



Pitney Bowes Fourth Quarter Earnings

February 17, 2026



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; declines in physical mail volumes or shipping volumes; the loss of customers, including some of our larger clients; changes in trade policies, tariffs and regulations; global supply chain issues adversely impacting our third party suppliers’ ability to provide us products and services; 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 foreign currency exchange rates; changes in labor and transportation availability and costs; inability to successfully execute on our strategic initiatives; and other factors as more fully outlined in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024 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.

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. 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 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.

Free cash flow adjusts cash flow from operations calculated in accordance with GAAP for capital expenditures, restructuring payments and other special items. Management believes free cash flow provides better insight into the amount of cash available for other discretionary uses.

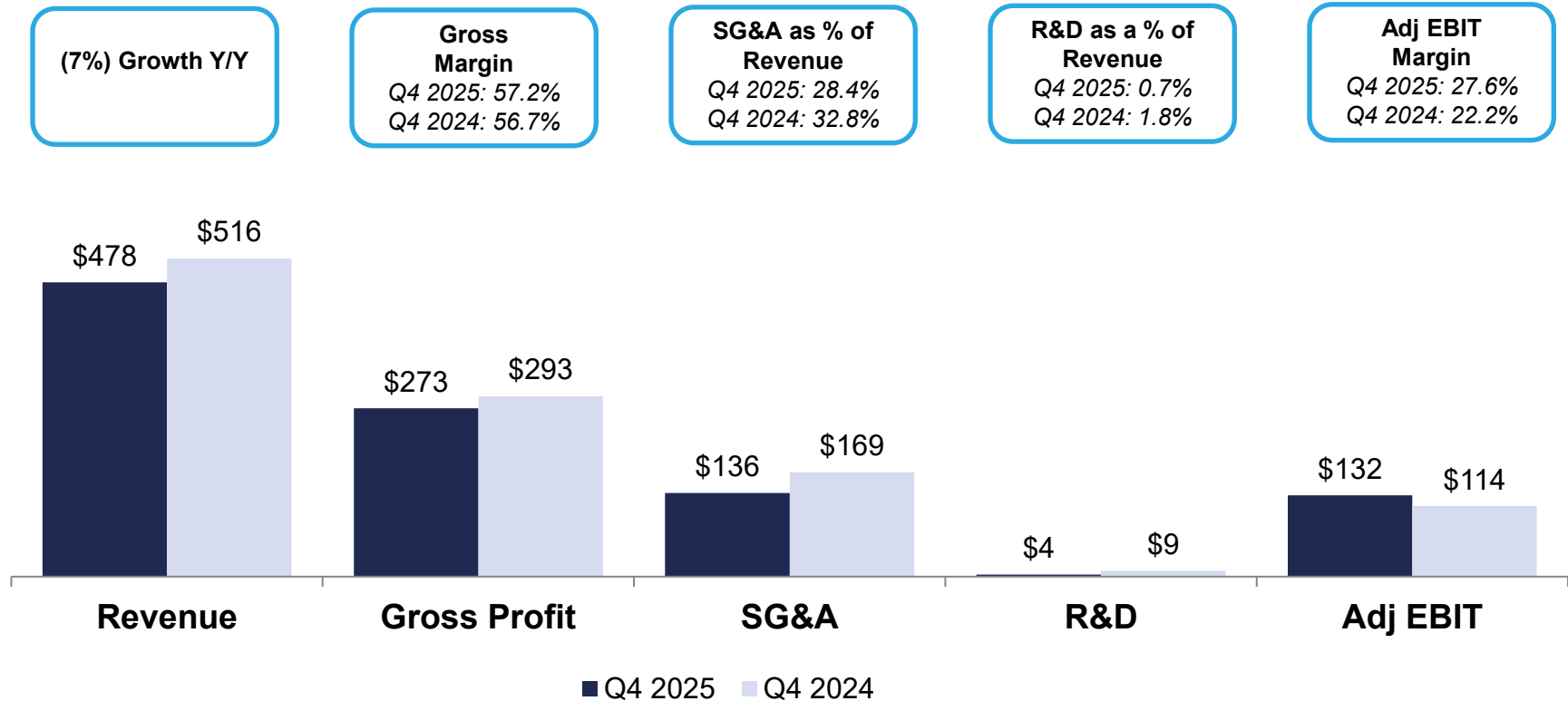
Reconciliations of non-GAAP measures to comparable GAAP measures can be found in the attached financial schedules and at the Company's web site at: <https://www.investorrelations.pitneybowes.com/>. We do not provide a reconciliation of forward-looking non-GAAP measures to the most comparable GAAP measures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

