Strategic Update & Second Quarter 2024 Earnings

Investor Presentation – August 2024

Forward-Looking Statements

This document contains "forward-looking statements" about the Company's expected or potential future business and financial performance. Forward-looking statements include, but are not limited to, statements about future revenue and earnings guidance, future events or conditions, and expected cost savings, elimination of future losses, and anticipated deleveraging in connection with Pitney Bowes' announced strategic initiatives. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual results to differ materially from those projected. Factors which could cause future financial performance to differ materially from expectations include, without limitation, declining physical mail volumes; changes in postal regulations or the operations and financial health of posts in the U.S. or other major markets or changes to the broader postal or shipping markets; the potential adverse effects of the GEC exit and wind-down and related transactions on the Company's operations, management and employees and the risks associated with operating the business during the restructuring process and exit from the GEC business; risks and uncertainties associated with the GEC exit and wind-down and related transactions, including the ability to achieve the anticipated benefits therefrom; the ability to successfully implement the Company's 2024 worldwide cost reduction initiative, the Company's cost rationalization and optimization initiatives and to achieve expected cost reductions and improved efficiencies in connection therewith; the loss of some of Pitney Bowes' larger clients in the Presort Services segments; the loss of, or significant changes to, United States Postal Service (USPS) commercial programs, or the Company's contractual relationships with the USPS or their performance under those contracts; the impacts of higher interest rates and the potential for future interest rate increases on Pitney Bowes' cost of debt; and other factors as more fully outlined in the Company's 2023 Form 10-K Annual Report and other reports filed with the Securities and Exchange Commission during 2024. Pitney Bowes assumes no obligation to update any forward-looking statements contained in this document as a result of new information, events or developments.

Use of Non-GAAP Measures

Our financial results are reported in accordance with generally accepted accounting principles (GAAP). We also disclose certain non-GAAP measures, adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), adjusted earnings per share (Adjusted EPS), revenue growth on a comparable basis and free cash flow.

Adjusted EBIT, Adjusted EBITDA and Adjusted EPS exclude the impact of restructuring charges, CEO & Board transition costs, strategic review costs, goodwill impairment charges, foreign currency gains and losses on intercompany loans, gains, losses and costs related to acquisitions and dispositions, gains and losses on debt redemptions and other unusual items. These expenses are excluded because they fluctuate in amount and frequency and are not reflective of the Company's core business operating performance. Management believes that these non-GAAP measures provide investors greater insight into the underlying operating trends of the business.

Free cash flow adjusts cash flow from operations calculated in accordance with GAAP for capital expenditures, restructuring payments and other special items. Management believes free cash flow provides investors better insight into the amount of cash available for other discretionary uses.

Adjusted Segment EBIT is the primary measure of profitability and operational performance at the segment level and is determined by deducting from segment revenue the related costs and expenses attributable to the segment. Adjusted Segment EBIT excludes interest, taxes, unallocated corporate expenses, foreign currency gains and losses on intercompany loans, restructuring charges, goodwill impairment, CEO & Board transition costs, strategic review costs and other items not allocated to a business segment. The Company also reports Adjusted Segment EBITDA as an additional useful measure of segment profitability and operational performance.

Complete reconciliations of non-GAAP measures to comparable GAAP measures can be found in the Appendix to this presentation and at the Company's website at www.pb.com/investorrelations.

Due to the significant changes occurring at Pitney Bowes, this presentation includes an illustrative EBIT bridge to highlight what the Board and management believe to be the Company's strong underlying earnings potential after exiting the Ecommerce Debtors and executing on in-progress cost reduction initiatives. Please note that this is a non-GAAP number and has been provided solely for the purpose of illustrating the earnings potential associated with the Company's current initiatives, and it is not a forecast of any future earnings period. We have not reconciled the illustrative EBIT bridge to its corresponding GAAP measure due to the high variability and difficulty in making accurate forecasts and projections of its components. Accordingly, a reconciliation of illustrative EBIT is not available without unreasonable effort.

