UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

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

JULY 28, 2006 (JULY 24, 2006)
DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED)

PITNEY BOWES INC.
(Exact name of registrant as specified in its charter)

DELAWARE	1-3579	06-0495050
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

WORLD HEADQUARTERS
1 ELMCROFT ROAD
STAMFORD, CONNECTICUT 06926-0700
(Address of principal executive offices) (Zip Code)

REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE: (203) 356-5000

NOT APPLICABLE
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (SEE General Instruction A.2. below):

|_| Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

|_| Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

|_| Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

|_| Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following information is furnished pursuant to Item 2.02 Disclosure of "Results of Operations and Financial Condition."

On July 24, 2006, the registrant issued a press release setting forth its financial results, including consolidated statements of income, supplemental information, and a reconciliation of reported results to adjusted results for the three and six months ended June 30, 2006 and 2005, and consolidated balance sheets at June 30, 2006, March 31, 2006, and June 30, 2005. A copy of the press release is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibits

99.1 Press release of Pitney Bowes Inc. dated July 24, 2006

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

Exhibit No.	Description
99.1	Press Release of Pitney Bowes Inc. dated July 24, 2006

SIGNATURE

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

July 28, 2006

By: /s/ B. P. Nolop

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

By: /s/ S.J. Green

S.J. Green
Vice President, Finance
(Principal Accounting Officer)

Exhibit 99.1

PRESS RELEASES

PITNEY BOWES ANNOUNCES SECOND QUARTER RESULTS

STAMFORD, Conn., July 24 /PRNewswire-FirstCall/ -- Pitney Bowes Inc. (NYSE: PBI) today reported second quarter 2006 financial results.

For the second quarter 2006, revenue increased five percent to $1.39 billion and income from continuing operations was $121 million or $.54 per diluted share versus $.52 per diluted share for the prior year. In addition, the company recorded a $2.13 loss per diluted share in discontinued operations.

During the quarter, the company recorded an after-tax charge from restructuring activity of $3 million or $.01 per diluted share as part of the restructuring program that it intends to substantially complete this year. It also recorded an additional tax provision of $61 million associated with the anticipated tax settlement agreement with the Internal Revenue Service, of which $20 million is included in continuing operations and $41 million is included in discontinued operations. The company also recorded an additional tax provision of $16 million in discontinued operations related to a recent tax law change.

Excluding the impact of both the restructuring charge and the additional provision related to the tax settlement, adjusted diluted earnings per share from continuing operations was $.64 this quarter versus $.59 in the prior year.

On July 17, 2006, the company announced that it had completed the sale of its Capital Services external financing business to an affiliate of Cerberus Capital Management, L.P. The company recorded a $477 million loss in discontinued operations in the second quarter as a result of the sale of the Capital Services business, the sale of the Imagistics lease portfolio, the anticipated IRS settlement, and the additional tax provision related to the recent tax law change. Discontinued operations included net income of $.05 per diluted share from the Capital Services business, excluding the impact of the recent tax law change.

Mr. Critelli noted, "The sale of Capital Services is an important milestone for our company. We believe that it will enable investors to see more clearly the underlying strength and performance of our business. We are also further enhancing the transparency of our operations by providing more financial information about our business results."

Including discontinued operations, the company generated net cash from operating activities of $143 million during the quarter. Adjusted free cash flow was $70 million. Adjusted free cash flow reflects cash from operations after subtracting capital expenditures and excluding the impact of discontinued operations and the company's restructuring program. Year-to-date, the company has generated $430 million in net cash from operating activities and $261 million of adjusted free cash flow.

The company used $141 million to repurchase 3.3 million of its shares during the quarter and has $249 million of remaining authorization for future share repurchases. Mailstream Solutions includes worldwide revenue and related expenses from the sale, rental, and financing of mail finishing, mail creation, shipping, and production mail equipment; supplies; support services; payment solutions; and mailing and customer communication software.
In the second quarter, Mailstream Solutions revenue increased five percent to $1.0 billion and earnings before interest and taxes (EBIT) increased five percent to $297 million, when compared with the prior year.

Within Mailstream Solutions:
U.S. Mailing operations had second quarter revenue growth of one percent to $568 million and EBIT growth of four percent to $234 million. There was strong growth in supplies and payment solutions as the meter base continues to transition to new digital technology. However, revenue continued to be adversely affected by

the ongoing changing mix to more fully featured smaller systems. In addition, the company experienced a delay in some anticipated orders, and a higher than anticipated proportion of orders where revenue is recognized over time.