Business Overview and Financial Results

- **Revenue was \$478 million**, down 7% year-over-year
- **GAAP EPS was \$0.17**, an improvement of \$0.38 year over year
- **Adjusted EPS was \$0.45**, an improvement of \$0.13 year over year
- **GAAP net income of \$27 million**, an improvement of \$65 million year over year
- **Adjusted EBIT was \$132 million**, an improvement of \$18 million year over year
- **GAAP cash from operating activities was \$222 million**, an improvement of \$90 million year over year
- **Free Cash Flow was \$212 million** and excluded \$10 million of restructuring payments

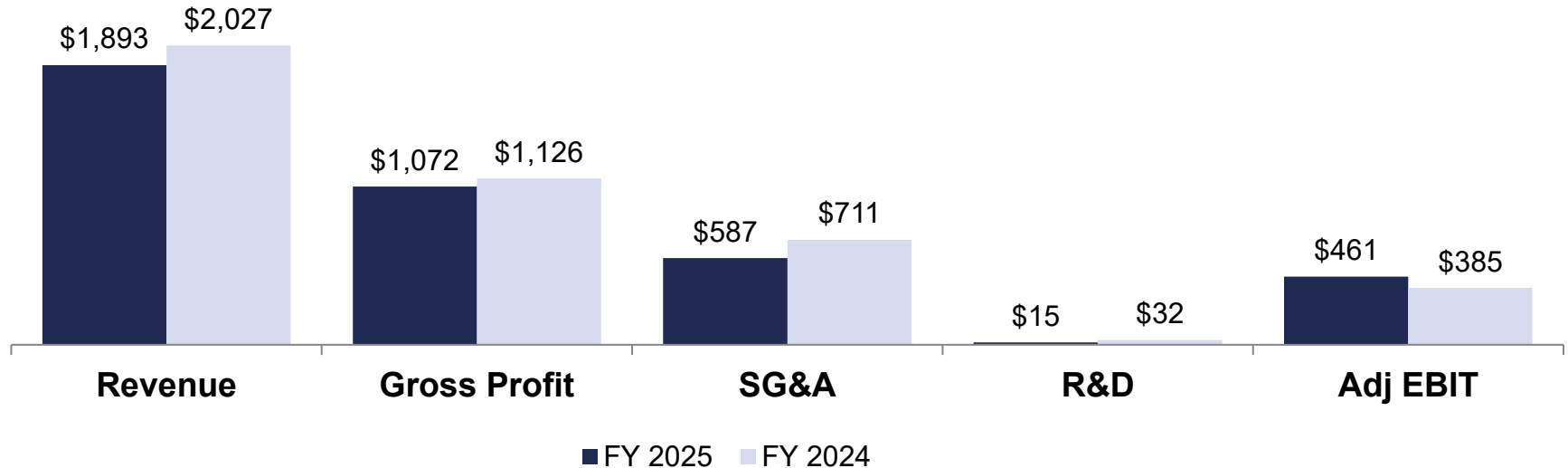
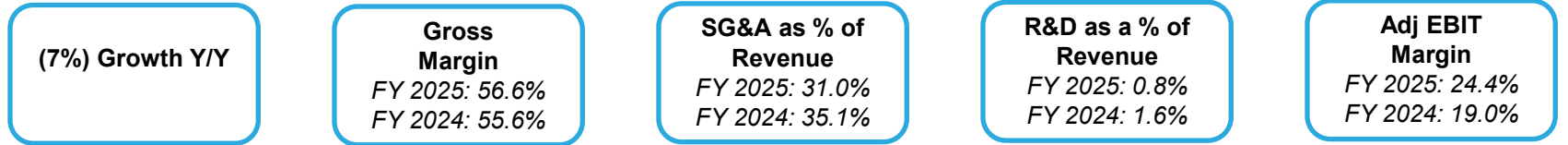
Fourth Quarter – Results vs. Prior Year

