FORM 8 - K

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

FORM 8 - K
CURRENT REPORT

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

Date of Report
(Date of earliest event reported): July 20, 1999

PITNEY BOWES INC.

Commission File Number: 1-3579

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

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

Item 5 - Other Events.

The registrant's press release dated July 20, 1999, regarding its financial results for the period ended June 30, 1999, including consolidated statements of income for the three and six months ended June 30, 1999 and 1998 and consolidated balance sheets at June 30, 1999, December 31, 1998 and June 30, 1998, are attached.

Consolidated statements of income and selected segment data for the quarters ended in 1999 and 1998, the year ended December 31, 1998, and the six months ended June 30, 1999 reflecting the results of Atlantic Mortgage and Investment Corporation in discontinued operations are also attached.

Item 7 - Financial Statements and Exhibits.

c. Exhibits.

The following exhibits are furnished in accordance with the provisions of Item 601 of Regulation S-K:

Exhibit	Description
(1)	Pitney Bowes Inc. press release dated July 20, 1999.
(2)	Pitney Bowes Inc. consolidated statements of income for the periods specified in Item 5 above.
(3)	Pitney Bowes Inc. selected segment data for the periods specified in Item 5 above.

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 hereunto duly authorized.

PITNEY BOWES INC.

July 23, 1999

/s/ M. L. Reichenstein

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

/s/ A. F. Henock

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

Exhibit 1

PITNEY BOWES REPORTS STRONG SECOND QUARTER EARNINGS

Highlights

- 18th Consecutive Quarter of Double-Digit Earnings Per Share Growth
- Continued Strength in Mailing and Integrated Logistics (MAIL) Segment
- Decision to Dispose of Mortgage Servicing Unit to Focus on Core Businesses

FOR IMMEDIATE RELEASE

Stamford, Conn., July 20, 1999 - Pitney Bowes Inc. (NYSE: PBI) today reported strong second quarter results with a 21.5-percent increase in diluted earnings per share from continuing operations to 58 cents. Revenue increased by nine percent on a consolidated basis to $1.1 billion for the strongest second quarter growth rate in nine years. Income from continuing operations grew 19 percent to $157.4 million versus $132.8 million in the second quarter 1998. The company has now recorded 18 consecutive quarters of double-digit, year-on-year diluted earnings per share growth from continuing operations. Net income, including a one-time charge for discontinued operations attributable to the company's decision to dispose of its mortgage servicing business, is $129.7 million or 48 cents per diluted share, versus $142.0 million or 51 cents per diluted share in the second quarter 1998.

Chairman and Chief Executive Officer Michael J. Critelli discussed the company's performance during the quarter: "We are pleased with this quarter's strong financial performance, which was led by our Mailing and Integrated Logistics (MAIL) segment. The segment continues to benefit from demand for our customized mail creation and full range of shipping solutions, complementing our core mailing and financing offerings. As a result, we have again experienced excellent revenue growth and expanding operating profit margin in our largest business segment."

Adds Mr. Critelli: "The underlying strength of our mailing and shipping business has allowed us to accelerate our efforts to position the Office Solutions segment for even greater future profitable growth."

In segment performance for the quarter, Mailing and Integrated Logistics posted strong revenue growth of 12 percent and a 22-percent increase in operating profit. The segment includes revenues and related expenses from the rental, sale and financing of mailing and shipping equipment, related supplies and service, and software. Contributors to growth included:

- The Internet's positive impact on package delivery and direct mail volumes. Our multi-carrier, shipping and logistics systems enable customers to rate shop for the most cost-effective and efficient ways to ship overnight letters and packages with systems which integrate with enterprise-wide resource planning systems
- Customized, high-speed production mail equipment used in Automated Document Factories and high-volume mailrooms
- Advanced, multi-functional mailing systems, such as ParagonTM and the recently introduced digital GalaxyTM system, which enable customers to process mid- to high volumes of mail quickly and conveniently
- Demand for Mail Creation solutions, led by DocuMatchTM, which prints and prepares customized, one-to-one marketing materials

The U.S. Postal Service recently honored Pitney Bowes for helping customers transition to advanced metering technologies by converting 98 percent of its meter unit base to electronic and digital systems. In fact, with over 40 percent of our meter unit base now digital, the company continues to lead in delivering the most advanced technologies to the marketplace, while recognizing excellent supplies revenues and reduced costs related to supporting new metering systems.

