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

FORM 10-Q

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

For the quarterly period ended March 31, 2025

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: 1-03579

PITNEY BOWES INC.

(Exact name of registrant as specified in its charter)

State of incorporation:	**Delaware**	I.R.S. Employer Identification No.	**06-0495050**
Address of Principal Executive Offices:	**3001 Summer Street, Stamford, Connecticut 06926**		
Telephone Number:	**(203) 356-5000**		

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
6.7% Notes due 2043	PBI.PRB	New York Stock Exchange

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 (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes þ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	þ	Accelerated filer	☐	Non-accelerated filer	o		
Smaller reporting company	☐	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 Exchange Act. o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No þ

As of April 30, 2025, 181,253,371 shares of common stock, par value $1 per share, of the registrant were outstanding.

PITNEY BOWES INC.
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PART I. FINANCIAL INFORMATION

Item 1: Financial Statements

PITNEY BOWES INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in thousands, except per share amounts)

	Three Months Ended March 31,	
	2025	2024
Revenue:		
Services	**$ 318,432**	$ 322,690
Products	**93,190**	114,124
Financing and other	**81,798**	84,455
Total revenue	**493,420**	521,269
Costs and expenses:		
Cost of services	**155,873**	164,481
Cost of products	**50,919**	62,754
Cost of financing and other	**17,507**	21,287
Selling, general and administrative	**165,915**	186,832
Research and development	**4,763**	7,626
Restructuring charges	**1,400**	3,766
Interest expense, net	**24,270**	27,306
Other components of net pension and postretirement cost	**1,854**	(387)
Other expense	**24,187**	—
Total costs and expenses	**446,688**	473,665
Income from continuing operations before taxes	**46,732**	47,604
Provision for income taxes	**11,310**	15,500
Income from continuing operations	**35,422**	32,104
Loss from discontinued operations, net of tax	**—**	(34,989)
Net income (loss)	**$ 35,422**	$ (2,885)
Basic earnings (loss) per share:		
Continuing operations	**$ 0.19**	$ 0.18
Discontinued operations	**—**	(0.20)
Net income (loss)	**$ 0.19**	$ (0.02)
Diluted earnings (loss) per share:		
Continuing operations	**$ 0.19**	$ 0.18
Discontinued operations	**—**	(0.19)
Net income (loss)	**$ 0.19**	$ (0.02)

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See Notes to Condensed Consolidated Financial Statements

PITNEY BOWES INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in thousands)

	Three Months Ended March 31,	
	2025	2024
Net income (loss)	**$ 35,422**	$ (2,885)
Other comprehensive income (loss), net of tax:		
Foreign currency translation, net of tax of $95 and $(496), respectively	**19,549**	(15,399)
Net unrealized loss on cash flow hedges, net of tax of $(414)	**—**	(1,241)
Net unrealized gain (loss) on investment securities, net of tax of $939 and $(303), respectively	**2,995**	(967)
Amortization of pension and postretirement costs, net of tax of $1,666 and $1,628, respectively	**5,052**	5,041
Other comprehensive income (loss), net of tax	**27,596**	(12,566)
Comprehensive income (loss)	**$ 63,018**	$ (15,451)

