



*CORRECTED as described in the Form 8-K/A, filed by the Company on February 12, 2025*

# Pitney Bowes Fourth Quarter and FY 2024 Earnings

February 11, 2025

This document contains “forward-looking statements” about the Company’s expected or potential future business and financial performance. Forward-looking statements include, but are not limited to, statements about future revenue and earnings guidance, future events or conditions, capital allocation strategy and expected cost savings, elimination of future losses, and anticipated deleveraging in connection with Pitney Bowes’ announced strategic initiatives. 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 financial 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 decline in physical mail volumes; inability to compete effectively with our Sending Technology Solutions competitors; the loss of some of Pitney Bowes’ larger clients in the Presort Services segment; inability to successfully execute on our strategic initiatives; changes in government contracting regulations and inability to comply; risks and uncertainties associated with the Global Ecommerce (“GEC”) exit and wind-down on the Company’s operations; risk of the Company’s worldwide cost reduction initiative causing loss of continuity, experience and knowledge and loss of key employees; changes in trade policies, tariffs and regulations; changes in current economic conditions including recessionary periods, labor shortages, interest rate increases and/or inflation; and other factors as more fully outlined in the Company’s 2023 Form 10-K Annual Report and other reports filed with the Securities and Exchange Commission during 2024. Pitney Bowes assumes no obligation to update any forward-looking statements contained in this document as a result of new information, events or developments.

## *Financial Presentation*

On August 8, 2024, we entered into a series of transactions designed to facilitate an orderly wind-down of a majority our GEC reporting segment, which culminated in what we refer to as the “Ecommerce Restructuring.” As a result of the Ecommerce Restructuring, certain revenues, expenses, assets and liabilities are now reported as discontinued operations. Amounts of the former GEC segment that did not qualify for discontinued operations treatment primarily relate to operations that were dissolved or sold, certain shared services functions and a cross-border services contract. Prior periods have been recast to conform to the current period presentation.

## **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, restructuring charges, goodwill and asset impairment charges, corporate expenses, 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**

Our financial results are reported in accordance with generally accepted accounting principles (GAAP). We also disclose certain non-GAAP measures, such as revenue growth on a constant currency basis, adjusted earnings before interest and taxes (Adjusted EBIT), adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), adjusted earnings per share (Adjusted EPS), Adjusted EBIT as a percent of revenue (Adjusted EBIT Margin) and free cash flow.

Revenue growth is presented on a constant currency basis to exclude the impact of changes in foreign currency exchange rates since the prior period under comparison. Constant currency is calculated by converting the current period non-U.S. dollar denominated revenue using the prior year's exchange rate for the comparable quarter. We believe that excluding the impacts of currency exchange rates provides investors a better understanding of the underlying revenue performance.

Adjusted EBIT, Adjusted EBITDA, Adjusted EBIT Margin and Adjusted EPS exclude the impact of restructuring charges, goodwill and asset impairment charges, foreign currency gains and losses on intercompany loans, certain costs associated with the Ecommerce Restructuring, gains and losses related to acquisitions and dispositions, gains and losses on debt redemptions and other unusual items that we believe are not indicative to our core business operations.

Beginning in the third quarter of 2024, as a result of the Ecommerce Restructuring, we also exclude from these measures the operating results of GEC operations that we are also in the process of exiting that did not qualify for discontinued operations reporting. These operations individually did not qualify for discontinued operations but were part of management's strategic review to exit the GEC business. These operations have either been fully dissolved or are expected to be completely dissolved by the end of the first half of 2025. We believe that excluding these amounts improves the usefulness of these measures as these results are not consistent with our ongoing operations. Previously reported periods have been revised to conform to the current period presentation.

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 investors better insight into the amount of cash available for other discretionary uses.

Complete reconciliations of non-GAAP measures to comparable GAAP measures can be found in the Appendix to this presentation and at the Company's website at [www.pb.com/investorrelations](http://www.pb.com/investorrelations).