As the inventor of PC-based postage, Pitney Bowes is excited about the potential benefits this innovative technology will deliver for certain mailing applications of small businesses and entrepreneurs who today use stamps. While several other companies are currently testing products, Pitney Bowes is the only company that has two versions of the PC-based postage product in the U.S. Postal Service supervised beta product review and testing process:

- ClickStampTM Plus, that allows customers to print postage via the computer without a constant connection to the Internet, and
- ClickStampTM Online, which is designed for customers who prefer to maintain an Internet connection.

The extensive testing process consists of three beta phases with limited quantities of product available in specific Zip codes. During the limited launch testing phase, companies will be allowed to place up to 10,000 units, with a review by the U.S. Postal Service, before permission is given to distribute another 10,000 units. None of the companies involved in the testing process have been given a timetable for the unrestricted, national availability of this product.

The Office Solutions Segment includes Pitney Bowes Office Systems and Pitney Bowes Management Services. Second-quarter performance in this segment featured four-percent revenue growth and a five-percent increase in operating profit.

During the quarter, Management Services revenues grew four percent as the company continues to focus on profitable growth through providing high value services, such as business recovery, to both new and existing customers. The focus on profitability resulted in double-digit operating profit growth.

Office Systems, featuring Copier and Facsimile, grew revenues five percent for the quarter. The copier business remains solid, posting strong sales growth. Additionally, the business continues the transition from stand-alone analog copiers, to digital, networked solutions while strengthening the ability to sell to national and major accounts. Facsimile revenues were helped by strong unit placements partly offset by ongoing price pressure in the market.

The Capital Services Segment includes primarily asset- and fee-based income generated by large ticket external assets. During the quarter, the segment's revenue decreased by two percent while its operating profit increased five percent. This performance is consistent with the company's previously announced strategy to shift from asset-based income by lowering the asset base and concentrating on fee-based income opportunities.

The results from Mortgage Servicing have been excluded from continuing operations. Pitney Bowes decided to dispose of Atlantic Mortgage & Investment Corporation (AMIC) after an extensive review of various strategic options to determine how best to enhance shareholder value. This decision will also allow the company to actively market the business and focus on its core businesses. The company has recorded a $27.7 million after-tax charge, which includes costs associated with:

- Net loss from mortgage servicing operations of $2.7 million for the second quarter primarily attributable to increased amortization of mortgage servicing rights
- Expected loss of $34.3 million after-tax on the disposal of AMIC offset by gains of $9.3 million from the company's sale of Colonial Pacific Leasing Corporation (CPLC) completed in 1998

The company commenced its review of AMIC earlier this year. The process was consistent with earlier reviews of its financial services businesses, which resulted in the GATX transaction in 1997 and the CPLC transaction in 1998. The strategic review was undertaken to address the changing profile of the mortgage servicing industry, the dynamic interest rate environment and the potential impact of fluctuating interest rates and prepayment patterns on the business in the future.

Mr. Critelli concluded, "This quarter we continued to take actions that will maximize long-term shareholder value. While we have decided to exit the mortgage servicing business, the quarter's performance underscores the ongoing demand for advanced business messaging solutions worldwide. We will continue to invest in research and development and provide innovative products and services that reduce the cost, increase the efficiency and enhance the productivity of mail and messaging. The outlook for our business remains very positive."

The company previously announced an 11.6-million share repurchase program. During the second quarter the company repurchased approximately 1.9 million shares on the open market under this program, for a total of 4.1 million shares repurchased year-to-date.

Second quarter 1999 revenue included $546.4 million from sales, up 11 percent from $492.3 million in the second quarter of 1998; $418.8 million from rentals and financing, up six percent from $393.8 million; and $140.3 million from support services, up nine percent from $128.5 million.

Second quarter 1999 net income was $129.7 million, or 48 cents per diluted share, compared to $142.0 million, or 51 cents per diluted share, in 1998. Second quarter net income included a $27.7 million charge, or 10 cents per diluted share related to discontinued operations, compared to $9.2 million of income, or three cents per diluted share, in 1998.

