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

# FORM 10 - Q

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

For the quarterly period ended March 31, 1995

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 March 31, 1995 is 150,996,229.



Pitney Bowes Inc.
Index

Page Number

Part I - Financial Information:

Consolidated Statement of Income - Three Months Ended March 31, 1995 and 1994 3

| | |
|---|---|
| Consolidated Balance Sheet - March 31, 1995 and December 31, 1994 | 4 |
| Consolidated Statement of Cash Flows - Three Months Ended March 31, 1995 and 1994 | 5 |
| Notes to Consolidated Financial Statements | 6 - 7 |
| Management's Discussion and Analysis of Financial Condition and Results of Operations | 8 - 12 |
| Part II - Other Information: | |
| Item 1: Legal Proceedings | 13 |
| Item 6: Exhibits and Reports on Form 8-K | 13 |
| Signatures | 14 |
| Exhibit (i) - Computation of Earnings per Share | 15 |
| Exhibit (ii) - Computation of Ratio of Earnings to Fixed Charges | 16 |
| Exhibit (iii) - Financial Data Schedule | 17 |



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

(Dollars in thousands, except per share data)

| | Three Months Ended March 31, 1995 | 1994(1) |
|---|---|---|
| Revenue from: | | |
| Sales | $ 363,396 | $ 313,969 |
| Rentals and financing | 369,939 | 330,101 |
| Support services | 105,577 | 101,304 |
| Total revenue | 838,912 | 745,374 |
| Costs and expenses: | | |
| Cost of sales | 212,726 | 183,050 |
| Cost of rentals and financing | 106,211 | 102,920 |
| Selling, service and administrative | 290,565 | 267,744 |
| Research and development | 20,339 | 19,370 |
| Interest, net | 59,085 | 42,126 |
| Total costs and expenses | 688,926 | 615,210 |
| Income from continuing operations before income taxes | 149,986 | 130,164 |
| Provision for income taxes | 53,997 | 48,556 |
| Income from continuing operations | 95,989 | 81,608 |
| Discontinued operations | 10,322 | 10,254 |

| | | |
|---|---|---|
| Income before effect of a change in accounting for postemployment benefits | 106,311 | 91,862 |
| Effect of a change in accounting for postemployment benefits | - | (119,532) |
| Net income (loss) | $ 106,311 | $ (27,670) |
| Income per common and common equivalent share: | | |
| Income from continuing operations | $ .63 | $ .51 |
| Discontinued operations | .07 | .07 |
| Effect of a change in accounting for postemployment benefits | - | (.75) |
| Net income (loss) | $ .70 | $ (.17) |
| Average common and common equivalent shares outstanding | 152,066,210 | 159,669,700 |
| Dividends declared per share of common stock | $ .30 | $ .26 |
| Ratio of earnings to fixed charges | 3.10 | 3.36 |

<FN>
(1) Reclassified to reflect discontinued operations.



Pitney Bowes Inc.
Consolidated Balance Sheet
(Unaudited)

| (Dollars in thousands) | March 31, 1995 | December 31, 1994 |
|---|---|---|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | $ 86,559 | $ 75,106 |
| Short-term investments, at cost which approximates market | 685 | 639 |
| Accounts receivable, less allowances: 3/95, $18,987; 12/94, $16,909 | 430,285 | 422,276 |
| Finance receivables, less allowances: 3/95, $34,831; 12/94, $36,224 | 1,039,965 | 1,050,090 |
| Inventories (Note 2) | 442,730 | 430,641 |
| Other current assets and prepayments | 102,777 | 104,992 |
| Total current assets | 2,103,001 | 2,083,744 |
| Property, plant and equipment, net (Note 3) | 585,614 | 578,650 |
| Rental equipment and related inventories, net (Note 3) | 709,000 | 695,343 |
| Property leased under capital leases, net (Note 3) | 10,794 | 12,633 |
| Long-term finance receivables, less allowances: 3/95, $73,337; 12/94, $76,867 | 3,119,698 | 3,086,401 |
| Investment in leveraged leases | 502,219 | 481,308 |
| Goodwill, net of amortization: 3/95, $42,688; 12/94, $40,984 | 220,351 | 222,445 |

