

Pitney Bowes Inc.

Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

	Three Months Ended March 31,	
	2026	2025
Revenue:		
Services	\$306,570	\$318,432
Products	88,650	93,190
Financing and other	82,193	81,798
Total revenue	477,413	493,420
Costs and expenses:		
Cost of services	156,155	155,873
Cost of products	48,680	50,919
Cost of financing and other	12,795	17,507
Selling, general and administrative	133,377	165,915
Research and development	3,794	4,763
Restructuring charges	5,112	1,400
Interest expense, net	25,992	24,270
Other components of net pension and postretirement cost	11,034	1,854
Other expense	-	24,187
Total costs and expenses	396,939	446,688
Income before taxes	80,474	46,732
Provision for income taxes	22,336	11,310
Net income	\$58,138	\$35,422
Basic earnings per share	\$0.40	\$0.19
Diluted earnings per share	\$0.39	\$0.19
Weighted-average shares used in diluted earnings per share	147,742	184,773

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

Assets	March 31, 2026	December 31, 2025
Current assets:		
Cash and cash equivalents	\$302,876	\$284,887
Short-term investments	11,142	12,232
Accounts and other receivables, net	158,587	168,099
Short-term finance receivables, net	481,566	496,446
Inventories	62,611	66,241
Current income taxes	2,684	3,143
Other current assets and prepayments	109,884	69,451
Total current assets	1,129,350	1,100,499
Property, plant and equipment, net	180,344	185,913
Rental property and equipment, net	23,307	24,054
Long-term finance receivables, net	571,147	605,129
Goodwill	742,882	746,687
Intangible assets, net	13,845	14,741
Operating lease assets	108,408	106,996
Noncurrent income taxes	92,868	95,412
Other assets	285,157	289,520
Total assets	<u>\$3,147,308</u>	<u>\$3,168,951</u>
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	\$766,989	\$845,378
Customer deposits at Pitney Bowes Bank	574,302	582,630
Current operating lease liabilities	29,306	28,396
Current portion of long-term debt	363,952	17,150
Advance billings	72,531	69,075
Current income taxes	11,409	5,210
Total current liabilities	1,818,489	1,547,839
Long-term debt	1,774,240	1,975,888
Deferred taxes on income	81,762	72,665
Tax uncertainties and other income tax liabilities	161	278
Noncurrent operating lease liabilities	100,727	99,757
Noncurrent customer deposits at Pitney Bowes Bank	71,000	71,000
Other noncurrent liabilities	194,501	203,884
Total liabilities	4,040,880	3,971,311
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,689,224	2,655,703
Accumulated other comprehensive loss	(792,299)	(789,132)
Treasury stock, at cost	(3,060,835)	(2,939,269)
Total stockholders' deficit	(893,572)	(802,360)
Total liabilities and stockholders' deficit	<u>\$3,147,308</u>	<u>\$3,168,951</u>

PITNEY BOWES INC.
STATEMENTS OF CASH FLOWS
MARCH 2026

(Dollars in thousands)

	YEAR-TO-DATE	
	2026	2025
Cash Flows From Operating Activities:		
Net income	\$58,138	\$35,422
<i>Adjustments to reconcile net income to net cash provided by operating activities:</i>		
Depreciation and amortization	25,641	28,324
Allowance for doubtful accounts and credit losses	3,288	1,978
Change in allowance for DIP Facility	-	(1,539)
Stock-based compensation	3,278	2,683
Amortization of debt fees	1,956	2,152
Loss on debt refinancing	-	24,646
Restructuring charges	5,112	1,400
Restructuring payments	(15,201)	(13,106)
Pension contributions and retiree medical payments	(10,543)	(12,671)
Loss on disposal of fixed assets	2,382	5,106
(Gain) loss on revaluation of intercompany loans	(4,882)	7,595
Other, net	11,840	4,779
<i>Changes in operating assets and liabilities, net of acquisitions:</i>		
Accounts receivables	7,339	(131)
Finance receivables	43,550	34,586
Inventories	3,502	(4,807)
Other current assets	(8,324)	(4,326)
Accounts payable and accrued liabilities	(102,495)	(141,282)
Income taxes	15,684	8,382
Advance billings	3,890	4,130
Net cash from operating activities	44,155	(16,679)
Cash Flows From Investing Activities:		
Capital expenditures	(15,846)	(16,887)
Purchase of investment securities	(2,757)	(3,910)
Proceeds from sales / maturities of investment securities	7,299	13,345
Net investment in loans receivables	1,783	(37,423)
DIP Facility reimbursement	-	1,539
Acquisitions	-	(2,200)
Other investing activities	233	-
Net cash from investing activities	(9,288)	(45,536)
Cash Flows From Financing Activities:		
Proceeds from issuance of long-term debt	147,750	775,000
Payments to redeem long-term debt	(3,538)	(787,187)
Premium and fees paid to redeem/refinance debt	-	(20,598)
Dividends paid to stockholders	(13,319)	(10,980)
Change in customer deposits at PB Bank	(8,327)	(26,766)
Common stock repurchases	(135,647)	(15,000)
Other financing activities	(3,336)	465
Net cash from financing activities	(16,417)	(85,066)
Effect of exchange rate changes on cash and cash equivalents	(461)	1,342
Change in cash and cash equivalents	17,989	(145,939)
Cash and cash equivalents at beginning of period	284,887	469,726
Cash and cash equivalents at end of period	\$302,876	\$323,787