# Business Overview and Financial Results

## Company Overview

- Operates through **two leading business segments**, both with durable, high-margin revenue streams and growth avenues, as well as a **financial services business**
- Has undergone strategic transformation over the past year, focused on streamlining the business to **drive strong cash generation, strengthen the balance sheet, and create sustainable long-term growth**

## Financial Overview

**\$2.027B**

FY24 Revenue

**\$290M**

FY24 Free Cash Flow<sup>1</sup>

**\$385M**

FY24 Adjusted EBIT

**\$0.82**

FY24 Adjusted EPS

## PBI Businesses

**Sending Technology Solutions (SendTech):** Shipping technology solutions and physical, digital mailing solutions usually wrapped in a financial services arrangement

**Global Financial Services:** Pitney Bowes' financing business (*consolidated within SendTech for financial reporting purposes*)

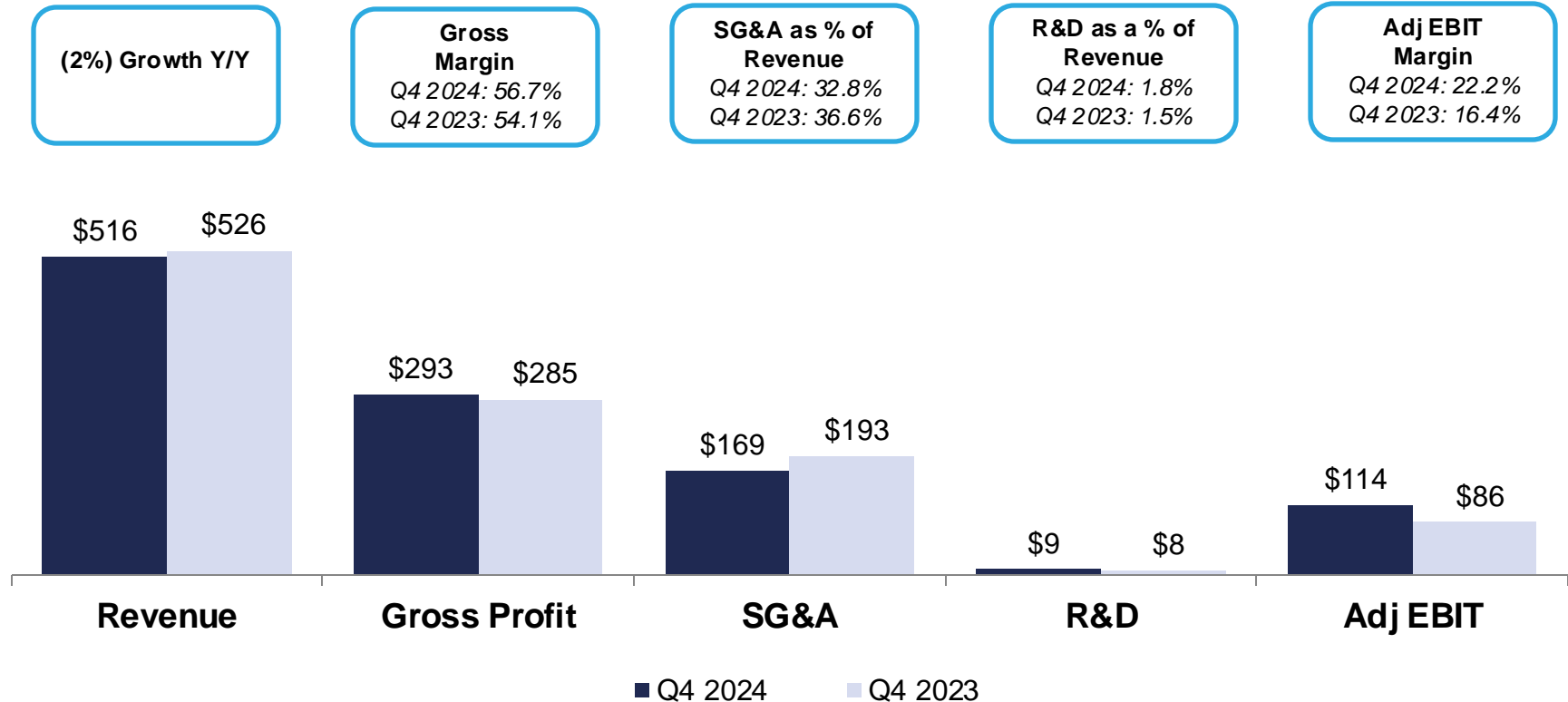
**Presort Services (Presort):** Mail sortation services to qualify large volumes of mail for postal workshare discounts