| | | |
|---|---|---|
| Other assets | 243,860 | 239,196 |
| Total assets | $7,494,537 | $7,399,720 |
| Liabilities and stockholders' equity | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 714,367 | $ 828,396 |
| Income taxes payable | 233,162 | 194,427 |
| Notes payable and current portion of long-term obligations | 2,737,764 | 2,626,231 |
| Advance billings | 341,939 | 329,415 |
| Total current liabilities | 4,027,232 | 3,978,469 |
| Deferred taxes on income | 454,047 | 453,438 |
| Long-term debt | 777,819 | 779,217 |
| Other noncurrent liabilities | 443,055 | 443,527 |
| Total liabilities | 5,702,153 | 5,654,651 |
| Stockholders' equity: | | |
| Cumulative preferred stock, $50 par value, 4% convertible | 48 | 48 |
| Cumulative preference stock, no par value, $2.12 convertible | 2,711 | 2,790 |
| Common stock, $2 par value | 323,338 | 323,338 |
| Capital in excess of par value | 33,192 | 35,200 |
| Retained earnings | 1,846,444 | 1,785,513 |
| Cumulative translation adjustments | (43,911) | (41,617) |
| Treasury stock, at cost | (369,438) | (360,203) |
| Total stockholders' equity | 1,792,384 | 1,745,069 |
| Total liabilities and stockholders' equity | $7,494,537 | $7,399,720 |



Pitney Bowes Inc.
Consolidated Statement of Cash Flows
(Unaudited)

| (Dollars in thousands) | Three Months Ended March 31, 1995 | 1994(1) |
|---|---|---|
| Cash flows from operating activities: | | |
| Net income (loss) | $ 106,311 | $ (27,670) |
| Effect of a change in accounting for postemployment benefits | - | 119,532 |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | |
| Depreciation and amortization | 65,505 | 66,862 |
| Nonrecurring items, net | - | (344) |
| Cash used for strategic initiatives | (8,704) | - |
| Increase (decrease) in deferred taxes on income | 1,649 | (18,850) |
| Change in assets and liabilities: | | |
| Accounts receivable | (7,231) | 1,675 |

| | | |
|---|---|---|
| Sales-type lease receivables | (16,263) | (11,899) |
| Inventories | (11,310) | (17,444) |
| Other current assets and prepayments | 4,310 | 746 |
| Accounts payable and accrued liabilities | (107,466) | (50,911) |
| Income taxes payable | 38,522 | 60,672 |
| Advance billings | 12,210 | 12,986 |
| Other, net | (15,493) | (3,971) |
| Net cash provided by operating activities | 62,040 | 131,384 |
| Cash flows from investing activities: | | |
| Short-term investments | (46) | (22) |
| Net investment in fixed assets | (85,898) | (68,562) |
| Net investment in direct-finance lease receivables | (9,591) | 118,721 |
| Investment in leveraged leases | (11,929) | 951 |
| Net cash (used in) provided by investing activities | (107,464) | 51,088 |
| Cash flows from financing activities: | | |
| Increase (decrease) in notes payable | 113,174 | (276,578) |
| Proceeds from long-term obligations | - | 200,000 |
| Principal payments on long-term obligations | 1,437 | (19,838) |
| Proceeds from issuance of stock | 1,720 | 2,020 |
| Stock repurchases | (14,932) | (5,447) |
| Dividends paid | (45,380) | (41,179) |
| Net cash provided by (used in) financing activities | 56,019 | (141,022) |
| Effect of exchange rate changes on cash | 858 | (37) |
| Increase in cash and cash equivalents | 11,453 | 41,413 |
| Cash and cash equivalents at beginning of period | 75,106 | 54,653 |
| Cash and cash equivalents at end of period | $ 86,559 | $ 96,066 |
| Interest paid | $ 74,445 | $ 46,486 |
| Income taxes paid | $ 19,622 | $ 11,795 |

<FN>
(1) Reclassified to reflect discontinued operations.



