UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549-1004

F O R M 1 0 - Q

X QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
- -
ACT OF 1934

For the quarterly period ended June 30, 1997

OR

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

For the transition period from to

Commission File Number: 1-3579

PITNEY BOWES INC.

State of Incorporation	IRS Employer Identification No.
Delaware	06-0495050

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

The Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. Yes X No

Number of shares of common stock, $2 par value, outstanding as of July 31, 1997 is 144,281,005.

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Part I - Financial Information:

Part I - Financial Information
Pitney Bowes Inc.
Consolidated Statement of Income
(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	1997	1996	1997	1996
Revenue from:				
Sales	$ 449,757	$ 410,649	$ 867,579	$ 794,653
Rentals and financing	436,141	415,266	860,703	824,344
Support services	120,213	117,022	239,199	230,205
Total revenue	1,006,111	942,937	1,967,481	1,849,202
Costs and expenses:				
Cost of sales	269,490	258,039	523,298	496,803
Cost of rentals and financing	128,041	114,575	255,715	240,327
Selling, service and administrative	335,682	320,091	661,791	631,107
Research and development	21,835	20,637	42,483	39,347
Interest, net	50,953	47,399	100,449	95,983
Total costs and expenses	806,001	760,741	1,583,736	1,503,567
Income before income taxes	200,110	182,196	383,745	345,635
Provision for income taxes	69,039	63,663	132,729	120,593
Net income	$ 131,071	$ 118,533	$ 251,016	$ 225,042
Net income common and common equivalent share	$ .89	$ .79	$ 1.70	$ 1.49
Average common and common equivalent shares outstanding	146,935,086	150,945,114	148,030,688	151,171,536
Dividends declared per share of common stock	$ .40	$ .345	$ .80	$ .69
Ratio of earnings to combined fixed charges and preferred stock dividends	3.89	3.83	3.83	3.66
Ratio of earnings to fixed charges excluding minority interest	4.13	3.99	4.02	3.82

Pitney Bowes Inc.
Consolidated Balance Sheet
(Unaudited)

(Dollars in thousands)	June 30, 1997	December 31, 1996
Assets		
Current assets:		
Cash and cash equivalents	$ 130,743	$ 135,271
Short-term investments, at cost which approximates market	1,474	1,500
Accounts receivable, less allowances: 6/97, $17,423; 12/96, $16,160	322,679	340,730
Finance receivables, less allowances: 6/97, $43,514; 12/96, $40,176	1,423,859	1,339,286
Inventories (Note 2)	255,791	281,942
Other current assets and prepayments	131,776	123,337
Total current assets	2,266,322	2,222,066
Property, plant and equipment, net (Note 3)	484,882	486,029
Rental equipment and related inventories, net (Note 3)	821,851	815,306
Property leased under capital leases, net (Note 3)	4,751	5,848
Long-term finance receivables, less allowances: 6/97, $76,527; 12/96, $73,561	3,442,412	3,450,231
Investment in leveraged leases	661,036	633,682
Goodwill, net of amortization: 6/97, $37,629; 12/96, $34,372	202,092	205,802
Other assets	405,151	336,758
Total assets	$ 8,288,497	$ 8,155,722
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 827,394	$ 849,789
Income taxes payable	162,378	212,155
Notes payable and current portion of long-term obligations	2,173,450	1,911,481
Advance billings	351,059	331,864
Total current liabilities	3,514,281	3,305,289
Deferred taxes on income	831,480	720,840
Long-term debt	1,172,053	1,300,434
Other noncurrent liabilities	381,852	390,113
Total liabilities	5,899,666	5,716,676
Preferred stockholders' equity in a subsidiary company	300,000	200,000
Stockholders' equity:		
Cumulative preferred stock, $50 par value, 4% convertible	46	46
Cumulative preference stock, no par value, $2.12 convertible	2,291	2,369
Common stock, $2 par value	323,338	323,338
Capital in excess of par value	27,852	30,260
Retained earnings	2,583,936	2,450,294
Cumulative translation adjustments	(52,477)	(31,297)
Treasury stock, at cost	(796,155)	(535,964)
Total stockholders' equity	2,088,831	2,239,046
Total liabilities and stockholders' equity	$ 8,288,497	$ 8,155,722

