NEWS RELEASE

Pitney Bowes Announces Financial Results for Second Quarter 2026 and Issues CEO Letter

2026-07-29

Discloses Strong Q2 Results with Meaningful Growth in Adj. EBIT, Adj. EPS, and Adj. Free Cash Flow

Raises Full Year Guidance for Adj. EBIT, Adj. EPS, and Adj. Free Cash Flow

Reduced Debt by More than $200 Million Since Q1

SHELTON, Conn.--(BUSINESS WIRE)-- Pitney Bowes Inc. (NYSE: PBI) ("Pitney Bowes" or the "Company"), a technology-driven company that provides digital shipping solutions, mailing innovation, and financial services to clients around the world, today disclosed its financial results for the second quarter of 2026. In conjunction with this announcement, CEO Kurt Wolf has released a letter to shareholders to provide his commentary on the quarter and updates on strategic initiatives. To read and/or download a copy of this quarter's CEO letter, please click **here**.

Financial Highlights:

The following table summarizes the Company's financial highlights for the second quarter 2026:

	Second Quarter			
$ millions, except EPS	2026	2025	$ Change	% Change
Revenue	$451	$462	($10)	(2%)
GAAP EPS	$0.36	$0.17	$0.19	>100%

Adj. EPS1	$0.43	$0.27	$0.16	59%
GAAP Net Income	$50	$30	$20	66%
Adj. EBIT1	$116	$102	$14	13%
Cash from Operations	$153	$111	$42	37%
Adj. Free Cash Flow1 2	$148	$106	$42	39%

1 Adjusted EPS, Adjusted EBIT, and Adjusted Free Cash Flow are non-GAAP measures. Definitions for these metrics can be found in the Use of Non-GAAP Measures section. Reconciliations of non-GAAP measures to comparable GAAP measures can be found in the attached financial schedules.
2 Effective Q2 2026, the Company has renamed "Free Cash Flow" to "Adjusted Free Cash Flow". This is a change in title only. There is no change in definition nor calculation methodology, and all prior-period amounts remain unchanged.

Update on Capital Allocation

- The Company reduced debt by $201 million from the end of Q1 2026 through July 29, 2026, including $104 million in the second quarter and $97 million in July. As of July 29, 2026, the Company had no outstanding balance on its revolving credit facility and its next debt maturity isn't until March 2029.
- The Company repurchased 4.5 million shares for $53 million in the second quarter at an average per share price of $11.75.
- The Board approved a $0.10 per share quarterly regular dividend, which is payable on September 8, 2026, to shareholders of record as of August 10, 2026.

Business Segment Reporting

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.

	Second Quarter			
$ millions	2026	2025	$ Change	% Change
Revenue	$309	$312	($3)	(1%)
Adj. Segment EBITDA	$133	$113	$20	17%
Adj. Segment EBIT	$123	$101	$21	21%

SendTech revenue declined slightly, as continued erosion in the mailing install base was partially offset by strong sales execution and growth in services revenue.

Adjusted Segment EBITDA and EBIT improved as a result of cost reductions, with operating expenses declining $14 million versus prior year, and a $5 million tariff refund received in the 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	Second Quarter 2026	2025	$ Change	% Change
Revenue	$143	$150	($8)	(5%)
Adj. Segment EBITDA	$29	$45	($16)	(36%)
Adj. Segment EBIT	$20	$36	($16)	(44%)

Presort revenue decline continued to moderate in the second quarter. Total volume sorted in the quarter was 3.3 billion pieces of mail, a 3% reduction year-over-year driven by market decline and previously communicated client losses from the first half of 2025.

Adjusted Segment EBITDA and EBIT declined due to the decrease in revenue with margins contracting from reduced operating leverage from lower volumes as well as higher fuel and transportation costs.