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 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 March 31, 1995 and the results of its operations and cash flows for the three months ended March 31, 1995 and 1994 have been included. Operating results for the three months ended March 31, 1995 are not necessarily indicative of the results that may be expected for the year ending December 31, 1995. 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, 1994.

Note 2:

Inventories are comprised of the following:

| (Dollars in thousands) | March 31, 1995 | December 31, 1994 |
|---|---|---|
| Raw materials and work in process | $118,639 | $111,051 |
| Supplies and service parts | 114,909 | 114,429 |
| Finished products | 209,182 | 205,161 |
| Total | $442,730 | $430,641 |

Note 3:

Fixed assets are comprised of the following:

| (Dollars in thousands) | March 31, 1995 | December 31, 1994 |
|---|---|---|
| Property, plant and equipment | $1,242,659 | $1,218,016 |
| Accumulated depreciation | (657,045) | (639,366) |
| Property, plant and equipment, net | $ 585,614 | $ 578,650 |
| Rental equipment and related inventories | $1,511,560 | $1,484,698 |
| Accumulated depreciation | (802,560) | (789,355) |
| Rental equipment and related inventories, net | $ 709,000 | $ 695,343 |
| Property leased under capital leases | $ 36,218 | $ 38,644 |
| Accumulated amortization | (25,424) | (26,011) |
| Property leased under capital leases, net | $ 10,794 | $ 12,633 |



Note 4:

The company has refined its strategic focus, with the intent to capitalize on its strengths and competitive position. Based on an extensive review, the company decided to concentrate its energies and resources on products and services which facilitate the preparation, organization, movement, delivery, tracking, storage and retrieval of documents, packages, letters and other materials, in hard copy and digital form for its customers. Accordingly, the company announced in 1994 its intent to seek buyers for its Dictaphone Corporation (Dictaphone) and Monarch Marking Systems, Inc. (Monarch) subsidiaries.

In April 1995, the company signed a definitive agreement to sell Dictaphone for $450 million in cash to an affiliate of Stonington Partners, Inc. The sale is conditioned upon, among other things, the buyer's obtaining financing and the receipt of applicable regulatory approvals. The buyer has received commitment letters from Stonington Capital Appreciation 1994 Fund, L.P., a fund managed by Stonington Partners, Inc., for its equity financing and commitment letters and highly confident letters from major financial institutions for its debt financing. The sale will result in a net after-tax gain which is expected to be included in the results of operations for the second or third quarter of 1995. In addition, the sale of Monarch is also expected to result in a gain at closing which is expected to occur in 1995.

Dictaphone and Monarch have been classified in the Consolidated Statement of Income as discontinued operations. Summary results of the Dictaphone and Monarch operations prior to their sales, which have been classified separately, were as follows:

| (Dollars in thousands) | Three Months Ended March 31, 1995 | 1994 |
|---|---|---|
| Revenue | $139,737 | $131,403 |
| Income before income taxes | $ 17,432 | $ 16,694 |
| Provision for income taxes | 7,110 | 6,440 |
| Income from discontinued operations | $ 10,322 | $ 10,254 |

Note 5:

During 1994, the company adopted a formal plan designed to address the impact of technology on work force requirements and to further refine its strategic focus on core businesses worldwide. Current and future product offerings require a smaller, but more highly skilled engineering, manufacturing and service work force to take full advantage of design, production, diagnostic and service strategies. As of March 31, 1995, the company has made severance and benefit payments of approximately $12.1 million to nearly 750 employees separated under the strategic focus initiatives. Thirty employees with the requisite enhanced skills have been hired to produce and service advanced product offerings. The company expects remaining cash outlays to occur principally in 1995.



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

Results of Continuing Operations - first quarter of 1995 vs. first quarter of 1994.