Pitney Bowes Inc.
Consolidated Statement of Cash Flows

(Unaudited)

(Dollars in thousands)

	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996*
Cash flows from operating activities:		
Net income	$ 251,016	$ 225,042
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	146,426	135,337
Net change in the strategic focus initiative	--	(9,871)
Increase in deferred taxes on income	111,193	41,748
Change in assets and liabilities:		
Accounts receivable	17,115	29,588
Sales-type lease receivables	(55,575)	(23,534)
Inventories	25,219	21,449
Other current assets and prepayments	(8,213)	3,487
Accounts payable and accrued liabilities	(21,847)	(66,059)
Income taxes payable	(49,523)	3,548
Advance billings	19,783	13,336
Other, net	(53,490)	(34,820)
Net cash provided by operating activities	382,104	339,251
Cash flows from investing activities:		
Short-term investments	26	2,161
Net investment in fixed assets	(133,373)	(134,749)
Net investment in direct-finance lease receivables	(25,848)	(13,163)
Investment in leveraged leases	(28,786)	(22,391)
Investment in mortgage servicing rights	(64,125)	(22,847)
Other investing activities	12,892	13,266
Net cash used in investing activities	(239,214)	(177,723)
Cash flows from financing activities:		
Increase in notes payable	385,374	12,117
Principal payments on long-term obligations	(252,794)	(8,114)
Proceeds from issuance of stock	22,460	21,251
Stock repurchases	(285,465)	(75,339)
Proceeds from preferred stock issued by a subsidiary	100,000	--
Dividends paid	(117,374)	(103,510)
Net cash used in financing activities	(147,799)	(153,595)
Effect of exchange rate changes on cash	381	(498)
(Decrease) increase in cash and cash equivalents	(4,528)	7,435
Cash and cash equivalents at beginning of period	135,271	85,352
Cash and cash equivalents at end of period	$ 130,743	$ 92,787
Interest paid	$ 116,527	$ 103,700
Income taxes paid	$ 73,688	$ 77,075

<FN>

*Certain prior year amounts have been reclassified to conform to the 1997 presentation.
</FN>

Pitney Bowes Inc.
Notes to Consolidated Financial Statements

Note 1:

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of Pitney Bowes Inc. ("the company"), all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position of the company as of June 30, 1997 and the results of its operations and cash flows for the six months ended June 30, 1997 and 1996 have been included. Operating results for the six months ended June 30, 1997 are not necessarily indicative of the results that may be expected for the year ending December 31, 1997. These statements should be read in conjunction with the financial statements and notes thereto included in the company's Annual Report to Stockholders and Form 10-K Annual Report for the year ended December 31, 1996.

Note 2:

Inventories are comprised of the following:

(Dollars in thousands)	June 30, 1997	December 31, 1996
Raw materials and work in process	$ 54,284	$ 58,536
Supplies and service parts	101,291	103,182
Finished products	100,216	120,224
Total	$ 255,791	$ 281,942

Note 3:

Fixed assets are comprised of the following:

(Dollars in thousands)	June 30, 1997	December 31, 1996
Property, plant and equipment	$ 1,093,043	$ 1,093,501
Accumulated depreciation	(608,161)	(607,472)
Property, plant and equipment, net	$ 484,882	$ 486,029
Rental equipment and related inventories	$ 1,642,727	$ 1,634,111
Accumulated depreciation	(820,876)	(818,805)
Rental equipment and related inventories, net	$ 821,851	$ 815,306
Property leased under capital leases	$ 20,419	$ 24,124
Accumulated amortization	(15,668)	(18,276)
Property leased under capital leases, net	$ 4,751	$ 5,848

Note 4:
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Revenue and operating profit by business segment for the three and six months ended June 30, 1997 and 1996 were as follows:

(Dollars in thousands)	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Revenue:				
Business equipment	$ 779,364	$ 728,489	$ 1,524,484	$ 1,429,426
Business services	137,461	120,534	266,451	232,424
Commercial and industrial financing				
Large-ticket external	50,074	48,654	99,625	103,077
Small-ticket external	39,212	45,260	76,921	84,275
Total	89,286	93,914	176,546	187,352
Total revenue	$ 1,006,111	$ 942,937	$ 1,967,481	$ 1,849,202
Operating Profit: (1)				
Business equipment	$ 186,617	$ 162,413	$ 356,028	$ 313,099
Business services	11,791	9,728	22,279	18,567
Commercial and industrial financing	18,723	21,786	35,234	40,113
Total operating profit	$ 217,131	$ 193,927	$ 413,541	$ 371,779

<FN>

(1)Operating profit excludes general corporate expenses, income taxes, and net interest other than that related to the financial services businesses.
</FN>

Note 5:
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In February 1997, Statement of Financial Accounting Standards No. 128, "Earnings per Share" was issued. It specifies the computation, presentation and disclosure requirements for earnings per share and is effective for financial statements for both interim and annual periods ending after December 15, 1997. Earlier application is not permitted. On a pro-forma basis, basic and diluted earnings per share would have been as follows:

	1997 Basic	1997 Diluted	1996 Basic	1996 Diluted
Quarter ended March 31	$ .81	$ .81	$ .71	$ .70
Quarter ended June 30	.90	.89	.79	.79
Year to date June 30	$ 1.71	$ 1.70	$ 1.50	$ 1.49

In June 1997, Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income" was issued. It will require the company to disclose, in financial statement format, all non-owner changes in equity. This statement is effective for fiscal years beginning after December 15, 1997 and requires presentation of prior period financial statements for comparability purposes. The company expects to adopt this statement beginning with its 1998 consolidated financial statements.

Also in June 1997, Statement of Financial Accounting Standards No. 131, "Disclosures about Segments of an Enterprise and Related Information" was issued. It establishes standards for reporting information about operating segments in annual financial statements and interim financial reports. It also establishes standards for related disclosures about products and services, geographic areas and major customers. The company is currently evaluating its options for disclosure and will adopt the statement for the fiscal year commencing January 1, 1998.

Pitney Bowes Inc.
Management's Discussion and Analysis of Financial
Condition and Results of Operations

Results of Operations - second quarter of 1997 vs. second quarter of 1996

Revenue increased seven percent to $1,006.1 million compared to $942.9 million in the second quarter of 1996. Net income increased 11 percent to $131.1 million from $118.5 million in the same period in 1996. Per share earnings grew to 89 cents, a 13.6 percent increase from second quarter 1996. Revenue growth was eight percent, excluding revenue from large-ticket external financing as well as prior-year revenue from businesses in Australia from which, as previously announced, the company exited in 1996.

Second quarter 1997 revenue included $449.8 million from sales, up 10 percent from $410.6 million in the second quarter of 1996; $436.1 million from rentals and financing, up five percent from $415.3 million; and $120.2 million for support services, up three percent from $117.0 million.

In the Business Equipment segment, which includes mailing, facsimile and copying systems and related financing, revenue grew seven percent and operating profit increased 15 percent during the second quarter.

Mailing Systems' six percent revenue increase during the quarter was driven by strong equipment sales in the U.S. Mailing and Production Mail businesses. The conversion of U.S. Mailing Systems' customers to more advanced technology continued during the quarter, with electronic and digital meters comprising 67 percent of the installed base up from 60 percent in December 1996 and 52 percent in June 1996. See Regulatory Matters Update below. Growth in Mailing Systems' revenue for the quarter has been partially offset by last year's strategic decision to exit non-profitable businesses in Australia, currency translation impacts in Japan and lower equipment placements in Germany.

Revenue from Facsimile Systems grew 11 percent in second quarter 1997 driven by steady increases in the installed base of rental machines and supply sales.