2026 Full-Year Outlook

Pitney Bowes raised its guidance for Adjusted EBIT, Adjusted EPS, and Adjusted Free Cash Flow and reaffirmed its guidance for Revenue. Updated guidance for Revenue, Adjusted EBIT, Adjusted EPS and Adjusted Free Cash Flow in 2026 is as follows:

	Previous Guidance		Updated Guidance	
$ millions, except EPS	Low	High	Low	High
Revenue	$1,800	$1,860	$1,800	$1,860
Adjusted EBIT	$425	$465	$445	$475
Adjusted EPS	$1.50	$1.65	$1.55	$1.70
Adjusted Free Cash Flow	$345	$380	$360	$410

Q2 2026 Earnings Conference Call

Management will discuss the Company’s results in a webcast tomorrow, July 30, 2026, at 8:00 a.m. ET. Instructions for accessing the earnings results call are available on the Investor Relations page of the Company’s website at **www.pitneybowes.com**.

As a reminder, to read and/or download a copy of this quarter’s CEO letter, please click **here**

About Pitney Bowes

Pitney Bowes (NYSE: PBI) is a technology-driven company that provides digital shipping solutions, mailing innovation, and financial services to clients around the world – including more than 90 percent of the Fortune 500. Small businesses to large enterprises, and government entities rely on Pitney Bowes to reduce the complexity of sending mail and parcels. For the latest news, corporate announcements, and financial results, visit **www.pitneybowes.com/us/newsroom**. For additional information, visit Pitney Bowes at **www.pitneybowes.com**.

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. Effective January 1, 2026, Adjusted Segment EBIT also excludes pension expense related to U.S. and Canada pension plans that we have taken steps to terminate. 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 adjusted 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 of our core business operations. For the 2026 periods, these measures also exclude pension expense related to the U.S. and Canada pension plans that we have taken steps to terminate.

Effective Q2 2026, the Company has renamed “Free Cash Flow” to “Adjusted Free Cash Flow”. This is a change in title only. There is no change in definition nor calculation methodology, and all prior-period amounts remain unchanged. Adjusted free cash flow adjusts cash flow from operations calculated in accordance with GAAP for capital expenditures, restructuring payments and other special items. Management believes adjusted 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 website 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.

Forward-Looking Statements

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; accelerated or sudden declines in physical mail volumes or shipping volumes; the loss of some of our larger clients; changes in trade policies, tariffs and regulations; 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 labor and transportation availability and costs; and other factors as more fully outlined in the Company's Annual Report on Form 10-K/A for the year ended December 31, 2025 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.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Revenue:				
Services	$284,517	$290,423	$591,087	$608,855
Products	87,523	90,880	176,173	184,070
Financing and other	79,458	80,606	161,651	162,404
Total revenue	451,498	461,909	928,911	955,329
Costs and expenses:				
Cost of services	155,356	144,240	311,511	300,113
Cost of products	41,442	54,487	90,122	105,406
Cost of financing and other	12,424	15,656	25,219	33,163
Selling, general and administrative	128,746	170,542	262,123	336,457
Research and development	3,383	3,601	7,177	8,364
Restructuring charges	3,337	13,806	8,449	15,206
Interest expense, net	28,580	24,937	54,572	49,207
Other components of net pension and postretirement cost	12,256	1,947	23,290	3,801
Other expense	483	(6,578)	483	17,609
Total costs and expenses	386,007	422,638	782,946	869,326
Income before taxes	65,491	39,271	145,965	86,003
Provision for income taxes	15,583	9,296	37,919	20,606
Net income	$49,908	$29,975	$108,046	$65,397
Basic earnings per share	$0.37	$0.17	$0.76	$0.36

Diluted earnings per share	$0.36	$0.17	$0.75	$0.36
Weighted-average shares used in diluted earnings per share	139,043	181,005	143,864	182,708