Revenue increased 13 percent to $838.9 million in 1995 compared to $745.4 million in the first quarter of 1994. Income from continuing operations increased 18 percent to $96.0 million in 1995 from $81.6 million in 1994.

Sales revenue increased 16 percent in 1995 comprised of 16 percent volume growth and offsetting one percent impacts from foreign currency exchange rate and price changes. Volume growth was driven by increased PROM (memory chip) sales attributable to the January 1, 1995 United States postal rate change which contributed approximately $30 million to first quarter sales revenue. Sales revenue was also favorably impacted by strong growth in facsimile system supplies sales offset, in part, by price declines. The facilities management business recorded a ten percent increase in sales as it continued to expand its facilities management contract base.

Rentals and financing revenue increased 12 percent from prior year. Rental revenue growth reflected a higher number of postage meters on rental, especially higher yielding Postage By Phone(R) and electronic meters, as well as price increases. First quarter 1995 was also favorably impacted by a higher number of plain paper facsimile systems in service. The increase in financing revenue is attributed to a higher base of small-ticket equipment under lease, as well as an increased contribution from non-interest sensitive revenue sources. Financing revenue growth in 1995 continues to be impacted by the company's 1993 decision to phase out the business of financing non-Pitney Bowes equipment outside of the United States.

Support services revenue was four percent above the prior year. The revenue growth was attributable to price increases and expansion of the service bases in the U.S. mailing and shipping businesses.

The cost of sales to sales revenue ratio increased to 58.5 percent in 1995 from 58.3 percent in 1994. The increased ratio reflects higher U.S. mailing product costs driven, in part, by prior year efficiencies



caused by increased volume and larger production runs at U.S. mailing offset, in part, by lower cost of sales rates associated with the 1995 U.S. postal rate change revenue.

The cost of rentals and financing to rentals and financing revenue ratio decreased to 28.7 percent in 1995 compared with 31.2 percent in 1994. This improvement was caused by reduced credit loss requirements at financial services and by the change in the estimated service lives of postage meters based on technological content. As part of the company's review of the impacts of technology on its core businesses and the desire of worldwide postal services to transition to all electronic postage meters, the estimated service lives of postage meters was revised effective January 1, 1995. The meter base has been segregated according to technological content. Mechanical meters, which constitute approximately 60 percent of the meter base, had their depreciable lives shortened while electronic meters had their depreciable lives increased due to improved security, functionality and limited risk of technological obsolescence. These changes have been accounted for as changes in accounting estimates and did not have a material effect on the first quarter 1995 results.

Selling, service and administrative expenses were 34.6 percent of revenue in 1995 compared to 35.9 percent in 1994. This ratio benefited from cost containment initiatives throughout the company offset, in part, by a special cash payment received in 1994 pursuant to a corporate reorganization of the acquirer of Wheeler.

Research and development expenses increased five percent to $20.3 million in 1995 from $19.4 million in 1994. This increase reflected higher expenditures for new products approaching the end of their development cycle, as well as continued investment in advanced product development with emphasis on electronic technology and software development. This increase was offset, in part, by higher engineering support for recently introduced products the costs of which are included in cost of sales.

Net interest expense increased to $59.1 million in 1995 from $42.1 million in 1994. This increase is due to higher short-term interest rates and average borrowing levels in 1995. It is anticipated that this unfavorable comparison will continue as interest rates rise and higher levels of debt are maintained through the second quarter of 1995.



The first quarter effective tax rate was 36.0 percent in 1995 compared to 37.3 percent in 1994. The 1995 effective rate was favorably impacted by tax benefits associated with a company owned life insurance program, as well as by the impact of the residual portfolio purchase at financial services completed in the fourth quarter of 1994 and a higher level of tax-exempt income.

Nonrecurring Item

During 1994, the company adopted a formal plan designed to address the impact of technology on work force requirements and to further refine its strategic focus on core businesses worldwide. Current and future product offerings require a smaller, but more highly skilled engineering, manufacturing and service work force to take full advantage of design, production, diagnostic and service strategies. As of March 31, 1995, the company has made severance and benefit payments of approximately $12.1 million to nearly 750 employees separated under the strategic focus initiatives. Thirty employees with the requisite enhanced skills have been hired to produce and service advanced product offerings. The company expects remaining cash outlays to occur principally in 1995.