- **Revenue was \$516 million**, down 2% year-over-year
- **GAAP EPS was a loss of \$0.21**, including a non-cash pension settlement charge of \$0.37 per share and GEC exit costs of \$0.12 per share
- **Adjusted EPS was \$0.32**, an improvement of \$0.12 or 60% over the prior year period
- **GAAP net loss of \$37 million**
- **Adjusted EBIT was \$114 million**, up \$28 million or 33% versus the prior year period
- **GAAP cash from operating activities was \$132 million**
- **Free Cash Flow was \$145 million** and excludes \$32 million of restructuring payments

- **Revenue was \$2.027 billion**, down 3% year-over-year
- **GAAP EPS was a loss of \$1.12**, including a loss of \$1.68 per share from discontinued operations tied to the Global Ecommerce (“GEC”) sale
- **Adjusted EPS was \$0.82**, an improvement of \$0.21 or 34% over the prior year
- **GAAP net loss of \$204 million**, including a loss of \$306 million from discontinued operations tied to the GEC sale
- **Adjusted EBIT was \$385 million**, up \$77 million or 25% over the prior year
- **GAAP cash from operating activities was \$276 million**
- **Free Cash Flow was \$290 million** and excludes \$86 million of restructuring payments
- **Reduced long-term debt by more than \$200 million**

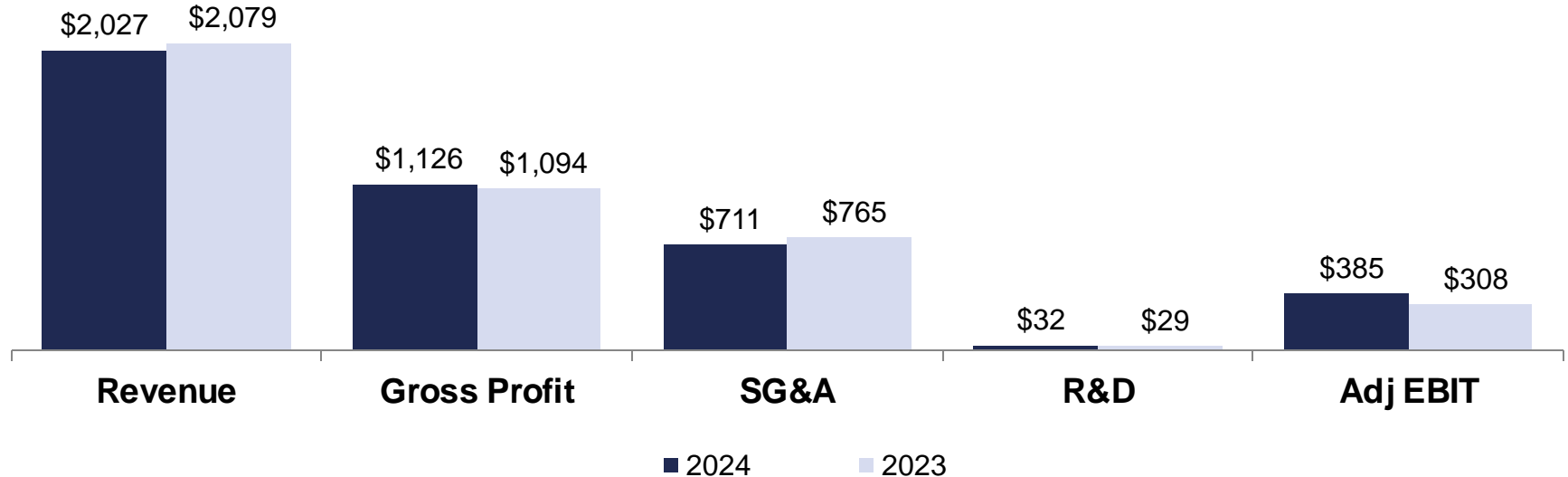
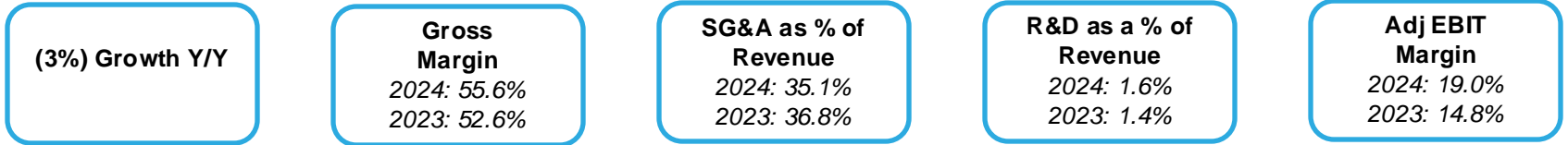
# Fourth Quarter – Results vs. Prior Year