Update on Strategic Priorities

Recap of Strategic Initiatives

What We Promised:	What We Delivered:
Global Ecommerce (“GEC”) Review: Timely conclusion of the strategic review for the GEC segment.	**Path to GEC Exit:** The Pitney Bowes Board determined the optimal path to maximizing value for the Company was to sell a majority stake in GEC to Hilco Global (“Hilco”) in order to support a **liquidation of the segment** under Chapter 11 of the U.S. Bankruptcy Code – **which will ultimately maximize value for shareholders**.
Cost Rationalization: Initial analysis identified an additional $60 million to $100 million in potential annualized savings across the organization, not including any potential savings from GEC process.	**Accelerated Cost Rationalization**: **$70 million in new expense reductions, announced in July,** including cost cuts at the corporate level as well as within SendTech and Presort.
Cash Optimization: Targeting reductions in Pitney Bowes’ go-forward required cash needs by up to $200 million.	**Cash Optimization Progress: Achieved $100 million of its cash reduction**; we now estimate we will be able to reduce go-forward cash needs by $240 million.
Balance Sheet Deleveraging: Deleveraging the corporate balance sheet and prioritizing the pay down of high-cost debt.	**Balance Sheet Deleveraging**: Exiting GEC, reducing non-essential expenses and optimizing cash positions will allow Pitney Bowes to **materially accelerate its deleveraging**.

Priority #1: Conclusion of GEC Review

Highlights

- **Limits impact on the rest of Pitney Bowes** – by selling a majority stake in GEC to Hilco and GEC then filing for Chapter 11 bankruptcy protection (with support agreements in place), **Pitney Bowes avoids triggering any debt covenants or adverse effects**
- One-time costs are expected to not exceed approximately $150 million
- Recent cost cuts and cash management initiatives will **accelerate balance sheet deleveraging**

Process / Next Steps

The process, approved by the independent GEC board, requires court approval and is **expected to conclude in early 2025**

Outcomes

Pitney Bowes will **streamline operations, boost profitability in core cash-generating businesses, and prioritize innovation and growth** in those segments

Pitney Bowes now has a clear, value-maximizing path to exit GEC – eliminating approximately $136 million in annualized losses.

Priority #2: Cost Rationalization

Progress to Date:

- Implemented **$70 million in long-term savings**, including corporate, SendTech, and Presort cost cuts, excluding GEC exit savings.

Looking Ahead:

- July's cost reductions will primarily **impact 2024's second half pre-tax earnings and will be fully reflected in 2025.**
- The Company reaffirms **$120 million** to **$160 million** annual savings target from expense reduction initiatives, excluding the GEC wind-down.

Significant progress has been made on cost rationalization, and we continue to identify substantial cost reduction opportunities.

Priority #3: Cash Optimization

Progress to Date:

$100 Million
Repatriated International Cash

$40 Million
Cash Freed Up from PB Bank

Looking Ahead:

- Additional $25 million– repatriation of international cash in the second half of the year
- Global cash pooling structure will enable us to maintain lower levels of cash in international jurisdictions
- PB Bank offers additional cash optimization opportunities across the Company

Improved cash management has freed up $100 million, and we now estimate reducing go-forward cash needs by $240 million, exceeding our original $200 million target.

Priority #4: Balance Sheet Deleveraging

Exiting GEC, combined with existing cost cuts, will accelerate PBI deleveraging

Improved cash management will accelerate debt reduction and balance sheet deleveraging

Leadership will focus on eliminating high-cost debt and improving credit rating

Balance sheet deleveraging will result from the GEC exit, cost rationalization program and cash optimization efforts.

Second Quarter Results

Second Quarter 2024 – Overview

- Revenue in the quarter was $793 million and up 2% year-over-year
- GAAP EPS was a loss of $0.14 and included restructuring charges of $0.14
- Adjusted EPS was $0.03, an improvement of $0.05 over prior year
- Net income was a loss of $25 million versus a loss of $142 million in prior year
- Adjusted EBIT was $46 million, up 43% versus prior year
- GAAP cash from operating activities was $93 million
- Free Cash Flow was $83 million, an improvement of $94 million year-over-year

