

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549-1004

FORM 8 - K
CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report
(Date of earliest event reported): July 18, 2000

PITNEY BOWES INC.

Commission File Number: 1-3579

State of Incorporation
Delaware

IRS Employer Identification No.
06-0495050

World Headquarters
Stamford, Connecticut 06926-0700
Telephone Number: (203) 356-5000

Item 5 - Other Events.

The registrant's press release dated July 18, 2000, regarding its financial results for the period ended June 30, 2000, including consolidated statements of income and selected segment data for the three and six months ended June 30, 2000 and 1999, and consolidated balance sheets at June 30, 2000, March 31, 2000 and June 30, 1999, are attached.

Item 7 - Financial Statements and Exhibits.

c. Exhibits.

The following exhibits are furnished in accordance with the provisions of Item 601 of Regulation S-K:

Exhibit -----	Description -----
(1)	Pitney Bowes Inc. press release dated July 18, 2000.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PITNEY BOWES INC.

July 21, 2000

/s/ B. P. Nolop

B. P. Nolop
Vice President and Chief Financial Officer
(Principal Financial Officer)

/s/ A. F. Henock

A. F. Henock
Vice President - Controller
and Chief Tax Counsel
(Principal Accounting Officer)

(1)

Exhibit 1

PITNEY BOWES REPORTS SECOND QUARTER EARNINGS

Highlights:

- o 22nd Consecutive Quarter of Double-Digit Earnings Per Share Growth
- o Approximately \$160 Million in Free Cash Flow
- o Repurchase of 5.4 Million Shares During the Quarter

Stamford, Conn., July 18, 2000 - Pitney Bowes Inc. (NYSE: PBI) today reported second quarter results that included diluted earnings per share from continuing operations of 64 cents, an 11% increase and the 22nd consecutive quarter of double-digit growth. Revenue in the quarter grew five percent to \$1.2 billion and income from continuing operations rose five percent to \$166.0 million.

Pitney Bowes Chairman and Chief Executive Officer Michael J. Critelli commented on the second quarter results: "We are pleased with what we've accomplished this quarter. Our Office Solutions segment reported its fourth consecutive quarter of higher year-over-year revenue growth. In particular, we experienced continued improvement in revenue growth in our copier and management services businesses. Our Mailing and Integrated Logistics (MAIL) segment reported six percent revenue growth despite unfavorable foreign currency impacts. We achieved these results against a difficult comparison to the second quarter 1999, which included the benefits of meter migration."

(2)

The Mailing and Integrated Logistics Segment includes the revenues and related expenses from the rental, sale and financing of mailing and shipping equipment, related supplies and services, and software. As noted above, the segment revenue grew six percent and its operating profit grew 15 percent, in line with our first quarter performance. Operating profit benefited from improving rental and financing margins in our core mail finishing business.

The higher growth components of the MAIL segment are producing strong results. In particular, our International Mailing operations continued to reap the benefits of the growth strategy: increasing market share; developing existing and new markets; increasing the value of business per customer and expanding the customer base. The success of these strategies, plus ongoing cost controls, resulted in another quarter of U.S. dollar-based double-digit revenue growth and even greater operating profit growth.

Worldwide production mail revenues also continued its double-digit growth trend, as large volume mailers turn to Pitney Bowes software-based solutions for enhanced functionality, speed and accuracy.

The Office Solutions Segment includes Pitney Bowes Office Systems and Pitney Bowes Management Services. Marking the fourth consecutive quarter of

improved revenue growth and the highest growth since the first quarter of 1999, second quarter revenue grew five percent in the segment, while operating profit declined nine percent.

Office Systems' revenue grew six percent, while operating profit declined due to adverse currency impacts and ongoing strategic business initiatives. The relative value of the Yen and margin impacts associated with the ongoing transition to a rental revenue model for large national accounts in the copier business negatively impacted operating profit. Strong copier rental revenue growth demonstrates success of the company's strategy and its ability to place copier fleets in national accounts by leveraging its established relationships between corporations and its facsimile account teams.