\$ millions



# Full Year 2024– Results vs. Prior Year

\$ millions



# Fourth Quarter and FY2024 – 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)	Q4 2024	Q4 2023	% Change Reported	FY2024	FY2023	% Change Reported
Revenue	\$320	\$338	(5%)	\$1,280	\$1,328	(4%)
Adjusted Segment EBITDA	\$106	\$126	(16%)	\$442	\$446	(1%)
Adjusted Segment EBIT	\$95	\$116	(18%)	\$402	\$408	(2%)

## Key Drivers:

- Q4 revenue decline was driven by near-term headwinds related to product migration, continued decline in the mailing install base, and a difficult year-over-year comparison from a large government deal with \$8 million in upfront revenue in the prior year
- Shipping-related revenue grew 18% and drove a 27% increase in business services revenue
- The decline in Adjusted Segment EBITDA and EBIT for the quarter was driven by lower revenue and non-recurring expenses and partially offset by cost reductions

# Fourth Quarter and FY2024 – 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 2024	Q4 2023	% Change Reported	FY2024	FY2023	% Change Reported
Revenue	\$180	\$163	10%	\$663	\$618	7%
Adjusted Segment EBITDA	\$61	\$43	43%	\$202	\$145	39%
Adjusted Segment EBIT	\$52	\$34	52%	\$166	\$111	49%

## Key Drivers:

- Higher revenue per piece from pricing and mix drove revenue growth
- Adjusted Segment EBITDA and EBIT growth were driven by higher revenue per piece, in addition to continued labor and transportation cost productivity and cost reductions

# Strategic Initiatives and Progress



**Global Ecommerce “GEC” Exit**



**Cost Rationalization**



**Cash Optimization**



**Balance Sheet Deleveraging**

# 2024 Strategic Initiatives: Progress Today

## Global Ecommerce “GEC” Exit

- ✓ The Company is revising its target for one-time costs from the wind-down from \$150 million to approximately **\$165 million**
- ✓ \$120 million of these costs were paid out by year-end
- ✓ Exit costs are anticipated to improve go-forward earnings by eliminating the losses generated by the GEC segment, which were \$136 million in 2023
- ✓ **The Company recorded a \$164 million tax asset in 2024 related to this reorganization.** The Company expects to benefit from lower cash taxes over the next three years as this asset is realized

## Cash Optimization

- ✓ The Company is reducing cash held for working capital purposes through the GEC exit and internal cash forecasting
- ✓ The Company implemented an overseas cash pooling system which has reduced the amount of international cash it needs to hold from **approximately \$140 million to approximately \$50 million**
- ✓ The Pitney Bowes Bank Receivables Purchase Program has accelerated the net realization of \$41 million of cash from leases in 2024, freeing up approximately that amount of cash to flow to the parent Company
- ✓ **These initiatives have unlocked more than \$200 million that can be utilized to reduce debt, return capital to shareholders, and invest in high return organic growth opportunities and tuck-in acquisitions**

## Cost Rationalization

- ✓ **Removed \$30 million in annualized costs in Q4 2024.** This brings the Company's run-rate exiting 2024 to approximately \$120 million in annualized savings
- ✓ The Company now expects to achieve **a total of \$170 million to \$190 million in net annualized cost savings**, up from its previously announced target of \$150 million to \$170 million, with the remainder occurring over the course of 2025 and into 2026