See Notes to Condensed Consolidated Financial Statements

PITNEY BOWES INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited; in thousands, except per share amount)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	**$ 323,787**	$ 469,726
Short-term investments (includes $3,985 and $3,926, respectively, reported at fair value)	**16,175**	16,374
Accounts and other receivables (net of allowance of $7,494 and $7,723, respectively)	**160,284**	159,951
Short-term finance receivables (net of allowance of $12,506 and $13,302, respectively)	**526,411**	535,608
Inventories	**65,103**	59,836
Current income taxes	**984**	10,429
Other current assets and prepayments (net of allowance of $17,834 and $19,373, respectively)	**92,145**	66,030
Total current assets	**1,184,889**	1,317,954
Property, plant and equipment, net	**204,380**	218,657
Rental property and equipment, net	**24,275**	24,587
Long-term finance receivables (net of allowance of $8,200 and $8,374 respectively)	**624,400**	610,316
Goodwill	**729,687**	721,003
Intangible assets, net	**17,924**	15,780
Operating lease assets	**113,433**	113,357
Noncurrent income taxes	**101,350**	99,773
Other assets (includes $167,165 and $173,525, respectively, reported at fair value)	**269,365**	276,089
Total assets	**$ 3,269,703**	$ 3,397,516
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	**$ 743,846**	$ 873,626
Customer deposits at Pitney Bowes Bank	**625,095**	645,860
Current operating lease liabilities	**27,322**	26,912
Current portion of long-term debt	**14,150**	53,250
Advance billings	**75,060**	70,131
Current income taxes	**3,528**	2,948
Total current liabilities	**1,489,001**	1,672,727
Long-term debt	**1,899,002**	1,866,458
Deferred taxes on income	**50,298**	49,187
Tax uncertainties and other income tax liabilities	**14,560**	13,770
Noncurrent operating lease liabilities	**100,754**	100,804
Noncurrent customer deposits at Pitney Bowes Bank	**51,977**	57,977
Other noncurrent liabilities	**199,995**	215,026
Total liabilities	**3,805,587**	3,975,949
Commitments and contingencies (See Note 14)		
Stockholders' deficit:		
Common stock, $1 par value (480,000 shares authorized; 270,338 shares issued)	**270,338**	270,338
Retained earnings	**2,651,715**	2,671,868
Accumulated other comprehensive loss	**(811,575)**	(839,171)
Treasury stock, at cost (87,825 and 87,932 shares, respectively)	**(2,646,362)**	(2,681,468)
Total stockholders' deficit	**(535,884)**	(578,433)
Total liabilities and stockholders' deficit	**$ 3,269,703**	$ 3,397,516

See Notes to Condensed Consolidated Financial Statements

PITNEY BOWES INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in thousands)

	Three Months Ended March 31,	
	2025	2024
Cash flows from operating activities:		
Net income (loss)	**$ 35,422**	$ (2,885)
Loss from discontinued operations, net of tax	**—**	34,989
Adjustments to reconcile net income or loss to net cash from operating activities:		
Depreciation and amortization	**28,324**	28,850
Allowance for credit losses	**1,978**	4,338
Allowance for DIP Facility	**(1,539)**	—
Stock-based compensation	**2,683**	2,153
Amortization of debt fees	**2,152**	3,068
Loss on debt redemption/refinancing	**24,646**	—
Restructuring charges	**1,400**	3,766
Restructuring payments	**(13,106)**	(14,989)
Pension contributions and retiree medical payments	**(12,671)**	(11,767)
Loss on sale of assets	**5,106**	1,591
Loss (gain) on revaluation of intercompany loans	**7,595**	(4,638)
Other, net	**4,779**	(1,587)
Changes in operating assets and liabilities, net of acquisitions/divestitures:		
Accounts and other receivables	**(131)**	14,674
Finance receivables	**34,586**	27,716
Inventories	**(4,807)**	(7,980)
Other current assets and prepayments	**(4,326)**	(22,117)
Accounts payable and accrued liabilities	**(141,282)**	(79,213)
Current and noncurrent income taxes	**8,382**	19,838
Advance billings	**4,130**	3,178
Net cash from operating activities - continuing operations	**(16,679)**	(1,015)
Net cash from operating activities - discontinued operations	**—**	(11,594)
Net cash from operating activities	**(16,679)**	(12,609)
Cash flows from investing activities:		
Capital expenditures	**(16,887)**	(14,318)
Purchases of investment securities	**(3,910)**	(14,197)
Proceeds from sales/maturities of investment securities	**13,345**	23,624
Net investment in loan receivables	**(37,423)**	(2,115)
DIP Facility reimbursement	**1,539**	—
Acquisition	**(2,200)**	—
Other investing activities, net	**—**	804
Net cash from investing activities - continuing operations	**(45,536)**	(6,202)
Net cash from investing activities - discontinued operations	**—**	(5,639)
Net cash from investing activities	**(45,536)**	(11,841)
Cash flows from financing activities:		
Proceeds from the issuance of debt, net of discount	**775,000**	—
Principal payments of debt	**(787,187)**	(14,132)
Premiums and fees paid to redeem/refinance debt	**(20,598)**	—
Dividends paid to stockholders	**(10,980)**	(8,832)
Customer deposits at Pitney Bowes Bank	**(26,766)**	(29,347)
Common stock repurchases	**(15,000)**	—
Other financing activities, net	**465**	(3,600)
Net cash from financing activities - continuing operations	**(85,066)**	(55,911)
Net cash from financing activities - discontinued operations	**—**	(2,522)
Net cash from financing activities	**(85,066)**	(58,433)
Effect of exchange rate changes on cash and cash equivalents	**1,342**	(2,147)
Change in cash and cash equivalents	**(145,939)**	(85,030)
Cash and cash equivalents at beginning of period	**469,726**	600,054
Cash and cash equivalents at end of period	**$ 323,787**	$ 515,024