Copier Systems revenue increased eight percent in the second quarter driven by solid equipment sales. Rental revenue was also strong, resulting from new product introductions and geographic expansion.

In the Business Services segment second-quarter revenue grew 14 percent and operating profit grew 21 percent. The segment includes Pitney Bowes Management Services (PBMS) and Atlantic Mortgage and Investment Corporation (AMIC). Revenue for PBMS grew due to continued expansion of its commercial contract base and its increased presence in the U.K. AMIC achieved excellent growth through aggressive expansion of its fee-based revenue. These service businesses have maintained profitable double-digit revenue growth by bringing Pitney Bowes innovation and expertise to key market segments.

In accordance with management's previously announced strategy to concentrate on fee-based rather than asset-based income, the company is actively pursuing a strategy to reduce the level of external large-ticket investment and related debt. In line with such strategy, the Commercial and Industrial Financing segment's revenue and operating profit declined five percent and 14 percent, respectively. This segment includes large-ticket and small-ticket external financing. The comparison to second quarter 1996 also reflects the effect of past asset sales in both the large and small ticket external portfolios, including the sale of the Custom Vendor Financing portfolio in June 1996.

The ratio of cost of sales to sales revenue decreased from 62.8 percent in the second quarter 1996 to 59.9 percent in 1997. The improvement was due to the product mix at U.S. Mailing towards higher-margin products, favorable purchase and maintenance variances and higher margin supply sales in the Facsimile business. The improvement was offset, in part, by the continued growth of the facilities management business which includes most of its expenses in cost of sales.

The ratio of cost of rentals and financing to rentals and financing revenue increased to 29.4 percent in the second quarter 1997 from 27.6 percent in the same prior year period. The company had ceased placing mechanical meters in 1996 as a result of the meter migration requirements, resulting in lower related costs in that period. Since then, the increased new placements of electronic and digital meters has led to additional depreciation expense, impacting this ratio. The 1996 ratio was also favorably impacted by the sale of the Custom Vendor Financing portfolio mentioned above.

Selling, service and administrative expenses as a percentage of revenue improved to 33.4 percent in the second quarter 1997 from 33.9 percent in the same period in 1996. The improvement in this ratio is primarily due to the continued emphasis on controlling operating expenditures and reduced expense levels in Australia as a result of exiting certain businesses in 1996.

Research and development expenses increased six percent to $21.8 million in the second quarter of 1997 compared to the second quarter of the previous year. The increase reflects the company's continued commitment to developing new technologies for its digital meters and other mailing and software products.

Net interest expense increased to $51.0 million in the second quarter of 1997 from $47.4 million in the second quarter of 1996. The increase is due to higher average borrowings in 1997 to fund the previously approved stock repurchase program coupled with higher interest rates.

The second quarter effective tax rate was 34.5 percent in 1997 compared to 34.9 percent in the second quarter of 1996.

Results of Operations - six months of 1997 vs. six months of 1996

For the first six months of 1997 compared with the same period of 1996, revenue increased six percent to $1,967.5 million while net income increased 12 percent to $251.0 million. The factors that affected revenue and earnings performance included those cited for the second quarter of 1997 versus 1996.

Liquidity and Capital Resources

The current ratio decreased to .64 to 1 as of June 30, 1997 from .67 to 1 as of December 31, 1996. The decrease is primarily due to the reclassification of $125 million of notes due in June 1998 to current portion of long term debt plus increased borrowing at the company's financial services subsidiaries.

In April 1997, Pitney Bowes International Holdings, Inc., a subsidiary of the company, issued an additional $100 million of variable term voting preferred stock to institutional investors in a private placement transaction. The preferred stock, $.01 par value, is entitled to cumulative dividends at rates set at auction, generally at 49 day intervals. The proceeds of the issuance were used to repay short-term borrowings. The Consolidated Statement of Income reflects the dividends as a minority interest in selling, service and administrative expense.

