

# Pitney Bowes Discloses Strong Financial Results for Second Quarter 2025 and Issues CEO Letter

**Highlights SendTech and Presort Continue to Support Meaningful Earnings and Cash Flow Growth**

**Increases Share Repurchase Authorization From \$150M to \$400M Following \$130M Share Buybacks Over the Past 120 Days**

**Increases Dividend for Third Consecutive Quarter**

**Modifies Aspects of Full-Year Outlook, Including a Slight Reduction to Revenue Guidance, a Reduction to Top-End of EBIT Guidance and a Raise to Adjusted EPS Guidance**

**CEO Letter Shares Update on Strategic Review Priorities and Timeline**

STAMFORD, Conn.--(BUSINESS WIRE)--July 30, 2025--Pitney Bowes Inc. (NYSE: PBI) ("Pitney Bowes" or the "Company"), a technology-driven company that provides SaaS shipping solutions, mailing innovation, and financial services to clients around the world, today disclosed its financial results for the second quarter of 2025. In conjunction with this announcement, Pitney Bowes' CEO, Kurt Wolf, has released a letter to shareholders to provide his commentary on the quarter and updates on strategic initiatives. This letter issuance supports a format change to the Company's quarterly earnings calls, whereby management will deliver abbreviated commentary in order to devote additional time to more useful, interactive Q&A.

## **Q2 2025 Financial Highlights**

- Revenue was \$462 million, down 6% year over year
- GAAP EPS was \$0.17, an improvement of \$0.30 year over year
- Adjusted EPS was \$0.27, an improvement of \$0.16 year over year
- GAAP net income of \$30 million, an improvement of \$55 million year over year
- Adjusted EBIT was \$102 million, an improvement of \$28 million or 37% year over year
- GAAP cash from operating activities was \$111 million, up \$31 million year over year
- Free Cash Flow was \$106 million, and excluded \$8 million of restructuring payments

Earnings per share results are summarized in the table below:

	<b>Second Quarter</b>	
	<b>2025</b>	<b>2024</b>
<b>GAAP EPS</b>	<b>\$0.17</b>	<b>(\$0.14)</b>
Loss from discontinued operations, net of tax	-	\$0.08
Restructuring charges	\$0.06	\$0.13
Foreign currency loss on intercompany loans	\$0.07	-
Transaction and strategic review costs	\$0.01	\$0.04
Benefit in connection with Ecommerce Restructuring	(\$0.03)	-
<b>Adjusted EPS</b>	<b>\$0.27</b>	<b>\$0.11</b>

## **Q2 2025 CEO Commentary & Letter**

To read and/or download a copy of this quarter's CEO letter please click [here](#).

## **Q2 2025 Business Segment Reporting**

### **SendTech Solutions**

*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)	Second Quarter		
	2025	2024	% Change Reported
<b>Revenue</b>	\$312	\$339	(8%)
<b>Adj. Segment EBITDA</b>	\$113	\$108	5%
<b>Adj. Segment EBIT</b>	\$101	\$96	5%

SendTech revenue decline was driven by the end of the recent product migration, which largely concluded at the end of 2024, the ongoing shift from equipment placement to lease extensions and a decrease in mailing install base.

Adjusted Segment EBITDA and EBIT improvement was driven by simplification and cost reduction initiatives.

### **Presort Services**

*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)	Second Quarter		
	2025	2024	% Change Reported
<b>Revenue</b>	\$150	\$147	2%
<b>Adj. Segment EBITDA</b>	\$45	\$36	25%
<b>Adj. Segment EBIT</b>	\$36	\$27	33%

Higher revenue per piece and product mix drove revenue growth. Adjusted Segment EBITDA and EBIT improvement was driven by cost reduction initiatives.

### **Change to Segment Reporting**

Effective April 1, 2025, we revised our segment reporting to report the revenue and related expenses of a cross-border services contract in our SendTech Solutions reporting segment, which was previously reported in Other. Prior periods have been recast to conform to the current period presentation.