See Notes to Condensed Consolidated Financial Statements

1. Description of Business and Basis of Presentation

Description of Business

Pitney Bowes Inc. (we, us, our, or the company) 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.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) for interim financial information and the instructions to Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In addition, the December 31, 2024 Condensed Consolidated Balance Sheet data was derived from audited financial statements but does not include all disclosures required by GAAP. In management's opinion, all adjustments, consisting only of normal recurring adjustments, considered necessary to fairly state our financial position, results of operations and cash flows for the periods presented have been included. Operating results for the periods presented are not necessarily indicative of the results that may be expected for any other interim period or for the year ending December 31, 2025. These statements should be read in conjunction with the financial statements and notes thereto included in our Annual Report to Stockholders on Form 10-K for the year ended December 31, 2024 (2024 Annual Report).

Effective January 1, 2025, we revised our reporting presentation of revenue and cost of revenue to better align with our offerings. We now report Services revenue and Cost of services, which includes the previously reported Business services and Support services, Products revenue and Cost of products, which includes the previously reported Equipment sales and Supplies and Financing and other revenue and Cost of financing and other, which includes the previously reported Financing and Rentals. Prior periods have been recast to conform to the current period presentation.

As a result of the wind-down of a majority of the former Global Ecommerce reportable segment in August 2024, certain revenues and expenses for the period ended March 31, 2024 are reported as discontinued operations in our Condensed Consolidated Financial Statements. See Note 4 for further information.

During the first quarter of 2025, we identified an error and recorded an out of period adjustment of $4 million to correct an overstatement of revenue in prior periods. The impact of the adjustment is not material to the consolidated financial statements for any interim or annual periods prior to 2025 and is not expected to be material to the 2025 annual period.

During the first quarter of 2024, we identified an error and recorded an out of period adjustment of $5 million to correct an understatement of revenue in prior periods, of which $4 million originated in 2020 and prior. The impact of the adjustment was not material to the consolidated financial statements for any interim or annual periods.

Accounting Pronouncements Not Yet Adopted

In November 2024, the Financial Accounting Standards Board (FASB) issued ASU 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses,* which requires more detailed information about specified categories of expenses included in certain expense captions presented on the face of the income statement. This standard is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently assessing the impact this standard will have on our disclosures.

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires additional income tax disclosures, including the rate reconciliation and taxes paid. This standard is effective for annual periods beginning after December 15, 2024. We are currently assessing the impact this standard will have on our disclosures.

2. Revenue

Disaggregated Revenue

The following tables disaggregate our revenue by source and timing of recognition:

	Three Months Ended March 31, 2025					
	SendTech Solutions	Presort Services	Other	Revenue from services and products	Revenue from leasing transactions and financing	Total consolidated revenue
Major service/product lines						
Services	$ 123,067	$ 177,814	$ 17,551	$ 318,432	$ —	$ 318,432
Products	53,252	—	—	53,252	39,938	93,190
Financing and other	—	—	—	—	81,798	81,798
Subtotal	176,319	177,814	17,551	371,684	$ 121,736	$ 493,420
Revenue from leasing transactions and financing	121,736	—	—	121,736		
Total revenue	$ 298,055	$ 177,814	$ 17,551	$ 493,420		
Timing of revenue recognition from services and products						
Services/products transferred at a point in time	$ 66,403	$ —	$ —	$ 66,403		
Services/products transferred over time	109,916	177,814	17,551	305,281		
Total	$ 176,319	$ 177,814	$ 17,551	$ 371,684		