As part of the company's non-financial services shelf registrations, a medium-term note facility exists permitting issuance of up to $100 million in debt securities with maturities ranging from more than one year up to 30 years of which $32 million remain available at June 30, 1997. The company also has an additional $300 million remaining on its non-financial services shelf registrations filed with the Securities and Exchange Commission (SEC). Amounts available under credit agreements, shelf registrations and commercial paper and medium-term note programs, in addition to cash generated internally are expected to be sufficient to provide for financing needs in the next several years.

Pitney Bowes Credit Corporation (PBCC) has $250 million of unissued debt securities available from a shelf registration statement filed with the SEC in September 1995. Up to $250 million of medium-term notes may be offered under this registration statement. The $250 million available under this shelf registration statement should meet PBCC's financing needs for the next two years. PBCC also had unused lines of credit and revolving credit facilities totaling $1.5 billion at June 30, 1997, largely supporting its commercial paper borrowings.

The ratio of total debt to total debt and stockholders' equity, including the preferred stockholders' equity in a subsidiary company in total debt, was 63.6 percent at June 30, 1997 compared to 60.5 percent at December 31, 1996. This ratio was affected by the repurchase of 4,351,600 shares of common stock for $285.5 million in the first half of 1997. Book value was $14.47 per common share at June 30, 1997 compared to $15.11 at year-end 1996 principally as a result of the stock repurchase.

The company enters into interest rate swap agreements principally through its financial services businesses. It has been the practice and objective of the company to use a balanced mix of debt maturities, variable- and fixed-rate debt and interest rate swap agreements to control the company's sensitivity to interest rate volatility. The company utilizes interest rate swap agreements when it considers the economic benefits to be favorable. Swap agreements have been principally utilized to fix interest rates on commercial paper and/or obtain a lower cost on debt than would otherwise be available absent the swap.

Capital Investments

In the first half of 1997, net investments in fixed assets included $42.2 million in net additions to property, plant and equipment and $90.4 million in net additions to rental equipment and related inventories compared with $40.8 million and $93.5 million, respectively, in the same period in 1996. In the case of rental equipment, the additions included the production of postage meters and the purchase of facsimile equipment for both new placements and upgrade programs.

As of June 30, 1997, commitments for the acquisition of property, plant and equipment included plant and manufacturing equipment improvements as well as rental equipment for new and replacement programs.

Regulatory Matters Update

In May 1996 the United States Postal Service (U.S.P.S.) issued a proposed schedule for the phase-out of mechanical meters in the U.S. marketplace. In accordance with the schedule, the company voluntarily halted new placements of mechanical meters in the U.S. as of June 1, 1996. The company is also actively pursuing removal from the market of all mechanical meters used by persons or firms who process mail for a fee. Further, the company agreed, in March 1997, to use its best efforts to remove from the market mechanical systems meters (meters that interface with mail machines or processors) by a revised target date of December 31, 1998. The company continues to make satisfactory progress in meeting the proposed withdrawal date of March 31, 1999 for stand-alone mechanical meters.

As of June 30, 1997, electronic and digital meters represented 67 percent of the company's U.S. installed base, up from 60 percent in December 1996. Based on the announced U.S.P.S. mechanical meter migration schedule and agreements reached to date with the U.S.P.S., the company believes that the plan will not cause a material adverse financial impact on the company.

In 1996 the U.S.P.S. announced proposed changes in future metering technology that would include the use of a digital, information-based indicia standard. Initial specifications for the information-based indicia standard were proposed in July 1996. Since then, the U.S.P.S. has invited public comment on the proposal, which remains under discussion and has not been finalized. At some undetermined date in the future, the U.S.P.S. believes that digital metering will eventually replace electronic metering in the U.S. The company supports a digital product migration strategy, and the company anticipates working with the U.S.P.S. to achieve a timely and effective substitution plan. However, until the U.S.P.S. finalizes standards for a digital information-based indicia (and clarifies transition to the new standard), the impact of this proposal, if any, on the company cannot be determined. The company has taken the lead in deploying digital meters in the marketplace.