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

Assets	June 30, 2026	December 31, 2025
Current assets:		
Cash and cash equivalents	$266,833	$284,887
Short-term investments	11,920	12,232
Accounts and other receivables, net	147,898	168,099
Short-term finance receivables, net	468,702	496,446
Inventories	62,880	66,241
Current income taxes	2,419	3,143
Other current assets and prepayments	79,223	69,451
Total current assets	1,039,875	1,100,499
Property, plant and equipment, net	175,555	185,913
Rental property and equipment, net	22,526	24,054
Long-term finance receivables, net	550,602	605,129
Goodwill	740,417	746,687
Intangible assets, net	12,949	14,741
Operating lease assets	103,268	106,996
Noncurrent income taxes	89,953	95,412
Other assets	284,440	289,520
Total assets	$3,019,585	$3,168,951
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$743,248	$845,378
Customer deposits at Pitney Bowes Bank	546,503	582,630
Current operating lease liabilities	29,935	28,396
Current portion of long-term debt	23,138	17,150
Advance billings	71,689	69,075
Current income taxes	3,122	5,210
Total current liabilities	1,417,635	1,547,839
Long-term debt	2,010,756	1,975,888
Deferred taxes on income	97,581	72,665
Tax uncertainties and other income tax liabilities	161	278
Noncurrent operating lease liabilities	93,825	99,757
Noncurrent customer deposits at Pitney Bowes Bank	71,000	71,000
Other noncurrent liabilities	191,906	203,884
Total liabilities	3,882,864	3,971,311
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,698,586	2,655,703
Accumulated other comprehensive loss	(790,426)	(789,132)
Treasury stock, at cost	(3,041,777)	(2,939,269)
Total stockholders' deficit	(863,279)	(802,360)
Total liabilities and stockholders' deficit	$3,019,585	$3,168,951

PITNEY BOWES INC.
STATEMENTS OF CASH FLOWS
(Unaudited; in thousands)

	Six Months Ended June 30,	
	2026	2025
Cash Flows From Operating Activities:		
Net income	$108,046	$65,397
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	49,328	57,086
Allowance for credit losses	4,529	5,161
Change in allowance for DIP Facility	-	(8,024)

Stock-based compensation	13,072	12,287
Amortization of debt fees	3,977	3,599
Loss on debt redemption/refinancing	1,116	24,364
Restructuring charges	8,449	15,206
Restructuring payments	(28,898)	(21,518)
Loss on disposal of fixed assets	6,750	5,430
(Gain) loss on revaluation of intercompany loans	(5,771)	24,624
Other, net	9,818	(11,556)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts and other receivables	17,602	4,820
Finance receivables	71,746	71,202
Inventories	3,124	(17,705)
Other current assets and prepayments	(8,622)	(5,356)
Accounts payable and accrued liabilities	(84,114)	(142,328)
Current and noncurrent income taxes	23,654	8,706
Advance billings	3,266	3,314
Net cash from operating activities	197,072	94,709
Cash Flows From Investing Activities:		
Capital expenditures	(34,331)	(30,230)
Purchases of investment securities	(7,041)	(7,603)
Proceeds from sales/maturities of investment securities	11,060	18,530
Net investment in loans receivables	3,362	(61,650)
DIP Facility reimbursement	-	8,024
Acquisition	-	(2,200)
Other investing activities, net	233	1,029
Net cash from investing activities	(26,717)	(74,100)
Cash Flows From Financing Activities:		
Proceeds from issuance of long-term debt	396,700	775,000
Payments to redeem long-term debt	(356,073)	(804,442)
Change in customer deposits at PB Bank	(36,127)	(42,923)
Dividends paid to stockholders	(26,891)	(23,606)
Premium and fees paid to redeem/refinance debt	(5,651)	(20,598)
Proceeds from stock option exercise	36,384	7,344
Common stock repurchases	(188,446)	(90,274)
Other financing activities	(7,403)	(8,993)
Net cash from financing activities	(187,507)	(208,492)
Effect of exchange rate changes on cash and cash equivalents	(902)	3,334
Change in cash and cash equivalents	(18,054)	(184,549)
Cash and cash equivalents at beginning of period	284,887	469,726
Cash and cash equivalents at end of period	$266,833	$285,177

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2026	2025	% Change	2026	2025	% Change
SendTech Solutions	$308,930	$311,716	(1%)	$622,877	$627,322	(1%)
Presort Services	142,568	150,193	(5%)	306,034	328,007	(7%)
Total revenue	$451,498	$461,909	(2%)	$928,911	$955,329	(3%)

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

	Three Months Ended June 30,							
	2026			2025			% 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
SendTech Solutions	$122,678	$9,859	$132,537	$101,255	$11,731	$112,986	21%	17%