Accounting Change

The company adopted Statement of Financial Accounting Standards No. 112, "Employers' Accounting for Postemployment Benefits" (FAS 112), as of January 1, 1994. FAS 112 required that postemployment benefits be recognized on the accrual basis of accounting. Postemployment benefits include primarily company provided medical benefits to disabled employees and company provided life insurance as well as other disability- and death-related benefits to former or inactive employees, their beneficiaries and covered dependents. The one-time effect on first quarter 1994 earnings of adopting FAS 112 was a non-cash, after-tax charge of $119.5 million (net of approximately $80.5 million of income taxes), or 75 cents per share.

Liquidity and Capital Resources

Working capital has declined slightly since year-end 1994, due to increases in short-term borrowings which funded the repurchase of shares of common stock and was substantially offset by decreases in accounts payable and accrued liabilities caused by the funding of leveraged lease transactions at the company's U.S. financial services business. The current ratio was not materially affected due to these changes. The ratio at March 31, 1995 and December 31, 1994, was .52 to 1.



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 March 31, 1995. The company also has an additional $300 million remaining on shelf registrations filed with the Securities and Exchange Commission. Amounts available under credit agreements, shelf registrations and commercial paper and medium-term note programs, in addition to cash generated internally and by the anticipated sales of Dictaphone and Monarch, are expected to be sufficient to provide for financing needs in the next two years.

Pitney Bowes Credit Corporation (PBCC) has $400 million available from a $500 million shelf registration statement filed with the Securities and Exchange Commission in October 1992. This should meet PBCC's long-term financing needs for approximately the next two years.

The ratio of total debt to total debt and stockholders' equity was 66.4% at March 31, 1995 compared to 66.3% at December 31, 1994. This ratio is expected to be favorably impacted by the repayment of debt with the anticipated proceeds from the Dictaphone and Monarch sales which are expected to close later in 1995. Book value per common share increased to $11.85 at March 31, 1995 from $11.52 at year-end 1994 principally due to first quarter income offset, in part, by the repurchase of approximately 450,000 common shares for $14.9 million in the first quarter of 1995. These repurchases were in anticipation of the proceeds from the sale of Dictaphone and Monarch.

The company enters into interest rate swap agreements principally through its financial services business segment. 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 its sensitivity to interest rate volatility. The company utilizes interest rate swap agreements when it considers the economic benefits to be favorable. Swap agreements, as noted above, 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 quarter of 1995, net investments in fixed assets included $32.6 million in net additions to property, plant and equipment and $51.2 million in net additions to rental equipment and related inventories compared with $20.9 million and $45.3 million in the same period in 1994, respectively. These additions included expenditures for a new facility the company is building in Shelton, Connecticut, as well as normal plant and manufacturing equipment. In the case of rental equipment, the additions included the production of postage meters and purchase of facsimile and copier equipment for both new placement and upgrade programs.

At March 31, 1995, 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. In addition, it includes the above mentioned new Shelton facility which will be completed in 1995 and is expected to house its shipping, facsimile and copier divisions.



## Part II - Other Information

Item 1: Legal Proceedings

The company is 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.

The company has been advised that the Antitrust Division of the United States Department of Justice is conducting a civil investigation of its postage equipment business to determine whether there is, has been, or may be a violation of the surviving provisions of the 1959 consent decree between the company and the U.S. Department of Justice, and or the antitrust laws. The company intends to cooperate with the Department's investigation.

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) on page 15. |
| (12) | Computation of ratio of earnings to fixed charges. | See Exhibit (ii) on page 16. |
| (27) | Financial Data Schedule. | See Exhibit (iii) on page 17. |

(b) Reports on Form 8-K.

No reports on Form 8-K were filed for the three months ended March 31, 1995.