Forward-looking Statements

The company cautions readers that any forward-looking statements (those which discuss the company's or management's current expectations as to the future) in this Form 10-Q or made by company management involve risks and uncertainties which may change based on various important factors. Some of the factors which could cause future financial performance to differ materially from the expectations as expressed in any forward-looking statement made by or on behalf of the company include:

- changes in postal regulations
- timely development and acceptance of new products
- success in gaining product approval in new markets where regulatory approval is required
- successful entry into new markets
- mailers' utilization of alternative means of communication or competitors' products
- the company's success at managing customer credit risk.

Part II - Other Information

Item 1: Legal Proceedings

In the course of normal business, the company is occasionally party to lawsuits. These may involve litigation by or against the company relating to, among other things:

- contractual rights under vendor, insurance or other contracts
- intellectual property or patent rights
- equipment, service or payment disputes with customers
- disputes with employees.

The company is currently a defendant in a number of lawsuits, none of which should have, in the opinion of management and legal counsel, a material adverse effect on the company's financial position or results of operations.

Item 4: Submission of Matters to a Vote of Security Holders.

Below are the final results of the voting at the annual meeting of shareholders held on May 12, 1997:

Proposal 1 - Election of Directors

Nominee	For	Withheld
William E. Butler	122,494,177	718,322
Colin G. Campbell	122,494,738	717,761
David T. Kimball	122,515,529	696,970

Proposal 2 - Appointment of Price Waterhouse LLP as Independent Accountants

For	Against	Abstain
122,721,020	178,531	312,948

Proposal 3 - Stockholder Proposal Relating to Coalition for Environmentally Responsible Economies Principles*

For	Against	Abstain
9,202,174	95,771,073	9,469,668

*This proposal had 8,769,584 Broker No Votes.

The following other directors continued their term of office after the Annual Meeting:

Linda G. Alvarado	Charles E. Hugel
Marc C. Breslawsky	Michael I. Roth
Michael J. Critelli	Phyllis Shapiro Sewell

Item 6: Exhibits and Reports on Form 8-K.

(a) Exhibits (numbered in accordance with Item 601 of Regulation S-K)

Reg. S-K Exhibits	Status or Description	Incorporation by Reference
(11)	Computation of earnings per share.	See Exhibit (i)
(12)	Computation of ratio of earnings to combined fixed charges and preferred stock dividends.	See Exhibit (ii)

(27) Financial data schedule. See Exhibit (iii)

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended June 30, 1997.

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 thereunto duly authorized.

PITNEY BOWES INC.

August 14, 1997

/s/ M. L. Reichenstein

M. L. Reichenstein
Vice President - Chief Financial Officer
(Principal Financial Officer)

/s/ A. F. Henock

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

Exhibit (i)

Pitney Bowes Inc.
Computation of Earnings per Share

(Dollars in thousands, except per share data)	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Primary				
Net income applicable to common stock (1)	$ 131,071	$ 118,533	$ 251,015	$ 225,042
Weighted average number of common shares outstanding ...	145,195,125	149,444,335	146,326,746	149,655,627
Preference stock, $2.12 cumulative convertible	682,324	731,416	688,408	738,887
Stock option and purchase plans	1,057,637	769,363	1,015,534	777,022
Total common and common equivalent shares outstanding ..	146,935,086	150,945,114	148,030,688	151,171,536
Income per common and common equivalent share - primary:				
Net income	$ .89	$ .79	$ 1.70	$ 1.49
Fully Diluted				
Net income	$ 131,071	$ 118,533	$ 251,016	$ 225,042
Weighted average number of common shares outstanding ...	145,195,125	149,444,335	146,326,746	149,655,627
Preference stock, $2.12 cumulative convertible	682,324	731,416	688,408	738,887
Stock option and purchase plans	1,122,023	803,981	1,071,351	846,838
Preferred stock, 4% cumulative convertible	11,187	11,490	11,187	11,490
Total common and common equivalent shares outstanding ..	147,010,659	150,991,222	148,097,692	
151,252,842				
Income per common and common equivalent share- fully diluted:				
Net income	$ .89	$ .79	$ 1.69	$ 1.49

