



Pitney Bowes Investor Relations Overview



Forward-Looking Statements

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 its future revenue and earnings guidance and other statements about future events or conditions. 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. These risks and uncertainties include, but are not limited to: declining physical mail volumes; competitive factors, including pricing pressures, technological developments and the introduction of new products and services by competitors; our success in developing new products and services, including digital-based products and services; obtaining regulatory approvals, if required, and the market’s acceptance of these new products and services; changes in postal or banking regulations; changes in, or loss of, our contractual relationships with the United States Postal Service or posts in our other major markets; changes in labor conditions and transportation costs; macroeconomic factors, including global and regional business conditions that adversely impact customer demand, foreign currency exchange rates, interest rates and tariffs; economic tensions between governments and changes in international trade policies, Brexit and other factors as more fully outlined in the Company’s 2018 Form 10-K Annual Report and other 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.

Use of Non-GAAP Measures

The Company's financial results are reported in accordance with generally accepted accounting principles (GAAP); however, in its disclosures the Company uses certain non-GAAP measures, such as adjusted earnings before interest and taxes (EBIT), adjusted earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted earnings per share (EPS), revenue growth on a constant currency basis and free cash flow.

The Company reports measures such as adjusted EBIT, adjusted EPS and adjusted net income to exclude the impact of special items like restructuring charges, tax adjustments, goodwill and asset write-downs, and costs related to dispositions and acquisitions. While these are actual Company expenses, they can mask underlying trends associated with its business. Such items are often inconsistent in amount and frequency and as such, the adjustments allow an investor greater insight into the current underlying operating trends of the business.

In addition, 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 measures are intended to help investors better understand the underlying operational performance of the business excluding the impacts of shifts in currency exchange rates over the period. Constant currency is calculated by converting our current quarter reported results using the prior year's exchange rate for the comparable quarter. This comparison allows an investor insight into the underlying revenue performance of the business and true operational performance from a comparable basis to prior period. A reconciliation of reported revenue to constant currency revenue can be found in the Company's attached financial schedules.

Use of Non-GAAP Measures

The Company reports free cash flow in order to provide investors insight into the amount of cash that management could have available for other discretionary uses. Free cash flow adjusts GAAP cash from operations for capital expenditures, restructuring payments, unusual tax settlements, special contributions to the Company's pension fund and cash used for other special items. A reconciliation of GAAP cash from operations to free cash flow can be found in the Company's attached financial schedules.

Segment EBIT is the primary measure of profitability and operational performance at the segment level. Segment EBIT is determined by deducting from segment revenue the related costs and expenses attributable to the segment. Segment EBIT excludes interest, taxes, general corporate expenses not allocated to a particular business segment, restructuring charges and goodwill and asset impairments, which are recognized on a consolidated basis. The Company has also included segment EBITDA as a useful measure for profitability and operational performance, and an additional way to look at the economics of the segments, especially in light of some of the Company's more recent, larger acquisitions. Segment EBITDA further excludes depreciation and amortization expense for the segment. A reconciliation of segment EBIT and EBITDA to net income can be found in the attached financial schedules.

Pitney Bowes has provided a quantitative reconciliation to GAAP in supplemental schedules. This information can be found at the Company's web site www.pb.com/investorrelations

Recent Transactions

On July 2, 2018, the Company completed the sale of DMT Production Mail and supporting software to Platinum Equity.

As a result of the sale, the DMT Production Mail and supporting software operations have been classified as discontinued operations and prior period amounts have been reclassified to conform to this presentation.

On January 31, 2019, the Company announced that it signed a definitive agreement to sell its SMB direct operations in six smaller European countries to BAVARIA Industries Group AG.

A Different Company

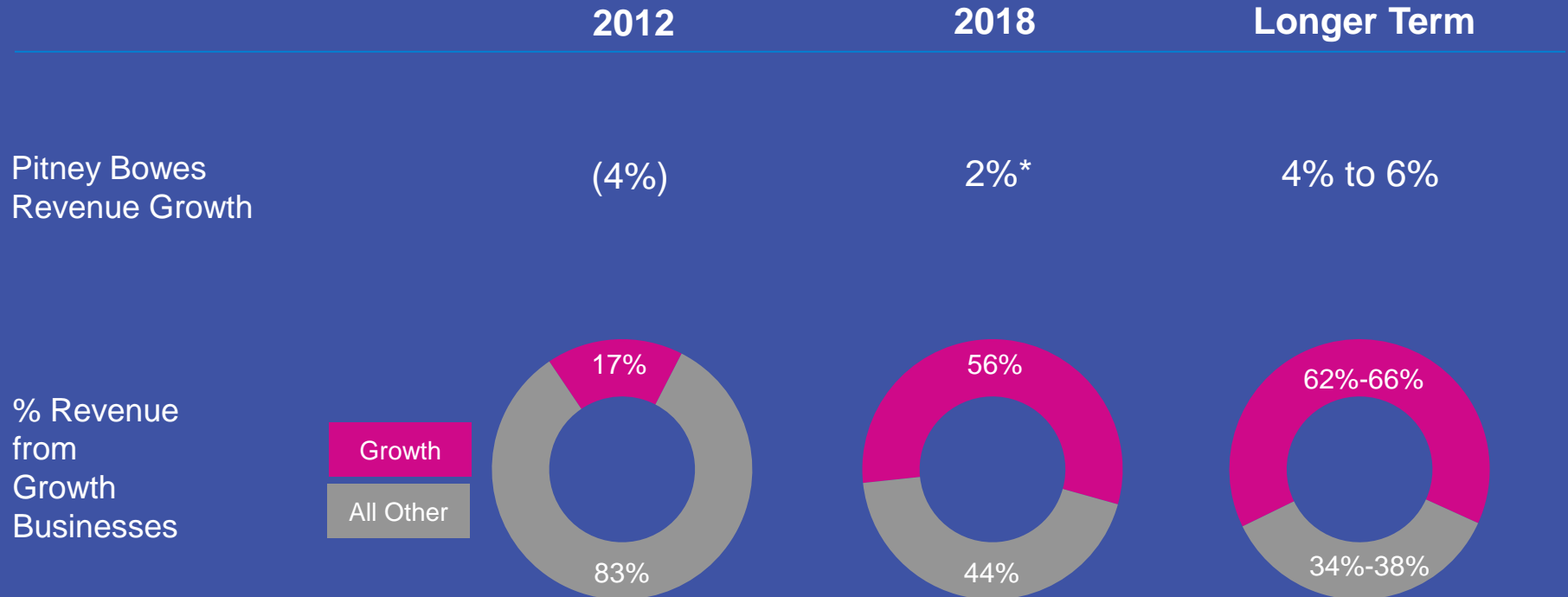
From

A core Mailing
business with the
option to grow Digital
Commerce Solutions

To

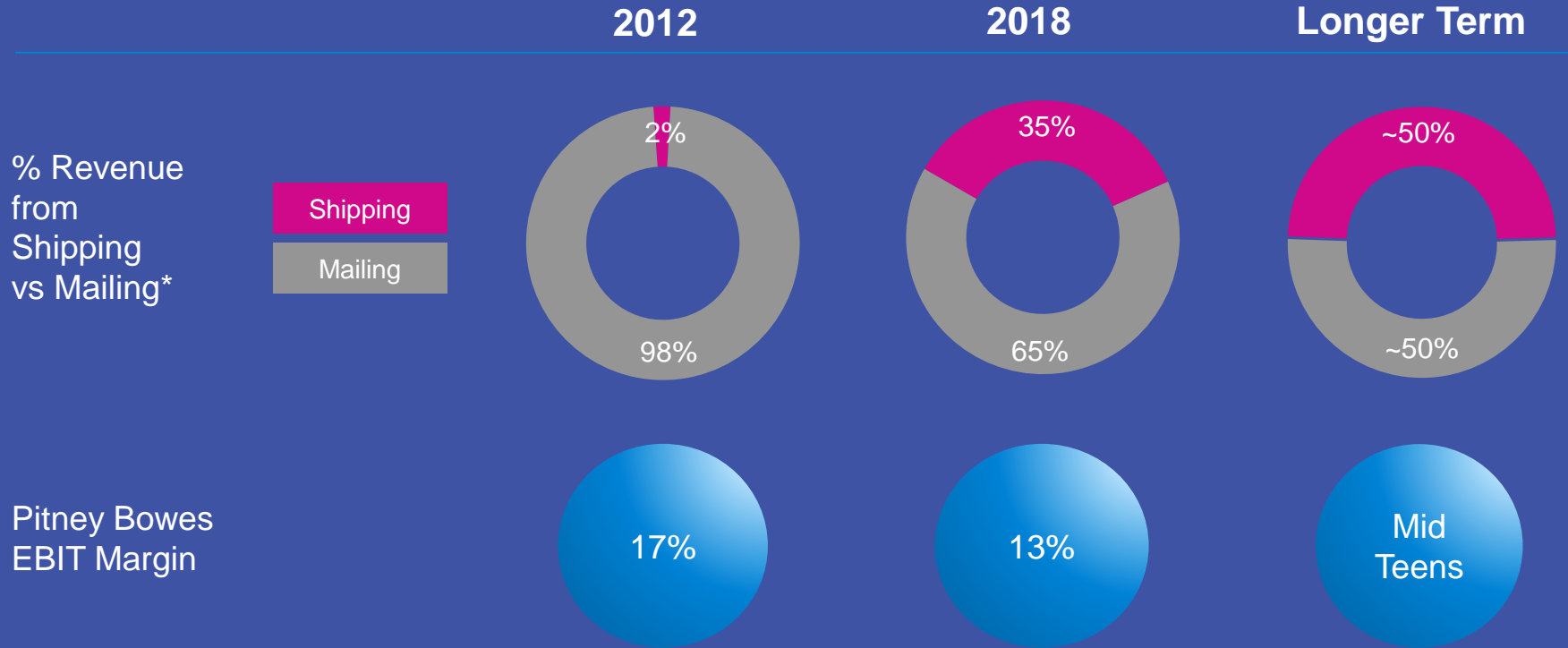
A Commerce
Services growth
company with the
option to expand
our opportunity with
our SMB client
base

A Different Company that has Moved to Growth



* 2018 based on proforma, as reported revenue

A Different Company that has Moved to Growth



* Revenue excludes Software Solutions

Strategy

Value

Stabilize Mailing

- Improved North America Mailing equipment sales trend
- Exited non-core markets and products
- Transitioned go-to-market
- Improved digital client experience
- Launched new products (SendPro®, Relay®)

Operational Excellence

- Improved balance sheet – paid down \$500MM in debt
- Launched Enterprise Business Platform
- Reduced SG&A by nearly \$300MM
- Improved working capital through reduced gross inventory levels
- Maintained competitive dividend

Grow Digital Commerce

- Achieved double-digit growth in Digital Commerce Services
- Acquired Borderfree; divested Imagitas
- Expanded cross-border clients
- Launched new products and services
- Expanded Software indirect channel
- Acquired Newgistics

2012

2017

Strategy 2018+

Value

Reduce Complexity of Shipping

- Domestic and cross-border
- Outbound and returns
- Multi-carrier solutions
- Spend and delivery time optimization
- End-to-end tracking visibility

Operational Excellence

- 2018 debt reduction of \$565MM
- Expense optimization - 2018 \$150MM+ gross spend reduction
- Network efficiency and scalability
- Client experience

Leverage Economies of Scale and Experience

- Technology
- Expand commerce cloud capabilities
- Data / Data Management
- Client
- Mailing / Shipping services
- Expanded financing services
- Postal / Carrier relationships

Core Mailing Foundation

Today

Longer Term

Investment Thesis

Go Forward

End Markets
with **Stronger Growth**

Portfolio Balanced in
Growth and **Profitability**

Continued
Operational Excellence
for Profit Leverage

Balanced Investment
in Growth and
Shareholder Return



Commerce Services





61%

frustrated by
holiday
post-purchase
experience

Consumers have raised the bar on

**E2E EXPERIENCE
SHIPPING
RETURNS
DOMESTIC
CROSS-BORDER**

Opportunity for Pitney Bowes to:

- Provide tailored solutions for retailers and marketplaces of all sizes to compete in a “fast and free” world – globally
- Use our technology, data, and client experience as differentiators
- Bring more value to our 700+ retailers and marketplaces, 3,000+ Presort clients, and dozens of partners



Commerce Services



**Cross-border
Solutions**



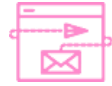
**Shipping
Solutions**



**Fulfillment
& Delivery
Services**



**Returns
Services**



**Presort
Services**

BETTER TOGETHER

- Common technology and platforms
- Unparalleled client base
- Operating efficiencies
- Postal and carrier relationships

Commerce Services Participates in Attractive Markets

Global Ecommerce

\$18-20B

Growth Rate: 11-13%

EBIT: 10-15%

Presort Services

\$3-4B

Growth Rate: Flat-2%

EBIT: 15%+

Cross-border Solutions

The industry's most proven, capable,
and scalable cross-border platform



An aerial, top-down view of a busy roundabout at night. The roundabout has a central green island with a white, star-shaped decorative pattern. The surrounding roads are illuminated by streetlights, and the surrounding city buildings are visible in the background.

