

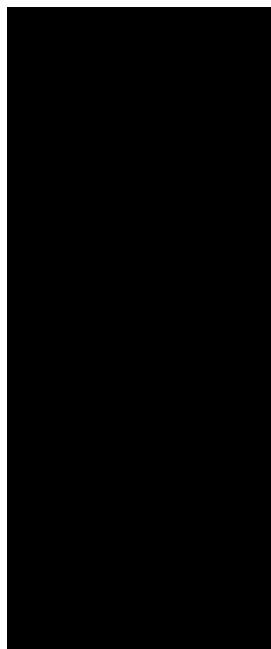
Pitney Bowes Parcel Shipping Index Reports Continued Growth as Global Parcel Volume Exceeds 100 billion for First Time Ever

STAMFORD, Conn., October 12, 2020 - Pitney Bowes Inc. (NYSE: PBI), a global technology company that provides commerce solutions in the areas of ecommerce, shipping, mailing, data and financial services, today released the latest Pitney Bowes Parcel Shipping Index. The annual report found that global parcel volume surpassed 100 billion in 2019, reaching 103 billion. More than three of every five parcels shipped in the world's major markets are generated by China. Over 3000 parcels were shipped every second in 2019 in the world's 13 major markets. The report forecasts parcel volume is most likely to more than double and reach 220-262 billion parcels by 2026, with a 14.8 percent CAGR for 2020-2024. Due to increased uncertainty fueled by the global pandemic, the forecast provides a range that shows volumes could be as low as 200 billion or as high as 316 billion parcels in six years.

This press release features multimedia. View the full release here:
<https://www.businesswire.com/news/home/20201012005150/en/>

The Index also highlights the advance of Amazon Logistics as a major market player, delivering 1.9 billion packages in the US alone through its in-house delivery network, showing 155% parcel volume growth in 2019 year-over-year and forecasting its CAGR at 30 percent from 2020-2024. Amazon Logistics has been rapidly increasing their delivery capacity in the US and expects to compete for external business with traditional carriers. This effort has been stalled somewhat in 2020 driven by COVID-19 and the significant increase in Amazon's own shopping volume. Amazon's overall US parcel volume (including Amazon Logistics Network and parcels given to USPS and other carriers) increased by 22% year-over-year.

The Pitney Bowes Parcel Shipping Index measures volume and spend for business-to-business, business-to-consumer, consumer-to-business and consumer-consigned shipments with weight up to 31.5 kg (70 lbs.) in 13 major markets, representing 3.8 billion people in the U.S., Canada, Brazil, Germany, UK, France, Italy, Norway, Sweden, China, Japan, Australia and India. Based on proprietary and published data, the Index has become a valued industry benchmark and a reliable source of accurate forecasting since the inaugural report in 2015.



Index reveals 17.7 percent growth in parcel volume in 2019 with 3,248 parcels shipped every second

The latest report reveals growth of 17.7 percent in 2019, in line with the 17-28 percent growth projection range given in previous Parcel Shipping Index reports. On average, 3,248 parcels were shipped every second in 2019 in the world's 13 major markets, equating to an average of 27 parcels shipped per person. China remains the strongest influence on the

market with 63.5 billion parcels shipped in 2019 and an increase of 26 percent in parcel volume year-over-year. Excluding China, parcel volume increased by 6.7 percent, from 37 billion in 2018 (including Amazon Logistics volume in the US) to 39 billion in 2019. Global parcel revenue increased by 9 percent year-over-year from \$323 billion in 2018 to \$351 billion in 2019, at a CAGR of 11 percent during 2013-19.

While all countries except Japan saw steady growth in parcel volume, the impact of emerging and maturing ecommerce markets is reflected in the figures. Norway's percentage increase in parcel volume is second only to China's, with the European country shipping 80 million parcels compared to the previous year's 60 million - an increase of 24 percent. India has the third highest percentage increase after China and Norway, experiencing growth of 19 percent in parcel volume, shipping 2.8 billion parcels and reaching a CAGR of 22 percent since 2013.

All markets reported an increase in carrier revenue growth year-over-year, with the exception of Germany which saw a slight decline of -0.2 percent, largely driven by currency exchange rates as carrier revenue growth in Euros in Germany was positive at 5.2%. As parcel volumes rise, carriers continue to find innovative ways to expand their networks and improve the customer experience in increasingly competitive markets.

Key findings from the latest Pitney Bowes Shipping Index include:

- **China** extended its global lead in parcel volume, with 63 billion parcels and growth of 26 percent year-over-year, although this growth has declined from the 48-61 percent growth seen from 2012-16. A CAGR of 38 percent was reached from 2013-2019. China's parcel volume is more than four times that of the United States, its nearest country in terms of volume.
- **United States** ranks highest in the Index for parcel shipping revenue at \$130 billion. Amazon Logistics is growing in influence and market share, emerging as a major player in the logistics market in the US, reflecting its influence in countries such as the UK.
- **Norway** sees the second highest year-over-year growth rate in the Index with a 24 percent increase in parcel volume from 2018, with parcel volume of 80 million, driven largely by the maturing of the ecommerce market.
- **Italy** had the fourth highest year-over-year parcel volume growth with a 14.8 percent increase in parcel volume from 2018 and reaching nearly 1 billion parcels.
- **Brazil** sees a 15 percent increase in year-over-year parcel volume from 2018-19.
- **India** is experiencing a CAGR of 22 percent in parcel volume 2013-19 and year-over-year growth of 19 percent.
- **Japan** was the only country to show a decline in parcel volume at -3 percent, in line with last year's decline of -2.7 percent YoY, although carriers are seeing a slight increase in revenue.
- **The UK** saw 57 parcels per capita compared with 48 in 2017, the highest per capita increase over the past two years.

