



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 and other factors as more fully outlined in the Company’s 2017 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 total 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, other than in certain non-U.S. jurisdictions, which are expected to close in the third and fourth quarters, subject to local regulatory requirements.

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.

A Different Company

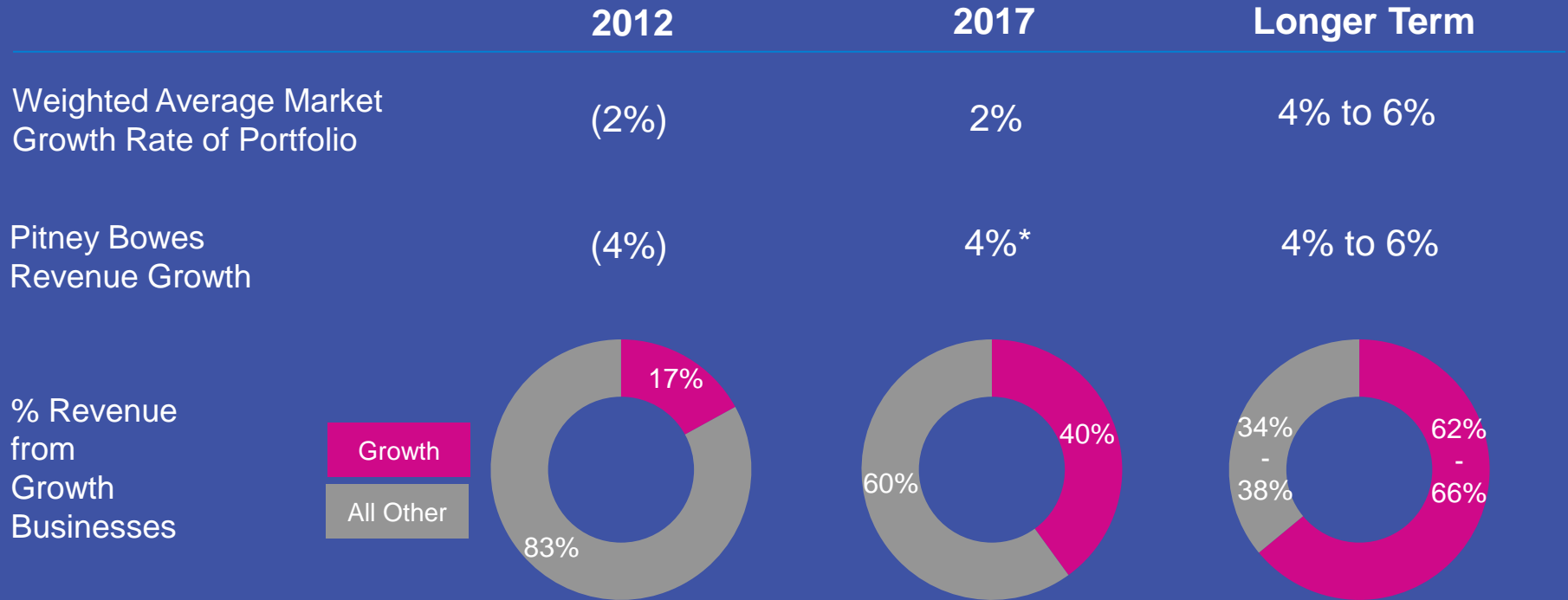
From

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

To

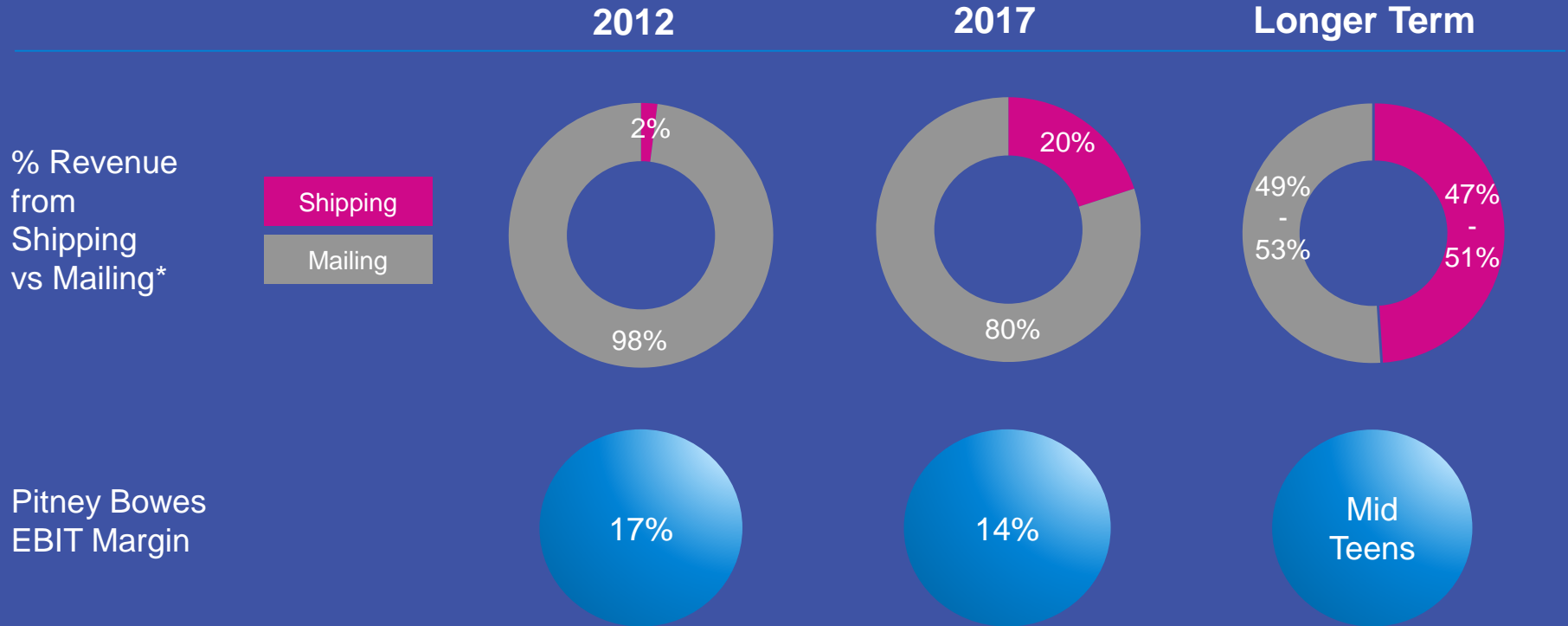
A Commerce
Services growth
company with the
option to expand
our opportunity with
our SMB client
base

A Different Company that has Moved to Growth



* 2017 revenue flat to prior year excluding Newgistics

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 additional debt reduction ~\$560MM
- Network efficiency and scalability
- Expense optimization
- Client experience

Leverage Economies of Scale and Experience

- Technology
- Expand commerce cloud capabilities
- Data / Data Management – including addresses
- 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**



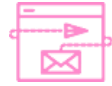
**Shipping
Solutions**



**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 small, illuminated, star-shaped garden in the middle. The surrounding roads are filled with cars, and the city lights create a warm, orange glow. The image is used as a background for the text.