Shipping Solutions

Unlocking the secret
to better shipping
for retailers of all sizes



Fulfillment & Delivery Services

A post-purchase experience that enhances your brand promise



Returns Services

Turning customer returns
into returning customers



Presort Services

The industry leader
in sorting out simplicity
and savings

Commerce Services Priorities



Grow

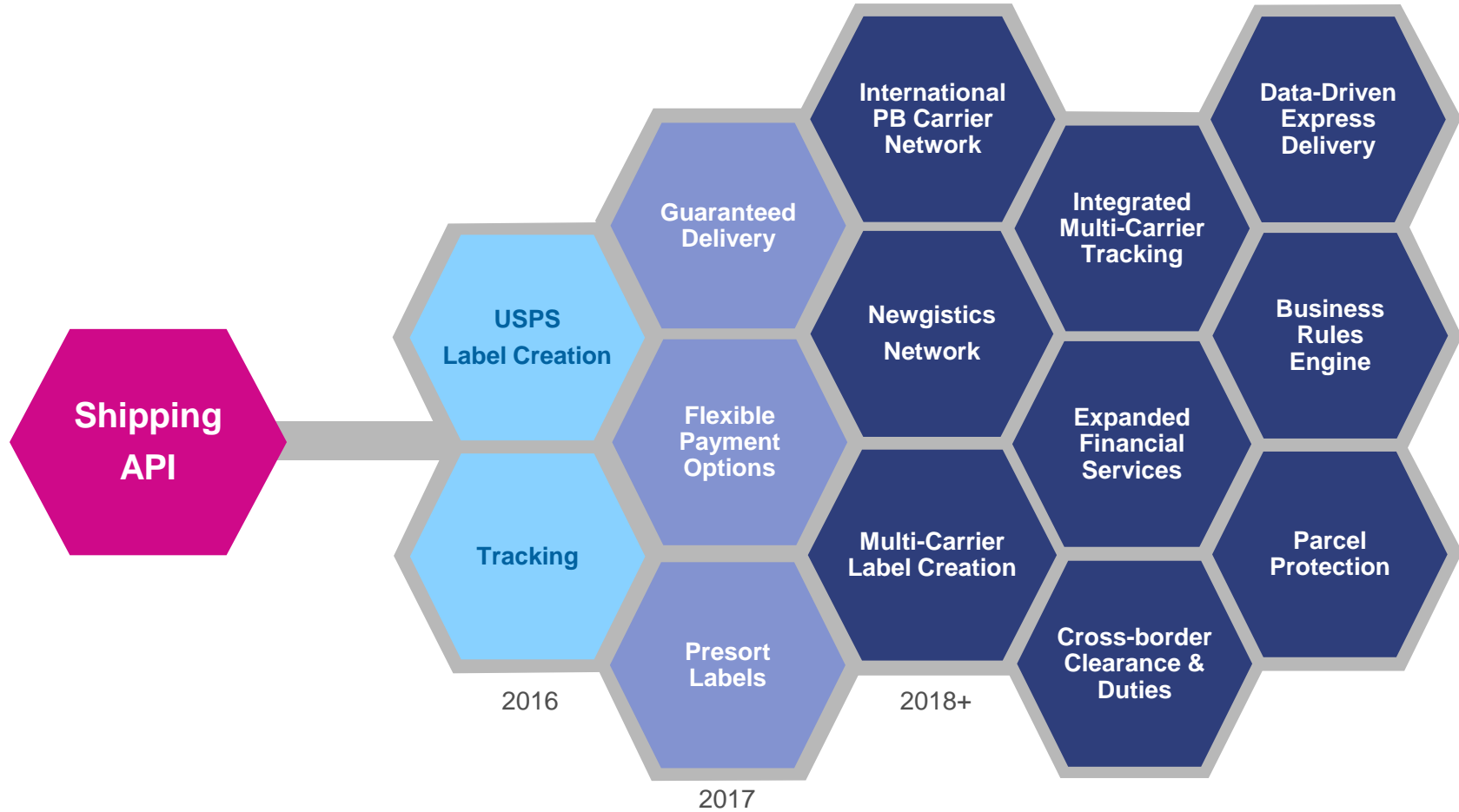


Expand margins



Capture synergies

Shipping APIs – Gateway to Growing Set of Shipping Solutions



Significant Cross-Sell Opportunity

700+ Retail and Marketplace Clients for Cross-Sell

250+ PB Retail
and
Marketplace
Clients



500+
Newgistics
Clients

Less than 50

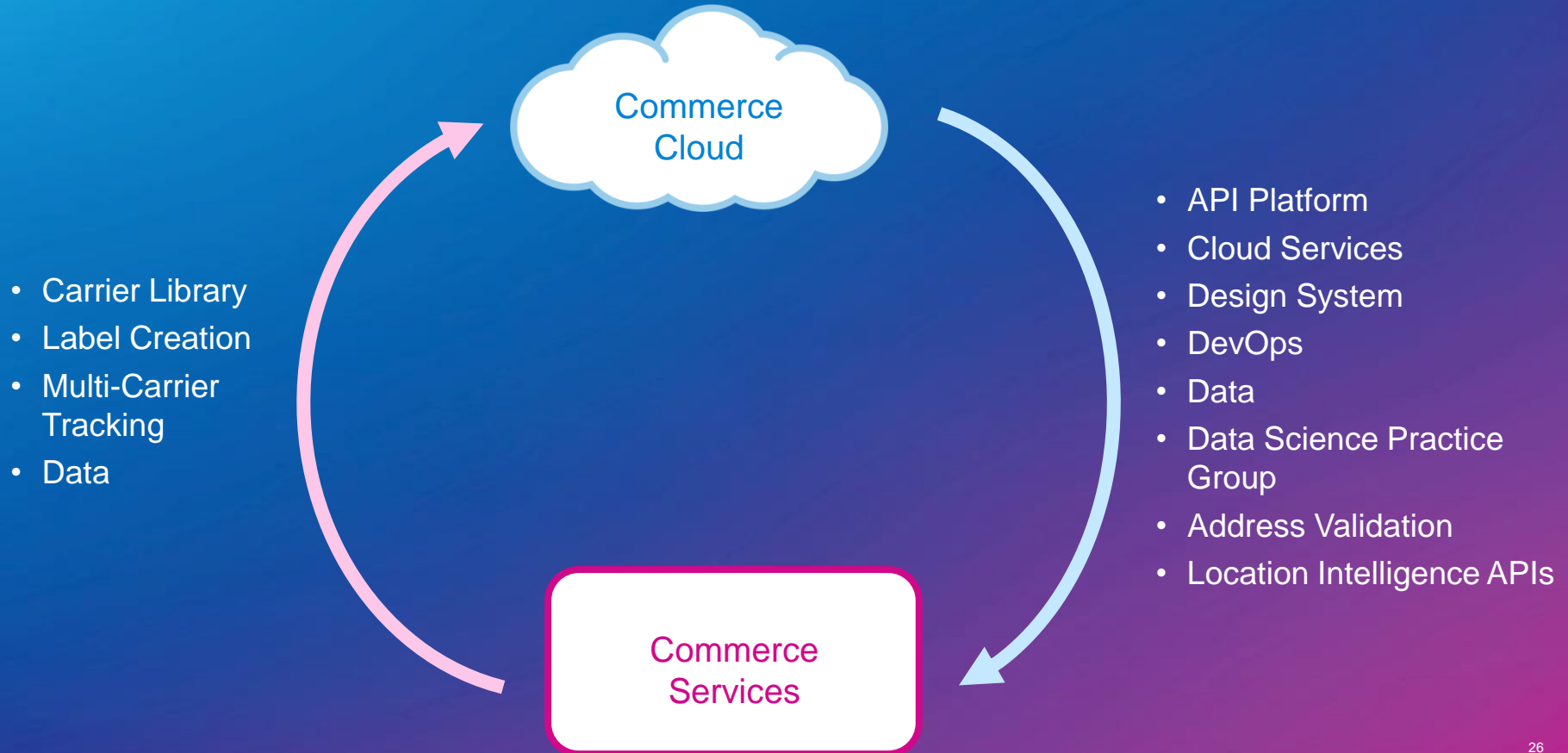
Participating in China's Rapid Ecommerce Growth



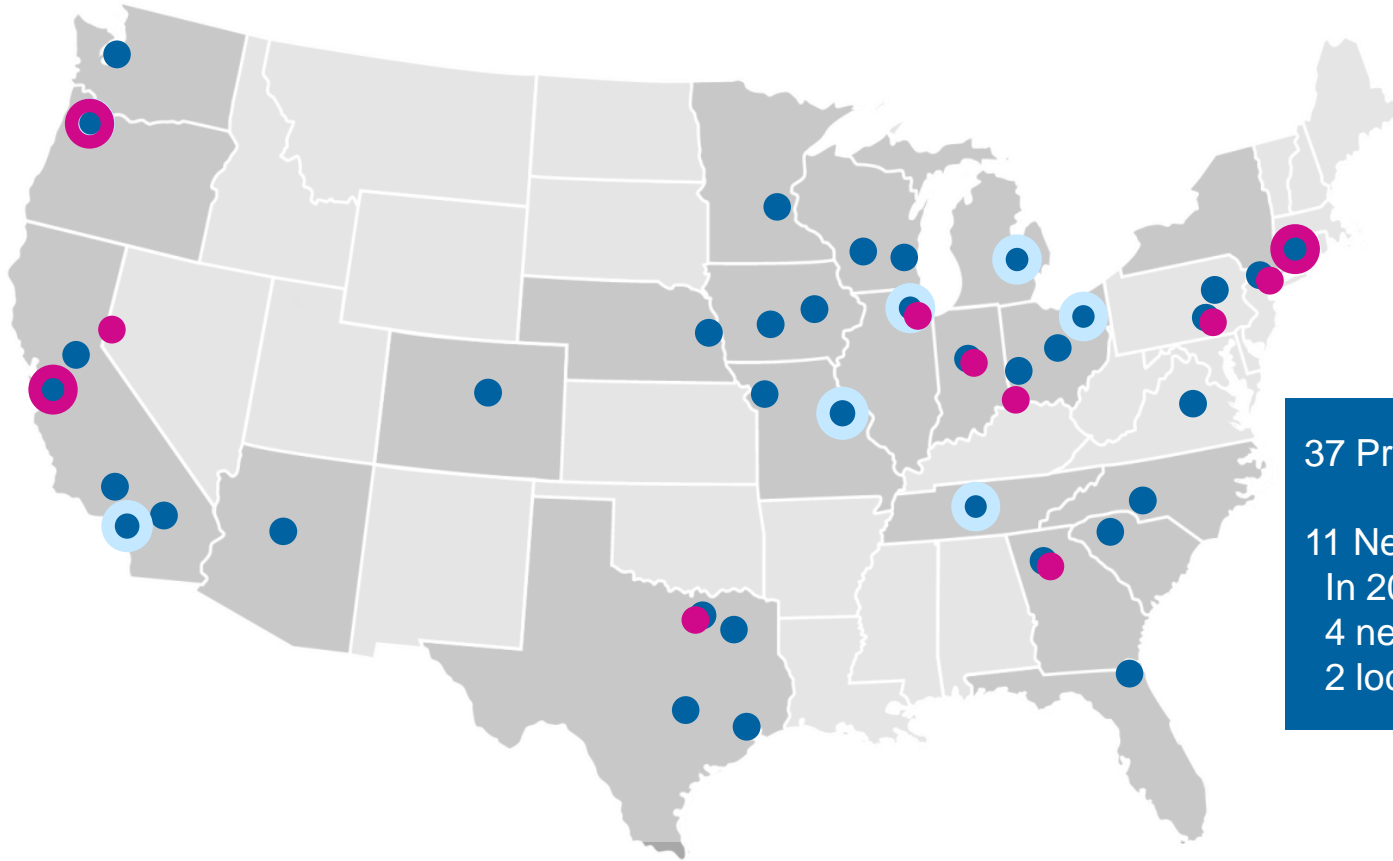
**Helping U.S. Retailers Reach
Chinese Consumers**

