

Pitney Bowes Inc.

Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

	Three months ended March 31	
	2025	2024
Revenue:		
Services	\$ 318,432	\$ 322,690
Products	93,190	114,124
Financing and Other	81,798	84,455
Total revenue	<u>493,420</u>	<u>521,269</u>
Costs and expenses:		
Cost of services	155,873	164,481
Cost of products	50,919	62,754
Cost of financing and other	17,507	21,287
Selling, general and administrative	165,915	186,832
Research and development	4,763	7,626
Restructuring charges	1,400	3,766
Interest expense, net	24,270	27,306
Other components of net pension and postretirement income	1,854	(387)
Other expense	24,187	-
Total costs and expenses	<u>446,688</u>	<u>473,665</u>
Income before taxes	46,732	47,604
Provision for income taxes	11,310	15,500
Income from continuing operations	<u>35,422</u>	<u>32,104</u>
Loss from discontinued operations, net of tax	-	(34,989)
Net income (loss)	<u>\$ 35,422</u>	<u>\$ (2,885)</u>
Basic earnings (loss) per share		
Continuing operations	\$ 0.19	\$ 0.18
Discontinued operations	-	(0.20)
Net earnings (loss)	<u>\$ 0.19</u>	<u>\$ (0.02)</u>
Diluted earnings (loss) per share:		
Continuing operations	\$ 0.19	\$ 0.18
Discontinued operations	-	(0.19)
Net earnings (loss)	<u>\$ 0.19</u>	<u>\$ (0.02)</u>
Weighted-average shares used in diluted earnings per share	<u>184,772,933</u>	<u>181,480,268</u>

Note: 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	March 31, 2025	December 31, 2024
Current assets:		
Cash and cash equivalents	\$ 323,787	\$ 469,726
Short-term investments	16,175	16,374
Accounts and other receivables, net	160,284	159,951
Short-term finance receivables, net	526,411	535,608
Inventories	65,103	59,836
Current income taxes	984	10,429
Other current assets and prepayments	92,145	66,030
Total current assets	<u>1,184,889</u>	<u>1,317,954</u>
Property, plant and equipment, net	204,380	218,657
Rental property and equipment, net	24,275	24,587
Long-term finance receivables, net	624,400	610,316
Goodwill	729,687	721,003
Intangible assets, net	17,924	15,780
Operating lease assets	113,433	113,357
Noncurrent income taxes	101,350	99,773
Other assets	269,365	276,089
Total assets	<u>\$ 3,269,703</u>	<u>\$ 3,397,516</u>
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 743,846	\$ 873,626
Customer deposits at Pitney Bowes Bank	625,095	645,860
Current operating lease liabilities	27,322	26,912
Current portion of long-term debt	14,150	53,250
Advance billings	75,060	70,131
Current income taxes	3,528	2,948
Total current liabilities	<u>1,489,001</u>	<u>1,672,727</u>
Long-term debt	1,899,002	1,866,458
Deferred taxes on income	50,298	49,187
Tax uncertainties and other income tax liabilities	14,560	13,770
Noncurrent operating lease liabilities	100,754	100,804
Noncurrent customer deposits at Pitney Bowes Bank	51,977	57,977
Other noncurrent liabilities	199,995	215,026
Total liabilities	<u>3,805,587</u>	<u>3,975,949</u>
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,651,715	2,671,868
Accumulated other comprehensive loss	(811,575)	(839,171)
Treasury stock, at cost	(2,646,362)	(2,681,468)
Total stockholders' deficit	<u>(535,884)</u>	<u>(578,433)</u>
Total liabilities and stockholders' deficit	<u>\$ 3,269,703</u>	<u>\$ 3,397,516</u>

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

	Three months ended March 31		
	2025	2024	% Change
Sending Technology Solutions	\$ 298,055	\$ 327,437	(9%)
Presort Services	177,814	169,807	5%
Total reportable segments	475,869	497,244	(4%)
Other operations	17,551	24,025	(27%)
Total revenue, as reported	493,420	521,269	(5%)
Impact of currency on revenue	2,135		
Total revenue, constant currency	<u>\$ 495,555</u>	<u>\$ 521,269</u>	<u>(5%)</u>

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

	Three months ended March 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	\$ 94,934	\$ 11,065	\$ 105,999	\$ 93,710	\$ 9,994	\$ 103,704	1%	2%	
Presort Services	54,779	9,269	64,048	40,329	8,757	49,086	36%	30%	
Total reportable segments	<u>\$ 149,713</u>	<u>\$ 20,334</u>	<u>170,047</u>	<u>\$ 134,039</u>	<u>\$ 18,751</u>	<u>152,790</u>	<u>12%</u>	<u>11%</u>	

Reconciliation of Adjusted Segment EBITDA to Income from continuing operations:

Other operations (2)	1,879	1,494
Depreciation and amortization - reportable segments	(20,334)	(18,751)
Interest expense, net	(37,885)	(43,909)
Corporate expenses	(31,903)	(42,202)
Restructuring charges	(1,400)	(3,766)
Foreign currency (loss) gain on intercompany loans	(7,595)	4,638
Strategic review costs	(1,890)	(2,690)
Benefit in connection with the Ecommerce Restructuring	459	-
Loss on debt redemption/refinancing	(24,646)	-
Income from continuing operations before taxes	<u>\$ 46,732</u>	<u>\$ 47,604</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. These operations represent a cross-border services contract, shared services functions and previously dissolved operations.

Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results

(Unaudited; in thousands, except per share amounts)

	Three months ended March 31	
	2025	2024
Reconciliation of reported net income (loss) to adjusted EBIT and adjusted EBITDA		
Net income (loss)	\$ 35,422	\$ (2,885)
Loss from discontinued operations, net of tax	-	34,989
Provision for income taxes	11,310	15,500
Income before taxes	46,732	47,604
Restructuring charges	1,400	3,766
Foreign currency loss (gain) on intercompany loans	7,595	(4,638)
Strategic review costs	1,890	2,690
Benefit in connection with the Ecommerce Restructuring	(459)	-
Loss on debt redemption/refinancing	24,646	-
Adjusted net income before tax	81,804	49,422
Interest, net	37,885	43,909
Adjusted EBIT	119,689	93,331
Depreciation and amortization	28,324	28,850
Adjusted EBITDA	\$ 148,013	\$ 122,181

Reconciliation of reported diluted earnings (loss) per share to adjusted diluted earnings per share		
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Diluted earnings (loss) per share	\$ 0.19	\$ (0.02)
Loss from discontinued operations, net of tax	-	0.19
Restructuring charges	0.01	0.02
Foreign currency loss (gain) on intercompany loans	0.03	(0.02)
Strategic review costs	0.01	0.01
Loss on debt redemption/refinancing	0.10	-
Adjusted diluted earnings per share	\$ 0.33	\$ 0.19

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		
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Net cash from operating activities - continuing operations	\$ (16,679)	\$ (1,015)
Capital expenditures	(16,887)	(14,318)
Restructuring payments	13,106	14,989
Free cash flow	\$ (20,460)	\$ (344)