On May 11, 1995, the company filed a Form 8-K disclosing the signing of a definitive agreement to sell Dictaphone Corporation for $450 million in cash to an affiliate of Stonington Partners, Inc.



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.

May 12, 1995

/s/ C. F. Adimando
C. F. Adimando
Vice President - Finance and
Administration, and Treasurer
(Principal Financial Officer)

/s/ S. J. Green
S. J. Green
Vice President - Controller
(Principal Accounting Officer)

Pitney Bowes Inc.
Computation of Earnings per Share

| (Dollars in thousands, except per share data) | Three Months Ended March 31, 1995 | 1994(1) |
|---|---|---|
| Primary | | |
| Income from continuing operations (2) | $ 95,989 | $ 81,607 |
| Discontinued operations | 10,322 | 10,254 |
| Effect of accounting change | - | (119,532) |
| Net income (loss) applicable to common stock | $ 106,311 | $ (27,671) |
| Weighted average number of common shares outstanding | 151,117,351 | 158,151,500 |
| Preference stock, $2.12 cumulative convertible | 812,206 | 869,500 |
| Stock option and purchase plans | 136,653 | 648,700 |
| Total common and common equivalent shares outstanding | 152,066,210 | 159,669,700 |
| Income per common and common equivalent share - primary: | | |
| Continuing operations | $ .63 | $ .51 |
| Discontinued operations | .07 | .07 |
| Effect of accounting change | - | (.75) |
| Net income (loss) | $ .70 | $ (.17) |
| Fully Diluted | | |
| Income from continuing operations | $ 95,989 | $ 81,608 |
| Discontinued operations | 10,322 | 10,254 |
| Effect of accounting change | - | (119,532) |
| Net income (loss) applicable to common stock | $ 106,311 | $ (27,670) |
| Weighted average number of common shares outstanding | 151,117,351 | 158,151,500 |
| Preference stock, $2.12 cumulative convertible | 812,206 | 869,500 |
| Stock option and purchase plans | 168,807 | 676,275 |
| Preferred stock, 4% cumulative convertible | 11,550 | 16,568 |
| Total common and common equivalent shares outstanding | 152,109,914 | 159,713,843 |
| Income per common and common equivalent share - fully diluted: | | |
| Continuing operations | $ .63 | $ .51 |
| Discontinued operations | .07 | .07 |
| Effect of accounting change | - | (.75) |
| Net income (loss) | $ .70 | $ (.17) |

<FN>

(1)Reclassified to reflect discontinued operations.
<FN>
(2)Income from continuing operations was adjusted for preferred dividends.

Pitney Bowes Inc.
Computation of Ratio of Earnings to Fixed Charges (1)

(Dollars in thousands)

| | Three Months Ended March 31, 1995 | 1994(2) |
|---|---|---|
| Income from continuing operations before income taxes | $149,986 | $130,164 |
| Add: | | |
| Interest expense | 60,111 | 44,130 |
| Portion of rents representative of the interest factor | 10,781 | 10,995 |
| Amortization of capitalized interest | 228 | 232 |
| Income as adjusted | $221,106 | $185,521 |
| Fixed charges: | | |
| Interest expense | $ 60,111 | $ 44,130 |
| Capitalized interest | 494 | 62 |
| Portion of rents representative of the interest factor | 10,781 | 10,995 |
| | $ 71,386 | $ 55,187 |
| Ratio of earnings to fixed charges | 3.10 | 3.36 |

<FN>
(1) The computation of the ratio of earnings to fixed charges has been computed by dividing income from continuing operations before income taxes and fixed charges by fixed charges. Included in fixed charges is one-third of rental expense as the representative portion of interest.
<FN>
(2) Reclassified to reflect discontinued operations.

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<ARTICLE> 5
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THIS SCHEDULE CONTAINS FINANCIAL INFORMATION EXTRACTED FROM PITNEY BOWES INC.
CONSOLIDATED BALANCE SHEET, CONSOLIDATED STATEMENT OF INCOME, CORRESPONDING
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