**Providing Delivery Solutions
for Chinese Merchants to
Reach U.S. Consumers**

Leveraging the Commerce Cloud to Move Faster and Expand Margins



Geographic Expansion Driving Growth and Margin



37 Presort Locations

11 Newgistics Locations
In 2018:
4 new locations opened
2 locations consolidated

Targeted Automation Improves Margins and Accelerates Scale

Palletizer



Auto Sleever



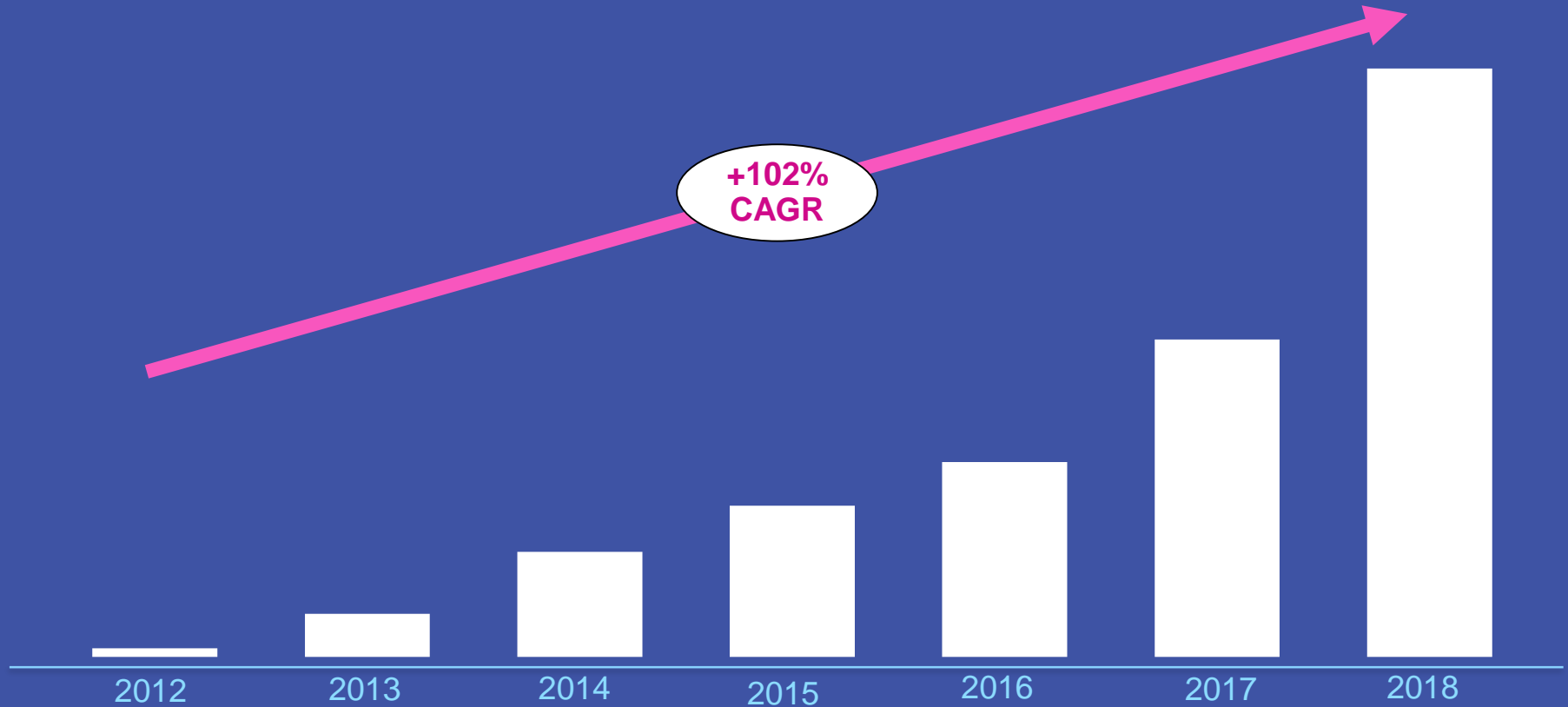
Automated Fulfillment





The path to sustainable profitability in Global Ecommerce

Global Ecommerce Has a Track Record of Delivering Growth



Following a Proven Formula for Margin Expansion

Presort Services

	Then	➔	Now
Operating Centers	12		37
Mail Volumes	2.5B		16.5B
EBIT %	8%		14%

Proven Formula

- Network Expansion
- Volume Growth
- Client Experience Focus
- Operational Excellence

Path to Profitability for Global Ecommerce



Long Term Target = 10-15% EBIT; 15-20% EBITDA

We are in attractive markets where we have proven we can win

Focused on growth, expanding margins and capturing synergies

The path to profitability is clear



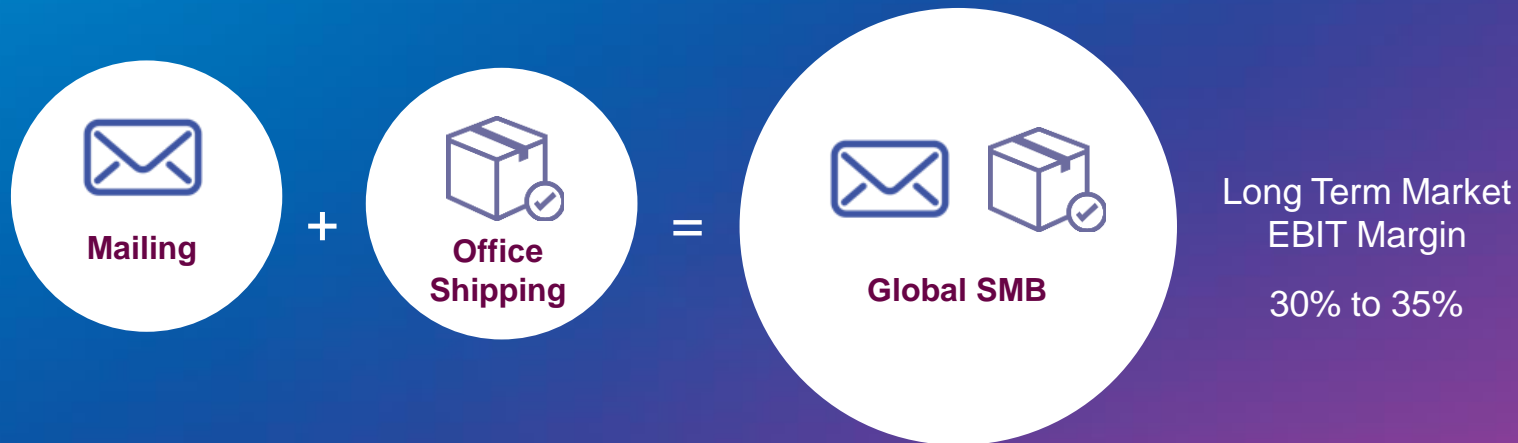
Small and Medium Business (SMB) Solutions

SMB is in Our DNA

Clients want cost effective, innovative solutions, tailored to small businesses, that help them take the complexity out of their business



Expanding Our Portfolio into the Growing Office Shipping Market



Addressable Market ~ \$3B market

~ \$1B market

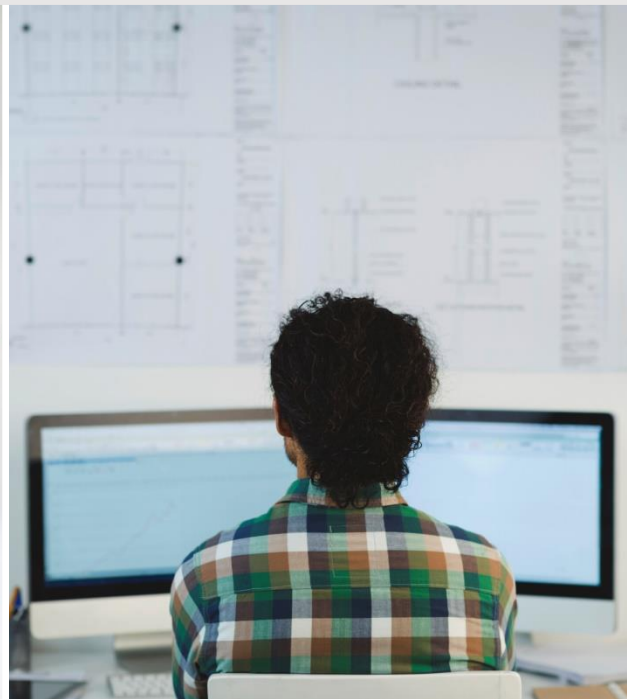
\$3 - \$4B

Long Term Market Growth Rate (4%) to (3%)

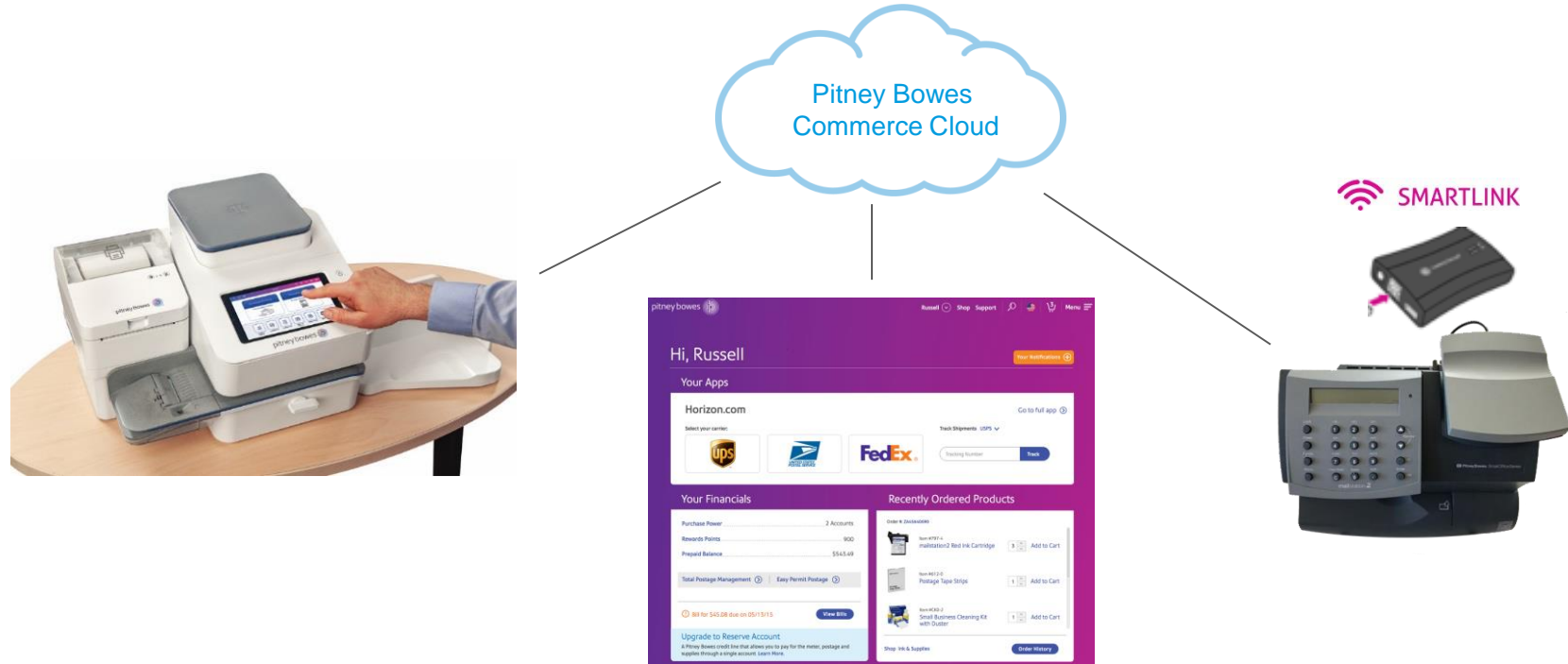
3% to 5%

(4%) to (2%)