International Mailing revenue grew nine percent to $249 million while EBIT decreased by five percent to $42 million. International Mailing revenue benefited from growth in Europe. Transitional expenses related to the consolidation and outsourcing of European and Canadian administrative functions adversely affected International Mailing EBIT.

Worldwide revenue for Production Mail grew six percent to $133 million and EBIT increased 53 percent to $15 million. In the U.S. revenue growth was favorably affected by strong placements of inserting systems and by placements of the company's advanced, high-speed Infinity metering system. The strong U.S. results more than offset the weaker revenue performance outside of the U.S.

Software revenue grew 25 percent to $48 million and EBIT grew 41 percent to $5 million. Revenue growth benefited from strong demand for the company's software products and the acquisition of a print management company in the first quarter.

Mailstream Services includes worldwide revenue and related expenses from facilities management contracts, reprographics, document management, and other value-added services for targeted customer markets; mail services operations, which include presort mail services and international outbound mail services; and marketing services.

For the quarter, Mailstream Services reported revenue growth of six percent to $391 million and EBIT growth of 48 percent to $34 million, versus the prior year.

Within Mailstream Services:
Management Services revenue declined three percent for the quarter to $268 million and EBIT increased 21 percent to $22 million, consistent with the company's strategy to exit unprofitable accounts and facilities while focusing on higher value service offerings and administrative cost reductions.

Mail Services revenue grew 11 percent to $91 million and EBIT grew 192 percent to $9 million. Revenue reflects growth in presort and international mail services, while EBIT benefited from the ongoing successful integration of acquired sites and increased operating efficiencies. Marketing Services revenue increased 167 percent to $33 million and EBIT grew 60 percent to $4 million. EBIT margin was adversely affected by continued investments for growth initiatives. Outlook

The company anticipates third quarter revenue growth in the range of seven to nine percent for the third quarter and increased its revenue guidance to six to eight percent for the full year, to reflect recent acquisitions.

The company expects adjusted earnings per share in third quarter 2006 in the range of $0.65 to $0.67 and $2.66 to $2.72 for the full year. Earnings per share on a Generally Accepted Accounting Principles (GAAP) basis is expected to be $0.62 to $0.65 for the third quarter and $2.47 to $2.56 for the full year. The earnings expectations for third quarter and the full year are further summarized as follows:

	3Q06	3Q05	Full Year 2006	Full Year 2005
Adjusted EPS	$0.65 to $0.67	$0.61	$2.66 to $2.72	$2.46
Restructuring	($0.02 to $0.03)	($0.03)	($0.07 to $0.10)	($0.15)
Foundation Contributions	N/A	N/A	N/A	($0.03)
Tax Reserve Increase	N/A	N/A	($0.09)	($0.24)
GAAP EPS	$0.62 to $0.65	$0.58	$2.47 to $2.56	$2.04

Management of Pitney Bowes will discuss the company's results in a conference call today at 5:00 p.m. EDT. Instructions for listening to the conference call

over the WEB are available on the Investor Relations page of the company's web site at Http://www.pb.com/investorrelations.
Pitney Bowes engineers the flow of communication. The company is a $5.5 billion global leader of mailstream solutions headquartered in Stamford, Connecticut. For more information about the company, its products, services and solutions, visit Http://www.pitneybowes.com/.

Pitney Bowes has presented in this earnings release diluted earnings per share on an adjusted basis. Also, management has included a presentation of free cash flow on an adjusted basis and earnings before interest and taxes (EBIT). Management believes this presentation provides a reasonable basis on which to present the adjusted financial information, and is provided to assist in investors' understanding of the company's results of operations. The company's financial results are reported in accordance with generally accepted accounting principles (GAAP). However, the earnings per share and free cash flow results are adjusted to exclude the impact of special items such as restructuring charges and write downs of assets, which materially impact the comparability of the company's results of operations. Restructuring charges often reflect retooling of the business in an episodic way. Although they represent actual expenses to the company, these episodic charges might mask the periodic income associated with our business had there not been a retooling. The use of free cash flow has limitations. GAAP cash flow has the advantage of including all cash available to the company after actual expenditures for all purposes. Free cash flow permits a shareholder insight into the amount of cash that management could have available for discretionary uses if it made different decisions about employing its cash. It adjusts for long-term commitments such as capital expenditures, as well as special items like cash used for restructuring charges and contributions to its pension funds. Of course, these items use cash that is not otherwise available to the company and are important expenditures. Management compensates for these limitations by using a combination of GAAP cash flow and free cash flow in doing its planning.