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

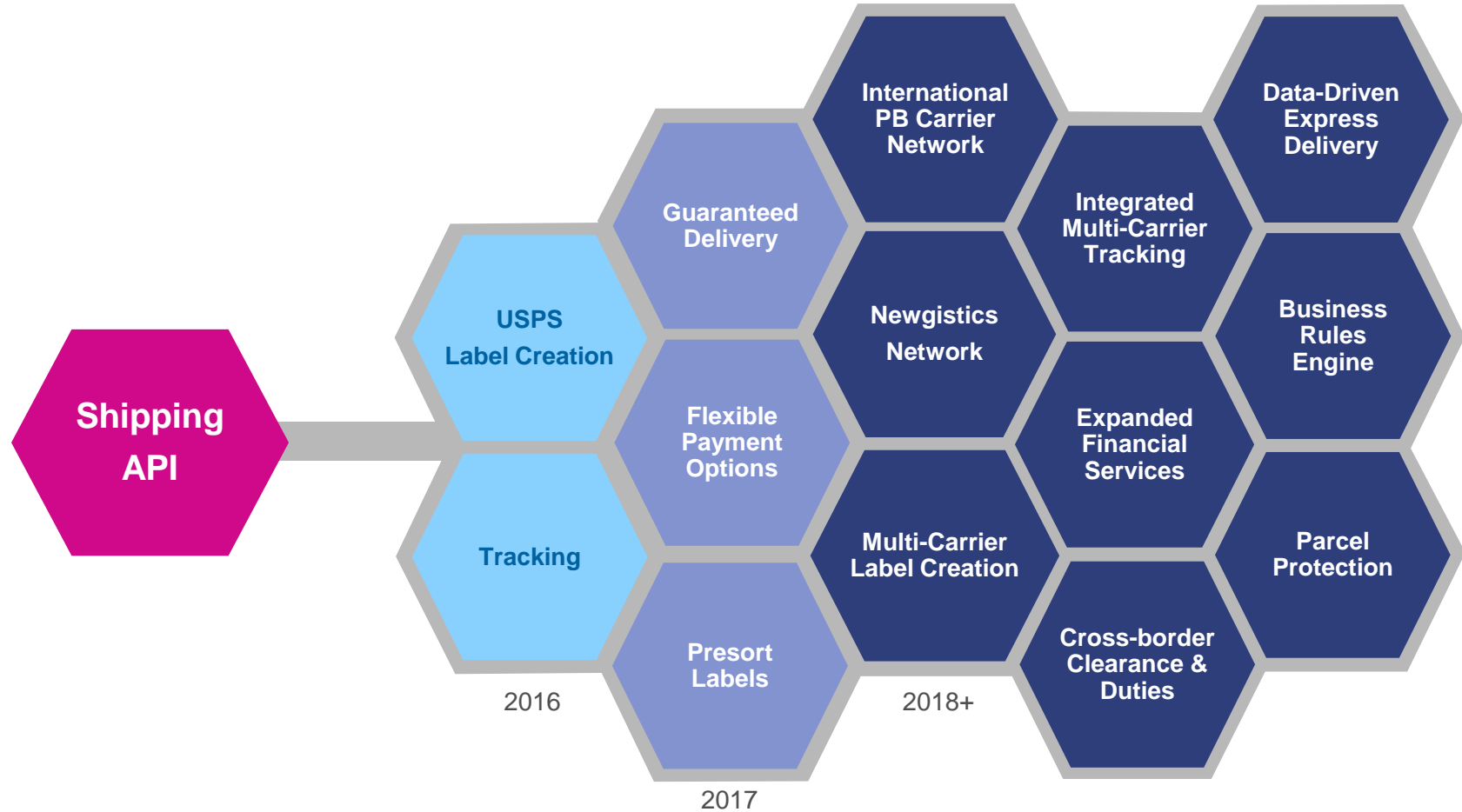


Expand margins



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

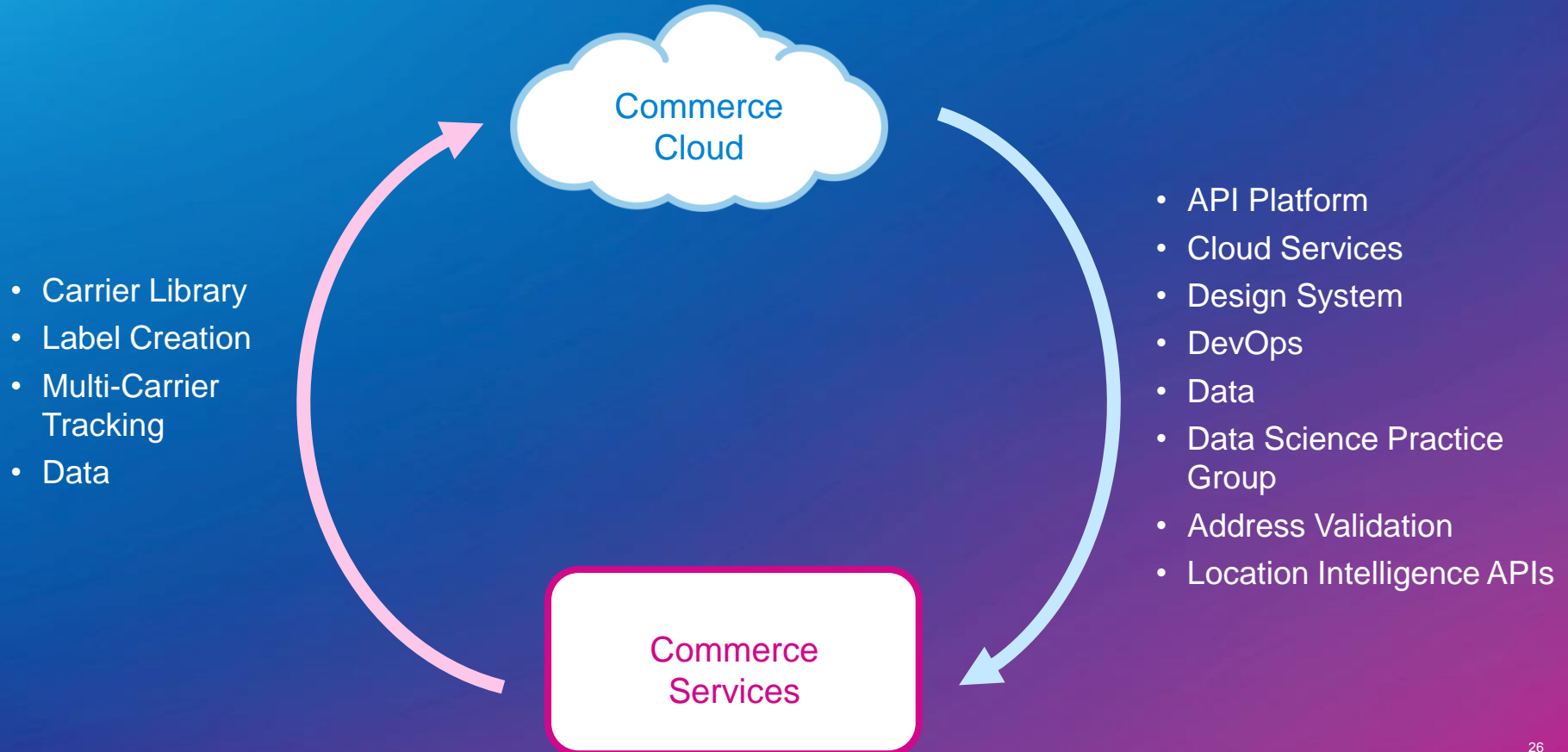


**Helping U.S. Retailers Reach
Chinese Consumers**

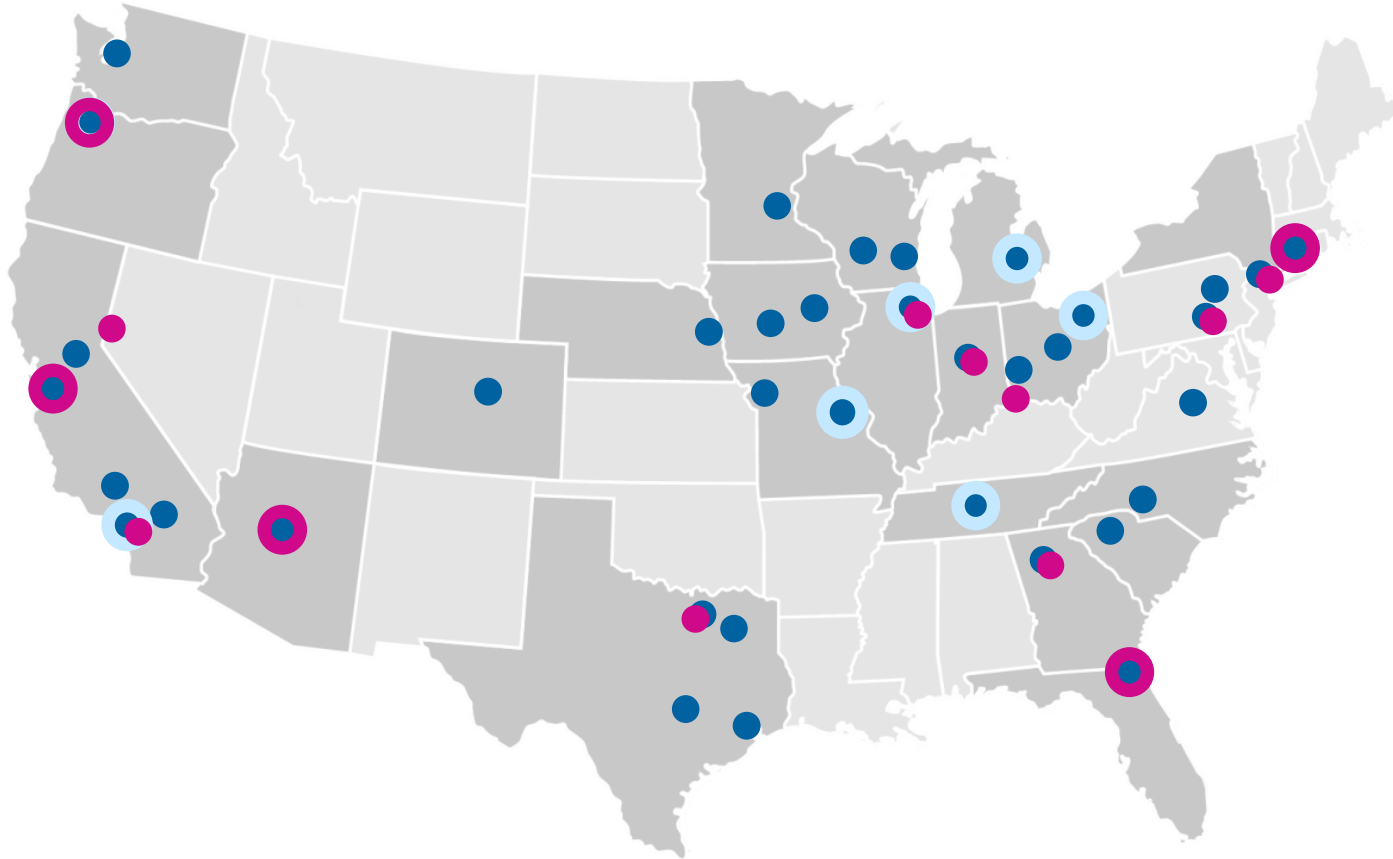


**Providing Delivery Solutions
for Chinese Merchants to
Reach U.S. Consumers**

Leveraging the Commerce Cloud to Move Faster and Expand Margins



Geographic Expansion Driving Growth and Margin



New Presort Operating Centers Since 2015

- Opens up new client opportunities
- Enhances operational efficiencies

Planned Newgistics Expansion in 2018

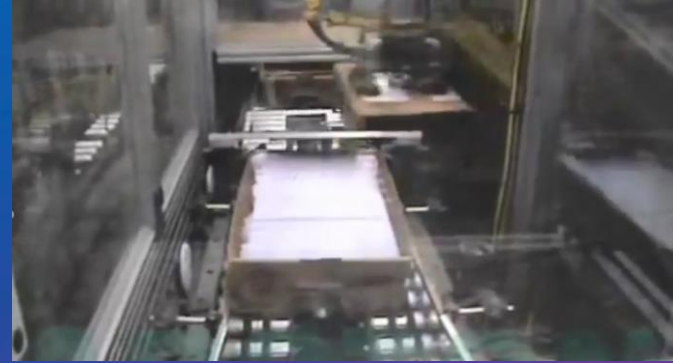
- Rapid Deployment
- Logistics Leverage
- Access to new clients