	Three Months Ended March 31, 2024					
	SendTech Solutions	Presort Services	Other	Revenue from services and products	Revenue from leasing transactions and financing	Total consolidated revenue
Major service/product lines						
Services	$ 128,858	$ 169,807	$ 24,025	$ 322,690	$ —	$ 322,690
Products	61,453	—	—	61,453	52,671	114,124
Financing and other	—	—	—	—	84,455	84,455
Subtotal	190,311	169,807	24,025	384,143	$ 137,126	$ 521,269
Revenue from leasing transactions and financing	137,126	—	—	137,126		
Total revenue	$ 327,437	$ 169,807	$ 24,025	$ 521,269		
Timing of revenue recognition from services and products						
Services/products transferred at a point in time	$ 76,465	$ —	$ —	$ 76,465		
Services/products transferred over time	113,846	169,807	24,025	307,678		
Total	$ 190,311	$ 169,807	$ 24,025	$ 384,143		

Our performance obligations for revenue from services and products are as follows:

Services revenue includes revenues from digital shipping and mailing technology solutions and the maintenance, professional and subscription services related to those solutions, and mail processing services. Revenues for mail processing services and cross-border solutions are recognized over time using an output method based on the number of parcels or mail pieces either processed or delivered, depending on the service type, since that measure best depicts the value of goods and services transferred to the client over the contract period. Contract terms for these services initially range from one to five years and contain annual renewal options. Revenue for shipping subscription solutions is recognized ratably over the contract period as the client obtains equal benefit from these services through the period. Revenue for maintenance and subscription services is recognized ratably over the contract period, which ranges from one to five years, and revenue for professional services is recognized when services are provided.

Products revenue generally includes the sale of mailing and shipping equipment and related supplies. We recognize revenue upon delivery for self-install equipment and supplies and upon acceptance or installation for other equipment.

Financing and other revenue includes revenue from sales-type and operating leases, finance income, late fees and investment income, gains and losses at the Pitney Bowes Bank.

Advance Billings from Contracts with Customers

	Balance sheet location	March 31, 2025	December 31, 2024	Increase/ (decrease)
Advance billings, current	Advance billings	**$ 66,742**	$ 63,732	$ 3,010
Advance billings, noncurrent	Other noncurrent liabilities	**$ 336**	$ 159	$ 177

Advance billings are recorded when cash payments are due in advance of our performance. Revenue is recognized ratably over the contract term. Items in advance billings primarily relate to maintenance services on mailing equipment. Revenue recognized during the period includes $32 million of advance billings at the beginning of the period. Current advance billings shown above at March 31, 2025 and December 31, 2024 does not include $8 million and $6 million, respectively, from leasing transactions.

Future Performance Obligations

Future performance obligations primarily include maintenance and subscription services bundled with our leasing contracts. The transaction prices allocated to future performance obligations will be recognized as follows:

	Remainder of 2025	2026	2027-2030	Total
SendTech Solutions	$ 191,529	$ 211,674	$ 285,174	$ 688,377

The amounts above do not include revenue for performance obligations under contracts with terms less than 12 months or revenue for performance obligations where revenue is recognized based on the amount billable to the customer.

3. Segment Information

Our reportable segments are SendTech Solutions and Presort Services. SendTech Solutions includes the revenue and related expenses from physical and digital shipping and mailing technology solutions, financing, services, supplies and other applications to help simplify and save on the sending, tracking and receiving of letters, parcels and flats. Presort Services includes the revenue and related expenses from sortation services to qualify large volumes of First Class Mail, Marketing Mail and Marketing Mail Flats/Bound Printed Matter for postal worksharing discounts.

Other operations includes the revenue and related expenses of a cross-border services contract and prior operations and shared services of our former Global Ecommerce reporting segment that was retained or did not qualify for discontinued operations treatment.

Due to a change in how these functions are now managed, effective January 1, 2025, we revised our corporate expense allocation methodology to allocate all marketing and innovation expenses to our SendTech Solutions segment. Prior periods have been recast to conform to the current period presentation.

