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

F O R M 1 0 - Q

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

For the quarterly period ended June 30, 1998

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

Indicate by check mark whether 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, $1 par value, outstanding as of July 31, 1998 is 274,445,810.

Pitney Bowes Inc.
Index

Part I - Financial Information

Item 1. Financial Statements

Pitney Bowes Inc.
Consolidated Statements of Income
(Unaudited)

(Dollars in thousands, except per share data)

	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
Revenue from:				
Sales	$ 492,310	$ 449,757	$ 942,735	$ 867,579
Rentals and financing	458,753	436,141	896,913	860,703
Support services	128,455	120,213	251,444	239,199
Total revenue	1,079,518	1,006,111	2,091,092	1,967,481
Costs and expenses:				
Cost of sales	289,983	269,490	564,983	523,298
Cost of rentals and financing	145,831	128,041	284,210	255,715
Selling, service and administrative	352,916	335,682	683,898	661,791
Research and development	25,065	21,835	48,696	42,483
Interest, net	48,870	50,953	94,455	100,449
Total costs and expenses	862,665	806,001	1,676,242	1,583,736
Income before income taxes	216,853	200,110	414,850	383,745
Provision for income taxes	74,836	69,039	143,146	132,729
Net income	$ 142,017	$ 131,071	$ 271,704	$ 251,016
Basic earnings per share	$ .52	$ .45	$ .98	$ .86
Diluted earnings per share	$ .51	$ .45	$ .97	$ .85
Dividends declared per share of common stock	$ .225	$ .20	$ .45	$ .40
Ratio of earnings to fixed charges	4.00	3.89	4.06	3.83
Ratio of earnings to fixed charges excluding minority interest	4.23	4.13	4.31	4.02

See Notes to Consolidated Financial Statements

Pitney Bowes Inc.
Consolidated Balance Sheets

(Dollars in thousands, except share data)	June 30, 1998 (unaudited)	December 31, 1997
Assets		
Current assets:		
Cash and cash equivalents	$ 115,322	$ 137,073
Short-term investments, at cost which approximates market	1,943	1,722
Accounts receivable, less allowances: 6/98, $21,883; 12/97, $21,129	367,409	348,792
Finance receivables, less allowances: 6/98, $61,867; 12/97, $54,170	1,681,062	1,546,542
Inventories (Note 2)	240,045	249,207
Other current assets and prepayments	165,834	180,179
Total current assets	2,571,615	2,463,515
Property, plant and equipment, net (Note 3)	491,552	497,261
Rental equipment and related inventories, net (Note 3)	823,530	788,035
Property leased under capital leases, net (Note 3)	4,080	4,396
Long-term finance receivables, less allowances: 6/98, $77,755; 12/97, $78,138	2,327,915	2,581,349
Investment in leveraged leases	776,930	727,783
Goodwill, net of amortization: 6/98, $44,208; 12/97, $40,912	208,946	203,419
Other assets	868,400	627,631
Total assets	$ 8,072,968	$ 7,893,389
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 845,562	$ 878,759
Income taxes payable	139,867	147,921
Notes payable and current portion of long-term obligations	1,761,162	1,982,988
Advance billings	376,871	363,565
Total current liabilities	3,123,462	3,373,233
Deferred taxes on income	925,837	905,768
Long-term debt (Note 4)	1,627,127	1,068,395
Other noncurrent liabilities	368,039	373,416
Total liabilities	6,044,465	5,720,812
Preferred stockholders' equity in a subsidiary company	300,000	300,000
Stockholders' equity:		
Cumulative preferred stock, $50 par value, 4% convertible	34	39
Cumulative preference stock, no par value, $2.12 convertible	2,112	2,220
Common stock, $1 par value	323,338	323,338
Capital in excess of par value	21,864	28,028
Retained earnings	2,892,080	2,744,929
Accumulated other comprehensive income (Note 7)	(74,630)	(63,348)
Treasury stock, at cost	(1,436,295)	(1,162,629)
Total stockholders' equity	1,728,503	1,872,577
Total liabilities and stockholders' equity	$ 8,072,968	$ 7,893,389

See Notes to Consolidated Financial Statements

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

(Dollars in thousands)