Pitney Bowes Management Services delivers advanced mailing, reprographic, document management and other high value outsourcing services to leading financial, legal and technology firms. Its strategy to pursue disciplined, profitable growth once again produced substantially higher operating profit growth as year-over-year revenue growth increased by five percent. The unit's strategy has resulted in enhanced customer service and also led to a substantial improvement in net new written business versus the prior year.

(3)

Total Messaging Solutions, the combined results of the MAIL and Office Solutions segments, reported six percent growth in revenue and nine percent growth in operating profit.

The Capital Services Segment includes primarily asset- and fee-based income generated by large ticket non-core asset transactions. This quarter, consistent with the company's stated strategy to concentrate on fee-based income opportunities, the segment's revenue decreased eight percent and its operating profit decreased 13 percent.

Mr. Critelli continued, "Striking a strategic balance through carefully managing our substantial recurring revenue base, enhancing our growth-oriented businesses and making focused investments for the future, we were able to generate approximately \$160 million in free cash flow during the quarter. We expect to generate similar levels of free cash flow in the future, which will be used for investments, dividends and share repurchases.

"We continued to enhance our future revenue growth opportunities during the quarter through additional investments of approximately \$25 million in Internet and other new business initiatives. In fact, in addition to growing our investment, we were still able to reduce selling, service and administrative expenses as a percent of revenue by 20 basis points during the quarter."

"During the second quarter, we completed the repurchase of 3.6 million shares remaining under an authorization to repurchase 8.2 million shares of common shares outstanding. In addition, we repurchased 1.8 million shares during the quarter, under a subsequent authorization to buy up to \$300 million worth of shares of common stock. This resulted in a total of 5.4 million shares being repurchased during the quarter and 10 million shares repurchased during the first half of 2000.

Mr. Critelli concluded, "Pitney Bowes has an extremely sound business foundation that allows us to invest for growth in the future and we continually improve that foundation. An example of this is the recent sale of our credit card portfolio. During the quarter, the company, through its subsidiary Pitney Bowes Credit Corporation, announced a strategic alliance under which U.S. Bancorp acquired and will service the PitneyWorksSM Business RewardsSM Visa(R) and Business Visa(R) card portfolios. This alliance expands Pitney Bowes' and U.S. Bank's capabilities to capture a greater share of the growing small business market. While the revenue and operating profit associated with this transaction were not material to second quarter 2000 results, the ongoing alliance with U.S. Bank will allow us to greatly expand the availability of these credit products while minimizing the amount of capital committed to this effort."

(4)

Second quarter 2000 revenue included \$571.5 million from sales, up five percent from \$546.4 million in the second quarter of 1999; \$443.8 million from rentals and financing, up six percent from \$418.8 million; and \$145.7 million from support services, up four percent from \$140.3 million.

Second quarter 2000 net income was \$166.0 million, or 64 cents per diluted share, compared to \$129.7 million, or 48 cents per diluted share, in 1999. Second quarter 1999 net income included a \$27.7 million net after-tax charge, or 10 cents per diluted share related to discontinued operations.

For the six-month period ended June 30, 2000, revenue was \$2.263 billion, up five percent from \$2.155 billion in 1999; and net income in 2000 was \$317.5

million, or \$1.21 per diluted share, compared to \$272.0 million, or 99 cents per diluted share in 1999. The year-to-date net income for 1999 included a \$24.0 million net after-tax charge, or nine cents per diluted share, from discontinued operations.

Pitney Bowes is a global provider of total messaging solutions.

The forward-looking statements contained in this news release involve risks and uncertainties, and are subject to change based on various important factors including timely development and acceptance of new products, gaining product approval, successful entry into new markets, changes in interest rates, and changes in postal regulations, as more fully outlined in the company's 1999 Form 10-K Annual Report filed with the Securities and Exchange Commission.