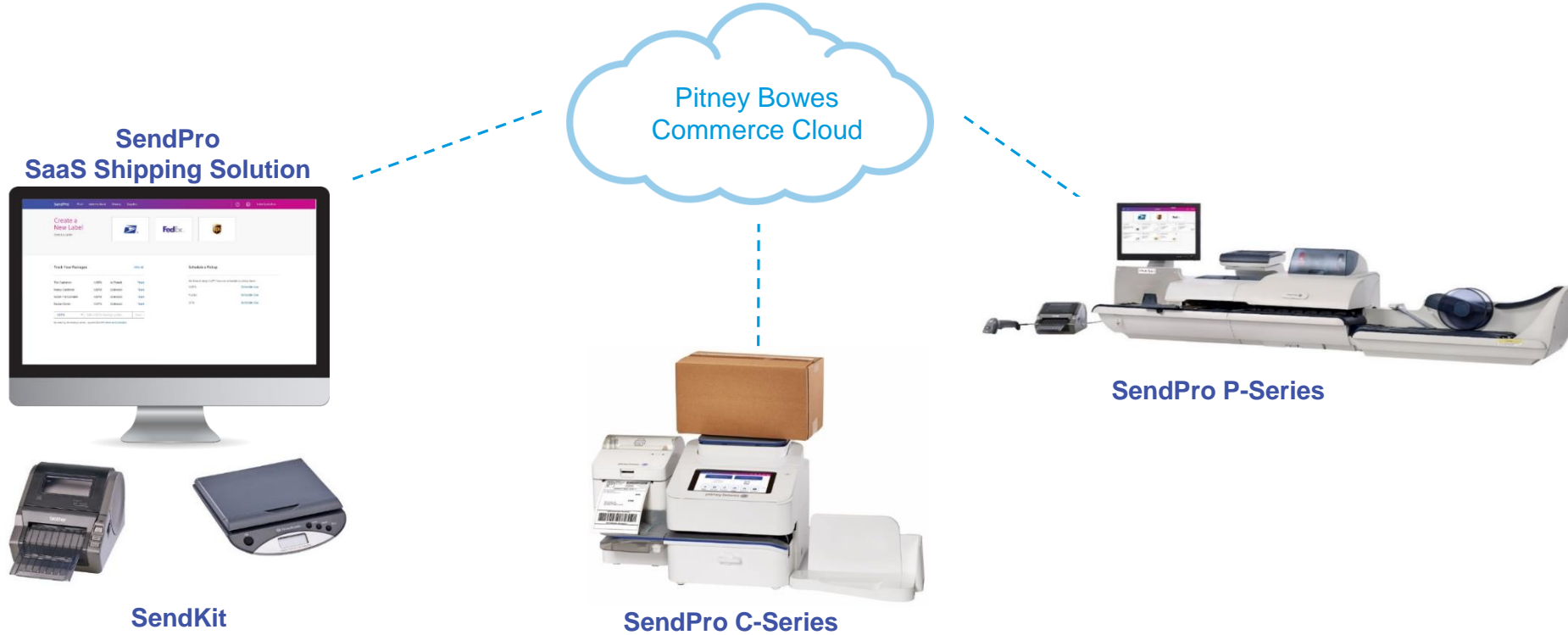
The Pitney Bowes Commerce Cloud is a commerce enabler,
providing access to solutions, analytics and APIs
across the full commerce continuum



Digital Relationships are Dramatically Improving the Client Experience



Delivering Additional Value with the SendPro™ Family of Products



SMB Partner Program



New Ecosystem of SMB Partners

SMB Shipping Ecosystem

Pre-Shipping <<



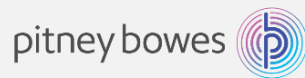
Address
Management



Scheduler



Insurance



Post-Shipping >>



Tracking



Customer
Support



Reporting
& Analytics

Small & Medium Business (SMB) Solutions

We are a business with new possibilities, extending our value proposition into shipping

We can offer new opportunities to our small and medium business clients through a digitally connected, open platform that leverages partnerships with other innovative companies

We have created a dramatically improved client experience and our greatest opportunity is still ahead of us



Software Solutions



We Are a Leading Software & Data Provider

24
out of the
top 25
Insurers

17
out of the
top 25
Telecoms

Uniform Data
Specifications
Across
250 Geographies

1000s of
Data Sets
to Understand
Customer
Segments
and Risk

30+ Years
of Experience
Processing Billions
of Names and
Addresses

22
out of the
top 25
Healthcare
Companies

16
out of the
top 25
Commercial
Banks

We Are Focusing on a \$6B Segment within a \$21-23B Addressable Market Opportunity



**CUSTOMER
INFORMATION**



**LOCATION
INTELLIGENCE**



**CUSTOMER
ENGAGEMENT**



DATA

~ \$5 Billion Focus Market

~ \$1 Billion

8% - 10% Long-Term Market Growth Rate

15% - 20% Long-Term Market EBIT Margin

Software and Data is Leveraging Our Expertise in **Addresses and Data Quality** and Building on Market Success



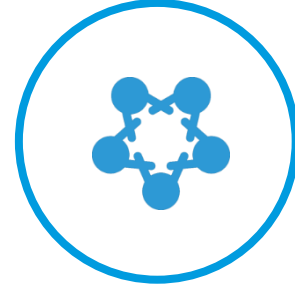
Leveraging Core Pitney Bowes

- Decades of Name and Address Expertise
- Billions of Verified Addresses
- Data Quality



Focusing on our Strategic Portfolio

- Data Monetization
- Customer Information
- Location Intelligence
- Digital Customer Engagement



Growing with Partners

- Global and Regional Systems Integrators Partners participating in nearly half our new business opportunities

Pitney Bowes Core: **Addresses** and **Data Quality**

Location Intelligence Data:

- Worldwide coverage
- Helps organizations make decisions with confidence
- Thousands of data sets to understand customer segments and risk
- Identify boundaries, demographics, points of interest, streets

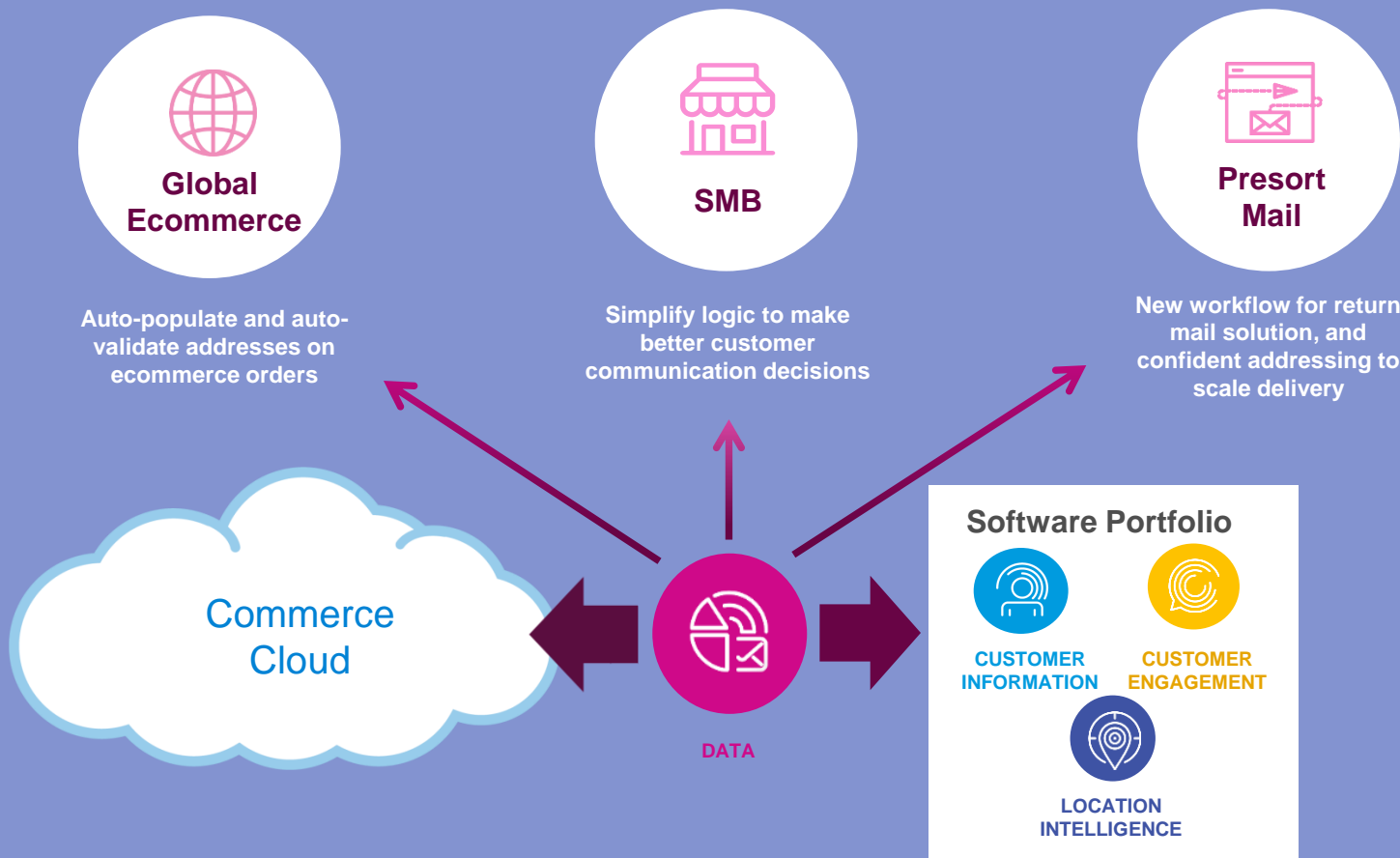
Addressing and Enrichment Data:

- Worldwide coverage
- Premiere data for over 180MM North American addresses
- Easily enrich customer data with high-value information through the pbKey
- Contextual location data including demographics, insurance risk, and property attribution

Software and Data Marketplace:

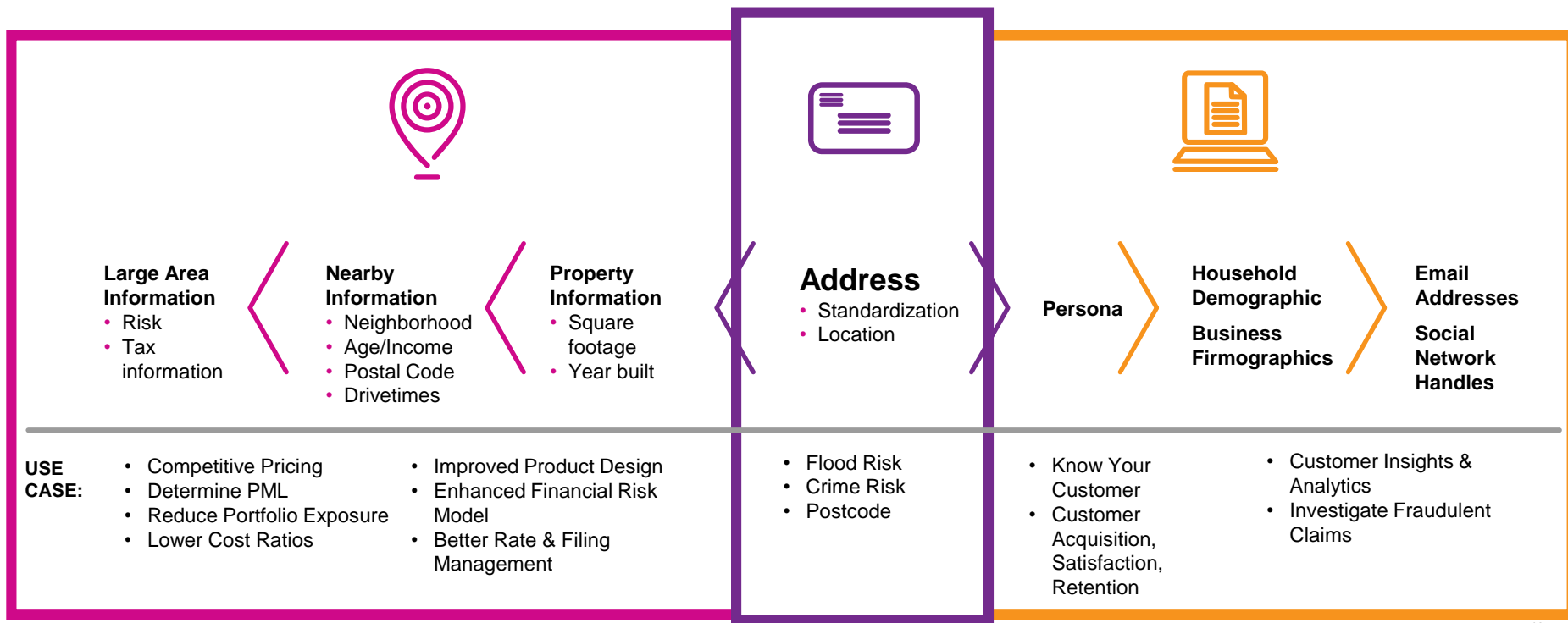
- Improved client experience through modernized digital data delivery
- Increased revenue through online sales of data products
- Improved client awareness through on-demand data visualization and exploration
- New client insights through product usage and client behavior insights

Our Verified Data is Driving Value Back into Pitney Bowes



Strategic Portfolio: Data

*We are evolving our data portfolio to link **address knowledge** to location and digital information in order to connect people, places and things*



Strategic Portfolio: Customer Information & Location Intelligence

Next-gen risk analysis using integrated location intelligence and information management

Top 10 Reinsurance Company

- Analysis of risk exposure based on location
- International geocoding and data quality capabilities for cross-border comparison
- Cross-check customer-supplied data
- Geocoding analysis reduced from 8 hours to 1 hour
- Visualize client risk exposure through maps
- Reliable catastrophe modeling and precise risk estimation





Large Motor Insurance Company

84% Viewers who said the video helped them learn about the policy

12% Higher renewal rate among customers who viewed the video

74% Of watchers now feel that Geoffrey Insurance cares for them

20% Increase in net promoter score with new customers

39% Increase in net promoter score with renewal customers



Evolving our Go-to-Market Strategy through the Channel



We Bring Value to our Partners, our Clients, and Pitney Bowes

Benefit to our Partners:

- Leader in Address Verification
- Data as a Product
- Services Opportunity
- Established Install Base
- Channel Program

Benefit to our Clients:

- Access to diverse capabilities
- Support across two organizations
- Greater opportunity for innovation
- More quality data offerings

Benefit to Pitney Bowes:

- Access to more markets
- Broader brand recognition
- Increase revenue with lower operational costs

Major focus areas to drive growth:

Leveraging Core Pitney Bowes

Focusing on Growth Portfolio

Winning with Partners

Global Financial Services



GFS Offerings and Strategic Relevance

Broad Solution Capability...



Equipment Financing



Revolving Lines of Credit



Interest Bearing Bank Accounts



Credit Card Issuer

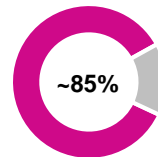


Payment Processor

With Critical Relevance to Pitney Bowes

1

Purchase
Enabler:



*Equipment
Finance
Penetration*

2

Long-Term
Client
Relationships:



3

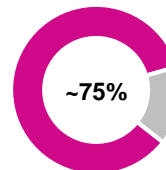
Profitability
Enhancer:



Financed vs. Non-financed Sales

4

Postage Utilization
Facilitator:



*of postage
utilized by PB
customers
enabled by GFS*

Unique Moment in Time - Opportunity to Grow

Compelling Rationale...

1

Unique access to large, proprietary small & medium size client base

2

Long standing customer relationships ... data driven insights

3

Growing customer need for capital

4

Excess Deposit Base ... capacity to lend

5

Broader portfolio possibilities with expansion of Pitney Bowes product set

- Shipping Solutions
- Software as a Service
- Commerce Cloud
- Retail Commerce
- Software Solutions

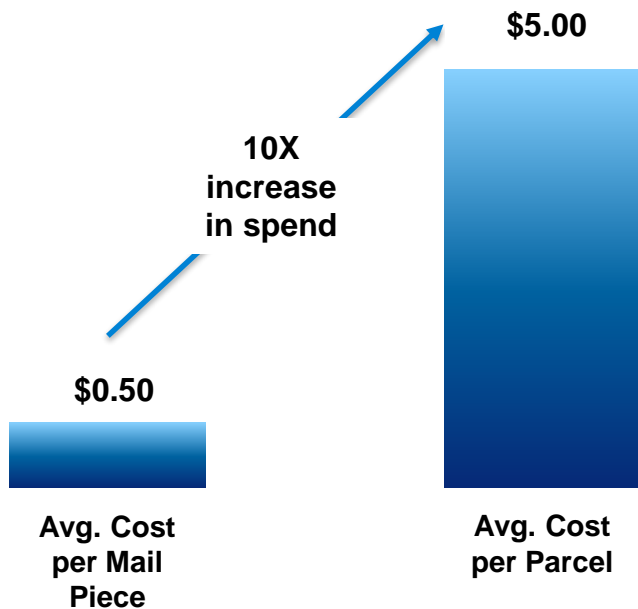
6

Attractive risk adjusted return profile

... and compelling valuation driver

Pursuing Smart Adjacencies

Launched shipping & parcel finance...



Carrier agnostic payment capability

Avg. customer spend
with shipping

2.3X
mail-only

Avg. Revenue Yield
with Shipping

2.5X
mail-only
customers

Shipping Driving a Diverse Monetization Opportunity

Postage Spend Profile Examples:

Small Consulting Company

- \$3,200 annual mail postage user

Added Shipping Label Financing:

- USPS Sender
- Send: 12 packages / month
- Average: ~\$8 / package
- Shipping Spend: ~\$100 / month
- Needed: 14 day terms

Parts Retailer

- \$4,200 annual mail postage user

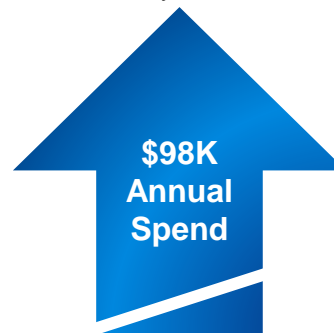
Added Shipping Label Financing:

- Multi Carrier Sender
- Send: 216 packages / month
- Average: \$38 / package
- Shipping Spend: ~\$8,200 / month
- Needed: 28 day terms

Shipping Impact:



~38% Increase in
Customer Financing



23X Increase in
Customer Financing

All delivered customer growth opportunities as we monetize shipping spend

Opportunity: Third Party Equipment Finance

Deposit-based, PB Bank funded financing activity inside our existing small & medium size client base to support customer acquisition of 3rd party (non-PB) manufacturing equipment



- Select / targeted existing U.S. customers
- With proven credit history
- PB Bank deposit-based funding
- Critical use assets / specific collateral types
- Stable residual values
- 100% secured and perfected financing
- Non-competitive PB equipment
- Asset based underwriting approach

Continued Safe & Secure Approach



With Specific Relevance

- 1 **↑ Share of Wallet ...**
PB relevancy & differentiation
- 2 **↑ Client Growth Capital ...**
Client success = PB success
- 3 **↑ Retention**
- 4 **↑ Growth**

Important source of growth capital for small to medium-sized businesses on “Main St.” USA

Facilitate Pitney Bowes capability / go to market

Provide client capacity

Enable strong fundamentals

Create differentiation and competitiveness

Deliver above market risk adjusted returns

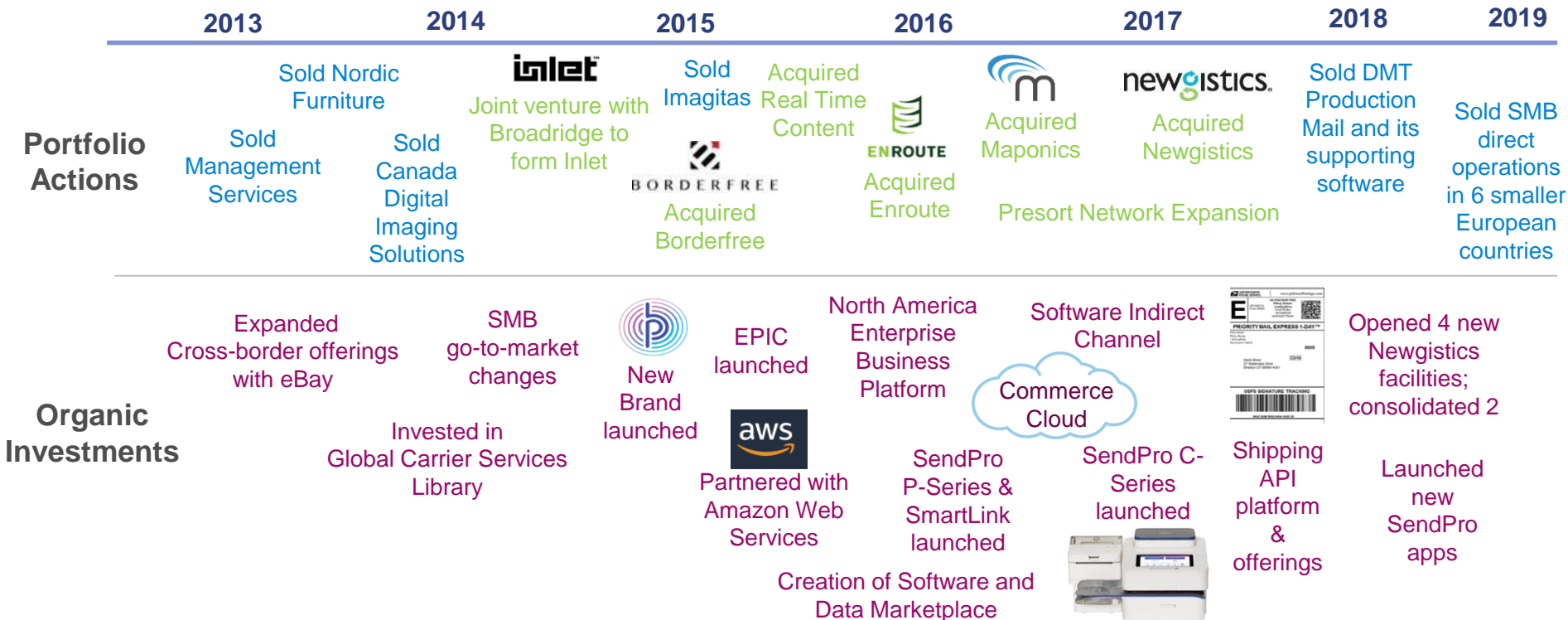
**GFS is a core part of the fabric of the PB Value Proposition
and a critical Shareholder Value enabler**



Financial Update



Active Portfolio Management Combined with Organic Investments

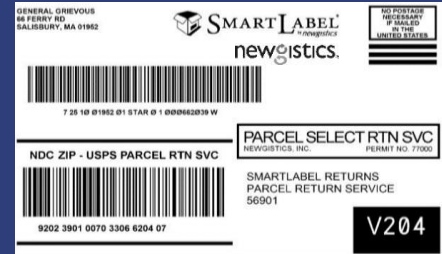


Investments Position Us to Capitalize on Macroeconomic Trends and Address Clients Changing Needs

	Investments	Macro Trend	Client Needs
Commerce Services	<ul style="list-style-type: none"> • Cross-border expansion • Shipping APIs • Commerce Cloud • Acquisitions 	<ul style="list-style-type: none"> • Parcel volume growth • Ecommerce growth • Competition: platforms, marketplaces, brands & retailers 	<ul style="list-style-type: none"> • Retailers cost competitiveness • Logistics, warehousing and returns • Simplify global regulations
SMB	<ul style="list-style-type: none"> • SendPro product family • Relay • Commerce Cloud • Digital Relationship • Partners 	<ul style="list-style-type: none"> • First class mail volumes • Parcel volume growth • Physical and digital offerings 	<ul style="list-style-type: none"> • All-in-one mail and parcels • Flexible payment offerings • Manage costs and cash flow
Software Solutions	<ul style="list-style-type: none"> • Acquisitions • Data • Commerce Cloud • Indirect Channel 	<ul style="list-style-type: none"> • Location data and analytics • Integrated communications • Digital transformation • Single view of the client 	<ul style="list-style-type: none"> • Omni-channel engagement • Analytics → Master Data Management • Third party data

Organic and inorganic
investments in the portfolio
lead us to the next chapter...