\$ millions



Full Year – Results vs. Prior Year

\$ millions



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)	Q4 2025	Q4 2024	% Change Reported
Revenue	\$318	\$337	(6%)
Adjusted Segment EBITDA	\$124	\$103	20%
Adjusted Segment EBIT	\$113	\$91	24%

Key Drivers:

- **SendTech revenue declined due to the impact of prior year product migration and a decrease in the mailing install base.**
- **Adjusted Segment EBITDA and Adjusted Segment EBIT increased over prior year due to cost reduction initiatives**

Fourth 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)	Q4 2025	Q4 2024	% Change Reported
Revenue	\$160	\$180	(11%)
Adjusted Segment EBITDA	\$51	\$61	(16%)
Adjusted Segment EBIT	\$42	\$52	(20%)

Key Drivers:

- **Revenue decline in the fourth quarter was driven by a 10% reduction in volumes due to previously communicated client losses and market decline**
- **Adjusted Segment EBITDA and EBIT declined due to the decrease in revenue and reduced operating leverage from lower volumes. This decline was partially offset by improved operating expenses and a favorable \$5 million prior period accounting adjustment.**

Guidance and Outlook

Guidance

Pitney Bowes provides the following guidance for Revenue, Adjusted EBIT, Adjusted EPS and Free Cash Flow in 2026.

<i>\$ millions, except EPS</i>	Low	High
Revenue	\$1,760	\$1,860
Adjusted EBIT	\$410	\$460
Adjusted EPS	\$1.40	\$1.60
Free Cash Flow	\$340	\$370

Appendix

Fourth Quarter 2025 – Debt Profile

Total debt consisted of the following:

(\$000s)	Interest Rate	12/31/2025	12/31/2024
Term loan due March 2026	SOFR + 2.25%	-	235,000
Notes due March 2027	6.875%	346,700	380,000
Notes due March 2028	SOFR + 6.9%	-	96,563
Term loan due March 2028	SOFR + 4.0%	-	433,125
Term loan due March 2028	SOFR + 2.10%	154,000	-
Notes due March 2029	7.25%	326,000	350,000
Convertible Note due August 2030	1.50%	230,000	-
Term loan due March 2032	SOFR + 3.75%	588,567	-
Notes due January 2037	5.25%	31,666	35,841
Notes due March 2043	6.70%	349,279	425,000
Principal amount		2,026,212	1,955,529

Appendix: Financial Information

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	27,337	(42,063)	144,697	102,502
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.

Appendix: Financial Information

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	1,100,499	1,317,954
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>\$3,168,951</u>	<u>\$3,397,516</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	1,547,839	1,672,727
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>\$3,168,951</u>	<u>\$3,397,516</u>

Business Segment Revenue

(Unaudited; in thousands)

	Three Months Ended December 31,			Year Ended December 31,		
	2025	2024	% Change	2025	2024	% Change
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>

Appendix: Financial Information

Adjusted Segment EBIT & EBITDA

(Unaudited; in thousands)

	2025			Three Months Ended December 31, 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>	175,083	<u>\$ 143,061</u>	<u>\$ 21,249</u>	164,310	<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>

⁽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.

Adjusted Segment EBIT & EBITDA

(Unaudited; in thousands)

	2025			Year Ended December 31,			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>	660,020	<u>\$ 550,535</u>	<u>\$ 81,692</u>	632,227			<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)
Goodwill impairment	-	-
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>
Loss from discontinued operations, net of tax	-	(306,099)
Net loss	<u>\$ 192,524</u>	<u>\$ (358,426)</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.

Appendix: Financial Information

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>
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>

Thank You