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Note: Consolidated statements of income for the three and six months ended June 30, 2000 and 1999 and consolidated balance sheets at June 30, 2000, March 31, 2000, and June 30, 1999 are attached.

Pitney Bowes Inc.
Consolidated Statements of Income
(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2000	1999	2000	1999
Revenue from:				
Sales	\$ 571,538	\$ 546,370	\$ 1,091,580	\$ 1,056,752
Rentals and financing	443,801	418,773	879,967	824,498
Support services	145,695	140,289	291,454	273,506
Total revenue	1,161,034	1,105,432	2,263,001	2,154,756
Costs and expenses:				
Cost of sales	321,814	306,351	622,647	603,070
Cost of rentals and financing	119,598	117,443	241,209	228,376
Selling, service and administrative	389,763	373,132	768,076	734,160
Research and development	30,528	27,698	60,039	53,602
Interest, net	53,361	46,938	100,523	92,438
Total costs and expenses	915,064	871,562	1,792,494	1,711,646
Income from continuing operations before income taxes	245,970	233,870	470,507	443,110
Provision for income taxes	80,013	76,462	152,997	147,131
Income from continuing operations	165,957	157,408	317,510	295,979
Loss from discontinued operations	-	(27,667)	-	(23,967)
Net income	\$ 165,957	\$ 129,741	\$ 317,510	\$272,012
Basic earnings per share				
Continuing operations	\$ 0.64	\$ 0.58	\$ 1.22	\$ 1.10
Discontinued operations	-	(0.10)	-	(0.09)
Net income	\$ 0.64	\$ 0.48	\$ 1.22	\$ 1.01
Diluted earnings per share				
Continuing operations	\$ 0.64	\$ 0.58	\$ 1.21	\$ 1.08
Discontinued operations	-	(0.10)	-	(0.09)
Net income	\$ 0.64	\$ 0.48	\$ 1.21	\$ 0.99
Average common and potential common shares outstanding	259,702,184	273,016,885	262,624,456	274,073,691

Pitney Bowes Inc.
Consolidated Balance Sheets
(Unaudited)

(Dollars in thousands, except per share data)

Assets	6/30/00	3/31/00	6/30/99
-----	-----	-----	-----
Current assets:			
Cash and cash equivalents	\$ 296,695	\$ 219,063	\$ 132,693
Short-term investments, at cost which approximates market	2,811	19,126	949
Accounts receivable, less allowances: 6/00 \$25,767 3/00 \$25,443 6/99 \$24,983	435,749	423,192	416,302
Finance receivables, less allowances: 6/00 \$40,927 3/00 \$43,034 6/99 \$48,642	1,431,588	1,617,858	1,498,531
Inventories	260,668	262,595	259,858
Other current assets and prepayments	173,013	152,870	83,173
Net assets of discontinued operations	-	-	156,507
	-----	-----	-----
Total current assets	2,600,524	2,694,704	2,548,013
	-----	-----	-----
Property, plant and equipment, net	486,140	484,812	467,013
Rental equipment and related inventories, net	789,369	797,301	842,176
Property leased under capital leases, net	2,640	2,800	3,269
Long-term finance receivables, less allowances: 6/00 \$58,777 3/00 \$59,089 6/99 \$76,291	1,983,529	2,010,562	1,954,990
Investment in leveraged leases	1,043,118	987,297	962,531
Goodwill, net of amortization: 6/00 \$58,426 3/00 \$56,628 6/99 \$51,425	229,039	229,180	227,874
Other assets	624,830	612,005	454,198
Net assets of discontinued operations	-	-	313,063
	-----	-----	-----
Total assets	\$ 7,759,189	\$ 7,818,661	\$ 7,773,127
	=====	=====	=====
Liabilities and stockholders' equity			