Second Quarter 2024 – Results vs. Prior Year

$ millions

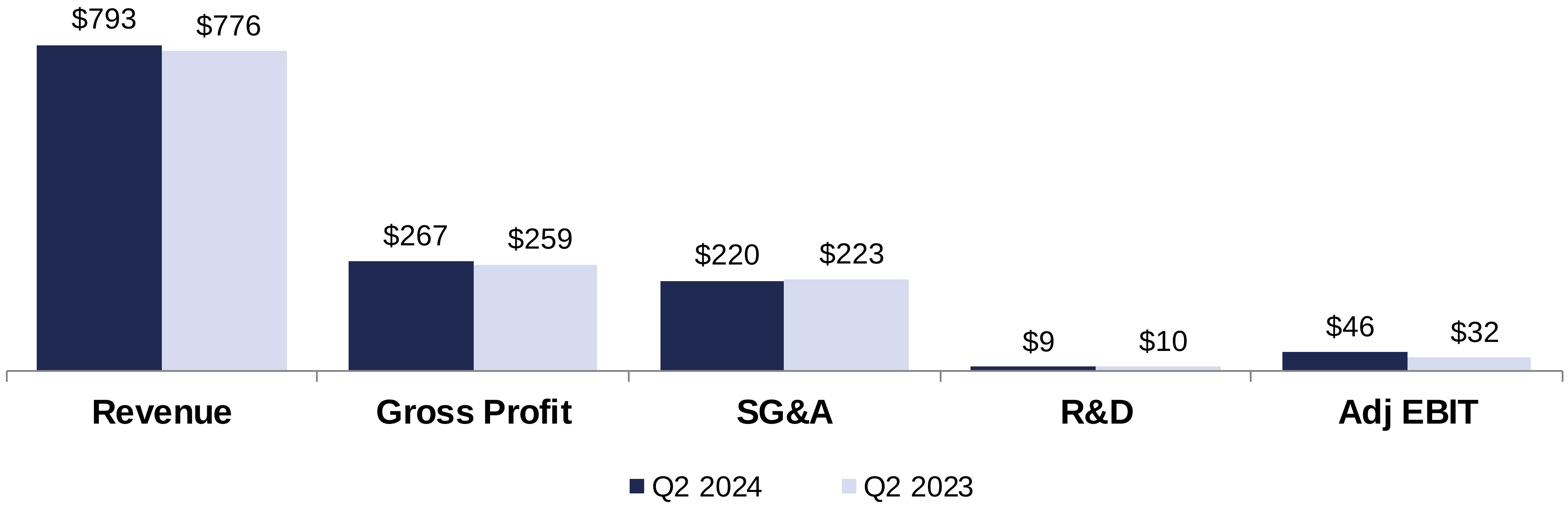
2% Growth Y/Y

Gross Profit Margin
Q2 2024: 33.6%
Q2 2023: 33.3%

SG&A as % of Revenue
Q2 2024: 27.7%
Q2 2023: 28.7%

R&D as a % of Revenue
Q2 2024: 1.1%
Q2 2023: 1.3%

Adj EBIT Margin
Q2 2024: 5.8%
Q2 2023: 4.1%



Second Quarter 2024 – SendTech

SendTech Solutions offers physical and digital shipping and mailing technology solutions, financing, services, supplies and other applications for small and medium businesses, retail, enterprise, and government clients around the world to help simplify and save on the sending, tracking and receiving of letters, parcels and flats.

($ millions)	Q2 2024	Q2 2023	% Change Reported
Revenue	$320	$328	(2%)
Adjusted Segment EBITDA	$111	$106	4%
Adjusted Segment EBIT	$101	$97	4%

Revenue decline was driven by near-term headwinds related to our product lifecycle. Shipping-related revenue grew 10%, partially offsetting the mailing decline.

Cost reduction actions and a favorable revenue mix from growth in our high-margin digital shipping offerings drove higher Adjusted Segment EBITDA and EBIT.

Second Quarter 2024 – Presort

Presort Services provides sortation services that enable clients to qualify for USPS workshare discounts in First Class Mail, Marketing Mail, Marketing Mail Flats and Bound Printed Matter

($ millions)	Q2 2024	Q2 2023	% Change Reported
Revenue	$147	$143	3%
Adjusted Segment EBITDA	$36	$29	25%
Adjusted Segment EBIT	$27	$20	32%

Presort sorted 3.6 billion pieces of mail in the quarter. Revenue per piece expansion drove revenue growth, while volumes declined 2% year-over-year.