For the six-month period ended June 30, 1999 revenue was $2.155 billion, up nine percent from $1.968 billion in 1998; and net income in 1999 was $272.0

million, or 99 cents per diluted share, compared to $271.7 million, or 97 cents per diluted share in 1998. The year-to-date net income included a $24.0 million net after-tax charge, or nine cents per diluted share, for discontinued operations compared to $16.6 million of income, or six cents per diluted share, in 1998.

Pitney Bowes is a global provider of informed mail and messaging management.

The forward-looking statements contained in this news release involve risks and uncertainties, and are subject to change based on various important factors including timely development and acceptance of new products, 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 1998 Form 10-K Annual Report filed with the Securities and Exchange Commission.

# # #

Note: Consolidated statements of income for the three and six months ended June 30, 1999 and 1998 and consolidated balance sheets at June 30, 1999, December 31, 1998, and June 30, 1998 are attached.

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,	
	1999	1998	1999	1998
Revenue from:				
Sales	$ 546,370	$ 492,310	$ 1,056,752	$ 942,735
Rentals and financing	418,773	393,825	824,498	774,196
Support services	140,289	128,455	273,506	251,444
Total revenue	1,105,432	1,014,590	2,154,756	1,968,375
Costs and expenses:				
Cost of sales	306,351	289,983	603,070	564,983
Cost of rentals and financing	117,443	104,355	228,376	206,976
Selling, service and administrative	373,132	352,916	734,160	683,898
Research and development	27,698	25,065	53,602	48,696
Interest, net	46,938	40,451	92,438	75,948
Total costs and expenses	871,562	812,770	1,711,646	1,580,501
Income from continuing operations before income taxes	233,870	201,820	443,110	387,874
Provision for income taxes	76,462	69,051	147,131	132,770
Income from continuing operations	157,408	132,769	295,979	255,104
Discontinued operations	(27,667)	9,248	(23,967)	16,600
Net income	$ 129,741	$ 142,017	$ 272,012	$ 271,704
Basic earnings per share				
Continuing operations	$ 0.58	$ 0.49	$ 1.10	$ 0.92
Discontinued operations	(0.10)	0.03	(0.09)	.06
	$ 0.48	$ 0.52	$ 1.01	$ 0.98
Diluted earnings per share				
Continuing operations	$ 0.58	$ 0.48	$ 1.08	$ 0.91
Discontinued operations	(0.10)	0.03	(0.09)	.06
	$ 0.48	$ 0.51	$ 0.99	$ 0.97
Average common and potential common shares outstanding	273,016,885	279,494,653	274,073,691	281,413,128

Pitney Bowes Inc.
Consolidated Balance Sheets

(Dollars in thousands, except per share data)

Assets	(Unaudited) 6/30/99	12/31/98	(*) (Unaudited) 6/30/98
Current assets:			
Cash and cash equivalents	$ 132,693	$ 125,684	$ 115,322
Short-term investments, at cost which approximates market	949	3,302	1,943
Accounts receivable, less allowances: 6/99 $24,983 12/98 $24,665 6/98 $21,883	416,302	382,406	367,409
Finance receivables, less allowances: 6/99 $48,642 12/98 $51,232 6/98 $61,867	1,498,531	1,400,786	1,646,627
Inventories	259,858	266,734	240,045
Other current assets and prepayments	83,173	330,051	282,931
Net assets of discontinued operations	156,507	-	-
Total current assets	2,548,013	2,508,963	2,654,277
Property, plant and equipment, net	467,013	477,476	491,552
Rental equipment and related inventories, net	842,176	806,585	823,530
Property leased under capital leases, net	3,269	3,743	4,080
Long-term finance receivables, less allowances: 6/99 $76,291 12/98 $79,543 6/98 $77,755	1,954,990	1,999,339	2,327,915
Investment in leveraged leases	962,531	827,579	776,930
Goodwill, net of amortization: 6/99 $51,425 12/98 $47,514 6/98 $44,208	227,874	222,980	208,946
Other assets	454,198	814,374	785,738
Net assets of discontinued operations	313,063	-	-
Total assets	$ 7,773,127	$ 7,661,039	$8,072,968
Liabilities and stockholders' equity			
Current liabilities:			
Accounts payable and accrued liabilities	$ 776,665	$ 898,548	$ 845,562
Income taxes payable	186,279	194,443	139,867
Notes payable and current portion of long-term obligations	1,273,197	1,259,193	1,761,162
Advance billings	391,103	369,628	376,871
Total current liabilities	2,627,244	2,721,812	3,123,462
Deferred taxes on income	1,029,923	920,521	925,837
Long-term debt	1,898,942	1,712,937	1,627,127
Other noncurrent liabilities	352,911	347,670	368,039
Total liabilities	5,909,020	5,702,940	6,044,465
Preferred stockholders' equity in a subsidiary company	310,000	310,097	300,000
Stockholders' equity:			
Cumulative preferred stock, $50 par value, 4% convertible	29	34	34
Cumulative preference stock, no par value, $2.12 convertible	1,945	2,031	2,112
Common stock, $1 par value	323,338	323,338	323,338
Capital in excess of par value	11,927	16,173	21,864
Retained earnings	3,208,052	3,073,839	2,892,080
Accumulated other comprehensive income	(85,851)	(88,217)	(74,630)
Treasury stock, at cost	(1,905,333)	(1,679,196)	(1,436,295)
Total stockholders' equity	1,554,107	1,648,002	1,728,503
Total liabilities and stockholders' equity	$ 7,773,127	$ 7,661,039	$8,072,968