The adjusted financial information and certain financial measures such as EBIT are intended to be more indicative of the ongoing operations and economic results of the company. EBIT excludes interest payments and taxes, both cash items, and as a result, has the effect of showing a greater amount of earnings than net income. The company uses EBIT, in addition to net income, for purposes of measuring the performance of its unit management team. The interest rates and tax rates applicable to the company generally are outside the control of management, and it can be useful to judge performance independent of those variables.

The adjusted financial information should be viewed as a supplement to, rather than a replacement for, the financial results reported in accordance with GAAP. Further, our definition of this adjusted financial information may differ from similarly titled measures used by other companies.
Pitney Bowes has provided in supplemental schedules attached for reference adjusted financial information and a quantitative reconciliation of the differences between the adjusted financial measures with the financial measures calculated and presented in accordance with GAAP, except with respect to our guidance because it would not be meaningful. Additional reconciliation of adjusted financial measures to financial measures calculated and presented in accordance with GAAP may be found at the company's web site Http://www.pb.com/investorrelations in the Investor Relations section.

The information contained in this document is as of July 24, 2006. Quarterly results are preliminary and unaudited. This document contains "forward-looking statements" about our expected future business and financial performance. Pitney Bowes assumes no obligation to update any forward-looking statements contained in this document as a result of new information or future events or developments. Words such as "estimate," "project," "plan," "believe," "expect," "anticipate," "intend," and similar expressions may identify forward-looking statements. For us forward-looking statements include, but are not limited to, statements about possible restructuring charges and our future guidance, including our expected revenue in the third quarter and full year 2006, and our expected diluted earnings per share for the third quarter and for the full year

2006. Forward-looking statements 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: negative developments in economic conditions, including adverse impacts on customer demand, timely development and acceptance of new products or gaining product approval; successful entry into new markets; changes in interest rates; and changes in postal regulations, as more fully outlined in the company's 2005 Form 10-K Annual Report filed with the Securities and Exchange Commission. In addition, the forward-looking statements are subject to change based on the timing and specific terms of any announced acquisitions or dispositions.

Note: Consolidated statements of income for the three months ended June 30, 2006 and 2005, and consolidated balance sheets at June 30, 2006, March 31, 2006, and June 30, 2005, are attached.

Editorial -- Sheryl Y. Battles
VP, Corp. Communications
203/351-6808

Website -- Http://www.pitneybowes.com/

Pitney Bowes Inc.
Consolidated Statements of Income
(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2006	2005(1)	2006	2005(1)
Revenue from:				
Equipment sales	$319,635	$297,815	$622,392	$588,577
Supplies	82,873	72,850	165,684	149,632
Software	47,640	38,138	89,635	74,055
Rentals	197,226	205,494	394,038	407,135
Financing	174,447	164,699	352,592	325,524
Support services	176,339	174,013	347,105	345,960
Business services	391,050	369,597	779,409	719,653
Total revenue	1,389,210	1,322,606	2,750,855	2,610,536
Costs and expenses:				
Cost of equipment sales	159,780	151,276	312,760	297,353
Cost of supplies	19,796	17,678	40,404	36,267
Cost of software	11,103	7,958	21,282	16,527
Cost of rentals	42,300	43,969	85,839	86,286
Cost of support services	98,453	97,972	194,749	193,324
Cost of business services	303,583	299,549	609,907	588,659
Selling, general and administrative	432,531	406,744	850,193	818,881
Research and development	40,980	40,508	82,516	82,286
Interest, net	55,070	45,155	108,638	87,065
Restructuring charge	5,041	26,402	10,638	10,562
Total costs and expenses	1,168,637	1,137,211	2,316,926	2,217,210
Income from continuing operations before income taxes	220,573	185,395	433,929	393,326
Provision for income				