### **2025 Full-Year Outlook**

Pitney Bowes has updated its full-year revenue guidance, from a \$1.95 billion to \$2 billion range to a \$1.90 billion to \$1.95 billion range. This update, which is almost entirely attributable to Presort, stems from previously overemphasizing EBIT margins at the expense of winning and retaining certain Presort clients, which would have been profitable at lower margins. New management has reversed former management's policy to ensure Presort can leverage its strength and scale as the market leader under Debbie Pfeiffer. The Company also has raised its Adjusted EPS guidance from \$1.10 to \$1.30 range to a \$1.20 to \$1.40 range. The Company has tightened its Adjusted EBIT guidance by lowering the top end of the range and

reaffirms its previously disclosed full-year guidance for Free Cash Flow. The Company's current financial guidance is as follows:

<u>\$ millions, except EPS</u>	<u>Low</u>	<u>High</u>
Revenue	\$1,900	\$1,950
Adjusted EBIT	\$450	\$465
Adjusted EPS	\$1.20	\$1.40
Free Cash Flow	\$330	\$370

### **Q2 2025 Earnings Conference Call**

Management will discuss the Company's results in a webcast today at 5:00 p.m. ET. Instructions for accessing the earnings results call are available on the Investor Relations page of the Company's website at [www.pitneybowes.com](http://www.pitneybowes.com).

### **About Pitney Bowes**

Pitney Bowes (NYSE: PBI) is a technology-driven company that provides SaaS shipping solutions, mailing innovation, and financial services to clients around the world – including more than 90 percent of the Fortune 500. Small businesses to large enterprises, and government entities rely on Pitney Bowes to reduce the complexity of sending mail and parcels. For the latest news, corporate announcements, and financial results, visit [www.pitneybowes.com/us/newsroom](http://www.pitneybowes.com/us/newsroom). For additional information, visit Pitney Bowes at [www.pitneybowes.com](http://www.pitneybowes.com).

### **Contacts:**

#### **For Investors:**

Alex Brown  
[investorrelations@pb.com](mailto:investorrelations@pb.com)

#### **For Media:**

Longacre Square Partners  
Joe Germani / Ashley Areopagita  
[jgermani@longacresquare.com](mailto:jgermani@longacresquare.com) / [aareopagita@longacresquare.com](mailto:aareopagita@longacresquare.com)

### **Adjusted Segment EBIT**

Adjusted Segment EBIT is the primary measure of profitability and operational performance at the segment level. Adjusted Segment EBIT includes segment revenues and related costs and expenses attributable to the segment, but excludes interest, taxes, general corporate expenses, restructuring charges, and other items not allocated to a business segment. We also report Adjusted Segment EBITDA as an additional useful measure of segment profitability and operational performance, which is calculated as Adjusted Segment EBIT plus depreciation and amortization expense of the segment.

### **Use of Non-GAAP Measures**

Pitney Bowes' financial results are reported in accordance with generally accepted accounting principles (GAAP). Pitney Bowes also discloses certain non-GAAP measures, such as revenue growth on a constant currency basis, adjusted earnings before interest and taxes (Adjusted EBIT), adjusted earnings before interest, taxes, depreciation and amortization (Adjusted EBITDA), adjusted earnings per share (Adjusted EPS) and free cash flow.

Revenue growth on a constant currency basis excludes the impact of changes in currency exchange rates from the prior period under comparison. Constant currency change is calculated by converting the current period non-U.S. dollar denominated revenue using the prior year's exchange rate. We believe that excluding the impacts of currency exchange rates provides a better understanding of the underlying revenue performance.

Adjusted EBIT, Adjusted EBITDA and Adjusted EPS exclude the impact of restructuring charges, foreign currency gains and losses on intercompany loans, certain costs associated with the Ecommerce Restructuring, gains and losses on debt redemptions and other unusual items that we believe are not indicative to our core business operations.

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 better insight into the amount of cash available for other discretionary uses.