	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
Cash flows from operating activities:		
Net income	$ 271,704	$ 251,016
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	166,446	146,426
Increase in deferred taxes on income	66,949	111,193
Change in assets and liabilities:		
Accounts receivable	(20,439)	17,115
Sales-type lease receivables	(73,811)	(55,575)
Inventories	9,850	25,219
Other current assets and prepayments	13,814	(8,213)
Accounts payable and accrued liabilities	(30,530)	(21,847)
Income taxes payable	(8,097)	(49,523)
Advance billings	14,942	19,783
Other, net	(34,696)	(53,490)
Net cash provided by operating activities	376,132	382,104
Cash flows from investing activities:		
Short-term investments	(257)	26
Net investment in fixed assets	(169,504)	(133,373)
Net investment in finance receivables	56,384	(25,848)
Investment in leveraged leases	(52,272)	(28,786)
Investment in mortgage servicing rights	(155,261)	(64,125)
Other investing activities	(793)	12,892
Net cash used in investing activities	(321,703)	(239,214)
Cash flows from financing activities:		
(Decrease)increase in notes payable, net	(92,698)	385,374
Proceeds from issuance of long-term obligations	554,123	-
Principal payments on long-term obligations	(130,993)	(252,794)
Proceeds from issuance of stock	26,666	22,460
Stock repurchases	(307,377)	(285,465)
Proceeds from preferred stock issued by a subsidiary	-	100,000
Dividends paid	(124,553)	(117,374)
Net cash used in financing activities	(74,832)	(147,799)
Effect of exchange rate changes on cash	(1,348)	381
Decrease in cash and cash equivalents	(21,751)	(4,528)
Cash and cash equivalents at beginning of period	137,073	135,271
Cash and cash equivalents at end of period	$ 115,322	$ 130,743
Interest paid	$ 86,830	$ 116,527
Income taxes paid, net	$ 85,386	$ 73,688

See Notes to Consolidated Financial Statements

Pitney Bowes Inc.
Notes to Consolidated Financial Statements

Note 1:

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q and do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of Pitney Bowes Inc. ("the company"), all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the financial position of the company as of June 30, 1998, the results of its operations for the three months and six months ended June 30, 1998 and 1997 and its cash flows for the six months ended June 30, 1998 and 1997 have been included. Operating results for the three and six months ended June 30, 1998 are not necessarily indicative of the results that may be expected for the year ending December 31, 1998. These statements should be read in conjunction with the financial statements and notes thereto included in the company's 1997 Annual Report to Stockholders on Form 10-K.

Note 2:

Inventories are comprised of the following:

(Dollars in thousands)	June 30, 1998	December 31, 1997
Raw materials and work in process	$ 60,208	$ 51,429
Supplies and service parts	99,080	93,064
Finished products	80,757	104,714
Total	$ 240,045	$ 249,207

Note 3:

Fixed assets are comprised of the following:

(Dollars in thousands)	June 30, 1998	December 31, 1997
Property, plant and equipment	$ 1,145,367	$ 1,120,325
Accumulated depreciation	(653,815)	(623,064)
Property, plant and equipment, net	$ 491,552	$ 497,261
Rental equipment and related inventories.......	$ 1,666,188	$ 1,577,370
Accumulated depreciation	(842,658)	(789,335)
Rental equipment and related inventories, net..	$ 823,530	$ 788,035
Property leased under capital leases	$ 19,354	$ 20,507
Accumulated amortization	(15,274)	(16,111)
Property leased under capital leases, net......	$ 4,080	$ 4,396

Note 4:

On July 15, 1998, Pitney Bowes Credit Corporation (PBCC), a wholly-owned subsidiary of the company filed a shelf registration with the Securities and Exchange Commission (SEC) which permits issuance of up to $750 million in debt securities.

On April 29, 1998, the company filed a non-financial services shelf registration with the SEC which combined with $32 million remaining under an existing medium-term note facility permits issuance of up to $500 million in debt securities with maturities ranging from more than one year to 30 years. At June 30, 1998, the entire $500 million remained available.

On January 22, 1998, the company issued notes amounting to $300 million remaining under a non-financial services shelf registration filed with the SEC. These unsecured notes bear annual interest at 5.95% and mature in February 2005. The net proceeds from these notes were used for general corporate purposes, including the repayment of short-term debt.

On January 16, 1998, PBCC issued notes amounting to $250 million remaining under a shelf registration filed with the SEC. These unsecured notes bear annual interest at 5.65% and mature in January 2003. The proceeds from these notes are being used for PBCC's financing needs during 1998.