Reducing the complexity of
shipping for our clients



While remaining focused on
Operational Excellence
to drive efficiencies and
synergies



Client Experience



Network Efficiency & Scale



Expense Optimization
& Balance Sheet

With a Portfolio that is Leveraging Economies of Scale and Economies of Experience to Deliver Greater Value



With a Portfolio that is Leveraging Economies of Scale and Economies of Experience to Deliver Greater Value



Pitney Bowes Portfolio



Reorganized Businesses in a Way that Best Positions Pitney Bowes to Capitalize on Growth Opportunities and Synergies

Prior Reporting Structure



Current Reporting Structure

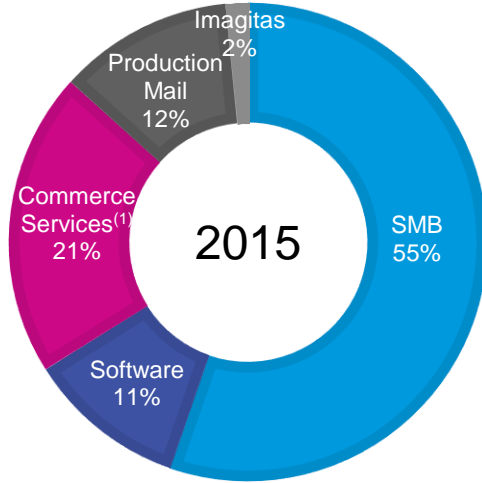


Market Size and Growth Rates Present Opportunity for Continued Growth

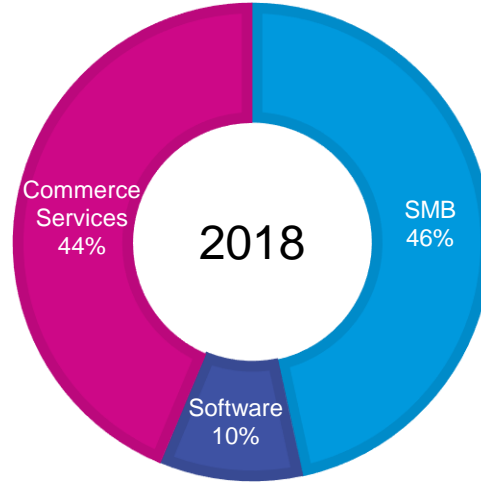
	Addressable Market Size (\$B)	Long Term Market Growth Rate	Long Term Market EBIT Margin %
Commerce Services			
Global Ecommerce	\$18 to \$20	11% to 13%	10% to 15%
Presort Services	\$3 to \$4	Flat to 2%	15%+
SMB			
Mailing	~\$3	(4%) to (3%)	30% to 35%
Shipping	~\$1	3% to 5%	
Software Solutions	\$21 to \$23	8% to 10%	15% to 20%

Financial Profile

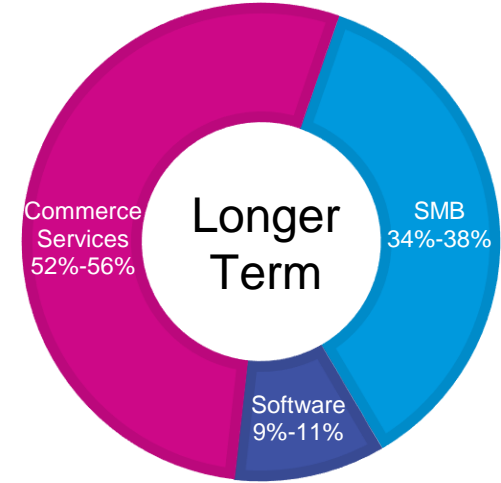
Portfolio is Shifting to Higher Growth Markets



Market Growth⁽²⁾ (1%)



+2%



+4% to 6%

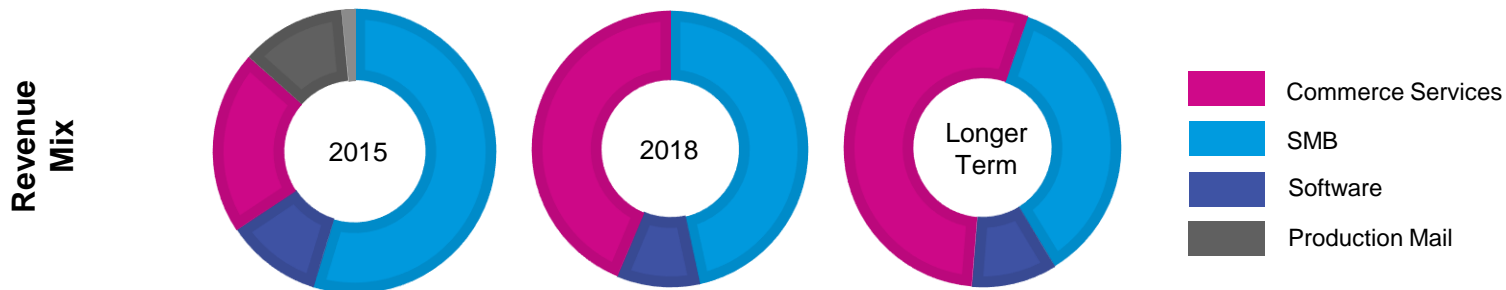
(1) Commerce Services includes Global Ecommerce and Presort Services for all years; includes Newgistics beginning 4Q 2017

(2) Market growth rate based on weighting of portfolio and long-term market growth rates during the stated period

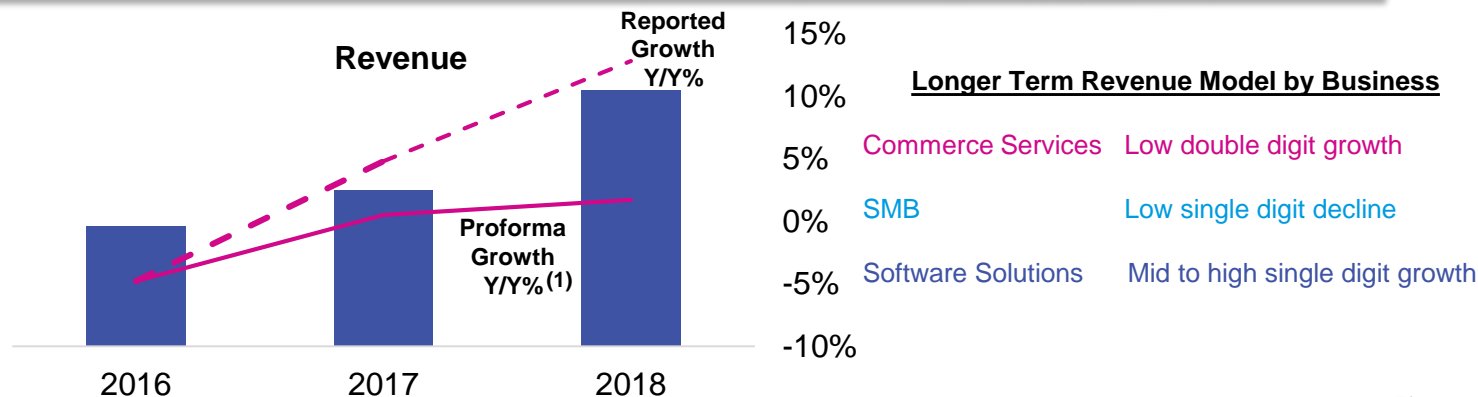
Note - Amounts may not sum due to rounding

PBI Total Portfolio: Revenue

PBI	Longer Term Model
Revenue	Mid single digit growth



Organic revenue growth continues; 2018 driven by acquisition and organic Commerce Services growth



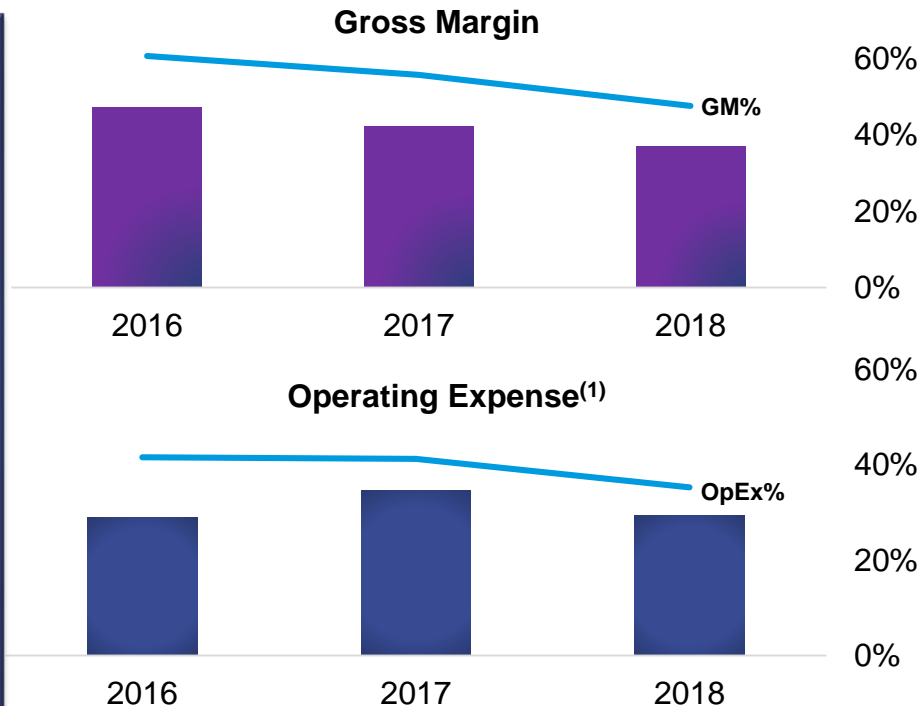
(1) In 2017 and 2018, the Company reported revenue growth of 5% and 13%, respectively. Newgistics acquired in Q4 2017. For comparison purposes, proforma growth reflects Newgistics in all periods for the full year.