Adjusted Segment EBITDA and EBIT growth due to higher revenue per piece, labor productivity gains from investments in automation and process improvements, and increased transportation efficiencies from network optimizations.

Second Quarter 2024 – Global Ecommerce

Global Ecommerce provides business to consumer logistics services for domestic and cross-border delivery, returns and fulfillment

($ millions)	Q2 2024	Q2 2023	% Change Reported
Revenue	$326	$305	7%
Adjusted Segment EBITDA	($17)	($23)	26%
Adjusted Segment EBIT	($31)	($37)	17%

Revenue growth was driven by a 10% increase in domestic parcel revenue from higher volumes.

Prolonged industry headwinds resulted in lower revenue per piece and a decline in domestic parcel gross profit, which was $1 million in the quarter. Expense reduction drove improvement in Adjusted Segment EBITDA and EBIT.

Second Quarter 2024 – Debt Profile

($ Millions)	Interest Rate	6/30/2024	12/31/2023
Term Loan A due March 2026	SOFR + 2.25%	$261.5	$285.5
Notes due March 2027	6.875%	380.0	380.0
Notes due March 2028	SOFR + 6.90%	272.9	274.3
Term Loan B due March 2028	SOFR + 4.00%	435.4	437.6
Notes due March 2029	7.25%	350.0	350.0
Notes due January 2037	5.25%	35.8	35.8
Notes due March 2043	6.70%	425.0	425.0
Other debt		0.5	1.2
Principal Debt		**$2,161.2**	**$2,189.5**

Reduced principal debt by $14 million in the quarter and $28 million year-to-date

$1.2 billion finance receivables on the balance sheet

Updated Guidance & Go-Forward Proforma

Full-Year 2024 Guidance

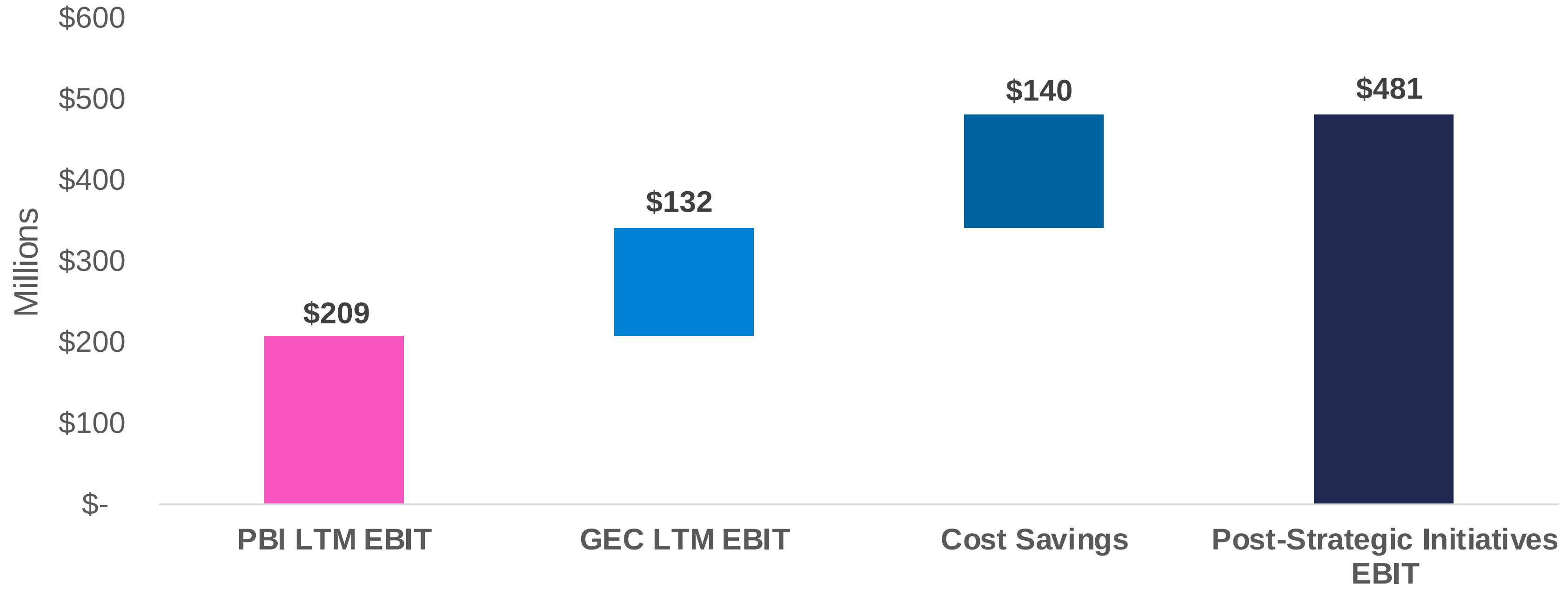
Pitney Bowes is updating its full-year 2024 guidance to reflect the exit of GEC, incremental cost-saving initiatives and strong first-half performance.