"Since its inception, the Shipping Index has become a highly anticipated, reliable industry benchmark. As we mark Pitney Bowes' 100th anniversary, this year's milestone of global parcel volume surpassing 100 billion parcels seems particularly serendipitous," said Jason Dies, EVP and Vice President Sending Technology Solutions. "While parcel volumes keep rising, carriers are racing to keep up with competition and with consumer demand, delivering innovative new customer experiences, digitalizing technologies and investing in infrastructure, all while generating sustainable revenues. Although we won't document the full impact of the Coronavirus pandemic on the industry until next year's report, in April alone the USPS noted a 60 percent rise in parcel volume across the US. Our Index has a track record of accurate forecasting, and our adjusted forecasts of parcel volume reaching 220-262 billion by 2026 demonstrate the phenomenal growth expected across the industry."

Key Shipping Index Findings by Region

Americas (United States, Brazil, Canada)

- **United States** generated \$130 billion revenue in parcel revenue, the highest of all 13 countries studied and an increase of 11 percent year-over-year. The market shipped 14.7 billion parcels, up from 13.2 billion in 2018. Amazon Logistics volume is included in both years, having delivered 1.9 billion packages in the US alone through its in-house delivery network, with a CAGR forecasted at 22 percent to 2023.
- **Brazil's** parcel volume grew 15 percent year-over-year, with volume reaching 850 million parcels – an average

CAGR from 2014-19 of 10.5 percent.

- **Canada's** parcel shipments reached 1.1 billion, up 8 percent from the year prior.

Europe (France, Germany, Italy, Norway, Sweden and United Kingdom)

- **France** saw parcel volumes reach 1.34 billion and a CAGR of 5 percent from 2013-19.
- **Germany** generated 3.7 billion parcel shipments in 2019. Germany has the largest B2B sector in Europe, comprising around 65 percent of its overall market value. It was the only market where revenue in USD declined, by a marginal -0.2 percent year-over-year.
- **Italy** reached 990 million parcels shipped in 2019, 15 percent growth since the previous year.
- **Norway** saw parcel volumes increase by 24 percent since 2018. Parcel shipments reached 80 million and revenue increased by 20.5 percent year-over-year.
- **Sweden** saw 6.2 percent growth in parcel volumes since the previous year, reaching 135 million in 2019.
- **United Kingdom** parcel shipments generated \$16.1 billion in revenue and reached 3.8 billion parcels, a 7 percent increase in both parcel volume and revenue since 2018.

Asia Pacific (Australia, China, India, Japan)

- **Australia** shipped 934 million parcels, an increase of 8 percent year over year.
- **China's** parcel volume reached 63.5 billion in 2019, up from 51 billion in 2018 and 40 billion in 2017.
- **India's** parcel volumes have increased steadily since 2013 to 2.8 billion, with a CAGR since 2013 of 22 percent – one of the highest rates of volume growth in the Index.
- **Japan's** parcel volume, 9 billion, declined by 3 percent from the previous year. Revenue increased by 5 percent to \$31.5 billion.

View the Pitney Bowes Shipping Index interactive map and infographic to learn more.

The Parcel Shipping Index is one example of proprietary research conducted by Pitney Bowes on behalf of its clients to help guide investment decisions and go-to-market strategies. This year, the company has partnered with Morning Consult to conduct additional industry research in key markets, including "BOXpoll," a new weekly consumer survey on current events, culture, and ecommerce logistics.

About the Pitney Bowes Parcel Shipping Index

The Pitney Bowes Parcel Shipping Index measures parcel volume and spend for business-to-business, business-to-consumer, consumer-to-business and consumer consigned shipments with weight up to 31.5kg (70 pounds) across Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Norway, Sweden, the United Kingdom and the United States. Population data points were sourced from the International Monetary Fund, World Economic Outlook Database published in October 2018. The Pitney Bowes Parcel Shipping Index spans 13 countries and represents the parcel shipping activity of 3.7 billion people.

About Pitney Bowes

Pitney Bowes (NYSE:PBI) is a global technology company providing commerce solutions that power billions of transactions. Clients around the world, including 90 percent of the Fortune 500, rely on the accuracy and precision delivered by Pitney Bowes solutions, analytics, and APIs in the areas of ecommerce fulfillment, shipping and returns; cross-border ecommerce; office mailing and shipping; presort services; and financing. For 100 years Pitney Bowes has been innovating and delivering technologies that remove the complexity of getting commerce transactions precisely right. For additional information visit Pitney Bowes, the Craftsmen of Commerce, at www.pitneybowes.com.