# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

# FORM 8-K

## Current Report

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

May 2, 2024
Date of Report (Date of earliest event reported)

# Pitney Bowes Inc.

(Exact name of registrant as specified in its charter)

| **Delaware** | **1-3579** | **06-0495050** |
|---|---|---|
| (State or other jurisdiction of incorporation or organization) | (Commission file number) | (I.R.S. Employer Identification No.) |

| | | | | |
|---|---|---|---|---|
| Address: | **3001 Summer Street,** | **Stamford,** | **Connecticut** | **06926** |
| Telephone Number: | **(203) 356-5000** | | | |

**Not Applicable**
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

| Title of Each Class | Trading Symbol(s) | Name of Each Exchange on Which Registered |
|---|---|---|
| Common Stock, $1 par value per share | PBI | New York Stock Exchange |
| 6.70% Notes due 2043 | PBI.PRB | New York Stock Exchange |

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Securities Act. ☐

**ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION**

On May 2, 2024, the Registrant issued a press release setting forth its financial results, including consolidated statements of income, supplemental information, and a reconciliation of reported results to adjusted results for the three months ended March 31, 2024 and 2023, and consolidated balance sheets at March 31, 2024 and December 31, 2023. A copy of the press release is attached hereto as Exhibit 99.1 and hereby incorporated by reference.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS**

(d) Exhibits

| | |
|---|---|
| 99.1 | Press release of Pitney Bowes Inc. dated May 2, 2024. |
| 104 | The cover page of Pitney Bowes Inc.'s Current Report on Form 8-K, formatted in Inline XBRL. |

**SIGNATURES**

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

Pitney Bowes Inc.

By: /s/ Joseph R. Catapano

Name: Joseph R. Catapano

Date: May 2, 2024

Title: Vice President, Chief Accounting Officer
(Principal Accounting Officer)

Exhibit 99.1

# Press Release

## Pitney Bowes Announces First Quarter 2024 Financial Results

STAMFORD, Conn, May 2, 2024 – Pitney Bowes (NYSE: PBI) ("Pitney Bowes" or the "Company"), a global shipping and mailing company that provides technology, logistics, and financial services, today announced its financial results for the first quarter 2024.

*Jason Dies, Interim Chief Executive Officer, commented:*

*"We came out of the gate strong with first quarter results that reflect enterprise-wide changes in our operating intensity and efficiency efforts. Net income improved $5 million over prior year. Adjusted EBIT grew by more than $23 million on relatively flat revenue. This includes solid segment-level performance and systematic cost reductions, resulting in an 8% decline in operating expenses.*

*At the segment level, Presort Services achieved record revenue and EBIT while SendTech once again delivered solid profit increases and margin expansion. Global Ecommerce grew domestic parcel volumes in a challenging market and reduced operating expense as we continue efforts to maximize value.*

*We are very encouraged by improvements in execution over the past six months and our results for the first quarter in particular. We continue to see opportunities in the remainder of the year. We will build on this momentum by maintaining strong execution and a disciplined focus on costs to increase cashflow and create capacity for investment in high-margin growth areas."*

**First Quarter Financial Highlights**

- Revenue in the quarter was $831 million, flat compared to prior year
- GAAP EPS improved $0.02 over prior year; Adjusted EPS was flat versus prior year
- Net income was a loss of $3 million, an improvement of $5 million over prior year despite higher interest and tax expense; adjusted EBIT was $56 million, up $23 million or 71 percent over prior year
- GAAP cash from operating activities was a use of $13 million, an improvement of $27 million year-over-year; Free Cash Flow was a use of $17 million, an improvement of $43 million year-over-year
- Cost reduction actions as part of 2023 restructuring plan generated significant benefit in the quarter; now expect savings to exceed $75 to $85 million target
- Cash and short-term investments were $538 million at quarter-end

Earnings per share results are summarized in the table below:

| | First Quarter | |
|---|---|---|
| | **2024** | **2023** |
| **GAAP EPS** | **($0.02)** | **($0.04)** |
| Restructuring Charges | $0.02 | $0.01 |
| Foreign Currency Gain on Intercompany Loans | ($0.02) | - |
| Gain on Debt Redemption | - | ($0.01) |
| Proxy Solicitation Fees | - | $0.03 |
| Transaction Costs | $0.01 | - |
| **Adjusted EPS** | **($0.01)** | **($0.01)** |

**Business Segment Reporting**

Effective January 1, 2024, we moved the digital delivery services offering from our Global Ecommerce segment to the SendTech Solutions segment in order to leverage our technology and innovation capabilities to better serve our clients. Prior periods have been recast to conform to our current segment presentation.