Presort Services	20,006	8,855	28,861	35,940	9,139	45,079	(44%)	(36%)
Total reportable segments	$142,684	$18,714	161,398	$137,195	$20,870	158,065	4%	2%
Reconciliation of Adjusted Segment EBITDA to income before taxes:								
Depreciation and amortization - reportable segments			(18,714)			(20,870)		
Interest expense, net			(37,608)			(37,499)		
Corporate expenses			(26,631)			(34,902)		
Restructuring charges			(3,337)			(13,806)		
(Loss) gain on debt redemption/refinancing			(1,116)			282		
Foreign currency gain (loss) on intercompany loans			889			(17,029)		
Pension expense of plans to be terminated			(8,422)			-		
Transaction and strategic review costs			(1,601)			(1,266)		
Charge/Benefit in connection with Ecommerce Restructuring			633			6,296		
Income before taxes			$65,491			$39,271		

	Six Months Ended June 30,							
	2026			2025			% 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
SendTech Solutions	$236,208	$19,734	$255,942	$198,282	$23,412	$221,694	19%	15%
Presort Services	59,184	17,591	76,775	90,719	18,408	109,127	(35%)	(30%)
Total reportable segments	$295,392	$37,325	332,717	$289,001	$41,820	330,821	2%	1%
Reconciliation of Adjusted Segment EBITDA to income before taxes:								
Depreciation and amortization - reportable segments			(37,325)			(41,820)		
Interest expense, net			(73,183)			(75,384)		
Corporate expenses			(48,962)			(67,019)		
Restructuring charges			(8,449)			(15,206)		
Loss on debt redemption/refinancing			(1,116)			(24,364)		
Foreign currency gain (loss) on intercompany loans			5,771			(24,624)		
Pension expense of plans to be terminated			(15,976)			-		
Transaction and Strategic review costs			(8,145)			(3,156)		
Benefit in connection with Ecommerce Restructuring			633			6,755		
Income before taxes			$145,965			$86,003		

Pitney Bowes Inc.
Reconciliation of Reported Consolidated Results to Adjusted Results
(Unaudited; in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Reconciliation of net income to adjusted net income, adjusted EBIT and adjusted EBITDA				
Net income - GAAP	$49,908	$29,975	$108,046	$65,397
Provision for income taxes	15,583	9,296	37,919	20,606
Income before taxes	65,491	39,271	145,965	86,003
Restructuring charges	3,337	13,806	8,449	15,206
Foreign currency (gain) loss on intercompany loans	(889)	17,029	(5,771)	24,624
Loss (gain) on debt activities	1,116	(282)	1,116	24,364
Pension expense of plans to be terminated	8,422	-	15,976	-
Transaction and strategic review costs	1,601	1,266	8,145	3,156
Benefit in connection with Ecommerce Restructuring	(633)	(6,296)	(633)	(6,755)
Adjusted net income before tax	78,445	64,794	173,247	146,598
Adjusted tax provision	18,696	15,718	44,556	35,831
Adjusted net income	$59,749	$49,076	$128,691	$110,767
Adjusted income before tax	$78,445	$64,794	$173,247	$146,598
Interest expense, including financing interest	37,608	37,499	73,183	75,384
Adjusted EBIT	116,053	102,293	246,430	221,982
Depreciation and amortization	23,687	28,762	49,328	57,086
	[illegible]	[illegible]	[illegible]	[illegible]

Adjusted EBITDA	$139,740	$131,055	$295,758	$279,068
Reconciliation of diluted earnings per share to adjusted diluted earnings per share				
Diluted earnings per share - GAAP	$0.36	$0.17	$0.75	$0.36
Restructuring charges	0.02	0.06	0.04	0.06
Foreign currency (gain) loss on intercompany loans	(0.01)	0.07	(0.03)	0.10
Pension expense of plans to be terminated	0.04	-	0.08	-
Loss (gain) on debt activities	0.01	-	0.01	0.10
Transaction and strategic review costs	0.01	0.01	0.04	0.01
Benefit in connection with Ecommerce Restructuring	-	(0.03)	-	(0.03)
Adjusted diluted earnings per share	$0.43	$0.27	$0.90	$0.61
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	$152,916	$111,388	$197,072	$94,709
Capital expenditures	(18,485)	(13,343)	(34,331)	(30,230)
Restructuring payments	13,697	8,412	28,898	21,518
Adjusted Free cash flow	$148,128	$106,457	$191,639	$85,997

For Investors:

Alex Brown

investorrelations@pb.com

Source: Pitney Bowes Inc.