<FN>
(1) Net income applicable to common stock was adjusted for preferred dividends.
</FN>

Exhibit (ii)

Pitney Bowes Inc.
Computation of Ratio of Earnings to Combined Fixed Charges and
Preferred Stock Dividends (1)

(Dollars in thousands)	Three Months Ended June 30, 1997	Three Months Ended June 30, 1996	Six Months Ended June 30, 1997	Six Months Ended June 30, 1996
Income before income taxes	$200,110	$182,196	$383,745	$345,635
Add:				
Interest expense	52,692	48,971	104,597	98,883
Portion of rents representative of the interest factor	11,385	11,250	22,514	22,311
Amortization of capitalized interest	244	229	487	457
Minority interest in the income of subsidiary with fixed charges	3,065	1,991	5,031	4,110
Income as adjusted	$267,496	$244,637	$516,374	$471,396
Fixed charges:				
Interest expense	$ 52,692	$ 48,971	$104,597	$ 98,883
Capitalized interest	--	599	--	1,201
Portion of rents representative of the interest factor	11,385	11,250	22,514	22,311
Minority interest excluding taxes, in the income of subsidiary with fixed charges	4,715	3,087	7,800	6,372
	$ 68,792	$ 63,907	$134,911	$128,767
Ratio of earnings to combined fixed charges and preferred stock dividends	3.89	3.83	3.83	3.66
Ratio of earnings to fixed charges excluding minority interest	4.13	3.99	4.02	3.82

<FN>
(1) The computation of the ratio of earnings to combined fixed charges

and
preferred stock dividends has been computed by dividing income as adjusted by fixed charges and preferred stock dividends. Included in fixed charges is one-third of rental expense as the representative portion of interest.
</FN>

WARNING: THE EDGAR SYSTEM ENCOUNTERED ERROR(S) WHILE PROCESSING THIS SCHEDULE.

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS FINANCIAL INFORMATION EXTRACTED FROM PITNEY BOWES INC. CONSOLIDATED BALANCE SHEET, CONSOLIDATED STATEMENT OF INCOME, CORRESPONDING FOOTNOTE #3 FIXED ASSETS AND STATEMENT RE COMPUTATION OF PER SHARE EARNINGS AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
</LEGEND>
<MULTIPLIER> 1,000

<PERIOD-TYPE>		6-MOS
<FISCAL-YEAR-END>		DEC-31-1997
<PERIOD-END>		JUN-30-1997
<CASH>		130,743
<SECURITIES>		1,474
<RECEIVABLES>	<F1>	1,807,475
<ALLOWANCES>	<F1>	60,937
<INVENTORY>		255,791
<CURRENT-ASSETS>		2,266,322
<PP&E>	<F2>	2,735,770
<DEPRECIATION>	<F2>	1,429,037
<TOTAL-ASSETS>		8,288,497
<CURRENT-LIABILITIES>		3,514,281
<BONDS>		1,172,053
<COMMON>		323,338
<PREFERRED-MANDATORY>		300,000
<PREFERRED>		2,337
<OTHER-SE>		1,763,156
<TOTAL-LIABILITY-AND-EQUITY>		8,288,497
<SALES>		867,579
<TOTAL-REVENUES>		1,967,481
<CGS>		523,298
<TOTAL-COSTS>		779,013
<OTHER-EXPENSES>		42,483
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		104,597
<INCOME-PRETAX>		383,745
<INCOME-TAX>		132,729
<INCOME-CONTINUING>		251,016
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		251,016
<EPS-PRIMARY>		1.70
<EPS-DILUTED>		1.69

<FN>
<F1> Receivables are comprised of trade receivables of $340,102 and short-term finance receivables of $1,467,373. Allowances are comprised of allowances for trade receivables of $17,423 and for short-term finance receivables of $43,514.
<F2> Property, plant and equipment are comprised of fixed assets of $1,093,043 and rental equipment and related inventories of $1,642,727. Depreciation is comprised of depreciation on fixed assets of $608,161 and on rental equipment and related inventories of $820,876.
</FN>