Current liabilities:			
Accounts payable and accrued liabilities	\$ 825,341	\$ 903,565	\$ 776,665
Income taxes payable	217,665	265,275	186,279
Notes payable and current portion of long-term obligations	956,925	974,370	1,273,197
Advance billings	376,022	380,620	391,103
	-----	-----	-----
Total current liabilities	2,375,953	2,523,830	2,627,244
	-----	-----	-----
Deferred taxes on income	1,182,766	1,122,865	1,029,923
Long-term debt	2,201,591	2,037,860	1,898,942
Other noncurrent liabilities	326,588	331,985	352,911
	-----	-----	-----
Total liabilities	6,086,898	6,016,540	5,909,020
	-----	-----	-----
Preferred stockholders' equity in a subsidiary company	310,000	310,000	310,000
	-----	-----	-----
Stockholders' equity:			
Cumulative preferred stock, \$50 par value, 4% convertible	29	29	29
Cumulative preference stock, no par value, \$2.12 convertible	1,796	1,809	1,945
Common stock, \$1 par value	323,338	323,338	323,338
Capital in excess of par value	11,067	13,479	11,927
Retained earnings	3,606,430	3,513,693	3,208,052
Accumulated other comprehensive income	(114,798)	(91,805)	(85,851)
Treasury stock, at cost	(2,465,571)	(2,268,422)	(1,905,333)
	-----	-----	-----
Total stockholders' equity	1,362,291	1,492,121	1,554,107
	-----	-----	-----
Total liabilities and stockholders' equity	\$ 7,759,189	\$ 7,818,661	\$ 7,773,127
	=====	=====	=====

Pitney Bowes Inc.
Revenue and Operating Profit
By Business Segment
June 30, 2000
(Unaudited)

(Dollars in thousands)

	2000	1999	%
	-----	-----	Change

Second Quarter			

Revenue			

Mailing and Integrated Logistics	\$ 789,218	\$ 746,952	6%
Office Solutions	333,615	316,753	5%
	-----	-----	-----
Total Messaging Solutions	1,122,833	1,063,705	6%
	-----	-----	-----
Capital Services	38,201	41,727	(8%)
	-----	-----	-----
Total Revenue	\$1,161,034	\$1,105,432	5%
	=====	=====	=====
Operating Profit (1)			

Mailing and Integrated Logistics	\$ 225,937	\$ 197,294 (2)	15%
Office Solutions	55,287	60,656	(9%)
	-----	-----	-----
Total Messaging Solutions	281,224	257,950	9%
	-----	-----	-----
Capital Services	11,131	12,784	(13%)
	-----	-----	-----
Total Operating Profit	\$ 292,355	\$ 270,734	8%
	=====	=====	=====

<FN>

(1) Operating profit excludes general corporate expenses, income taxes and net interest other than that related to finance operations.

(2) Prior year amount has been reclassified to conform with the current year presentation.

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Pitney Bowes Inc.
Revenue and Operating Profit
By Business Segment
June 30, 2000
(Unaudited)

(Dollars in thousands)

	2000	1999	%
	-----	-----	Change

Year to Date			

Revenue			

Mailing and Integrated Logistics	\$1,531,059	\$1,445,581	6%
Office Solutions	657,604	631,333	4%
	-----	-----	-----

Total Messaging Solutions	2,188,663	2,076,914	5%
	-----	-----	-----
Capital Services	74,338	77,842	(5%)
	-----	-----	-----
Total Revenue	\$2,263,001	\$2,154,756	5%
	=====	=====	=====
Operating Profit (1)			

Mailing and Integrated Logistics	\$ 422,041	\$ 368,638 (2)	14%
Office Solutions	108,279	119,201	(9%)
	-----	-----	-----
Total Messaging Solutions	530,320	487,839	9%
	-----	-----	-----
Capital Services	19,692	20,966	(6%)
	-----	-----	-----
Total Operating Profit	\$ 550,012	\$ 508,805	8%
	=====	=====	=====

<FN>

(1) Operating profit excludes general corporate expenses, income taxes and net interest other than that related to finance operations.

(2) Prior year amount has been reclassified to conform with the current year presentation.

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