PBI Total Portfolio: Gross Margin and Operating Expense

PBI	Longer Term Model
Revenue	Mid single digit growth
Gross Margin \$	Growth
Gross Margin %	Decline
OpEx Margin %	Improve

Gross Margin dollars will grow driven by revenue growth

Gross Margin percent will decline due to Newgistics acquisition along with the portfolio mix









(1) Operating Expense includes S,G&A and R&D

\$200MM gross spend reduction 2018 – 2019

Over \$150MM recognized in 2018

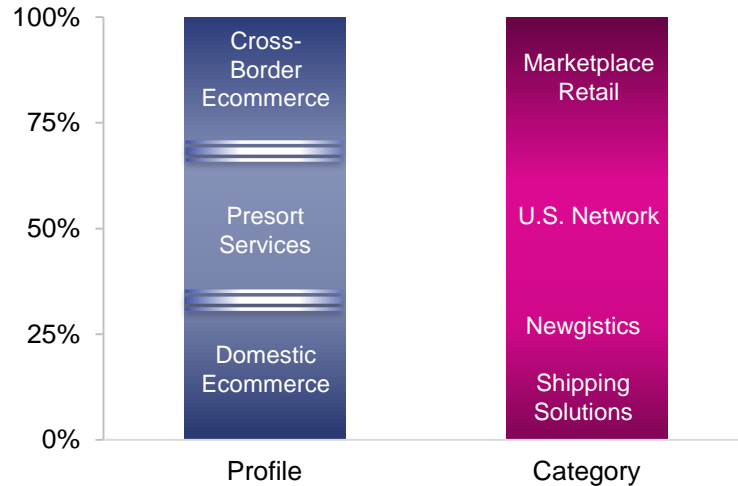
OpEx includes amortization of intangibles related to Borderfree and Newgistics of ~\$34MM / annual

PBI Total Portfolio

	Trajectory	Longer Term Model
Revenue		Mid single digit growth
Gross Margin \$		Growth
Gross Margin %		Decline
OpEx Margin %		Improve
EBIT \$		Low to mid single digit growth
EBIT %		Mid teens

Shift of portfolio to higher growth markets

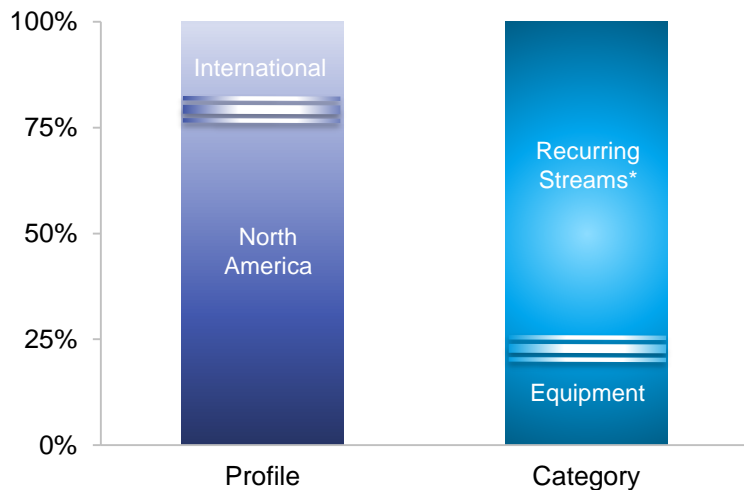
Commerce Services – Cross Sell Opportunities, Operational Synergies, Overall Market Expansion and Competitive Offerings will Drive Continued Revenue Growth



Commerce Services	2018	Longer Term Model
Revenue	\$1.54 billion	Low double digit growth
EBIT \$	\$41 million	Mid teen growth
EBIT %	2.7%	Low double digit
EBITDA \$	\$129 million	Mid teen growth
EBITDA %	8.4%	Mid teens

Continued investment for growth
Margin improvement with scale and efficiencies

SMB – Shipping Products Provide Client Value

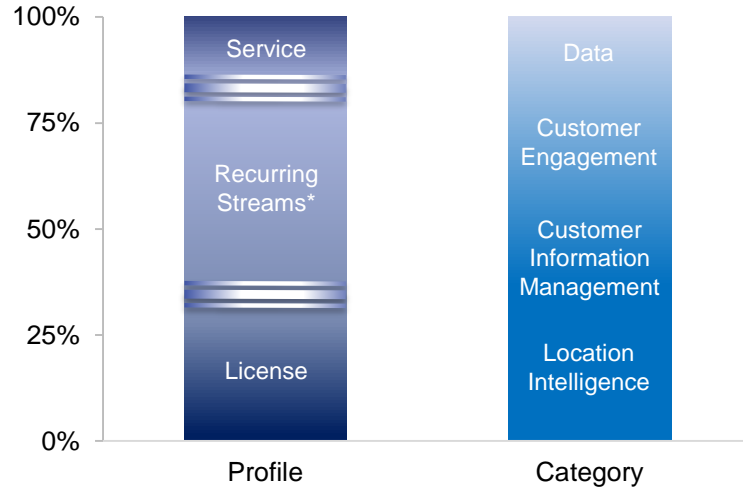


SMB	2018	Longer Term Model
Revenue	\$1.6 billion	Low single digit decline
EBIT \$	\$534 million	Low single digit decline
EBIT %	32.5%	30% to 35%

* Recurring Streams include Rentals, Financing, Supplies and Support Services revenues

EBIT margin stabilizes on spend reductions
and recurring revenue streams

Software Solutions – Indirect Channel Enablement and Data Provide Growth Opportunities



* Recurring Streams include SaaS, Maintenance and Subscription revenues

Software	2018	Longer Term Model
Revenue	\$341 million	Mid to high single digit growth
EBIT \$	\$47 million	Low double digit growth
EBIT %	13.8%	Mid teens

Revenue growth will drive profitability

Pitney Bowes Longer Term Model Reflects Evolving Portfolio

		Year-to-Year Change		
	% Portfolio	Revenue	EBIT \$	EBIT %
Commerce Services	52% to 56%	Low double digit growth	Mid teen growth	Low double digit
SMB	34% to 38%	Low single digit decline	Low single digit decline	30% to 35%
Software Solutions	9% to 11%	Mid to high single digit growth	Low double digit growth	Mid teens
Pitney Bowes		Mid Single Digit Growth	Low to Mid Single Digit Growth	Mid Teens

Capital Allocation Strategy



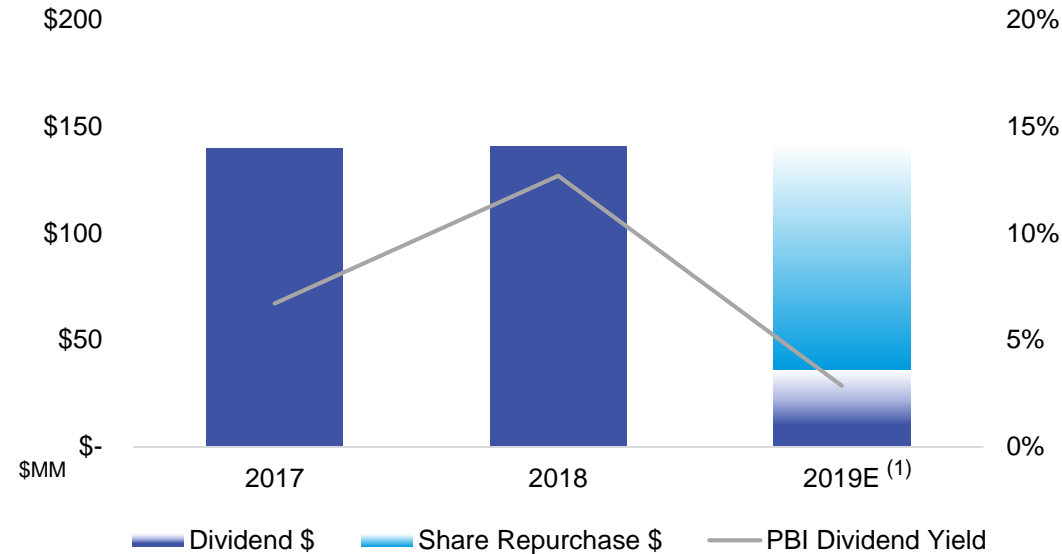
Capital Allocation

- Investment in Shipping and Related Capabilities
- Continued Portfolio Evolution
- Deleverage the Balance Sheet
- Optimize Shareholder Return

Maintain Balanced Capital Allocation Strategy While Supporting Portfolio Transformation

	2013	2014	2015	2016	2017	2018
Dividends Paid to Stockholders	\$189MM	\$152MM	\$150MM	\$141MM	\$139MM	\$140MM
Share Repurchase	\$0	\$50MM	\$132MM	\$197MM	\$0	\$0
Debt	Reduced \$681MM	Reduced \$94MM	Reduced \$278MM	Increased \$118MM	Increased \$465MM	Reduced \$565MM

Optimize Shareholder Return



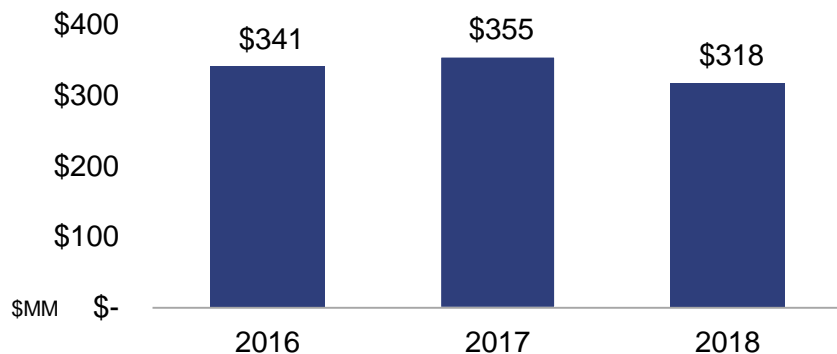
- ✓ Shareholder return remains a priority
- ✓ The Company continues to maintain a competitive dividend yield (S&P 400 average 0.9%)
- ✓ Current shareholder return provides further financial flexibility

(1) 2019E assumes annualized dividend of \$0.20 per share at the PBI share price as of 03-19-19

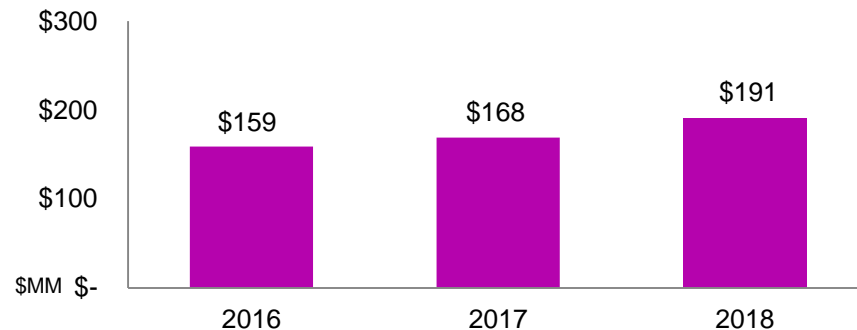
2019 shareholder return via dividend & share repurchase
flat to 2017 & 2018 levels

Free Cash Flow

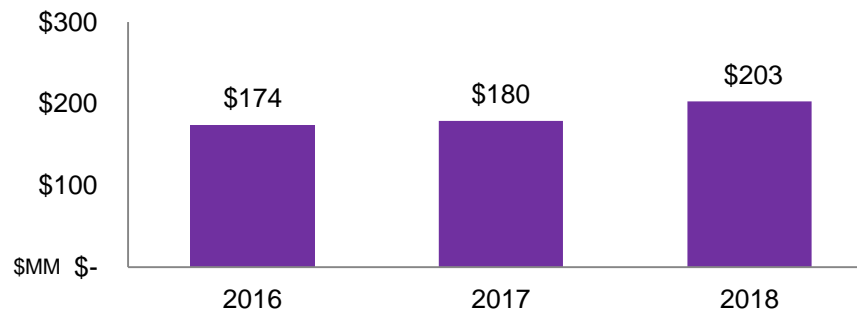
Free Cash Flow



Capital Expenditures

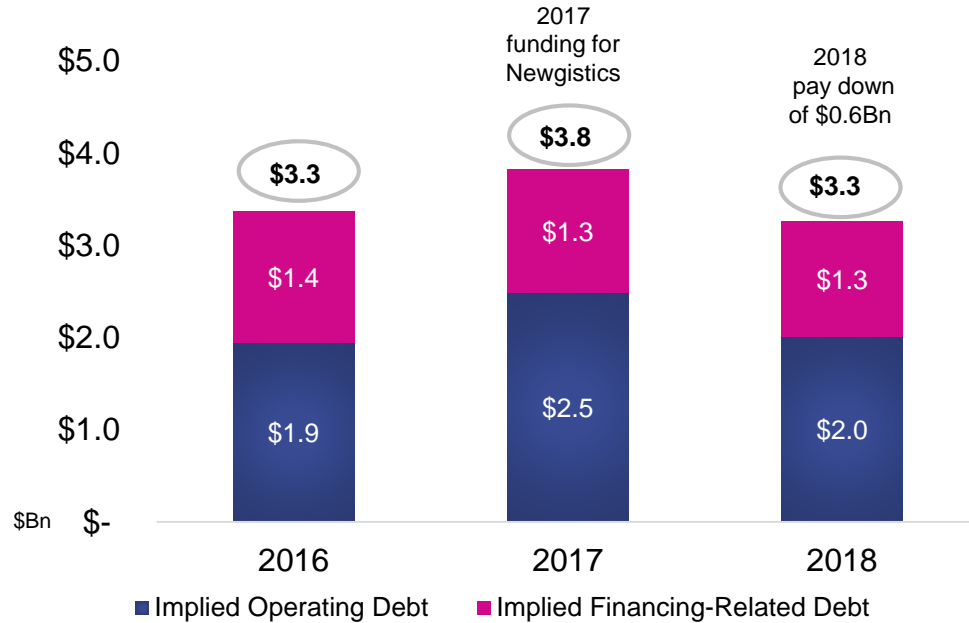


Depreciation & Amortization



Capital Expenditures reflect investments for growth;
2017 - 2018 includes incremental CapEx and D&A related to Newgistics