Quarterly historical financial information consistent with this change can be found within the Financial Reporting section of the Company's Investor Relations website.

**SendTech Solutions**

*SendTech Solutions offers physical and digital mailing and shipping 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.*

| | First Quarter | | |
|---|---|---|---|
| ($ millions) | **2024** | **2023** | **% Change Reported** |
| Revenue | $327 | $335 | (2%) |
| Adjusted Segment EBITDA | $111 | $105 | 6% |
| Adjusted Segment EBIT | $101 | $96 | 6% |

Shipping-related revenue grew 8%, partially offsetting the decline in mailing-related revenue of 4%. The timing of our product lifecycle and a continued reduction in our meter base drove the revenue decline in the quarter.

Favorable revenue mix, improvements in supply chain management, and cost reduction actions drove lower COGS and SG&A, resulting in higher Adjusted Segment EBITDA and EBIT.

**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.*

| | First Quarter | | |
|---|---|---|---|
| ($ millions) | **2024** | **2023** | **% Change Reported** |
| Revenue | $170 | $159 | 7% |
| Adjusted Segment EBITDA | $49 | $35 | 39% |
| Adjusted Segment EBIT | $40 | $27 | 50% |

Presort achieved record revenue as higher revenue per piece offset a 2% decline in volumes.

Higher revenue per piece, improved labor productivity from automation refresh and process improvements, and transportation optimization drove margin expansion, resulting in record Adjusted Segment EBITDA and EBIT.

**Global Ecommerce**

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

| | First Quarter | | |
|---|---|---|---|
| ($ millions) | **2024** | **2023** | **% Change Reported** |
| Revenue | $333 | $341 | (2%) |
| Adjusted Segment EBITDA | ($21) | ($19) | (14%) |
| Adjusted Segment EBIT | ($35) | ($33) | (7%) |

Lower Global Ecommerce revenue was driven by a 49% decline in cross-border revenue from changes in how two of our largest clients access our services that occurred in the second quarter 2023. Domestic parcel volumes grew 20% to 60 million processed in the quarter, driving domestic parcel revenue growth of 8%.

Adjusted Segment EBITDA and EBIT declined as a result of the decline in cross-border revenue and lower domestic parcel revenue per piece. Cost actions partially offset the impact of these items and drove a 19% improvement in operating expenses.

**Full Year 2024 Guidance**

We are maintaining our guidance and expect revenue growth to range from flat to a low-single digit decline and EBIT margins to remain relatively flat on a year-over-year basis.

We are planning similar levels of capital expenditures in 2024 as in 2023 and expect interest expense and taxes to increase over prior year.

**Conference Call and Webcast**

Management of Pitney Bowes will discuss the Company's results in a broadcast over the Internet today at 8:00 a.m. ET. Instructions for listening to the earnings results via the Web are available on the Investor Relations page of the Company's web site at www.pitneybowes.com.

**About Pitney Bowes**

Pitney Bowes (NYSE:PBI) is a global shipping and mailing company that provides technology, logistics, and financial services to more than 90 percent of the Fortune 500. Small business, retail, enterprise, and government clients around the world rely on Pitney Bowes to remove the complexity of sending mail and parcels. For additional information, visit: www.pitneybowes.com

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**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, such as adjusted earnings before interest and taxes (Adjusted EBIT), 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, 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. 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, 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 attached financial schedules and at the Company's web site at www.pb.com/investorrelations.

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 and future events or conditions. 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; our ability to continue to grow and

manage unexpected fluctuations in volumes, gain additional economies of scale and improve profitability within our Global Ecommerce segment; the loss of some of our larger clients in our Global Ecommerce and Presort Services segments; the loss of, or significant changes to, United States Postal Service (USPS) commercial programs, or our 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 our 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.