Full year 2024 guidance and comparison to 2023 exclude the financial results of the GEC Entities, which the Company expects will be reflected in discontinued operations.

Pitney Bowes expects full-year revenue growth to range from flat to a low-single-digit decline.

The Company also expects full-year EBIT of $340 million to $355 million.

Illustrative Potential PBI Adjusted EBIT Post-Strategic Initiatives



This is an illustrative view of the continuing operations of the Company, which reflects the historical performance of PBI, the GEC segment for the twelve months ended June 30, 2024 and the achievement of the midpoint of our $120 to $160 million annualized gross savings target. This does not represent guidance for 2024 or future periods. Our full-year 2024 EBIT guidance is $340 to $355 million.

(1) Represents illustrative savings of exiting subsidiaries representing a majority of the GEC segment, which is expected to result in the elimination of the substantial majority of the ongoing GEC losses. Losses associated with the GEC segment totaled approximately $136 million for the year ended December 31, 2023 and approximately $132 million for the trailing twelve months ended June 30, 2024.

Appendix

Appendix: Financial Information

Pitney Bowes Inc.
Consolidated Statements of Operations
(Unaudited; in thousands, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Revenue:				
Business services	$ 506,666	$ 473,497	$ 1,042,263	$ 996,988
Support services	94,012	103,315	190,345	208,599
Financing	67,539	66,702	135,202	133,751
Equipment sales	72,753	79,451	150,156	162,061
Supplies	35,509	36,505	72,230	75,340
Rentals	16,691	17,011	33,483	34,280
Total revenue	793,170	776,481	1,623,679	1,611,019
Costs and expenses:				
Cost of business services	429,756	410,638	876,123	856,955
Cost of support services	31,664	35,018	64,719	71,858
Financing interest expense	15,965	14,763	32,568	29,299
Cost of equipment sales	50,314	56,180	102,873	113,351
Cost of supplies	10,358	10,884	20,553	22,109
Cost of rentals	4,433	5,142	9,117	10,570
Selling, general and administrative	220,008	222,549	436,205	464,669
Research and development	9,108	10,274	18,589	20,767
Restructuring charges	31,843	22,443	36,158	26,042
Goodwill impairment	-	118,599	-	118,599
Interest expense, net	28,767	22,920	56,533	45,262
Other components of net pension and postretirement income	(382)	(1,751)	(769)	(3,461)
Other income	-	(228)	-	(3,064)
Total costs and expenses	831,834	927,431	1,652,669	1,772,956
Loss before taxes	(38,664)	(150,950)	(28,990)	(161,937)
Benefit for income taxes	(13,797)	(9,415)	(1,238)	(12,665)
Net loss	$ (24,867)	$ (141,535)	$ (27,752)	$ (149,272)
Net loss per share:				
Basic	$ (0.14)	$ (0.81)	$ (0.16)	$ (0.85)
Diluted	$ (0.14)	$ (0.81)	$ (0.16)	$ (0.85)
Weighted-average shares used in diluted earnings per share	178,696	175,695	177,872	175,094

Appendix: Financial Information

Pitney Bowes Inc.
Consolidated Balance Sheets
(Unaudited; in thousands)