Targeted Automation Improves Margins and Accelerates Scale

Palletizer



Auto Sleever



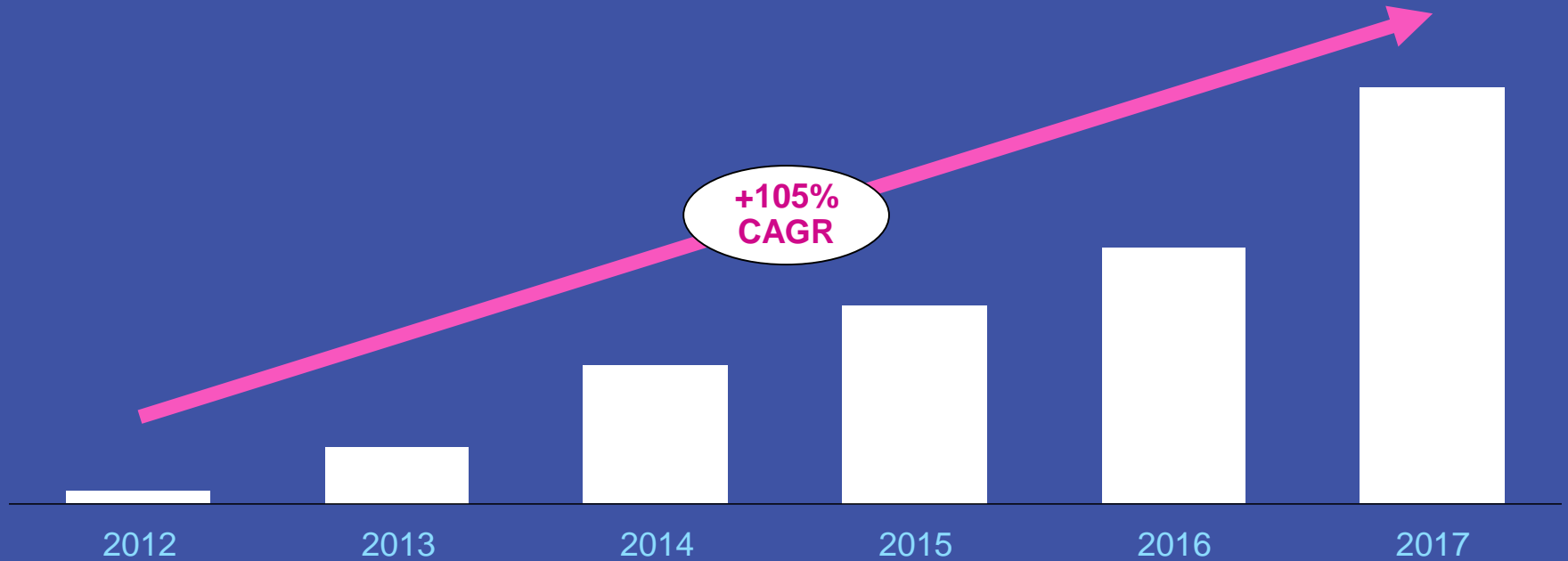
Automated Fulfillment



The background of the slide is a blurred photograph of a city at night. It features out-of-focus lights from buildings and streets, creating a bokeh effect with warm yellow and orange tones. The text is centered over this background.

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		16B
EBIT %	8%		20%

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



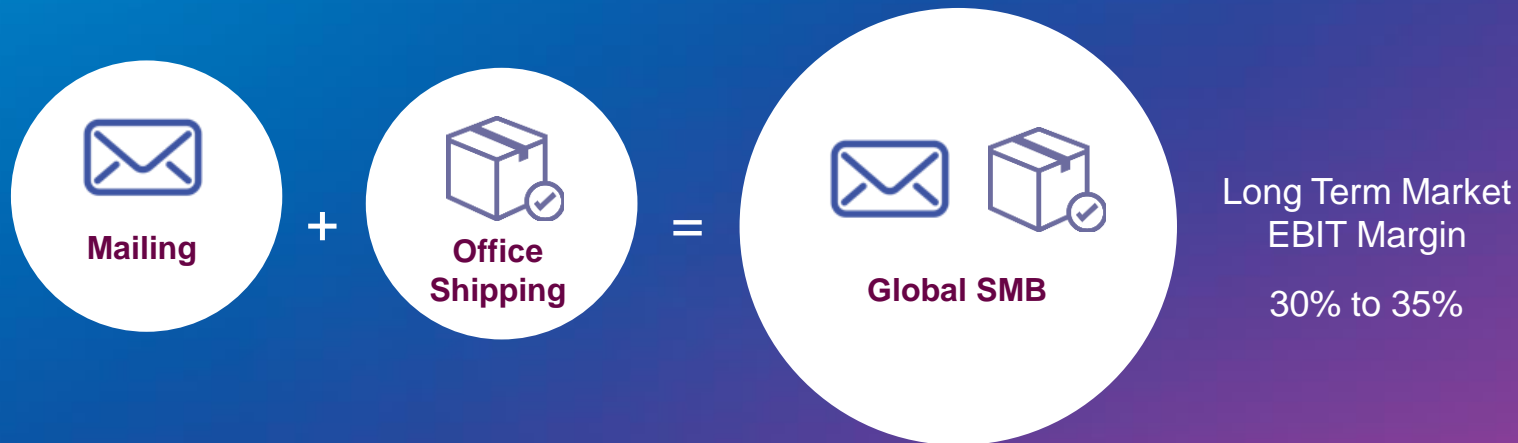
Small and Medium Business (SMB) Solutions