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

	Three Months Ended March 31,		
	2026	2025	% Change
Sending Technology Solutions	\$313,947	\$315,606	(1%)
Presort Services	163,466	177,814	(8%)
Total revenue	<u>\$477,413</u>	<u>\$493,420</u>	<u>(3%)</u>

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

	Three Months Ended March 31,							
	2026			2025			% change	
	Adjusted Segment EBIT	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	Adjusted Segment EBITDA
Sending Technology Solutions	\$113,530	\$9,875	\$123,405	\$97,027	\$11,680	\$108,707	17%	14%
Presort Services	39,178	8,736	47,914	54,779	9,269	64,048	(28%)	(25%)
Total reportable segments	<u>\$152,708</u>	<u>\$18,611</u>	171,319	<u>\$151,806</u>	<u>\$20,949</u>	172,755	<u>1%</u>	<u>(1%)</u>

Reconciliation of Adjusted Segment EBITDA to income before taxes:

Depreciation and amortization - reportable segments	(18,611)	(20,949)
Interest expense, net	(35,575)	(37,885)
Corporate expenses	(22,331)	(32,117)
Restructuring charges	(5,112)	(1,400)
Loss on debt transactions	-	(24,646)
Foreign currency gain (loss) on intercompany loans	4,882	(7,595)
Pension expense of plans to be terminated	(7,554)	-
Transaction and strategic review costs	(6,544)	(1,890)
Charge in connection with Ecommerce Restructuring	-	459
Income before taxes	<u>\$80,474</u>	<u>\$46,732</u>

Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results

(Unaudited; in thousands, except per share amounts)

	Three Months Ended March 31,	
	2026	2025
Reconciliation of net income to adjusted net income, adjusted EBIT and adjusted EBITDA		
Net income - GAAP	\$58,138	\$35,422
Provision for income taxes	22,336	11,310
Income before taxes	80,474	46,732
Restructuring charges	5,112	1,400
Foreign currency (gain) loss on intercompany loans	(4,882)	7,595
Loss on debt transactions	-	24,646
Pension expense of plans to be terminated	7,554	-
Transaction and strategic review costs	6,544	1,890
Charge in connection with Ecommerce Restructuring	-	(459)
Adjusted net income before tax	94,802	81,804
Adjusted tax provision	25,860	20,113
Adjusted net income	<u>\$68,942</u>	<u>\$61,691</u>
Adjusted income before tax	\$94,802	\$81,804
Interest expense, including financing interest	35,575	37,885
Adjusted EBIT	130,377	119,689
Depreciation and amortization	25,641	28,324
Adjusted EBITDA	<u>\$156,018</u>	<u>\$148,013</u>
Reconciliation of diluted earnings per share to adjusted diluted earnings per share		
Diluted earnings per share - GAAP	\$0.39	\$0.19
Restructuring charges	0.03	0.01
Foreign currency (gain) loss on intercompany loans	(0.02)	0.03
Loss on debt transactions	-	0.10
Pension expense of plans to be terminated	0.04	-
Transaction and strategic review costs	0.03	0.01
Adjusted diluted earnings per share	<u>\$0.47</u>	<u>\$0.33</u>
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	\$44,155	(\$16,679)
Capital expenditures	(15,846)	(16,887)
Restructuring payments	15,201	13,106
Free cash flow	<u>\$43,510</u>	<u>(\$20,460)</u>