Reconciliations of non-GAAP measures to comparable GAAP measures can be found in the attached financial schedules and at the Company's web site at: <https://www.investorrelations.pitneybowes.com/>

### **Forward-Looking Statements**

This document contains "forward-looking statements" about the Company's expected or potential future business and financial performance, including, but not limited to, statements about future revenue and profitability, earnings guidance, future events or conditions, capital allocation strategy, expected cost savings and efficiency improvements, and strategic initiatives and priorities. 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, 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; accelerated or sudden decline in physical mail volumes or shipping volumes; the loss of some of our larger clients; changes in trade policies, tariffs and regulations; global supply chain issues adversely impacting our third party suppliers' ability to provide us products and services; periods of difficult economic conditions, the impacts of inflation and rising prices, higher interest rates and a slow-down in economic activity, including a global recession, or a U.S. government shutdown, to the Company and our clients; changes in foreign currency exchange rates; changes in labor and transportation availability and costs; inability to successfully execute on our strategic initiatives; and other factors as more fully outlined in the Company's 2024 Form 10-K Annual Report and other reports filed with the Securities and Exchange Commission during 2025. Pitney Bowes assumes no obligation to update any forward-looking statements contained in this document as a result of new information, events, or developments.

**Pitney Bowes Inc.**

**Consolidated Statements of Operations**

(Unaudited; in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue:				
Services	\$ 290,423	\$ 297,253	\$ 608,855	\$ 619,943
Products	90,880	108,262	184,070	222,386
Financing and other	80,606	84,230	162,404	168,685
Total revenue	<u>461,909</u>	<u>489,745</u>	<u>955,329</u>	<u>1,011,014</u>
Costs and expenses:				
Cost of services	144,240	158,196	300,113	322,677
Cost of products	54,487	60,672	105,406	123,426
Cost of financing and other	15,656	20,398	33,163	41,685
Selling, general and administrative	170,542	192,804	336,457	379,636
Research and development	3,601	7,259	8,364	14,885
Restructuring charges	13,806	30,399	15,206	34,165
Interest expense, net	24,937	28,253	49,207	55,559
Other components of net pension and postretirement cost	1,947	(382)	3,801	(769)
Other (income) expense	(6,578)	-	17,609	-
Total costs and expenses	<u>422,638</u>	<u>497,599</u>	<u>869,326</u>	<u>971,264</u>
Income (loss) from continuing operations before taxes	39,271	(7,854)	86,003	39,750
Provision for income taxes	9,296	2,271	20,606	17,771
Income (loss) from continuing operations	<u>29,975</u>	<u>(10,125)</u>	<u>65,397</u>	<u>21,979</u>
Loss from discontinued operations, net of tax	-	(14,742)	-	(49,731)
Net income (loss)	<u>\$ 29,975</u>	<u>\$ (24,867)</u>	<u>\$ 65,397</u>	<u>\$ (27,752)</u>
Basic earnings (loss) per share:				
Continuing operations	\$ 0.17	\$ (0.06)	\$ 0.36	\$ 0.12
Discontinued operations	-	(0.08)	-	(0.28)
Net income (loss)	<u>\$ 0.17</u>	<u>\$ (0.14)</u>	<u>\$ 0.36</u>	<u>\$ (0.16)</u>
Diluted earnings (loss) per share:				
Continuing operations	\$ 0.17	\$ (0.06)	\$ 0.36	\$ 0.12
Discontinued operations	-	(0.08)	-	(0.27)
Net income (loss)	<u>\$ 0.17</u>	<u>\$ (0.14)</u>	<u>\$ 0.36</u>	<u>\$ (0.15)</u>
Weighted-average shares used in diluted earnings per share	<u>181,005</u>	<u>178,696</u>	<u>182,708</u>	<u>181,342</u>