## Balance Sheet Deleveraging

- ✓ The Company's **strong cash flow and cash optimization efforts** have allowed Pitney Bowes to **retire the Oaktree Capital Management, L.P. (collectively with its affiliates, “Oaktree”) senior secured notes (“2028 Notes”)**
- ✓ The Company also **refinanced its 2026 Term Loan A, its 2026 Revolving Credit Facility (“RCF”) and its 2028 Term Loan B through the issuance of a new \$265 million 2028 RCF, a \$160 million 2028 Term Loan A and a \$615 million 2032 Term Loan B.** These actions have resulted in (i) an extension of maturities, (ii) a reduction of the interest rate on the Term Loan B and (iii) a significant loosening of debt covenants
- ✓ No debt maturing over the next 24 months

## Global Ecommerce “GEC” Exit

- Removes money-losing division and allows the Company to focus on core, cash generating segments
- Manner of exit was cost-efficient

## Cash Optimization

- Less cash needed to be held as working capital
- Unlocks substantial amount of cash to be deployed more efficiently – including to return capital to shareholders

## Cost Rationalization

- Makes Pitney Bowes a more efficient and streamlined organization
- Contributes to increased profitability

## Balance Sheet Deleveraging

- Permits the Company to pursue a disciplined capital allocation strategy including high-return investments in the business, tuck-in acquisitions, and return of capital to shareholders
- Paved the way for \$150 million share repurchase authorization and a penny increase in the dividend

# Guidance and Outlook

## Guidance

Pitney Bowes provided the following guidance for total revenue, Adjusted EBIT, Adjusted EPS and free cash flow:

- The Company expects to generate full year revenue of \$1.95 billion to \$2.0 billion
- The Company also expects to generate full year Adjusted EBIT of \$450 million to \$480 million
- 2025 adjusted EPS is expected to range from \$1.10 to \$1.30
- Free cash flow for 2025, which excludes restructuring payments, is expected to be in the range of \$330 million and \$370 million

- **Pitney Bowes is committed to significantly increasing the amount of capital that it consistently returns to shareholders**
- Pitney Bowes believes that share repurchases currently represent the most efficient way to return capital to shareholders. To that end, **the Pitney Bowes Board of Directors (the “Board”) has authorized a share repurchase program in the amount of \$150 million**
- The Company is **increasing its quarterly dividend to \$0.06** and the Board will evaluate potential additional increases on a quarterly basis
- Moving forward, the Company will continue to pursue a disciplined capital allocation strategy that **balances attractive investments in the business, high-return/low-risk acquisitions**, reducing its leverage ratio to 3.0x over the next 24 months, and returning capital to shareholders

## Tailwinds

- **SendTech:** In Q4 2024, the Company drove significant growth in its subscription base and ended the year with almost 200,000 paid subscribers
  - This resulted in a 33% year-over-year improvement in SaaS subscription revenue in the quarter
- **Presort:** The Company expects to continue strong financial performance in 2025
  - The Company has a robust pipeline of tuck-in M&A opportunities. These are not factored into our expectations and would be incremental to guidance
- **FY2025 Guidance:** The Company expects to generate \$450 to \$480 million in adjusted EBIT in 2025, mainly driven by additional savings from cost reduction initiatives and growth in Presort and SendTech shipping
  - The Company expects its effective tax rate for adjusted earnings to be between 27% to 31%. The \$164 million in tax assets associated with the GEC wind-down were already recorded in 2024 and will benefit cash taxes on the cash flow statement
  - The Company expects interest expense to decline year-over-year as a result of the recent paydown of the Oaktree notes and refinancing

## Headwinds

- **SendTech:** In Q4 2024, the revenue decline was driven by near-term headwinds related to the Company's product migration, continued decline in the mailing install base and a difficult year-over-year comparison from a large government deal with \$8 million in upfront revenue in the prior year
- **FY2025 Guidance:** Revenue decline is mainly driven by revenue headwinds in SendTech as the Company turns the page on the product migration. Other Operations include revenue from certain GEC operations we exited in 2023

# Appendix

# Fourth Quarter 2024 – Debt Profile

Total debt consisted of the following:

(\$000s)	Interest Rate	Feb 2025 (Post Refinancing)	12/31/2024	12/31/2023
Term loan due March 2026	SOFR + 2.25%	-	\$ 235,000	\$ 285,500
Notes due March 2027	6.875%	380,000	380,000	380,000
Notes due March 2028	SOFR + 6.9%	-	96,563	274,313
Term loan due March 2028	SOFR + 4.0%	-	433,125	437,625
Term loan due March 2028	SOFR + 2.35%	160,000		
Notes due March 2029	7.25%	350,000	350,000	350,000
Term loan due March 2032	SOFR + 3.75%	615,000		
Notes due January 2037	5.25%	35,481	35,481	35,841
Notes due March 2043	6.70%	425,000	425,000	425,000
Other debt		-	-	1,181
Principal amount		1,965,481	1,955,529	2,189,460

# Appendix: Financial Information

**Pitney Bowes Inc.**  
**Consolidated Statement of Operations**  
(Unaudited, in thousands, except per share amounts)

	Three months ended December 31		Year ended December 31	
	2024	2023	2024	2023
<b>Revenue:</b>				
Business services	\$ 234,652	\$ 218,931	\$ 886,041	\$ 857,646
Support services	93,270	100,281	374,571	410,734
Financing	66,077	68,874	269,893	271,197
Equipment sales	71,026	84,973	287,600	323,739
Supplies	35,587	36,674	143,245	147,709
Rentals	15,509	16,683	65,248	67,900
Total revenue	<u>516,121</u>	<u>526,416</u>	<u>2,026,598</u>	<u>2,078,925</u>
<b>Costs and expenses:</b>				
Cost of business services	129,002	135,978	515,533	560,640
Cost of support services	28,670	32,486	123,506	137,676
Financing interest expense	14,937	17,170	63,600	63,281
Cost of equipment sales	51,665	57,454	203,613	223,757
Cost of supplies	9,981	10,740	40,585	43,347
Cost of rentals	4,265	4,754	17,461	19,614
Selling, general and administrative	148,269	198,437	717,894	781,609
Research and development	9,492	8,106	31,957	29,486
Restructuring charges	12,056	17,645	76,915	52,412
Goodwill impairment	-	80,365	-	123,574
Interest expense, net	26,771	27,947	110,094	98,769
Other components of net pension and postretirement income	90,774	(2,112)	89,044	(8,256)
Other expense (income)	38,436	-	88,723	(3,064)
Total costs and expenses	<u>564,318</u>	<u>588,970</u>	<u>2,078,925</u>	<u>2,122,845</u>
(Loss) income before taxes	(48,197)	(62,554)	(52,327)	(43,920)
(Benefit) provision for income taxes	(6,134)	(984)	(154,829)	17,347
(Loss) income from continuing operations	(42,063)	(61,570)	102,502	(61,267)
Income (loss) from discontinued operations, net of tax	4,690	(162,268)	(306,099)	(324,360)
Net loss	<u>\$ (37,373)</u>	<u>\$ (223,838)</u>	<u>\$ (203,597)</u>	<u>\$ (385,627)</u>
<b>Basic earnings (loss) per share</b>				
Continuing operations	\$ (0.23)	\$ (0.35)	\$ 0.57	\$ (0.35)
Discontinued operations	0.03	(0.92)	(1.71)	(1.85)
Net loss	<u>\$ (0.21)</u>	<u>\$ (1.27)</u>	<u>\$ (1.13)</u>	<u>\$ (2.20)</u>
<b>Diluted earnings (loss) per share:</b>				
Continuing operations	\$ (0.23)	\$ (0.35)	\$ 0.56	\$ (0.35)
Discontinued operations	0.03	(0.92)	(1.68)	(1.85)
Net loss	<u>\$ (0.21)</u>	<u>\$ (1.27)</u>	<u>\$ (1.12)</u>	<u>\$ (2.20)</u>
Weighted-average shares used in diluted earnings per share	<u>182,006,126</u>	<u>176,341,606</u>	<u>182,525,719</u>	<u>175,639,669</u>

(1) The sum of the earnings per share amounts may not equal the totals due to rounding.