Note 5:

A reconciliation of the basic and diluted earnings per share computations for the three months ended June 30, 1998 and 1997 is as follows (in thousands, except per share data):

	1998			1997		
	Income	Shares	Per Share	Income	Shares	Per Share
Net income	$ 142,017			$ 131,071		
Less:						
Preferred stock dividends	-			-		
Preference stock dividends	(42)			(45)		
Basic earnings per share	$ 141,975	274,924	$ .52	$ 131,026	290,390	$ .45
Effect of dilutive securities:						
Preferred stock	-	17		-	22	
Preference stock	42	1,259		45	1,365	
Stock options		2,822			1,885	
Employee stock purchase plan shares		473			230	
Diluted earnings per share	$ 142,017	279,495	$ .51	$ 131,071	293,892	$ .45

A reconciliation of the basic and diluted earnings per share computations for the six months ended June 30, 1998 and 1997 is as follows (in thousands, except per share data):

	1998			1997		
	Income	Shares	Per Share	Income	Shares	Per Share
Net income	$ 271,704			$ 251,016		
Less:						
Preferred stock dividends	-			-		
Preference stock dividends	(84)			(91)		
Basic earnings per share	$ 271,620	276,930	$ .98	$ 250,925	292,653	$ .86
Effect of dilutive securities:						
Preferred stock	-	17		-	22	
Preference stock	84	1,276		91	1,377	
Stock options		2,740			1,782	
Employee stock purchase plan shares		450			250	
Diluted earnings per share	$ 271,704	281,413	$ .97	$ 251,016	296,084	$ .85

Note 6:

- -------

Revenue and operating profit by business segment for the three and six months ended June 30, 1998 and 1997 were as follows:

(Dollars in thousands)	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
Revenue				
Business equipment	$ 831,578	$ 779,364	$ 1,616,242	$ 1,524,484
Business services	169,691	137,461	325,761	266,451
Commercial and industrial financing				
Large-ticket external	40,218	50,074	73,966	99,625
Small-ticket external	38,031	39,212	75,123	76,921
	78,249	89,286	149,089	176,546
Total revenue	$ 1,079,518	$ 1,006,111	$ 2,091,092	$ 1,967,481
Operating Profit: (1)				
Business equipment	$ 212,914	$ 186,617	$ 402,783	$ 356,028
Business services	18,917	11,791	32,840	22,279
Commercial and industrial financing	16,467	18,723	29,270	35,234
Total operating profit	$ 248,298	$ 217,131	$ 464,893	$ 413,541

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

Note 7:
- -------

Comprehensive income for the three and six months ended June 30, 1998 and 1997 was as follows:

(Dollars in thousands)

	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
Net income	$ 142,017	$ 131,071	$ 271,704	$ 251,016
Other comprehensive income:				
Foreign currency translation adjustments	(1,243)	1,611	(11,282)	(21,180)
Comprehensive income	$ 140,774	$ 132,682	$ 260,422	$ 229,836

Note 8:
- -------

In June 1998, Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities", was issued. This statement is effective for all fiscal quarters of fiscal years beginning after June 15, 1999 (January 1, 2000 for the company) and requires that an entity recognize all derivative instruments as either assets or liabilities in the statement of financial position and measure those instruments at fair value. Changes in the fair value of those instruments will be reflected as gains or losses. The accounting for the gains and losses depends on the intended use of the derivative and the resulting designation. The company is currently evaluating the impact of this statement.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Results of Operations - second quarter of 1998 vs. second quarter of 1997

Revenue increased seven percent in the second quarter of 1998 to $1,079.5 million compared with $1,006.1 million in the second quarter of 1997. Net income increased eight percent to $142.0 million from $131.1 million for the same period in 1997. Diluted earnings per share grew to 51 cents, a 13.9 percent increase from the second quarter of 1997. Revenue growth was nine percent, excluding revenue from the Commercial and Industrial Financing segment. The decrease in Commercial and Industrial Financing revenue resulted from the planned reductions in the external lease financing portfolio.

Second quarter 1998 revenue included $492.3 million from sales, up nine percent from $449.8 million in the second quarter of 1997; $458.8 million from rentals and financing, up five percent from $436.1 million; and $128.5 million from support services, up seven percent from $120.2 million.

In the Business Equipment segment, which includes Mailing Systems and Office Systems operations, revenue grew seven percent and operating profit increased 14 percent during the second quarter.