**Note: Consolidated statements of income; revenue, adjusted segment EBIT and adjusted segment EBITDA by business segment; and reconciliations of GAAP to non-GAAP measures for the three ended March 31, 2024 and 2023, and consolidated balance sheets at March 31, 2024 and December 31, 2023 are attached.**

## Pitney Bowes Inc.

## Consolidated Statements of Operations

(Unaudited; in thousands, except per share amounts)

| | Three months ended March 31, | |
|---|---|---|
| | 2024 | 2023 |
| Revenue: | | |
| Business services | $ 535,597 | $ 523,491 |
| Support services | 96,333 | 105,284 |
| Financing | 67,663 | 67,049 |
| Equipment sales | 77,403 | 82,610 |
| Supplies | 36,721 | 38,835 |
| Rentals | 16,792 | 17,269 |
| Total revenue | 830,509 | 834,538 |
| Costs and expenses: | | |
| Cost of business services | 446,367 | 446,317 |
| Cost of support services | 33,055 | 36,840 |
| Financing interest expense | 16,603 | 14,536 |
| Cost of equipment sales | 52,559 | 57,171 |
| Cost of supplies | 10,195 | 11,225 |
| Cost of rentals | 4,684 | 5,428 |
| Selling, general and administrative | 216,197 | 242,120 |
| Research and development | 9,481 | 10,493 |
| Restructuring charges | 4,315 | 3,599 |
| Interest expense, net | 27,766 | 22,342 |
| Other components of net pension and postretirement income | (387) | (1,710) |
| Other income | - | (2,836) |
| Total costs and expenses | 820,835 | 845,525 |
| Income (loss) before taxes | 9,674 | (10,987) |
| Provision (benefit) for income taxes | 12,559 | (3,250) |
| Net loss | $ (2,885) | $ (7,737) |
| Net loss per share: | | |
| Basic | $ (0.02) | $ (0.04) |
| Diluted | $ (0.02) | $ (0.04) |
| Weighted-average shares used in diluted earnings per share | 176,997 | 174,626 |

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

| | March 31, 2024 | December 31, 2023 |
|---|---|---|
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 516,092 | $ 601,053 |
| Short-term investments | 21,859 | 22,166 |
| Accounts and other receivables, net | 307,201 | 342,236 |
| Short-term finance receivables, net | 547,235 | 563,536 |
| Inventories | 78,683 | 70,053 |
| Current income taxes | 987 | 564 |
| Other current assets and prepayments | 110,041 | 92,309 |
| Total current assets | 1,582,098 | 1,691,917 |
| Property, plant and equipment, net | 370,110 | 383,628 |
| Rental property and equipment, net | 22,580 | 23,583 |
| Long-term finance receivables, net | 638,380 | 653,085 |
| Goodwill | 729,291 | 734,409 |
| Intangible assets, net | 58,277 | 62,250 |
| Operating lease assets | 304,939 | 309,958 |
| Noncurrent income taxes | 58,884 | 60,995 |
| Other assets | 338,488 | 352,360 |
| Total assets | $ 4,103,047 | $ 4,272,185 |
| **Liabilities and stockholders' deficit** | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | $ 784,020 | $ 875,476 |
| Customer deposits at Pitney Bowes Bank | 599,976 | 640,323 |
| Current operating lease liabilities | 60,087 | 60,069 |
| Current portion of long-term debt | 58,111 | 58,931 |
| Advance billings | 89,014 | 89,087 |
| Current income taxes | 34,212 | 6,523 |
| Total current liabilities | 1,625,420 | 1,730,409 |
| Long-term debt | 2,076,054 | 2,087,101 |
| Deferred taxes on income | 199,769 | 211,477 |
| Tax uncertainties and other income tax liabilities | 19,054 | 19,091 |
| Noncurrent operating lease liabilities | 272,024 | 277,981 |
| Other noncurrent liabilities | 303,081 | 314,702 |
| Total liabilities | 4,495,402 | 4,640,761 |
| Stockholders' deficit: | | |
| Common stock | 270,338 | 270,338 |
| Retained earnings | 3,027,030 | 3,077,988 |
| Accumulated other comprehensive loss | (863,811) | (851,245) |
| Treasury stock, at cost | (2,825,912) | (2,865,657) |
| Total stockholders' deficit | (392,355) | (368,576) |
| Total liabilities and stockholders' deficit | $ 4,103,047 | $ 4,272,185 |