# Appendix: Financial Information

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

<u>Assets</u>	December 31, 2024	December 31, 2023
Current assets:		
Cash and cash equivalents	\$ 469,726	\$ 600,054
Short-term investments	16,374	22,166
Accounts and other receivables, net	159,951	200,242
Short-term finance receivables, net	535,608	563,536
Inventories	59,836	63,048
Current income taxes	10,429	564
Other current assets and prepayments	66,030	76,039
Assets held for sale	-	532,441
Total current assets	1,317,954	2,058,090
Property, plant and equipment, net	218,657	254,078
Rental property and equipment, net	24,587	23,583
Long-term finance receivables, net	610,316	653,085
Goodwill	721,003	734,409
Intangible assets, net	15,780	20,400
Operating lease assets	113,357	126,492
Noncurrent income taxes	99,773	60,995
Other assets	276,089	341,053
Total assets	\$ 3,397,516	\$ 4,272,185
<b><u>Liabilities and stockholders' deficit</u></b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 873,626	\$ 829,419
Customer deposits at Pitney Bowes Bank	645,860	640,323
Current operating lease liabilities	26,912	29,882
Current portion of long-term debt	53,250	58,931
Advance billings	70,131	76,258
Current income taxes	2,948	6,523
Liabilities of assets held for sale	-	257,106
Total current liabilities	1,672,727	1,898,442
Long-term debt	1,866,458	2,087,101
Deferred taxes on income	49,187	211,477
Tax uncertainties and other income tax liabilities	13,770	19,091
Noncurrent operating lease liabilities	100,804	126,568
Noncurrent customer deposits at Pitney Bowes Bank	57,977	73,972
Other noncurrent liabilities	215,026	224,110
Total liabilities	3,975,949	4,640,761
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,671,868	3,077,988
Accumulated other comprehensive loss	(839,171)	(851,245)
Treasury stock, at cost	(2,681,468)	(2,865,657)
Total stockholders' deficit	(578,433)	(368,576)
Total liabilities and stockholders' deficit	\$ 3,397,516	\$ 4,272,185

# Appendix: Financial Information

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

	Three months ended December 31			Year ended December 31		
	2024	2023	% Change	2024	2023	% Change
Sending Technology Solutions	\$ 319,511	\$ 337,512	(5%)	\$ 1,279,866	\$ 1,327,873	(4%)
Presort Services	179,555	163,139	10%	662,587	617,599	7%
Total reportable segments	499,066	500,651	(0%)	1,942,453	1,945,472	(0%)
Other operations	17,055	25,765	(34%)	84,145	133,453	(37%)
<b>Total revenue, as reported</b>	<b>516,121</b>	<b>526,416</b>	<b>(2%)</b>	<b>2,026,598</b>	<b>2,078,925</b>	<b>(3%)</b>
Impact of currency on revenue	438			419		
Total revenue, constant currency	\$ 516,559	\$ 526,416	(2%)	\$ 2,027,017	\$ 2,078,925	(3%)

# Appendix: Financial Information

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

	Three months ended December 31							
	2024			2023			% 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	\$ 95,327	\$ 10,713	\$ 106,040	\$ 116,386	\$ 9,652	\$ 126,038	(18%)	(16%)
Presort Services	52,228	9,103	61,331	34,464	8,470	42,934	52%	43%
Total reportable segments	\$ 147,555	\$ 19,816	167,371	\$ 150,850	\$ 18,122	168,972	(2%)	(1%)

### Reconciliation of Adjusted Segment EBITDA to Income from continuing operations:

Other operations (2)			593			653		
Depreciation and amortization - reportable segments			(19,816)			(18,122)		
Interest expense, net			(41,708)			(45,117)		
Corporate expenses			(33,710)			(65,169)		
Restructuring charges			(12,056)			(17,645)		
Goodwill impairment			-			(80,365)		
Pension settlement			(91,339)			-		
Foreign currency gain (loss) on intercompany loans			23,724			(5,761)		
Strategic review costs			(2,820)			-		
Charges in connection with the Ecommerce Restructuring			(29,686)			-		
Loss on debt refinancing			(8,750)			-		
Loss from continuing operations before taxes			\$ (48,197)			\$ (62,554)		

	Year ended December 31							
	2024			2023			% 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	\$ 401,800	\$ 39,993	\$ 441,793	\$ 408,091	\$ 37,982	\$ 446,073	(2%)	(1%)
Presort Services	165,784	35,825	201,609	110,997	33,642	144,639	49%	39%
Total reportable segments	\$ 567,584	\$ 75,818	643,402	\$ 519,088	\$ 71,623	590,711	9%	9%