Mailing Systems' revenue grew six percent during the quarter; however, excluding the impact of foreign currency exchange rates primarily in Canada, Germany, Australia and Japan, revenue would have increased seven percent. This growth was led by strong placements of advanced equipment solutions in all market segments, including high volume production mail systems at the upper end of the market. The company continued to lead the market conversion to more advanced technology, with electronic and digital meters comprising 81 percent of the company's installed U.S. meter base at June 30, 1998 compared with 67 percent at June 30, 1997.

Office Systems' revenue grew nine percent which was driven by growth in both the facsimile and copier product lines. The company strengthened its solid positioning as the preeminent provider of advanced office systems with the recent introductions of the Smart Finish(TM) feature set of four copier models, and the latest 33.6 kps facsimile--Model 9930.

In the Business Services segment, second quarter revenue grew 23 percent and operating profit grew 60 percent. The segment includes Pitney Bowes Management Services and Atlantic Mortgage and Investment Corporation. Both businesses in this segment continued to successfully broaden service offerings to existing customers and add new customers to their respective bases.

As planned, revenue and operating profit in the Commercial and Industrial Financing segment were both down 12 percent as compared with the second quarter of 1997. The segment includes Pitney Bowes Capital Services and Colonial Pacific Leasing Corporation. The strategic disposition of earning assets at both units during 1997 and continued reduction in 1998 resulted in the anticipated declines in revenue and operating profit. These reductions are part of the company's ongoing strategy to reduce the level of capital committed to asset financing while maintaining the ability to provide a full range of financial services to customers.

Cost of sales decreased to 58.9% of sales revenue in the second quarter of 1998 compared with 59.9% in the second quarter of 1997. This was due primarily to lower product costs at U.S. Mailing Systems and increased sales of high margin supplies at Office Systems. The improvement was achieved despite the offsetting effect of increased revenue and costs of the lower-margin management services business which includes most of its expenses in cost of sales.

Cost of rentals and financing increased to 31.8% of related revenues in the second quarter of 1998 compared with 29.4% in the second quarter of 1997. This was due mainly to reduced revenues from the Commercial and Industrial Financing segment, the impact of increased revenues from the relatively lower-margin mortgage servicing business, a service-based business with a higher cost to revenue ratio, and higher depreciation expense from increased placements of digital and electronic meters.

Selling, service and administrative expenses were 32.7% of revenue in the second quarter of 1998 compared with 33.4% in the second quarter of 1997. This improvement was due primarily to the company's continued emphasis on controlling operating expenses.

Research and development expenses increased 15 percent to $25.1 million in the second quarter of 1998 compared with $21.8 million in the second quarter of 1997. The increase reflects the company's continued commitment to developing new technologies for its digital meters and other mailing and software products.

Net interest expense decreased to $48.9 million in the second quarter of 1998 from $51.0 million in the second quarter of 1997. The decrease is due mainly to lower average borrowings in 1998 compared with 1997 resulting from the transaction with GATX Capital Corporation during 1997, and lower interest rates.

The effective tax rate for the second quarter of 1998 and 1997 was 34.5 percent.

Net income and diluted earnings per share increased eight percent and 13.9 percent, respectively, in the second quarter of 1998 due to the factors discussed above. The reason for the increase in diluted earnings per share outpacing the increase in net income was the company's share repurchase program.

Results of Operations - six months of 1998 vs. six months of 1997

For the first six months of 1998 compared with the same period of 1997, revenue increased six percent to $2,091.1 million while net income increased eight percent to $271.7 million. The factors that affected revenue and earnings performance included those cited for the second quarter of 1998 versus 1997.

New Pronouncements

In June 1998, Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities", was issued. This statement is effective for all fiscal quarters of fiscal years beginning after June 15, 1999 (January 1, 2000 for the company) and requires that an entity recognize all derivative instruments as either assets or liabilities in the statement of financial position and measure those instruments at fair value. Changes in the fair value of those instruments will be reflected as gains or losses. The accounting for the gains and losses depends on the intended use of the derivative and the resulting designation. The company is currently evaluating the impact of this statement.

Liquidity and Capital Resources

The ratio of current assets to current liabilities improved to .82 to 1 at June 30, 1998 compared with .73 to 1 at December 31, 1997. The improvement was due primarily to an increase in short-term finance receivables and from the repayment of short-term debt.

On April 29, 1998, the company filed a non-financial services shelf registration with the SEC which combined with $32 million remaining under an existing medium-term note facility permits issuance of up to $500 million in debt securities with maturities ranging from more than one year to 30 years. At June 30, 1998, the entire $500 million remained available.

