$451,498	$461,909	(2%)	$928,911	$955,329	(3%)

Appendix: Financial Information

Pitney Bowes Inc.
Adjusted Segment EBIT & EBITDA

(Unaudited; in thousands)

	Three Months Ended June 30,							
	2026			2025			% 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	$122,678	$9,859	$132,537	$101,255	$11,731	$112,986	21%	17%
Presort Services	20,006	8,855	28,861	35,940	9,139	45,079	(44%)	(36%)
Total reportable segments	$142,684	$18,714	161,398	$137,195	$20,870	158,065	4%	2%
Reconciliation of Adjusted Segment EBITDA to income before taxes:								
Depreciation and amortization - reportable segments			(18,714)			(20,870)		
Interest expense, net			(37,608)			(37,499)		
Corporate expenses			(26,631)			(34,902)		
Restructuring charges			(3,337)			(13,806)		
(Loss) gain on debt redemption/refinancing			(1,116)			282		
Foreign currency gain (loss) on intercompany loans			889			(17,029)		
Pension expense of plans to be terminated			(8,422)			-		
Transaction and strategic review costs			(1,601)			(1,266)		
Charge/Benefit in connection with Ecommerce Restructuring			633			6,296		
Income before taxes			$65,491			$39,271		

(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.

Appendix: Financial Information

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Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results

(Unaudited; in thousands, except per share amounts)

	Three Months Ended June 30,	
	2026	**2025**
Reconciliation of net income to adjusted net income, adjusted EBIT and adjusted EBITDA		
Net income - GAAP	$49,908	$29,975
Provision for income taxes	15,583	9,296
Income before taxes	65,491	39,271
Restructuring charges	3,337	13,806
Foreign currency (gain) loss on intercompany loans	(889)	17,029
Loss (gain) on debt activities	1,116	(282)
Pension expense of plans to be terminated	8,422	-
Transaction and strategic review costs	1,601	1,266
Benefit in connection with Ecommerce Restructuring	(633)	(6,296)
Adjusted net income before tax	78,445	64,794
Adjusted tax provision	18,696	15,718
Adjusted net income	$59,749	$49,076
Adjusted income before tax	$78,445	$64,794
Interest expense, including financing interest	37,608	37,499
Adjusted EBIT	116,053	102,293
Depreciation and amortization	23,687	28,762
Adjusted EBITDA	$139,740	$131,055
Reconciliation of diluted earnings per share to adjusted diluted earnings per share		
Diluted earnings per share - GAAP	$0.36	$0.17
Restructuring charges	0.02	0.06
Foreign currency (gain) loss on intercompany loans	(0.01)	0.07
Pension expense of plans to be terminated	0.04	-
Loss (gain) on debt activities	0.01	-
Transaction and strategic review costs	0.01	0.01
Benefit in connection with Ecommerce Restructuring	-	(0.03)
Adjusted diluted earnings per share	$0.43	$0.27

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

Reconciliation of net cash from operating activities to free cash flow		
Net cash from operating activities	$152,916	$111,388
Capital expenditures	(18,485)	(13,343)
Restructuring payments	13,697	8,412
Adjusted Free cash flow	$148,128	$106,457

Thank You