Debt Composition



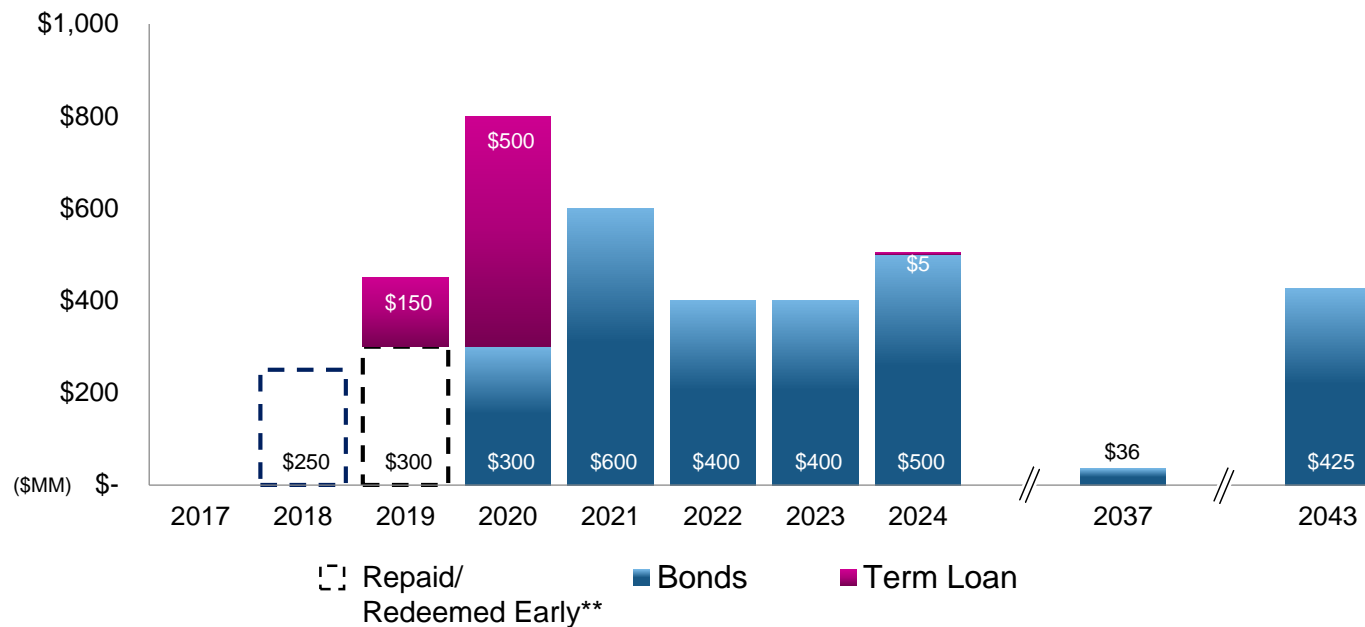
Debt Composition, at 12/31/2018 (\$Bn)

Total Debt	\$ 3.3
- Implied Financing-Related Debt ⁽¹⁾	- 1.3
Implied Operating Debt	\$ 2.0
- Cash on Balance Sheet	- 0.9
Net Core Debt	\$ 1.1

(1) At 12/31/2018, Net Finance Receivables of \$1.38 billion at 8:1 ratio (average of Credit Rating Agencies)

The Company has paid down over \$1 billion in debt-related obligations (2013 – 2018)

Future Debt Maturities*



* Numbers above exclude term loan principal amortization of \$20 million, \$50 million and \$55 million in 2018, 2019 and 2020, respectively

** In 2018, the Company repaid March 2018 note of \$250MM at maturity and early redeemed \$300MM of notes due March 2019

2019 Guidance



2019 Guidance

	2018 Actual	2019 Guidance
Revenue - Y/Y Growth % (excluding impact of currency)	12% CC ⁽¹⁾	1% - 4%
Adjusted Earnings per Share	\$1.16	\$1.05 - \$1.20
Free Cash Flow	\$318MM	\$225 - \$275MM

2019 Guidance Reflects

Revenue:

- 3rd consecutive year of revenue growth
- Sale of direct operations in 6 European markets adversely impact Y/Y comparison by 1%

Adjusted EPS:

- \$0.04 - \$0.05 impact from current tariffs with China & sale of direct operations in 6 European markets

Free Cash Flow:

- \$50-\$70MM related to ramp-up of third party financing

A Different Company

Logical Adjacency

Long Term Value

Appendix



Business Segments Reporting ⁽¹⁾

(Unaudited, in thousands)

	Year Ended December 31,		
	2018	2017	2016
<u>Revenue</u>			
Global Ecommerce	\$ 1,022,862	\$ 552,242	\$ 339,320
Presort Services	515,795	497,901	475,582
Commerce Services	1,538,657	1,050,143	814,902
North America Mailing	1,275,025	1,357,405	1,429,027
International Mailing	367,843	384,097	412,244
Small & Medium Business Solutions	1,642,868	1,741,502	1,841,271
Software Solutions	340,855	331,627	325,150
Total Revenue	\$ 3,522,380	\$ 3,123,272	\$ 2,981,323
<u>EBIT</u>			
Global Ecommerce	\$ (32,379)	\$ (17,899)	\$ 3,043
Presort Services	73,768	97,506	95,258
Commerce Services	41,389	79,607	98,301
North America Mailing	470,268	498,571	594,723
International Mailing	63,820	48,531	45,408
Small & Medium Business Solutions	534,088	547,102	640,131
Software Solutions	47,094	33,818	22,119
Total Segment EBIT	\$ 622,571	\$ 660,527	\$ 760,551
<u>Segment EBITDA</u>			
Global Ecommerce	\$ 28,667	\$ 18,763	\$ 33,650
Presort Services	100,606	124,047	123,187
Commerce Services	129,273	142,810	156,837
North America Mailing	538,518	563,374	654,789
International Mailing	79,962	67,093	64,839
Small & Medium Business Solutions	618,480	630,467	719,628
Software Solutions	56,634	42,796	36,740
Total Segment EBITDA	\$ 804,387	\$ 816,073	\$ 913,205

⁽¹⁾ Segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges and other items, which are not allocated to a particular business segment.

Consolidated Statement of Income

(Unaudited, in thousands,
except share and per share amounts)

	For the Year Ended December 31,		
	2018	2017	2016
Revenue:			
Equipment sales	\$ 430,451	\$ 476,691	\$ 480,031
Supplies	218,304	231,412	241,950
Software	340,855	331,843	325,577
Rentals	363,057	384,123	410,241
Financing	314,778	330,985	366,424
Support services	293,413	299,792	329,424
Business services	1,561,522	1,068,426	827,676
Total revenue	3,522,380	3,123,272	2,981,323
Costs and expenses:			
Cost of equipment sales	181,766	201,116	203,220
Cost of supplies	60,960	66,302	65,509
Cost of software	100,681	95,033	96,151
Cost of rentals	86,330	82,703	74,457
Financing interest expense	48,857	50,665	55,241
Cost of support services	168,271	163,889	166,247
Cost of business services	1,246,084	773,052	568,509
Selling, general and administrative	1,123,116	1,170,905	1,140,100
Research and development	125,588	118,703	107,378
Goodwill impairment	-	-	148,181
Restructuring charges and asset impairments, net	27,077	56,223	60,295
Other components of net pension costs	22,425	5,413	5,276
Interest expense, net	110,900	113,497	88,970
Other expense, net	7,964	3,856	-
Total costs and expenses	3,310,019	2,901,357	2,779,534
Income before income taxes	212,361	221,915	201,789
Provision for income taxes	12,383	553	106,975
Income from continuing operations	199,978	221,362	94,814
Income from discontinued operations, net of tax	23,687	39,978	17,036
Net income	223,665	261,340	111,850
Less: Preferred stock dividends attributable to noncontrolling interests	-	-	19,045
Net income - Pitney Bowes Inc.	\$ 223,665	\$ 261,340	\$ 92,805
Amounts attributable to common stockholders:			
Net income from continuing operations	\$ 199,978	\$ 221,362	\$ 75,769
Loss from discontinued operations, net of tax	23,687	39,978	17,036
Net income - Pitney Bowes Inc.	\$ 223,665	\$ 261,340	\$ 92,805
Basic earnings per share attributable to common stockholders ⁽¹⁾ :			
Continuing operations	\$ 1.07	\$ 1.19	\$ 0.40
Discontinued operations	0.13	0.21	0.09
Net income - Pitney Bowes Inc.	\$ 1.19	\$ 1.40	\$ 0.49
Diluted earnings per share attributable to common stockholders ⁽¹⁾ :			
Continuing operations	\$ 1.06	\$ 1.18	\$ 0.40
Discontinued operations	0.13	0.21	0.09
Net income - Pitney Bowes Inc.	\$ 1.19	\$ 1.39	\$ 0.49

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

Reconciliation of reported net income to adjusted EBIT and EBITDA

	2018	2017	2016
Net income - Pitney Bowes Inc.	223,665	261,340	92,805
Income from discontinued operations, net of tax	(23,687)	(39,978)	(17,036)
Pension Settlement	23,402	-	-
Restructuring charges and asset impairments, net	20,905	37,248	40,522
Tax legislation	(36,909)	(38,774)	-
State tax valuation allowance - Production Mail business sale	2,628	-	-
Transaction costs	2,690	4,052	206
Extinguishment of debt	5,933	2,375	-
Gain on sale of technology	-	(5,605)	-
Goodwill impairment	-	-	146,433
Impact of divestiture transactions	-	-	3,893
Preferred stock redemption	-	-	6,430
Net income, as adjusted	218,672	220,658	273,253
Interest, net	159,757	164,162	144,211
Provision for income taxes, as adjusted	63,661	61,635	127,718
Preferred stock dividends attributable to noncontrolling interests, as adjusted	-	-	15,415
Adjusted EBIT	442,090	446,455	560,597
Depreciation and amortization	203,293	179,650	174,065
Adjusted EBITDA	\$ 645,383	\$ 626,105	\$ 734,662

Reconciliation of reported diluted earnings per share to adjusted diluted earnings per share

	2018	2017	2016
Diluted earnings (loss) per share	\$ 1.19	\$ 1.39	\$ 0.49
(Income) loss from discontinued operations, net of tax	(0.13)	(0.21)	(0.09)
Pension Settlement	0.12	-	-
Restructuring charges and asset impairments, net	0.11	0.20	0.21
Tax legislation	(0.20)	(0.21)	-
State tax valuation allowance - Production Mail business sale	0.01	-	-
Transaction costs	0.01	0.02	-
Extinguishment of debt	0.03	0.01	-
Gain on sale of technology	-	(0.03)	-
Goodwill impairment	-	-	0.77
Impact of divestiture transactions	-	-	0.02
Diluted earnings per share, as adjusted	<u>\$ 1.16</u>	<u>\$ 1.18</u>	<u>\$ 1.45</u>

Reconciliation of reported net cash from operating activities to free cash flow

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Net cash provided by operating activities	\$ 392,261	\$ 495,813	\$ 496,123
Cash used in (provided by) operating activities - discontinued operations	<u>29,103</u>	<u>(29,006)</u>	<u>(93,217)</u>
Net cash provided by operating activities - continuing operations	421,364	466,807	402,906
Capital expenditures	(191,444)	(168,097)	(159,232)
Restructuring payments	52,974	37,454	62,071
Reserve account deposits	21,008	10,954	(2,183)
Transaction costs paid	14,203	7,396	335
Pension plan contribution	-	-	36,731
Free Cash Flow - continuing operations	<u>\$ 318,105</u>	<u>\$ 354,514</u>	<u>\$ 340,628</u>

Thank You