On July 15, 1998 Pitney Bowes Credit Corporation (PBCC), a wholly-owned subsidiary of the company filed a shelf registration with the Securities and Exchange Commission (SEC) which permits issuance of up to $750 million in debt securities.

On January 22, 1998, the company issued notes amounting to $300 million remaining under a non-financial services shelf registration filed with the SEC.

These unsecured notes bear annual interest at 5.95% and mature in February 2005. The net proceeds from these notes were used for general corporate purposes, including the repayment of short-term debt.

On January 16, 1998, PBCC issued notes amounting to $250 million remaining under a shelf registration filed with the SEC. These unsecured notes bear annual interest at 5.65% and mature in January 2003. The proceeds from these notes are being used for PBCC's financing needs during 1998.

The company believes that its financing needs for the next few years can be met with cash generated internally, money from existing credit agreements, debt issued under new shelf registration statements and existing commercial and medium-term note programs.

The ratio of total debt to total debt and stockholders' equity including the preferred stockholders' equity in a subsidiary company in total debt was 68.1 percent at June 30, 1998 compared with 64.2 percent at December 31, 1997. Book value per common share decreased to $6.31 at June 30, 1998 from $6.69 at December 31, 1997 driven primarily by the repurchase of common shares. During the quarter ended June 30, 1998, the company repurchased 5.4 million common shares for $250.9 million.

To control the impact of interest rate swings on its business, the company uses a balanced mix of debt maturities, variable and fixed rate debt and interest rate swap agreements. The company enters into interest rate swap agreements primarily through its financial services business. Swap agreements are used to fix interest rates on commercial paper and/or obtain a lower interest cost on debt than the company otherwise would have been able to get without the swap.

Capital Investments

In the first six months of 1998, net investments in fixed assets included $42.2 million in net additions to property, plant and equipment and $127.3 million in net additions to rental equipment and related inventories compared with $42.2 million and $91.2 million, respectively, in the same period in 1997. In the case of rental equipment, the additions included the production of postage meters and the purchase of facsimile and copier equipment for both new placements and upgrade programs.

As of June 30, 1998, commitments for the acquisition of property, plant and equipment reflected plant and manufacturing equipment improvements as well as rental equipment for new and replacement programs.

Regulatory Matters

In May 1996, the United States Postal Service (USPS) issued a proposed schedule for the phaseout of mechanical meters in the United States. In accordance with the schedule, the company voluntarily halted new placements of mechanical meters in the U.S. as of June 1, 1996. As a result of the company's aggressive efforts to meet the USPS mechanical meter migration schedule combined with the company's ongoing and continuing investment in advanced postage evidencing technologies, at June 30, 1998, electronic and digital meters represented approximately 81 percent of the company's U.S. installed base, up from 75 percent at December 31, 1997 and 67 percent at June 30, 1997. Based on the announced USPS mechanical meter migration schedule, the company believes that the phaseout of mechanical meters will not cause a material adverse financial impact on the company.

In May 1995, the USPS publicly announced its concept of its Information Based Indicia Program (IBIP), the purpose of which was to develop a new standard for future digital postage evidencing devices. In July 1996, the USPS published for public comment draft specifications for the Indicium, Postal Security Device and

Host specifications. The company submitted extensive comments to these specifications in November 1996. Revised specifications were then published in 1997 which incorporated many of the changes recommended by the company in its prior comments. The company submitted comments to these revised specifications. Also, in March 1997 the USPS published for public comment the Vendor Infrastructure specification to which the company responded on June 27, 1997. As of June 30, 1998, the USPS had not yet finalized the four IBIP specifications; however, the company is in the process of finalizing the development of a PC product which satisfies the proposed IBIP specifications. This product is currently undergoing testing by the USPS and is expected to be ready for market upon final approval from the USPS.

Forward-looking Statements

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

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

Part II - Other Information

Item 1: Legal Proceedings

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

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

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

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

Below are the final results of the voting at the annual meeting of shareholders held on May 11, 1998:

Proposal 1 - Election of Directors

Nominee	For	Withheld
Linda G. Alvarado	242,813,000	4,368,125
Marc C. Breslawsky	244,612,262	2,568,863
Ernie Green	242,691,245	4,489,880

Charles E. Hugel	244,632,116	2,549,009

Proposal 2 - Appointment of Price Waterhouse LLP (effective July 1, 1998, PricewaterhouseCoopers LLP) as Independent Accountants

For	Against	Abstain
246,304,743	335,286	541,096

Proposal 3 - Amendment to the 1991 Stock Plan for the authorization of an additional 18 million shares available for issuance under the Plan*