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

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

<b>Assets</b>	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Current assets:		
Cash and cash equivalents	\$ 285,177	\$ 469,726
Short-term investments	15,606	16,374
Accounts and other receivables, net	155,317	159,951
Short-term finance receivables, net	506,989	535,608
Inventories	79,001	59,836
Current income taxes	1,300	10,429
Other current assets and prepayments	82,600	66,030
Total current assets	1,125,990	1,317,954
Property, plant and equipment, net	193,264	218,657
Rental property and equipment, net	23,004	24,587
Long-term finance receivables, net	638,625	610,316
Goodwill	748,530	721,003
Intangible assets, net	16,767	15,780
Operating lease assets	113,136	113,357
Noncurrent income taxes	103,767	99,773
Other assets	275,755	276,089
Total assets	\$ 3,238,838	\$ 3,397,516
<b>Liabilities and stockholders' deficit</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 742,804	\$ 873,626
Customer deposits at Pitney Bowes Bank	608,937	645,860
Current operating lease liabilities	27,276	26,912
Current portion of long-term debt	15,150	53,250
Advance billings	76,231	70,131
Current income taxes	18,508	2,948
Total current liabilities	1,488,906	1,672,727
Long-term debt	1,881,565	1,866,458
Deferred taxes on income	41,063	49,187
Tax uncertainties and other income tax liabilities	12,538	13,770
Noncurrent operating lease liabilities	100,244	100,804
Noncurrent customer deposits at Pitney Bowes Bank	51,977	57,977
Other noncurrent liabilities	199,354	215,026
Total liabilities	3,775,647	3,975,949
Stockholders' deficit:		
Common stock	270,338	270,338
Retained earnings	2,669,992	2,671,868
Accumulated other comprehensive loss	(764,276)	(839,171)
Treasury stock, at cost	(2,712,863)	(2,681,468)
Total stockholders' deficit	(536,809)	(578,433)
Total liabilities and stockholders' deficit	\$ 3,238,838	\$ 3,397,516

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

	Three Months Ended June 30,			Six Months Ended June 30,		
	2025	2024	% Change	2025	2024	% Change
Sending Technology Solutions	\$ 311,716	\$ 339,273	(8%)	\$ 627,322	\$ 686,094	(9%)
Presort Services	150,193	146,858	2%	328,007	316,665	4%
Total reportable segments	461,909	486,131	(5%)	955,329	1,002,759	(5%)
Other	-	3,614	(100%)	-	8,255	(100%)
Total revenue, as reported	461,909	489,745	(6%)	955,329	1,011,014	(6%)
Impact of currency on revenue	(2,686)			(551)		
Total revenue, constant currency	<u>\$ 459,223</u>	<u>\$ 489,745</u>	<u>(6%)</u>	<u>\$ 954,778</u>	<u>\$ 1,011,014</u>	<u>(6%)</u>

**Pitney Bowes Inc.**  
**Adjusted Segment EBIT & EBITDA**  
(Uaudited; in thousands)

	Three Months Ended June 30,						% change	
	2025			2024				
	Adjusted Segment EBIT <sup>(1)</sup>	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT <sup>(1)</sup>	D&A	Adjusted Segment EBITDA		
Sending Technology Solutions	\$ 101,255	\$ 11,731	\$ 112,986	\$ 96,023	\$ 11,524	\$ 107,547	5%	
Presort Services	35,940	9,139	45,079	27,048	8,955	36,003	33%	
Total reportable segments	<u>\$ 137,195</u>	<u>\$ 20,870</u>	<u>158,065</u>	<u>\$ 123,071</u>	<u>\$ 20,479</u>	<u>143,550</u>	11%	
							10%	

**Reconciliation of Adjusted Segment EBITDA to income or loss from continuing operations before taxes:**

Other operations <sup>(2)</sup>	-	(4,121)
Depreciation and amortization - reportable segments	(20,870)	(20,479)
Interest expense, net	(37,499)	(44,218)
Corporate expenses	(34,902)	(44,293)
Restructuring charges	(13,806)	(30,399)
Foreign currency (loss) gain on intercompany loans	(17,029)	712
Transaction and Strategic review costs	(1,266)	(8,606)
Benefit in connection with Ecommerce Restructuring	6,296	-
Gain on debt redemption/refinancing	282	-
Income (loss) from continuing operations before taxes	<u>\$ 39,271</u>	<u>\$ (7,854)</u>