### Reconciliation of Adjusted Segment EBITDA to Income from continuing operations:

Other operations (2)			(4,232)			(439)		
Depreciation and amortization - reportable segments			(75,818)			(71,624)		
Interest expense, net			(173,694)			(162,050)		
Corporate expenses			(178,141)			(210,931)		
Restructuring charges			(76,915)			(52,412)		
Pension settlement			(91,339)			-		
Goodwill impairment			-			(123,574)		
Foreign currency gain (loss) on intercompany loans			10,243			(5,761)		
Strategic review costs			(17,110)			-		
Asset impairment charge			(10,000)			-		
Charges in connection with the GEC Exit			(67,831)			-		
(Loss) gain on debt refinancing			(10,892)			3,064		
Proxy solicitation fees			-			(10,905)		
Loss from continuing operations before taxes			\$ (52,327)			\$ (43,920)		

(1) Adjusted segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, impairment 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 previous operations that were dissolved or sold, shared services functions and a cross-border services contract.

# Appendix: Financial Information

## 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	
	2024	2023	2024	2023
<b>Reconciliation of reported net loss to adjusted EBIT and adjusted EBITDA</b>				
Net loss	\$ (37,373)	\$ (223,836)	\$ (203,597)	\$ (385,627)
(Income) loss from discontinued operations, net of tax	(4,690)	162,288	306,099	324,360
(Benefit) provision for income taxes	(6,134)	(984)	(154,829)	17,347
Loss before taxes	(48,197)	(62,552)	(52,327)	(43,927)
Restructuring charges	12,056	17,644	76,915	52,412
Pension settlement	91,339	-	91,335	-
Foreign currency (gain) loss on intercompany loans	(23,724)	5,761	(10,243)	5,761
Strategic review costs	2,820	-	17,111	-
Asset impairment charge	-	-	10,000	-
Charges in connection with the Ecommerce Restructuring	29,686	-	67,831	-
Goodwill impairment	-	80,365	-	123,574
Loss (gain) on debt refinancing	8,750	-	10,892	(3,064)
Proxy solicitation fees	-	-	-	10,905
Adjusted net income before tax	72,730	41,218	211,517	145,668
Interest, net	41,708	45,116	173,694	162,050
Adjusted EBIT	114,438	86,334	385,211	307,718
Depreciation and amortization	28,588	28,224	114,485	112,724
Adjusted EBITDA	\$ 143,026	\$ 114,558	\$ 499,696	\$ 420,442
<b>Reconciliation of reported diluted loss per share to adjusted diluted earnings per share</b>				
Diluted loss per share	\$ (0.21)	\$ (1.27)	\$ (1.12)	\$ (2.20)
(Income) loss from discontinued operations, net of tax	(0.03)	0.92	1.68	1.85
Restructuring charges	0.05	0.08	0.32	0.22
Pension settlement	0.37	-	0.37	-
Foreign currency (gain) loss on intercompany loans	(0.10)	0.02	(0.04)	0.02
Strategic review costs	0.01	-	0.07	-
Asset impairment charge	-	-	0.06	-
Charges in connection with the Ecommerce Restructuring	0.12	-	0.28	-
Tax benefit from affiliate reorganization	-	-	(0.90)	-
Tax on settlement of investment securities	0.05	-	0.05	-
Goodwill impairment	-	0.45	-	0.68
Loss (gain) on debt refinancing	0.04	-	0.05	(0.01)
Proxy solicitation fees	-	-	-	0.05
Adjusted diluted earnings per share	\$ 0.32	\$ 0.20	\$ 0.82	\$ 0.61
The sum of the earnings per share amounts may not equal the totals due to rounding.				
<b>Reconciliation of reported net cash from operating activities to free cash flow</b>				
Net cash from operating activities - continuing operations	\$ 131,837	\$ 162,714	\$ 276,453	\$ 234,596
Capital expenditures	(19,088)	(20,241)	(72,403)	(78,109)
Restructuring payments	32,104	9,291	86,023	34,443
Proxy solicitation fees paid	-	-	-	10,905
Free cash flow	\$ 144,853	\$ 151,764	\$ 290,073	\$ 201,835

Thank You