For	Against	Abstain
218,933,579	9,366,253	1,479,234

* This proposal had 17,402,059 Broker Non-Votes

Proposal 4 - Stockholder proposal relating to Coalition for Environmentally Responsible Economies Principles**

For	Against	Abstain
13,421,112	207,385,081	8,038,893

** This proposal had 18,336,039 Broker Non-Votes

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

William E. Butler
Colin G. Campbell
Michael J. Critelli
James H. Keyes
Michael I. Roth
Phyllis Shapiro Sewell

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

(a) Exhibits

Reg. S-K Exhibits	Description
(12)	Computation of ratio of earnings to fixed charges
(27)	Financial Data Schedule

(b) Reports on Form 8-K

No reports on Form 8-K were filed during the quarter ended June 30, 1998.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PITNEY BOWES INC.

August 13, 1998

/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 Index

Reg. S-K Exhibits	Description
(12)	Computation of ratio of earnings to fixed charges
(27)	Financial Data Schedule

Exhibit (12)

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

(Dollars in thousands)	Three Months Ended June 30, 1998	Three Months Ended June 30, 1997	Six Months Ended June 30, 1998	Six Months Ended June 30, 1997
Income before income taxes	$ 216,853	$ 200,110	$ 414,850	$ 383,745
Add:				
Interest expense	54,776	52,692	102,675	104,597
Portion of rents representative of the interest factor	12,373	11,385	22,680	22,514
Amortization of capitalized interest	243	244	486	487
Minority interest in the income of subsidiary with fixed charges	3,070	3,065	6,129	5,031
Income as adjusted	$ 287,315	$ 267,496	$ 546,820	$ 516,374
Fixed charges:				
Interest expense	$ 54,776	$ 52,692	$ 102,675	$ 104,597
Portion of rents representative of the interest factor	12,373	11,385	22,680	22,514
Minority interest, excluding taxes, in the income of subsidiary with fixed charges	4,687	4,715	9,357	7,800
	$ 71,836	$ 68,792	$ 134,712	$ 134,911
Ratio of earnings to fixed charges	4.00	3.89	4.06	3.83
Ratio of earnings to fixed charges excluding minority interest	4.23	4.13	4.31	4.02

(1) The computation of the ratio of earnings to fixed charges has been computed by dividing income before income taxes as adjusted by fixed charges. Included in fixed charges is one-third of rental expense as the representative portion of interest.

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

<PERIOD-TYPE>		6-MOS
<FISCAL-YEAR-END>		DEC-31-1998
<PERIOD-END>		JUN-30-1998
<CASH>		115,322
<SECURITIES>		1,943
<RECEIVABLES>	<F1>	2,132,221
<ALLOWANCES>	<F1>	83,750
<INVENTORY>		240,045
<CURRENT-ASSETS>		2,571,615
<PP&E>	<F2>	2,811,555
<DEPRECIATION>	<F2>	1,496,473
<TOTAL-ASSETS>		8,072,968
<CURRENT-LIABILITIES>		3,123,462
<BONDS>		1,627,127
<COMMON>		323,338
<PREFERRED-MANDATORY>		300,000
<PREFERRED>		2,146
<OTHER-SE>		1,403,019
<TOTAL-LIABILITY-AND-EQUITY>		8,072,968
<SALES>		942,735
<TOTAL-REVENUES>		2,091,092
<CGS>		564,983
<TOTAL-COSTS>		849,193
<OTHER-EXPENSES>		48,696
<LOSS-PROVISION>		0
<INTEREST-EXPENSE>		102,675
<INCOME-PRETAX>		414,850
<INCOME-TAX>		143,146
<INCOME-CONTINUING>		271,704
<DISCONTINUED>		0
<EXTRAORDINARY>		0
<CHANGES>		0
<NET-INCOME>		271,704
<EPS-PRIMARY>		0.98
<EPS-DILUTED>		0.97

<FN>
<F1> Receivables are comprised of gross trade receivables of $389,292 and short-term finance receivables of $1,742,929. Allowances are comprised of allowances for trade receivables of $21,883 and for short-term finance receivables of $61,867.
<F2> Property, plant and equipment are comprised of gross fixed assets of $1,145,367 and rental equipment and related inventories of $1,666,188. Depreciation is comprised of depreciation on fixed assets of $653,815 and on rental equipment and related inventories of $842,658.
</FN>