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

| | Three months ended March 31, | | |
|---|---|---|---|
| | 2024 | 2023 | % Change |
| **Global Ecommerce** | | | |
| Revenue, as reported | $ 333,265 | $ 340,641 | **(2%)** |
| Impact of currency on revenue | (719) | | |
| Revenue, constant currency | $ 332,546 | $ 340,641 | **(2%)** |
| **Presort Services** | | | |
| Revenue, as reported | $ 169,807 | $ 158,902 | **7%** |
| **Sending Technology Solutions** | | | |
| Revenue, as reported | $ 327,437 | $ 334,995 | **(2%)** |
| Impact of currency on revenue | (72) | | |
| Revenue, constant currency | $ 327,365 | $ 334,995 | **(2%)** |
| **Consolidated** | | | |
| Revenue, as reported | $ 830,509 | $ 834,538 | **(0%)** |
| Impact of currency on revenue | (791) | | |
| Revenue, constant currency | $ 829,718 | $ 834,538 | **(1%)** |

## Pitney Bowes Inc.
## Adjusted Segment EBIT & EBITDA
(Unaudited; in thousands)

| | Three months ended March 31, | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 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 |
| Global Ecommerce | $ (35,427) | $ 14,033 | $ (21,394) | $ (33,172) | $ 14,431 | $ (18,741) | (7%) | (14%) |
| Presort Services | 40,329 | 8,758 | 49,087 | 26,905 | 8,523 | 35,428 | 50% | 39% |
| Sending Technology Solutions | 101,278 | 9,996 | 111,274 | 95,637 | 9,450 | 105,087 | 6% | 6% |
| Segment total | $ 106,180 | $ 32,787 | 138,967 | $ 89,370 | $ 32,404 | 121,774 | 19% | 14% |
| ***Reconciliation of Segment Adjusted EBITDA to Net Loss:*** | | | | | | | | |
| Segment depreciation and amortization | | | (32,787) | | | (32,404) | | |
| Interest expense, net | | | (44,369) | | | (36,878) | | |
| Unallocated corporate expenses | | | (49,770) | | | (56,349) | | |
| Restructuring charges | | | (4,315) | | | (3,599) | | |
| Foreign currency gain on intercompany loans | | | 4,638 | | | - | | |
| Transaction costs | | | (2,690) | | | - | | |
| Proxy solicitation fees | | | - | | | (6,367) | | |
| Gain on debt redemption | | | - | | | 2,836 | | |
| Benefit (provision) for income taxes | | | (12,559) | | | 3,250 | | |
| Net loss | | | $ (2,885) | | | $ (7,737) | | |

(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.

**Pitney Bowes Inc.**

**Reconciliation of Reported Consolidated Results to Adjusted Results**

(Unaudited; in thousands, except per share amounts)

| | Three months ended March 31, | |
|---|---|---|
| | **2024** | **2023** |
| ***Reconciliation of reported net loss to adjusted EBIT and adjusted EBITDA*** | | |
| Net loss | $ (2,885) | $ (7,737) |
| Provision (benefit) for income taxes | 12,559 | (3,250) |
| Income (loss) before taxes | 9,674 | (10,987) |
| Restructuring charges | 4,315 | 3,599 |
| Foreign currency gain on intercompany loans | (4,638) | - |
| Gain on debt redemption | - | (2,836) |
| Transaction costs | 2,690 | - |
| Proxy solicitation fees | - | 6,367 |
| Adjusted net income before tax | 12,041 | (3,857) |
| Interest, net | 44,369 | 36,878 |
| Adjusted EBIT | 56,410 | 33,021 |
| Depreciation and amortization | 40,879 | 39,897 |
| Adjusted EBITDA | $ 97,289 | $ 72,918 |
| ***Reconciliation of reported diluted loss per share to adjusted diluted loss per share*** | | |
| Diluted loss per share | $ (0.02) | $ (0.04) |
| Restructuring charges | 0.02 | 0.01 |
| Foreign currency gain on intercompany loans | (0.02) | - |
| Gain on debt redemption | - | (0.01) |
| Transaction costs | 0.01 | - |
| Proxy solicitation fees | - | 0.03 |
| Adjusted diluted loss per share | $ (0.01) | $ (0.01) |

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

| | | |
|---|---|---|
| ***Reconciliation of reported net cash from operating activities to free cash flow*** | | |
| Net cash from operating activities | $ (12,525) | $ (39,714) |
| Capital expenditures | (19,957) | (28,666) |
| Restructuring payments | 14,989 | 4,641 |
| Proxy solicitation fees paid | - | 3,038 |
| Free cash flow | $ (17,493) | $ (60,701) |