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

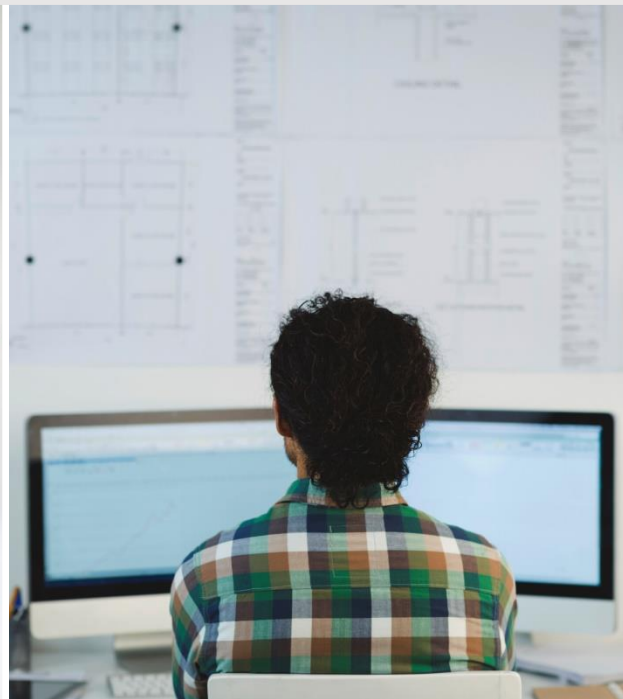
\$3 - \$4B

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

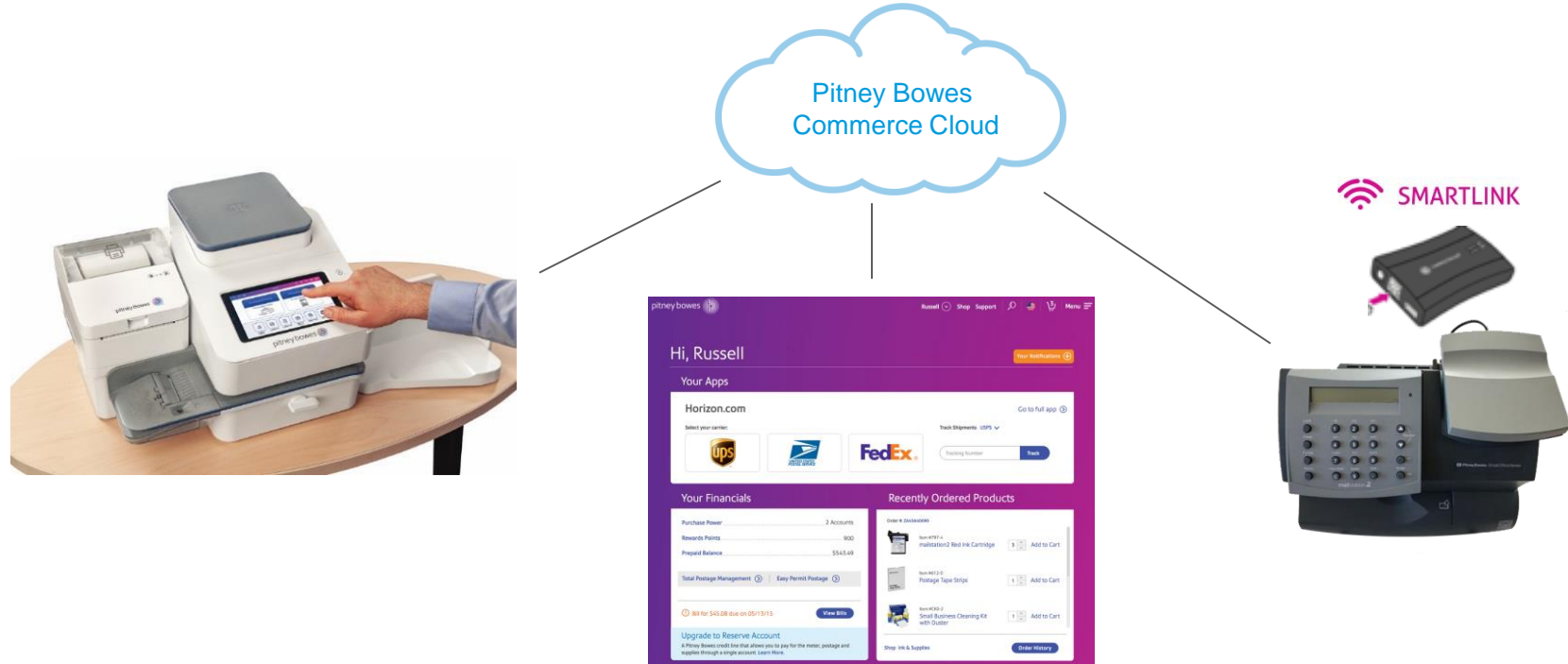
3% to 5%

(4%) to (2%)

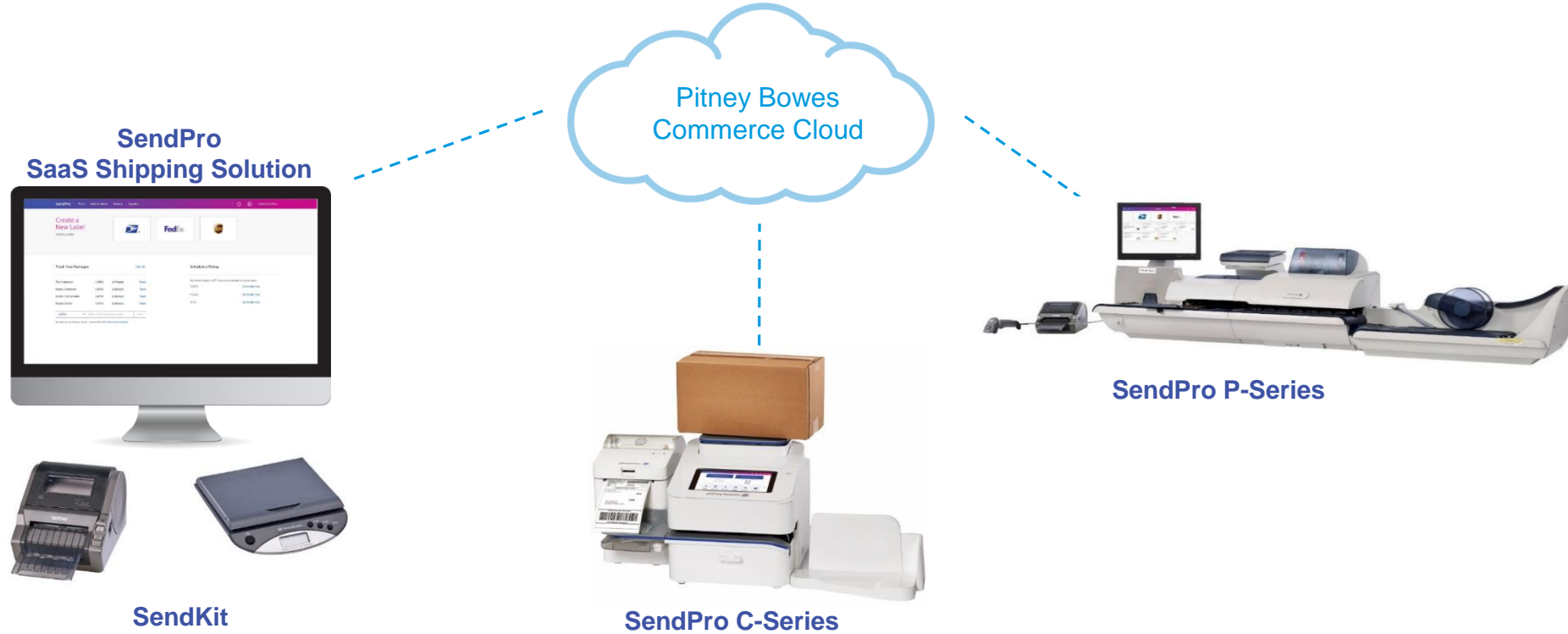
The Pitney Bowes Commerce Cloud is a commerce enabler,
providing access to solutions, analytics and APIs
across the full commerce continuum



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

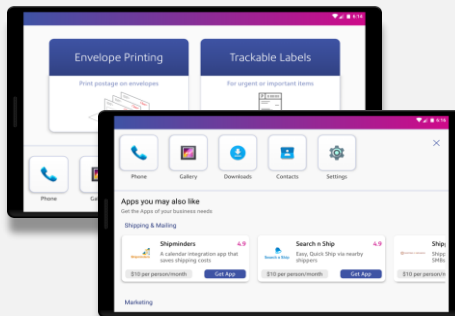


Scheduler



Insurance

pitney bowes 



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



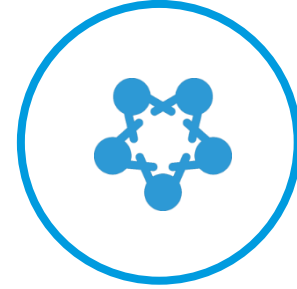
Leveraging Core Pitney Bowes

- 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

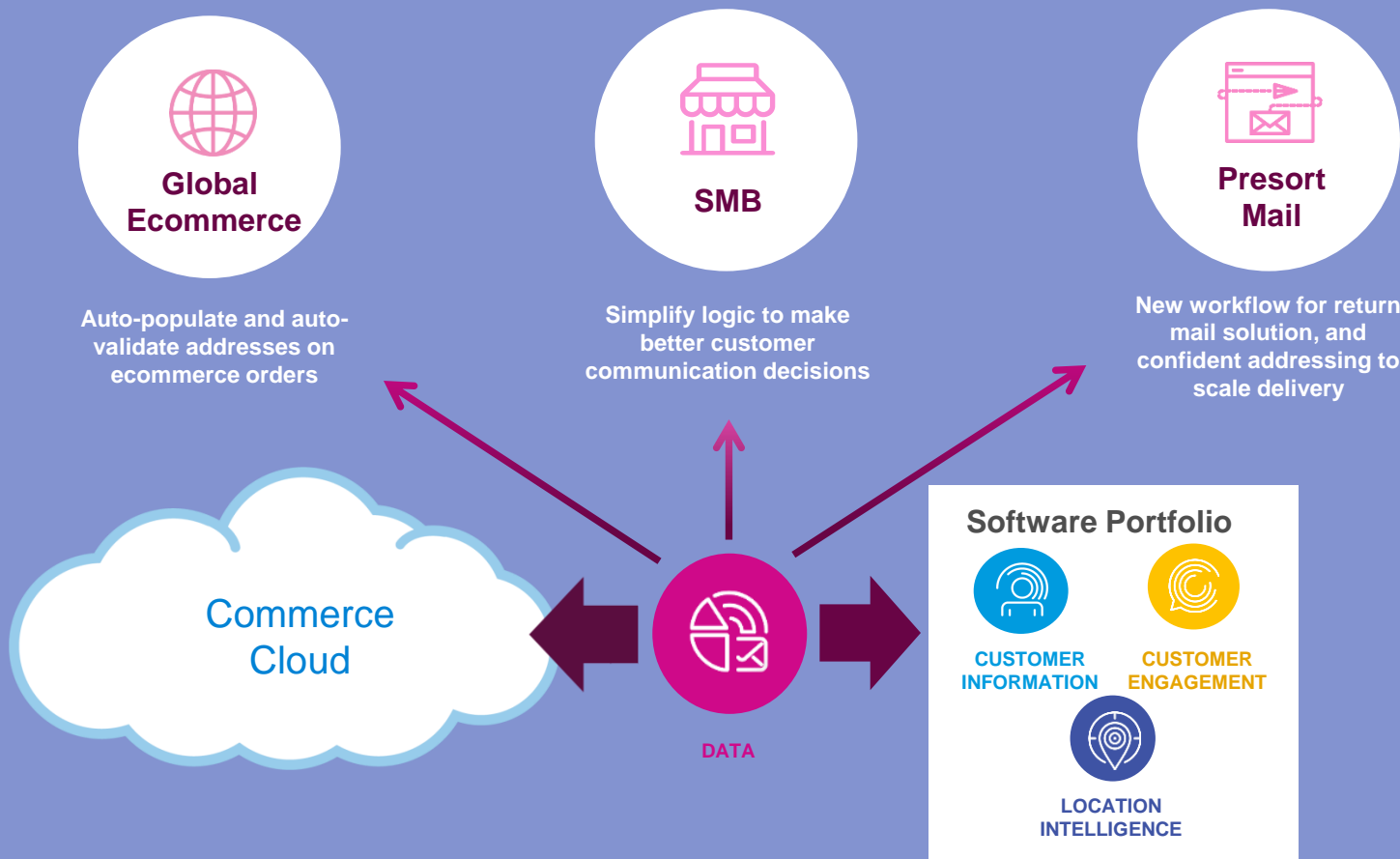
Addressing and Enrichment Data:

- 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:

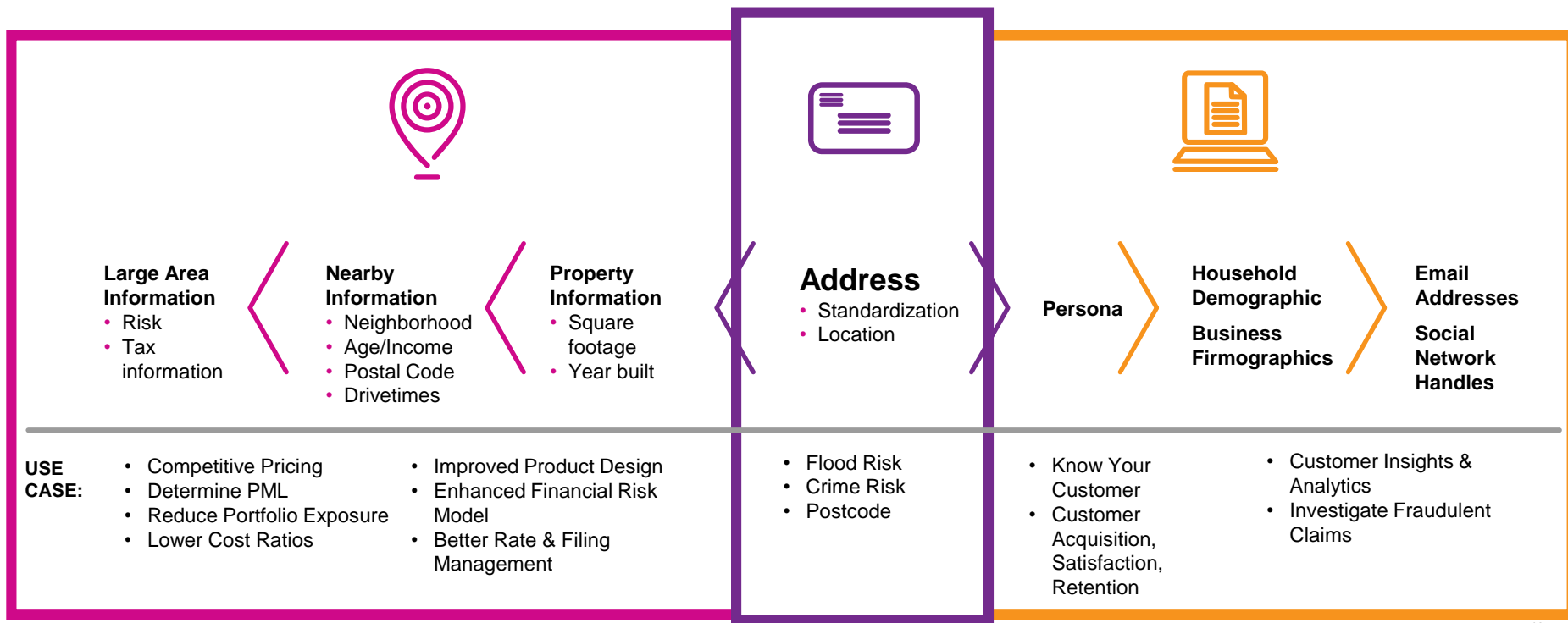
- Improved client experience through modernized digital data delivery
- Increased revenue through online sales of data products
- Improved client awareness through on-demand data visualization and exploration
- New client insights through product usage and client behavior insights

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

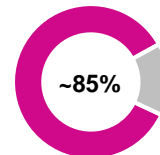


Payment Processor

With Critical Relevance to Pitney Bowes

1

Purchase
Enabler:



*Equipment
Finance
Penetration*

2

Long-Term
Client
Relationships:



3

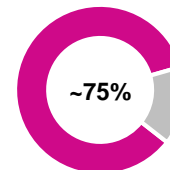
Profitability
Enhancer:



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

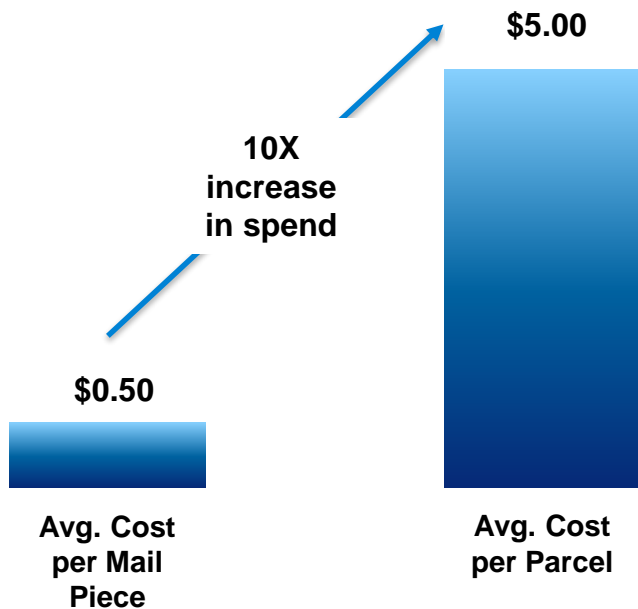
6

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

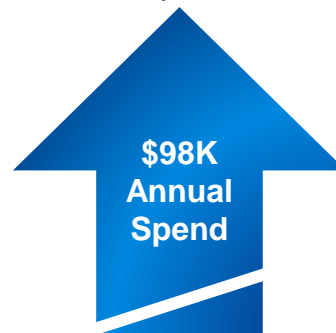
Added Shipping Label Financing:

- 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

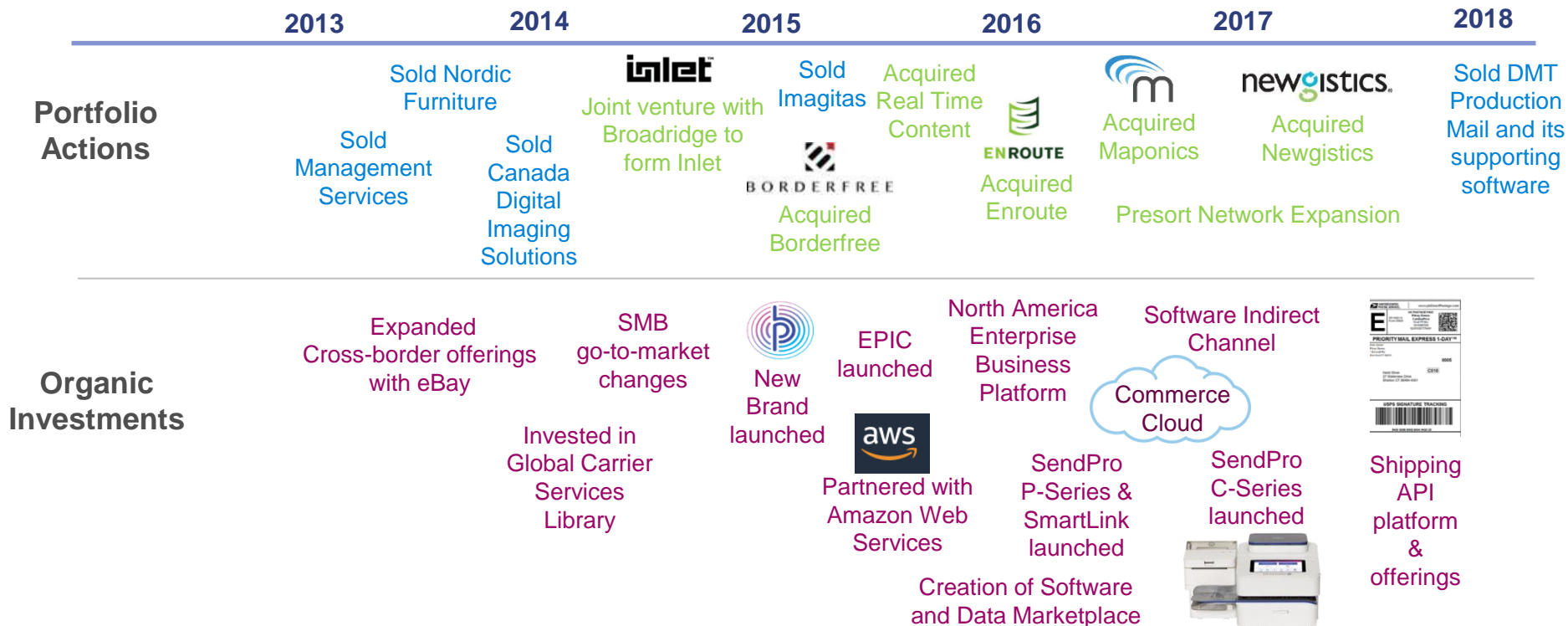
**GFS is a core part of the fabric of the PB Value Proposition
and a critical Shareholder Value enabler**