<FN>
(*) Certain prior year amounts have been reclassified to conform with the current year presentation.
</FN>

Pitney Bowes Inc.
Revenue and Operating Profit
By Business Segment
June 30, 1999
(Unaudited)

(Dollars in thousands)

	1999	1998	% Change
Second Quarter			
Revenue			

Revenue (continued)

	1999	1998	% Change
Mailing and Integrated Logistics	$ 746,952	$ 668,281	12%
Office Solutions	316,753	303,682	4%
Capital Services	41,727	42,627	(2%)
Total Revenue	$1,105,432	$1,014,590	9%
Operating Profit (1)			
Mailing and Integrated Logistics	$ 200,654	$ 164,223	22%
Office Solutions	60,656	57,610	5%
Capital Services	12,784	12,202	5%
Total Operating Profit	$ 274,094	$ 234,035	17%

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

Pitney Bowes Inc.
Revenue and Operating Profit
By Business Segment
June 30, 1999
(Unaudited)

(Dollars in thousands)

	1999	1998	% Change
Year to Date			
Revenue			
Mailing and Integrated Logistics	$1,445,581	$1,294,521	12%
Office Solutions	631,333	594,864	6%
Capital Services	77,842	78,990	(1%)
Total Revenue	$2,154,756	$1,968,375	9%
Operating Profit (1)			
Mailing and Integrated Logistics	$ 375,039	$ 308,630	22%
Office Solutions	119,201	110,069	8%
Capital Services	20,966	20,547	2%
Total Operating Profit	$ 515,206	$ 439,246	17%

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

Exhibit 2

PITNEY BOWES INC.
CONSOLIDATED STATEMENTS OF INCOME
ANALYSTS' P&L
(UNAUDITED)

RESTATED FOR DISCONTINUED OPERATIONS

($000'S, EXCEPT PER SHARE DATA)