	Six Months Ended June 30,						% change	
	2025			2024				
	Adjusted Segment EBIT <sup>(1)</sup>	D&A	Adjusted Segment EBITDA	Adjusted Segment EBIT <sup>(1)</sup>	D&A	Adjusted Segment EBITDA		
Sending Technology Solutions	\$ 198,282	\$ 23,412	\$ 221,694	\$ 191,937	\$ 23,429	\$ 215,366	3%	
Presort Services	90,719	18,408	109,127	67,377	17,713	85,090	35%	
Total reportable segments	<u>\$ 289,001</u>	<u>\$ 41,820</u>	<u>330,821</u>	<u>\$ 259,314</u>	<u>\$ 41,142</u>	<u>300,456</u>	11%	
							10%	

**Reconciliation of Adjusted Segment EBITDA to income or loss from continuing operations before taxes:**

Other operations <sup>(2)</sup>	-	(4,831)
Depreciation and amortization - reportable segments	(41,820)	(41,142)
Interest expense, net	(75,384)	(88,127)
Corporate expenses	(67,019)	(86,495)
Restructuring charges	(15,206)	(34,165)
Foreign currency (loss) gain on intercompany loans	(24,624)	5,350
Transaction and Strategic review costs	(3,156)	(11,296)
Benefit in connection with Ecommerce Restructuring	6,755	-
Loss on debt redemption/refinancing	(24,364)	-
Income from continuing operations before taxes	<u>\$ 86,003</u>	<u>\$ 39,750</u>

(1) Adjusted segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, foreign currency gains and losses from the revaluation of intercompany loans and other items that are not allocated to a business segment.

(2) Other operations includes the revenue and related expenses of our former Global Ecommerce business that did not qualify for discontinued operations treatment.

# 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,	
	2025	2024	2025	2024
<b>Reconciliation of reported net income (loss) to adjusted EBIT and adjusted EBITDA</b>				
Net income (loss)	\$ 29,975	\$ (24,867)	\$ 65,397	\$ (27,752)
Loss from discontinued operations, net of tax	-	14,742	-	49,731
Provision for income taxes	9,296	2,271	20,606	17,771
Income (loss) from continuing operations before taxes	39,271	(7,854)	86,003	39,750
Restructuring charges	13,806	30,399	15,206	34,165
Foreign currency loss (gain) on intercompany loans	17,029	(712)	24,624	(5,350)
Transaction and Strategic review costs	1,266	8,606	3,156	11,296
Benefit in connection with Ecommerce Restructuring	(6,296)	-	(6,755)	-
(Gain) loss on debt redemption/refinancing	(282)	-	24,364	-
Adjusted net income before tax	64,794	30,439	146,598	79,861
Interest, net	37,499	44,218	75,384	88,127
Adjusted EBIT	102,293	74,657	221,982	167,988
Depreciation and amortization	28,762	28,483	57,086	57,332
Adjusted EBITDA	<u>\$ 131,055</u>	<u>\$ 103,140</u>	<u>\$ 279,068</u>	<u>\$ 225,320</u>
<b>Reconciliation of reported diluted earnings (loss) per share to adjusted diluted earnings per share</b>				
Diluted earnings (loss) per share	\$ 0.17	\$ (0.14)	\$ 0.36	\$ (0.15)
Loss from discontinued operations, net of tax	-	0.08	-	0.27
Restructuring charges	0.06	0.13	0.06	0.15
Foreign currency loss (gain) on intercompany loans	0.07	-	0.10	(0.02)
Transaction and Strategic review costs	0.01	0.04	0.01	0.05
Benefit in connection with Ecommerce Restructuring	(0.03)	-	(0.03)	-
Loss on debt redemption/refinancing	-	-	0.10	-
Adjusted diluted earnings per share	<u>\$ 0.27</u>	<u>\$ 0.11</u>	<u>\$ 0.61</u>	<u>\$ 0.29</u>
The sum of the earnings per share amounts may not equal the totals due to rounding.				
<b>Reconciliation of reported net cash from operating activities to free cash flow</b>				
Net cash from operating activities - continuing operations	\$ 111,388	\$ 79,910	\$ 94,709	\$ 78,895
Capital expenditures	(13,343)	(16,466)	(30,230)	(30,783)
Restructuring payments	8,412	11,708	21,518	26,697
Free cash flow	<u>\$ 106,457</u>	<u>\$ 75,152</u>	<u>\$ 85,997</u>	<u>\$ 74,809</u>