taxes	96,077	61,634	169,657	132,220
Minority interest	3,244	2,521	6,161	4,504
Income from continuing operations	121,252	121,240	258,111	256,602
Discontinued operations	(477,326)	13,718	(460,657)	23,631
Net income	$(356,074)	$134,958	$(202,546)	$280,233
Basic earnings per share				
Continuing operations	0.55	$0.53	$1.15	$1.12
Discontinued operations	(2.15)	0.06	(2.06)	0.10
Net income	$(1.61)	$0.59	$(0.91)	$1.22
Diluted earnings per share				
Continuing operations	$0.54	$0.52	$1.14	$1.10
Discontinued operations	(2.13)	0.06	(2.03)	0.10
Net income	$(1.59)	$0.58	$(0.89)	$1.20
Average common and potential common shares outstanding	224,414,042	232,850,056	226,580,915	233,293,839

(1) Prior year amounts have been reclassified to conform with the current year presentation.

Note: The sum of the earnings per share amounts may not equal the totals above due to rounding.

Average common and potential common shares outstanding (Basic)	221,634,819	229,438,712	223,715,544	229,779,276

Pitney Bowes Inc.
Consolidated Balance Sheets
(Unaudited)

(Dollars in thousands, except per share data)

Assets	06/30/06	3/31/06(1)	06/30/05(1)
Current assets:			
Cash and cash equivalents	$ 196,315	$195,341	$276,884
Short-term investments, at cost which approximates market	81,504	70,795	72,836
Accounts receivable, less allowances: 06/06 $46,856 03/06 $46,646 06/05 $50,977	660,092	660,270	617,066
Finance receivables, less allowances: 06/06 $46,435 03/06 $56,488 06/05 $66,673	1,285,907	1,425,953	1,331,618
Inventories	243,225	225,870	237,146
Other current assets and prepayments	225,588	215,225	210,791
Assets of discontinued			

operations	1,218,435	-	-
Total current assets	3,911,066	2,793,454	2,746,341
Property, plant and equipment, net	621,627	615,544	633,991
Rental property and equipment, net	480,942	1,006,466	1,024,349
Property leased under capital leases, net	2,396	2,673	2,572
Long-term finance receivables, less allowances: 06/06 $37,540 03/06 $70,133 06/05 $85,731	1,511,722	1,831,442	1,774,808
Investment in leveraged leases	255,724	1,413,717	1,447,588
Goodwill	1,753,812	1,646,883	1,609,849
Intangible assets, net	375,826	349,564	347,414
Other assets	799,506	928,719	942,700
Total assets	$9,712,621	$10,588,462	$10,529,612
Liabilities and stockholders' equity Current liabilities:			
Accounts payable and accrued liabilities	$1,478,114	$1,453,640	$1,491,710
Income taxes payable	220,503	85,806	116,290
Notes payable and current portion of long-term obligations	707,050	894,232	1,490,067
Advance billings	491,856	496,535	483,344
Liabilities of discontinued operations	1,448,121	-	-
Total current liabilities	4,345,644	2,930,213	3,581,411
Deferred taxes on income	527,538	1,907,769	1,689,340
Long-term debt	3,363,665	3,778,208	3,223,272
Other noncurrent liabilities	270,901	313,673	329,866
Total liabilities	8,507,748	8,929,863	8,823,889
Preferred stockholders' equity in a subsidiary company	310,000	310,000	310,000
Stockholders' equity:			
Cumulative preferred stock, $50 par value, 4% convertible	17	17	17
Cumulative preference stock, no par value, $2.12 convertible	1,105	1,140	1,173
Common stock, $1 par value	323,338	323,338	323,338
Capital in excess of par value	229,745	224,624	211,727
Retained earnings	3,978,614	4,405,405	4,230,239
Accumulated other comprehensive income	181,521	97,125	123,156
Treasury stock, at cost	(3,819,467)	(3,703,050)	(3,493,927)
Total stockholders' equity	894,873	1,348,599	1,395,723
Total liabilities and stockholders' equity	$9,712,621	$10,588,462	$10,529,612

(1) Prior period amounts have been reclassified to conform with the current year presentation.

Pitney Bowes Inc.