Financial Update



Active Portfolio Management Combined with Organic Investments

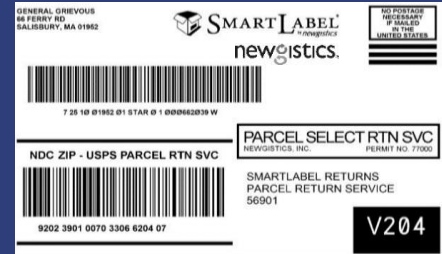


Investments Position Us to Capitalize on Macroeconomic Trends and Address Clients Changing Needs

	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

Digital Commerce Solutions
Software Solutions
Global Ecommerce

Small & Medium Business
North America Mailing
International Mailing

Enterprise Business Solutions
Production Mail
Presort Services

Current Reporting Structure

Commerce Services
Global Ecommerce
Presort Services

Small & Medium Business
North America Mailing
International Mailing

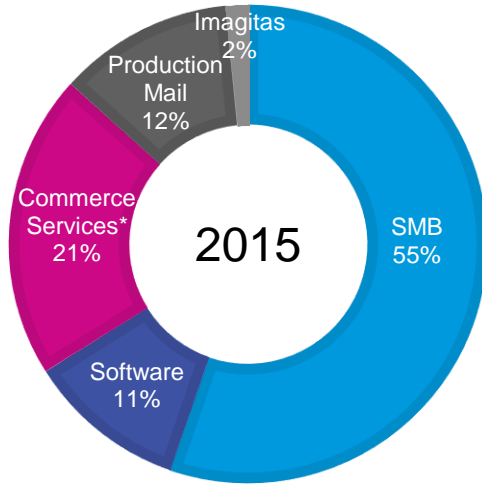
Software Solutions

Market Size and Growth Rates Present Opportunity for Continued Growth

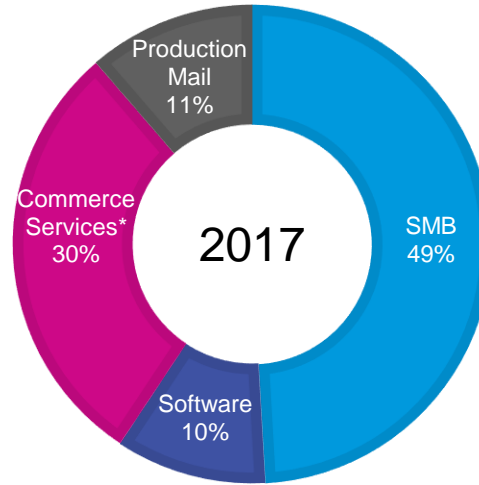
	Addressable Market Size (\$B)	Long Term Market Growth Rate	Long Term Market EBIT Margin %
Commerce Services			
Global Ecommerce	\$18 to \$20	11% to 13%	10% to 15%
Presort Services	\$3 to \$4	Flat to 2%	15%+
SMB			
Mailing	~\$3	(4%) to (3%)	30% to 35%
Shipping	~\$1	3% to 5%	
Software Solutions	\$21 to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

Financial Profile

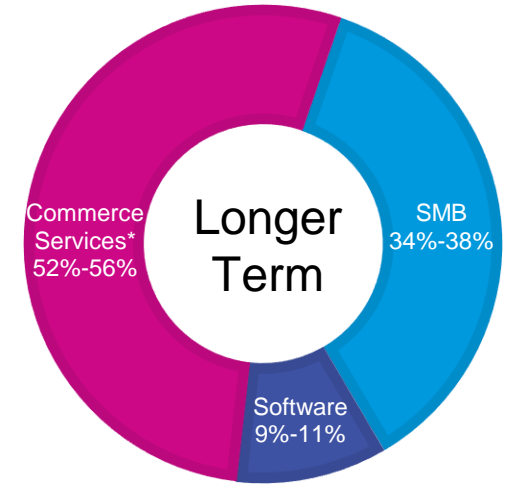
Portfolio is Shifting to Higher Growth Markets



Market Growth (1%)**



+2%



+4% to 6%

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

** 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

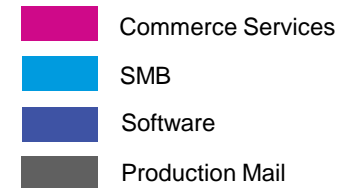
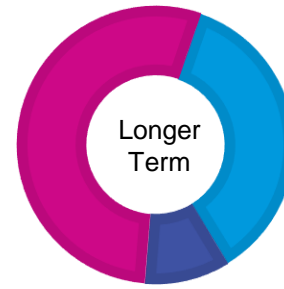
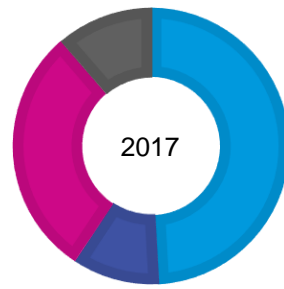
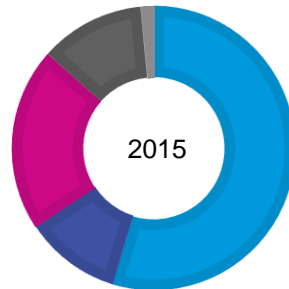
PBI

Longer Term Model

Revenue

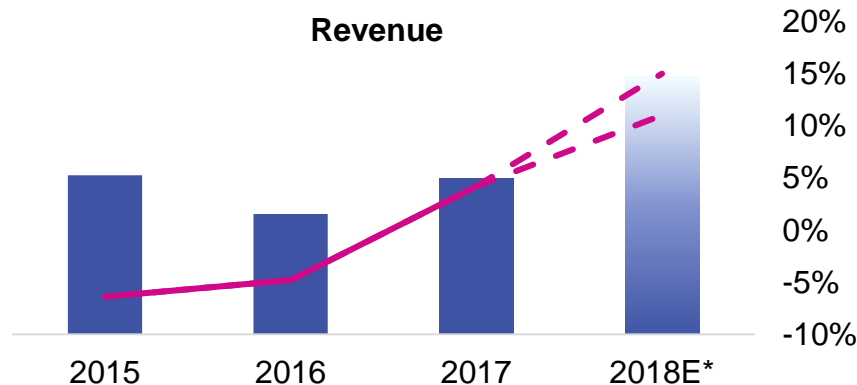
Mid single digit growth

Revenue
Mix



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

Revenue



Longer Term Revenue Model by Business



* Based on Company's current 2018 guidance of revenue growth of 11% to 15% at constant currency

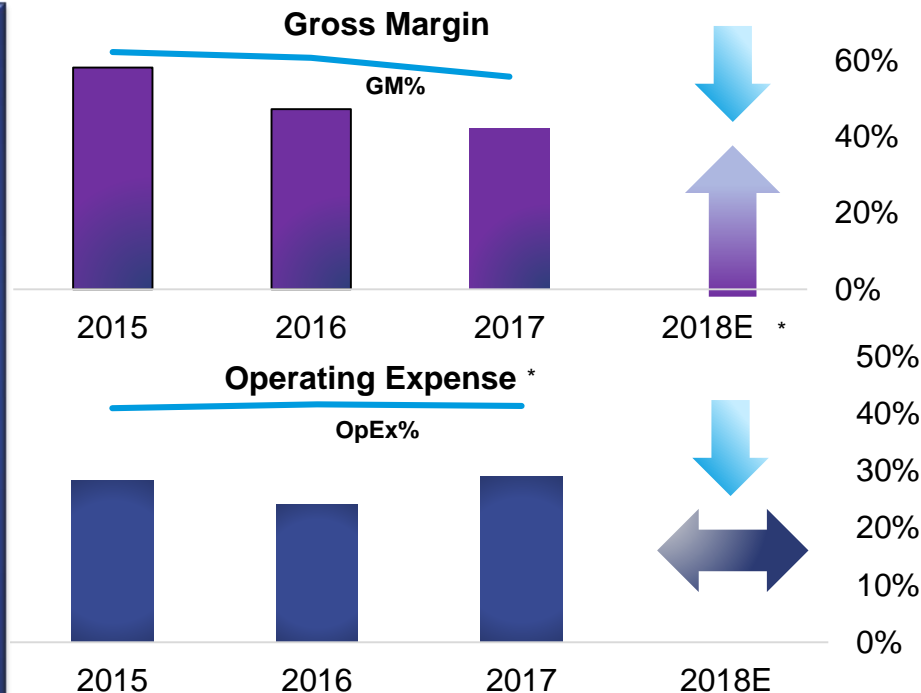
PBI Total Portfolio: Gross Margin and Operating Expense

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



* Operating Expense includes S,G&A and R&D







\$200MM gross spend reduction 2018 – 2019

Of the \$200MM, 60%+ recognized in 2018 ~ 50% will be reinvested into business

2018 includes full year OpEx for Newgistics

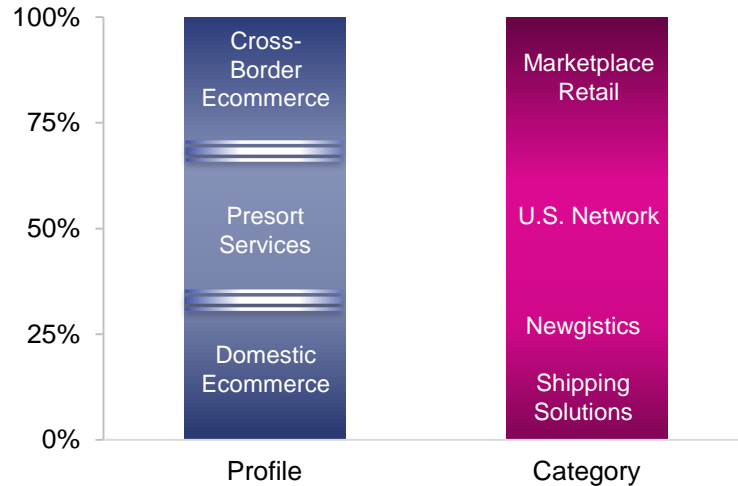
OpEx includes amortization of intangibles related to Borderfree and Newgistics of ~\$34MM / annual