Assets	**June 30, 2024**	**December 31, 2023**
Current assets:		
Cash and cash equivalents	$ 590,147	$ 601,053
Short-term investments	21,852	22,166
Accounts and other receivables, net	266,172	342,236
Short-term finance receivables, net	541,957	563,536
Inventories	76,500	70,053
Current income taxes	7,850	564
Other current assets and prepayments	101,263	92,309
Total current assets	1,605,741	1,691,917
Property, plant and equipment, net	359,452	383,628
Rental property and equipment, net	22,334	23,583
Long-term finance receivables, net	625,734	653,085
Goodwill	727,613	734,409
Intangible assets, net	54,339	62,250
Operating lease assets	297,638	309,958
Noncurrent income taxes	58,063	60,995
Other assets	327,488	352,360
Total assets	$ 4,078,402	$ 4,272,185
Liabilities and stockholders' deficit		
Current liabilities:		
Accounts payable and accrued liabilities	$ 843,148	$ 875,476
Customer deposits at Pitney Bowes Bank	628,711	640,323
Current operating lease liabilities	61,143	60,069
Current portion of long-term debt	57,290	58,931
Advance billings	86,339	89,087
Current income taxes	1,556	6,523
Total current liabilities	1,678,187	1,730,409
Long-term debt	2,065,034	2,087,101
Deferred taxes on income	193,835	211,477
Tax uncertainties and other income tax liabilities	14,538	19,091
Noncurrent operating lease liabilities	263,758	277,981
Other noncurrent liabilities	290,939	314,702
Total liabilities	4,506,291	4,640,761
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,948,959	3,077,988
Accumulated other comprehensive loss	(865,523)	(851,245)
Treasury stock, at cost	(2,781,663)	(2,865,657)
Total stockholders' deficit	(427,889)	(368,576)
Total liabilities and stockholders' deficit	$ 4,078,402	$ 4,272,185

Appendix: Financial Information

Pitney Bowes Inc.
Business Segment Revenue
(Unaudited; in thousands)

	Three months ended June 30			Six months ended June 30		
	2024	2023	% Change	2024	2023	% Change
Sending Technology Solutions						
Revenue, as reported	$ 320,155	$ 328,325	**(2%)**	$ 647,592	$ 663,320	**(2%)**
Impact of currency on revenue	1,420			1,345		
Revenue, constant currency	$ 321,575	$ 328,325	**(2%)**	$ 648,937	$ 663,320	**(2%)**
Presort Services						
Revenue, as reported	$ 146,858	$ 143,107	**3%**	$ 316,665	$ 302,009	**5%**
Global Ecommerce						
Revenue, as reported	$ 326,157	$ 305,049	**7%**	$ 659,422	$ 645,690	**2%**
Impact of currency on revenue	(73)			(789)		
Revenue, constant currency	$ 326,084	$ 305,049	**7%**	$ 658,633	$ 645,690	**2%**
Consolidated						
Revenue, as reported	$ 793,170	$ 776,481	**2%**	$ 1,623,679	$ 1,611,019	**1%**
Impact of currency on revenue	1,347			556		
Revenue, constant currency	$ 794,517	$ 776,481	**2%**	$ 1,624,235	$ 1,611,019	**1%**

Appendix: Financial Information

Pitney Bowes Inc.

Adjusted Segment EBIT & EBITDA
(Unaudited; in thousands)

	Three months ended June 30							
	2024			2023			% change	
	Adjusted Segment EBIT (1)	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT (1)	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	Adjusted Segment EBITDA
Sending Technology Solutions	$ 100,967	$ 9,697	$ 110,664	$ 96,848	$ 9,381	$ 106,229	4%	4%
Presort Services	27,048	8,955	36,003	20,429	8,337	28,766	32%	25%
Global Ecommerce	(30,935)	14,122	(16,813)	(37,483)	14,622	(22,861)	17%	26%
Segment total	$ 97,080	$ 32,774	$ 129,854	$ 79,794	$ 32,340	$ 112,134	22%	16%
Reconciliation of Segment Adjusted EBITDA to Net Loss:								
Interest expense, net			(44,732)			(37,683)		
Benefit for income taxes			13,797			9,415		
Segment depreciation and amortization			(32,774)			(32,340)		
Unallocated corporate expenses			(51,275)			(47,709)		
Restructuring charges			(31,843)			(22,443)		
Goodwill impairment			-			(118,599)		
Foreign currency gain on intercompany loans			712			-		
CEO and Board transition costs			(2,631)			-		
Strategic Review costs			(5,975)			-		
Proxy solicitation fees			-			(4,538)		
Gain on debt redemption			-			228		
Net loss			$ (24,867)			$ (141,535)		