Revenue and EBIT
Business Segments
June 30, 2006
(Unaudited)

(Dollars in thousands)

	2006	2005(2)	% Change
Second Quarter			
Revenue			
U.S. Mailing	$567,766	$561,232	1%
International Mailing	249,490	228,110	9%
Production Mail	133,264	125,529	6%
Software	47,640	38,138	25%
Mailstream Solutions	998,160	953,009	5%
Management Services	267,548	275,568	(3%)
Mail Services	90,749	81,764	11%
Marketing Services	32,753	12,265	167%
Mailstream Services	391,050	369,597	6%
Total Revenue	$1,389,210	$1,322,606	5%
EBIT (1)			
U.S. Mailing	$234,104	$224,926	4%
International Mailing	42,379	44,707	(5%)
Production Mail	15,281	10,003	53%
Software	5,207	3,695	41%
Mailstream Solutions	296,971	283,331	5%
Management Services	21,860	18,004	21%
Mail Services	8,970	3,071	192%
Marketing Services	3,616	2,266	60%
Mailstream Services	34,446	23,341	48%
Total EBIT	$331,417	$306,672	8%
Unallocated amounts:			
Interest, net	(55,070)	(45,155)	
Corporate expense	(50,733)	(49,720)	
Restructuring charge	(5,041)	(26,402)	
Income before income taxes	$220,573	$185,395	

(1) Earnings before interest and taxes (EBIT) excludes general corporate expenses.

(2) Prior year amounts have been reclassified to conform with the current year presentation.

Pitney Bowes Inc.
Revenue and EBIT
Business Segments
June 30, 2006
(Unaudited)

(Dollars in thousands)

	2006	2005(2)	% Change
Year to Date			
Revenue			
U.S. Mailing	$1,142,757	$1,111,883	3%

International Mailing	488,998	460,167	6%
Production Mail	250,056	244,778	2%
Software	89,635	74,055	21%
Mailstream Solutions	1,971,446	1,890,883	4%
Management Services	535,051	543,473	(2%)
Mail Services	184,847	163,915	13%
Marketing Services	59,511	12,265	385%
Mailstream Services	779,409	719,653	8%
Total Revenue	$2,750,855	$2,610,536	5%
EBIT (1)			
U.S. Mailing	$465,479	$443,773	5%
International Mailing	87,722	93,419	(6%)
Production Mail	18,844	10,569	78%
Software	9,617	6,563	47%
Mailstream Solutions	581,662	554,324	5%
Management Services	42,391	31,995	32%
Mail Services	20,656	7,347	181%
Marketing Services	5,716	2,266	152%
Mailstream Services	68,763	41,608	65%
Total EBIT	$650,425	$595,932	9%
Unallocated amounts:			
Interest, net	(108,638)	(87,065)	
Corporate expense	(97,220)	(94,979)	
Restructuring charge	(10,638)	(10,562)	
Other expense	-	(10,000)	
Income before income taxes	$433,929	$393,326	

(1) Earnings before interest and taxes (EBIT) excludes general corporate expenses.

(2) Prior year amounts have been reclassified to conform with the current year presentation.

Pitney Bowes Inc.
Reconciliation of Reported Consolidated Results to Adjusted Results
(Unaudited)

(Dollars in thousands, except per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
GAAP income from continuing operations after income taxes, as reported	$121,252	$121,240	$258,111	$256,602
Restructuring charge	3,227	16,897	6,809	7,666
Tax settlement	20,000	-	20,000	-
Contributions to charitable foundations	-	-	-	6,100
Income from continuing operations before income taxes, as adjusted	$144,479	$138,137	$284,920	$270,368
GAAP diluted earnings per share, as reported	$0.54	$0.52	$1.14	$1.10
Restructuring charge	0.01	0.07	0.03	0.03
Tax settlement	0.09	-	0.09	-
Contributions to charitable foundations	-	-	-	0.03

Diluted earnings per share from continuing operations, as adjusted	$0.64	$0.59	$1.26	$1.16
GAAP net cash provided by operating activities, as reported	$143,330	$19,462	$429,564	$209,533
Capital expenditures	(76,502)	(68,141)	(159,517)	(147,680)
Restructuring payments and other	2,785	(13,554)	(9,190)	(9,657)
Contributions to charitable foundations	-	-	-	10,000
IRS bond payment	-	200,000	-	200,000
Free cash flow, as adjusted	$69,613	$137,767	$260,857	$262,196

Note: The sum of the earnings per share amounts may not equal the totals above due to rounding.