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

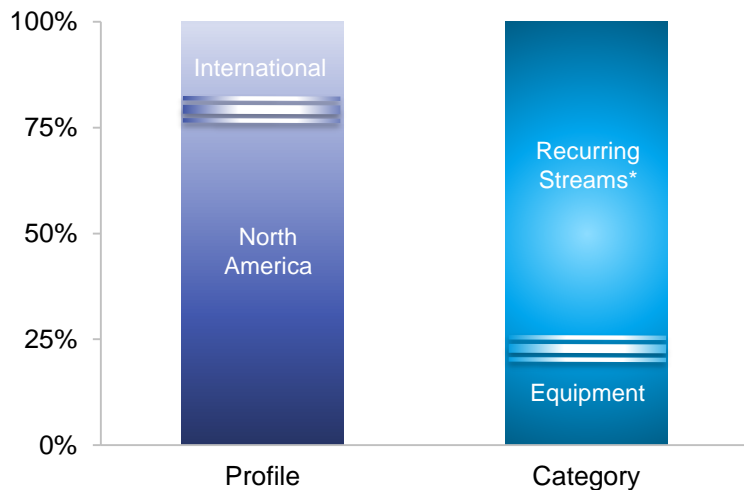
Commerce Services – Cross Sell Opportunities, Operational Synergies and Overall Market Expansion; Competitive Offerings and Continued Investment for Growth



Commerce Services	2017	Longer Term Model
Revenue	\$1.05 billion	Low double digit growth
EBIT \$	\$80 million	Mid teen growth
EBIT %	7.6%	Low double digit
EBITDA \$	\$143 million	Mid teen growth
EBITDA %	13.6%	Mid teens

Margin improvement with scale and synergies

SMB – SendPro Provides Opportunity for Near Term Stable Equipment Sales Leading to Longer Term Improved Recurring Streams

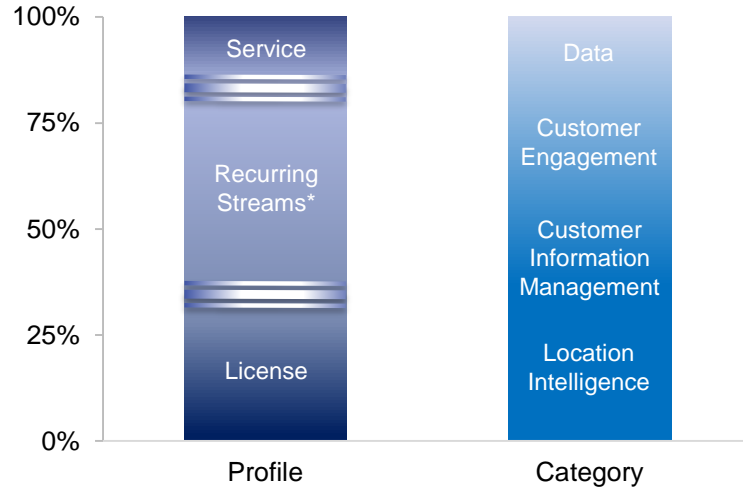


SMB	2017	Longer Term Model
Revenue	\$1.7 billion	Low single digit decline
EBIT \$	\$547 million	Low single digit decline
EBIT %	31.4%	30% to 35%

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

Revenue and EBIT margin stabilize as recurring streams improve

Software Solutions – Indirect Channel Engagement and Enablement will Drive Improved Revenue; Data, including Addresses, Provide Growth Opportunities



* Recurring Streams include SaaS, Maintenance and Subscription revenues

Software	2017	Longer Term Model
Revenue	\$332 million	Mid to high single digit growth
EBIT \$	\$34 million	Low double digit growth
EBIT %	10.2%	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

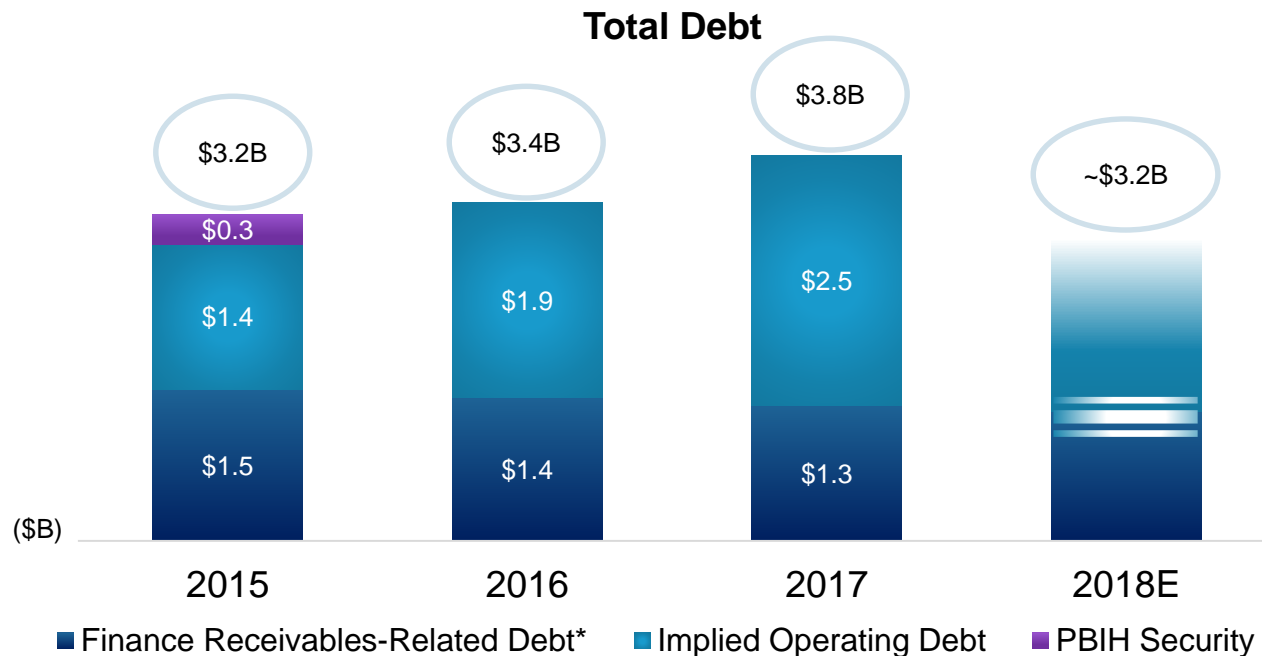
Capital Allocation Strategy



Maintain Balanced Capital Allocation Strategy While Supporting Portfolio Transformation

	2013	2014	2015	2016	2017	2018 as of 09/30/18
Dividends Paid to Stockholders	\$189MM	\$152MM	\$150MM	\$141MM	\$139MM	\$105MM
Share Repurchase	\$0	\$50MM	\$132MM	\$197MM	\$0	\$0
Debt	Reduced \$681MM	Reduced \$94MM	Reduced \$278MM	Increased \$118MM	Increased \$465MM	Reduced ~\$560MM

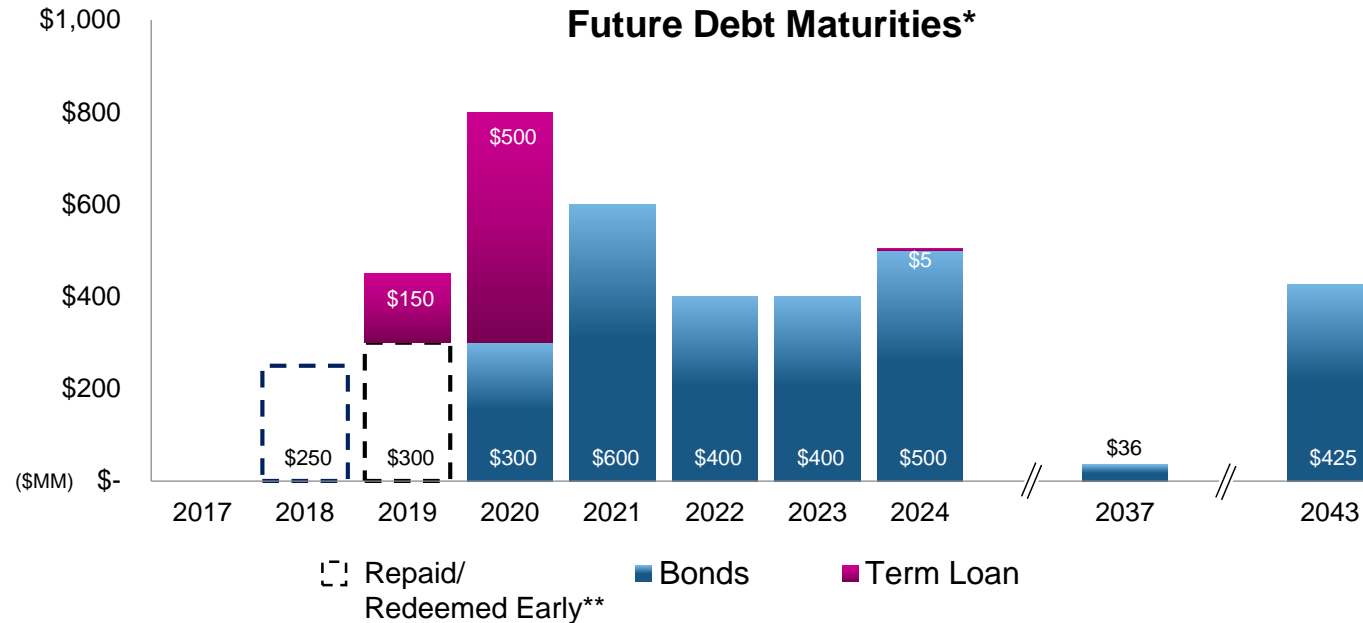
Maintaining a Strong Balance Sheet Remains a Priority