	First Quarter 1998	Second Quarter 1998	Third Quarter 1998	Fourth Quarter 1998	Year Ended 1998	First Quarter 1999	Second Quarter 1999	Six Months Ended 1999
REVENUE FROM:								
SALES........................	$ 450,425	$ 492,310	$ 488,575	$ 562,236	$ 1,993,546	$ 510,382	$ 546,370	$ 1,056,752
RENTALS AND FINANCING........	380,371	393,825	396,329	411,341	1,581,866	405,725	418,773	824,498
SUPPORT SERVICES.............	122,989	128,455	128,271	135,788	515,503	133,217	140,289	273,506
TOTAL REVENUE.........	953,785	1,014,590	1,013,175	1,109,365	4,090,915	1,049,324	1,105,432	2,154,756
COSTS AND EXPENSES:								
COST OF SALES................	275,000	289,983	282,503	298,918	1,146,404	296,719	306,351	603,070
COST OF RENTALS AND FINANCING	102,621	104,355	102,767	109,380	419,123	110,933	117,443	228,376
SELLING, SERVICE AND ADMINISTRATIVE..............	330,982	352,916	362,921	396,261	1,443,080	361,028	373,132	734,160
RESEARCH AND DEVELOPMENT.....	23,631	25,065	24,699	27,411	100,806	25,904	27,698	53,602
INTEREST, NET................	35,497	40,451	39,261	41,689	156,898	45,500	46,938	92,438
TOTAL COSTS AND EXPENSES..	767,731	812,770	812,151	873,659	3,266,311	840,084	871,562	1,711,646
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES.	186,054	201,820	201,024	235,706	824,604	209,240	233,870	443,110
PROVISION FOR INCOME TAXES.....	63,719	69,051	68,201	81,121	282,092	70,669	76,462	147,131
INCOME FROM CONTINUING OPERATIONS....................	122,335	132,769	132,823	154,585	542,512	138,571	157,408	295,979
DISCONTINUED OPERATIONS.......	7,352	9,248	8,763	8,519	33,882	3,700	(27,667)	(23,967)
NET INCOME...................	$ 129,687	$ 142,017	$ 141,586	$163,104	$ 576,394	$ 142,271	$ 129,741	$ 272,012
BASIC EARNINGS PER SHARE:								
CONTINUING OPERATIONS........	$ 0.43	$ 0.49	$ 0.49	$ 0.57	$ 1.98	$ 0.52	$ 0.58	$ 1.10
DISCONTINUED OPERATIONS......	0.03	0.03	0.03	0.03	0.12	0.01	(0.10)	(0.09)
NET INCOME..................	$ 0.46	$ 0.52	$ 0.52	$ 0.60	$ 2.10	$ 0.53	$ 0.48	$ 1.01
DILUTED EARNINGS PER SHARE:								
CONTINUING OPERATIONS........	$ 0.43	$ 0.48	$ 0.48	$ 0.56	$ 1.94	$ 0.51	$ 0.58	$ 1.08
DISCONTINUED OPERATIONS......	0.03	0.03	0.03	0.03	0.12	0.01	(0.10)	(0.09)
NET INCOME..................	$ 0.46	$ 0.51	$ 0.51	$ 0.59	$ 2.06	$ 0.52	$ 0.48	$ 0.99
AVERAGE COMMON AND POTENTIAL COMMON SHARES OUTSTANDING...	283,871,448	279,494,653	278,712,757	276,722,479	279,656,603	274,962,244	273,016,885	274,073,691

Exhibit 3

Pitney Bowes Inc.
Segment Reporting

RESTATED FOR DISCONTINUED OPERATIONS

(Dollars in thousands)

Revenue	First Quarter 1998	Second Quarter 1998	Third Quarter 1998	Fourth Quarter 1998	Year Ended 1998	First Quarter 1999	Second Quarter 1999	Six Months Ended 1999
Business segments:								
Mailing and Integrated Logistics	$ 626,240	$ 668,281	$ 666,141	$ 746,382	$ 2,707,044	$ 698,629	$ 746,952	$1,445,581
Office Solutions	291,182	303,682	306,716	314,427	1,216,007	314,580	316,753	631,333
Capital Services	36,363	42,627	40,318	48,556	167,864	36,115	41,727	77,842
Total Revenue	$ 953,785	$1,014,590	$1,013,175	$1,109,365	$ 4,090,915	$1,049,324	$1,105,432	$2,154,756

Operating Profit (1)	First Quarter 1998	Second Quarter 1998	Third Quarter 1998	Fourth Quarter 1998	Year Ended 1998	First Quarter 1999	Second Quarter 1999	Six Months Ended 1999
Business segments:								
Mailing and Integrated Logistics	$ 144,407	$ 164,223	$ 163,702	$ 188,408	$ 660,740	$ 174,385	$ 200,654	$ 375,039
Office Solutions	52,459	57,610	59,461	65,626	235,156	58,545	60,656	119,201
Capital Services	8,345	12,202	11,482	19,402	51,431	8,182	12,784	20,966
Total Operating Profit	$ 205,211	$ 234,035	$ 234,645	$ 273,436	$ 947,327	$ 241,112	$ 274,094	$ 515,206

<FN>
(1) Operating profit excludes general corporate expenses, income taxes and net interest other than that related to finance operations.
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