	Six months ended June 30							
	2024			2023			% change	
	Adjusted Segment EBIT (1)	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT (1)	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT	Adjusted Segment EBITDA
Sending Technology Solutions	202,245	19,693	221,938	192,485	18,831	211,316	5%	5%
Presort Services	67,377	17,713	85,090	47,334	16,860	64,194	42%	33%
Global Ecommerce	$ (66,362)	$ 28,155	$ (38,207)	$ (70,655)	$ 29,053	$ (41,602)	6%	8%
Segment total	$ 203,260	$ 65,561	$ 268,821	$ 169,164	$ 64,744	233,908	20%	15%
Reconciliation of Segment EBITDA to Net Loss:								
Interest expense, net			(89,101)			(74,562)		
Benefit for income taxes			1,238			12,665		
Segment depreciation and amortization			(65,561)			(64,744)		
Unallocated corporate expenses			(101,045)			(104,058)		
Restructuring charges			(36,158)			(26,042)		
Goodwill impairment			-			(118,599)		
Foreign currency gain on intercompany loans			5,350			-		
CEO and Board transition costs			(2,631)			-		
Strategic Review costs			(8,665)			-		
Proxy solicitation fees			-			(10,905)		
Gain on debt redemption			-			3,064		
Net loss			$ (27,752)			$ (149,273)		

(1) Adjusted segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, goodwill impairment, and other items that are not allocated to a business segment.

Appendix: Financial Information

Pitney Bowes Inc.

Reconciliation of Reported Consolidated Results to Adjusted Results
(Unaudited; in thousands, except per share amounts)

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Reconciliation of reported net loss to adjusted EBIT and adjusted EBITDA				
Net loss	$ (24,867)	$ (141,535)	$ (27,752)	$ (149,272)
Provision (benefit) for income taxes	(13,797)	(9,415)	(1,238)	(12,665)
Income (loss) before taxes	(38,664)	(150,950)	(28,990)	(161,937)
Restructuring charges	31,843	22,443	36,158	26,042
Goodwill impairment	-	118,599	-	118,599
Foreign currency gain on intercompany loans	(712)	-	(5,350)	-
CEO and Board transition costs	2,631	-	2,631	-
Strategic Review costs	5,975	-	8,665	-
Proxy solicitation fees	-	4,538	-	10,905
Gain on debt redemption	-	(228)	-	(3,064)
Adjusted net income before tax	1,073	(5,598)	13,114	(9,455)
Interest, net	44,732	37,683	89,101	74,561
Adjusted EBIT	45,805	32,085	102,215	65,106
Depreciation and amortization	40,734	39,873	81,613	79,770
Adjusted EBITDA	$ 86,539	$ 71,958	$ 183,828	$ 144,876
Reconciliation of reported diluted loss per share to adjusted diluted loss per share				
Diluted loss per share	$ (0.14) #	$ (0.81)	$ (0.16) #	$ (0.85)
Restructuring charges	0.14	0.09	0.16	0.11
Goodwill impairment	-	0.67	-	0.67
Foreign currency gain on intercompany loans	-	-	(0.02)	-
CEO and Board transition costs	0.01	-	0.01	-
Strategic Review costs	0.02	-	0.04	-
Proxy solicitation fees	-	0.02	-	0.05
Gain on debt redemption	-	-	-	(0.01)
Adjusted diluted loss per share	$ 0.03	$ (0.02)	$ 0.03	$ (0.04)

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

	Three months ended June 30		Six months ended June 30	
Reconciliation of reported net cash from operating activities to free cash flow	2024	2023	2024	2023
Net cash from operating activities	$ 92,854	$ (44)	$ 80,329	$ (39,758)
Capital expenditures	(21,136)	(25,980)	(41,093)	(54,646)
Restructuring payments	11,708	8,242	26,697	12,883
Proxy solicitation fees paid	-	7,244	-	10,282
Free cash flow	$ 83,426	$ (10,538)	$ 65,933	$ (71,239)