* Debt allocated to finance receivables assumes 10:1 debt to equity ratio for 2015; 2016 - 2018 assumes 8:1 debt to equity ratio per change in rating agency methodology

2017 debt levels reflect funding of Newgistics acquisition;
2018E reflects anticipated pay down using repatriated cash
and majority of net proceeds from divestiture

Company Committed to Reducing Debt in 2018



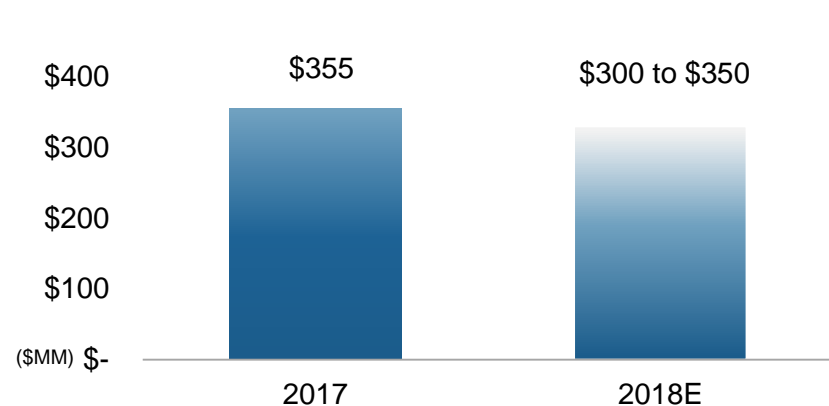
* Numbers above exclude term loan principal amortization of \$20 million, \$50 million and \$55 million in 2018, 2019 and 2020, respectively

** Repaid March 2018 note of \$250MM at maturity; Early redemption of \$300MM of notes due March 2019

The Company has reduced total debt by ~\$0.6B to-date in 2018

Free Cash Flow 2017 - 2018

Free Cash Flow

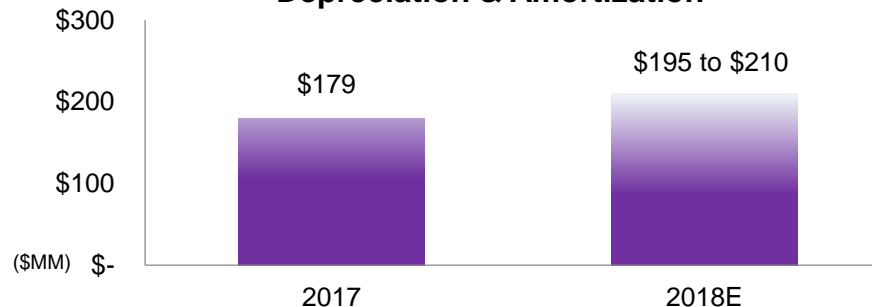


FCF	\$355	\$300 - \$350
Common Dividend	\$139	\$135 - \$140
Available FCF	\$216	\$165 - \$210

Capital Expenditures



Depreciation & Amortization



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

Capital Allocation

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

Pitney Bowes Transformation

Portfolio mix is shifting to higher growth areas

Growth in profitability

Strong free cash flow

Balanced capital allocation approach

A Different Company

Logical Adjacency

Long Term Value

Appendix



Income Statement

	2015	2016	2017
	ANNUAL	ANNUAL	ANNUAL
Revenue:			
Equipment sales	\$ 508,114	\$ 480,031	\$ 476,691
Supplies	263,101	241,950	231,412
Software	360,727	325,577	331,843
Rentals	438,189	410,241	384,123
Financing	410,035	366,424	330,985
Support services	353,238	329,424	299,792
Business services	801,830	827,676	1,068,426
Total revenue	3,135,234	2,981,323	3,123,272
Costs and expenses:			
Cost of equipment sales	207,846	203,220	201,116
Cost of supplies	70,655	65,509	66,302
Cost of software	103,140	96,151	95,033
Cost of rentals	82,487	74,457	82,703
Financing interest expense	71,791	55,241	50,665
Cost of support services	178,646	166,247	163,889
Cost of business services	546,201	568,509	773,052
Selling, general and administrative ⁽¹⁾	1,204,977	1,140,100	1,170,905
Research and development	92,395	107,378	118,703
Goodwill impairment	-	148,181	-
Restructuring charges and asset impairments, net	25,912	60,295	56,223
Other components of net pension costs ⁽¹⁾	10,933	5,276	5,413
Interest expense, net	87,583	88,970	113,497
Other expense (income), net	(94,838)	-	3,856
Total costs and expenses	2,587,728	2,779,534	2,901,357
Income (loss) from continuing operations before income taxes	547,506	201,789	221,915
Provision (benefit) for income taxes	165,508	106,975	553
Income (loss) from continuing operations	381,998	94,814	221,362
Income (loss) from discontinued operations, net of tax	44,320	17,036	39,978
Net income (loss)	426,318	111,850	261,340
Less: Preferred stock dividends attributable to noncontrolling interests	18,375	19,045	-
Net income (loss) - Pitney Bowes Inc.	\$ 407,943	\$ 92,805	\$ 261,340

⁽¹⁾ On January 1, 2018, Pitney Bowes adopted new accounting guidance that requires certain components of net periodic pension and post-retirement costs, other than service costs, to be reported separately. Accordingly, amounts have been reclassified from selling, general and administrative expense to other components of net pension costs for all periods presented.

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

	2015	2016	2017
	ANNUAL	ANNUAL	ANNUAL
Diluted earnings (loss) per share	\$ 2.03	\$ 0.49	\$ 1.39
(Income) loss from discontinued operations, net of tax	(0.22)	(0.09)	(0.21)
Restructuring charges and asset impairments, net	0.09	0.21	0.20
Tax legislation	-	-	(0.21)
Goodwill impairment	-	0.77	-
Impact of divestiture transactions	(0.42)	0.02	-
Transaction costs	0.06	-	0.02
Gain on sale of technology	-	-	(0.03)
Extinguishment of debt	-	-	0.01
Preferred stock redemption	-	0.03	-
Acquisition related compensation expense	0.04	-	-
Legal settlement	0.02	-	-
Investment divestiture	(0.04)	-	-
Diluted earnings per share, as adjusted ⁽¹⁾	<u>\$ 1.56</u>	<u>\$ 1.45</u>	<u>\$ 1.18</u>

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

Segment Reporting

	2015	2016	2017
	Annual	Annual	Annual
<u>Revenue</u>			
Global Ecommerce	\$ 262,667	\$ 339,320	\$ 552,242
Presort Services	473,612	475,582	497,901
Commerce Services	736,279	814,902	1,050,143
North America Mailing	1,533,340	1,429,027	1,357,405
International Mailing	450,673	412,244	384,097
Small & Medium Business Solutions	1,984,013	1,841,271	1,741,502
Software Solutions	360,135	325,150	331,627
Other	54,807	-	-
Total Revenue	\$ 3,135,234	\$ 2,981,323	\$ 3,123,272
<u>EBIT ⁽¹⁾</u>			
Global Ecommerce	\$ 5,110	\$ 3,043	\$ (17,899)
Presort Services	104,655	95,258	97,506
Commerce Services	109,765	98,301	79,607
North America Mailing	665,632	594,723	498,571
International Mailing	49,917	45,408	48,531
Small & Medium Business Solutions	715,549	640,131	547,102
Software Solutions	42,162	22,119	33,818
Other	10,569	-	-
Total Segment EBIT	\$ 878,045	\$ 760,551	\$ 660,527
<u>EBITDA</u>			
Global Ecommerce	\$ 26,135	\$ 33,650	\$ 18,763
Presort Services	131,960	123,187	124,047
Commerce Services	158,095	156,837	142,810
North America Mailing	723,773	654,789	563,374
International Mailing	73,179	64,839	67,093
Small & Medium Business Solutions	796,952	719,628	630,467
Software Solutions	60,313	36,740	42,796
Other	12,626	-	-
Total Segment EBITDA	\$ 1,027,986	\$ 913,205	\$ 816,073

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

Reconciliation of Reported Cash Flow from Operating Activities to Free Cash Flow

	2017
Net cash provided by operating activities	\$ 495,813
Net cash provided by operating activities - discontinued operations	(28,346)
Capital expenditures	(168,097)
Restructuring payments	37,455
Reserve account deposits	10,954
Transaction costs paid	7,396
Free cash flow	<u><u>\$ 355,175</u></u>

Thank You