Management, including our Chief Executive Officer, who is the Chief Operating Decision Maker (CODM), measures segment profitability and performance using adjusted segment earnings before interest and taxes (EBIT). Adjusted segment EBIT is calculated as segment revenues less the related costs and expenses attributable to the segment. Adjusted segment EBIT excludes interest, taxes, general corporate expenses, restructuring charges, and other items not allocated to our segments. Management believes that adjusted segment EBIT provides investors a useful measure of operating performance and underlying trends of the business. Adjusted segment EBIT may not be indicative of our overall consolidated performance and therefore, should be read in conjunction with our consolidated results of operations. The following tables provide information about our reportable segments and a reconciliation of adjusted segment EBIT to income or loss from continuing operations before taxes.

	Revenue	
	Three Months Ended March 31,	
	2025	2024
SendTech Solutions	**$ 298,055**	$ 327,437
Presort Services	**177,814**	169,807
Total segment revenue	**475,869**	497,244
Other	**17,551**	24,025
Total revenue	**$ 493,420**	$ 521,269

	Three Months Ended March 31,	
	2025	2024
SendTech Solutions		
Revenue	**$ 298,055**	$ 327,437
Less:		
Cost of revenue	**92,688**	109,473
Operating expenses	**110,433**	124,254
Adjusted segment EBIT	**$ 94,934**	$ 93,710
Presort Services		
Revenue	**$ 177,814**	$ 169,807
Less:		
Cost of revenue	**104,635**	107,327
Operating expenses	**18,400**	22,151
Adjusted segment EBIT	**$ 54,779**	$ 40,329

	Adjusted Segment EBIT	
	Three Months Ended March 31,	
	2025	2024
SendTech Solutions	**$ 94,934**	$ 93,710
Presort Services	**54,779**	40,329
Total adjusted segment EBIT	**149,713**	134,039
Reconciliation of adjusted segment EBIT to income from continuing operations before taxes:		
Other operations	**1,879**	1,494
Interest expense, net	**(37,885)**	(43,909)
Corporate expenses	**(31,903)**	(42,202)
Restructuring charges	**(1,400)**	(3,766)
Loss on debt redemption/refinancing	**(24,646)**	—
Foreign currency (loss) gain on intercompany loans	**(7,595)**	4,638
Benefit in connection with Ecommerce Restructuring	**459**	—
Strategic review costs	**(1,890)**	(2,690)
Income from continuing operations before taxes	**$ 46,732**	$ 47,604

4. Discontinued Operations

On August 8, 2024, we entered into a series of transactions designed to facilitate an orderly wind-down of a majority of the Company's Global Ecommerce reporting segment. In connection with the wind-down, an affiliate of Hilco Commercial Industrial, LLC ("Hilco") subscribed for 81% of the voting interests in the subsidiary, DRF Logistics, LLC owning a majority of the Global Ecommerce segment's net assets and operations (DRF Logistics, LLC and its subsidiary, DRF LLC, the "Ecommerce Debtors") for de minimis consideration (the "GEC Sale"), with a subsidiary of Pitney Bowes retaining 19% of the voting interests and 100% of the economic interests.

Subsequent to the GEC Sale, the Ecommerce Debtors, at the direction of their own governing bodies, filed petitions to commence Chapter 11 bankruptcy cases and conduct an orderly wind-down of the Ecommerce Debtors (the "GEC Chapter 11 Cases"). As a result of the GEC Chapter 11 Cases, the Company determined that it no longer had control of the Ecommerce Debtors and therefore, the Ecommerce Debtors were deconsolidated. We refer to the GEC Sale, the GEC Chapter 11 Cases and any associated transactions as the "Ecommerce Restructuring".

On November 25, 2024, the Bankruptcy Court confirmed the Ecommerce Debtors' Third Amended Joint Plan of Liquidation (the "Plan") and on December 9, 2024, the Plan became effective in accordance with its terms, substantially consummating the separation of the Company from the Ecommerce Debtors.

In connection with the GEC Chapter 11 Cases, we provided a senior secured, super-priority debtor-in-possession term loan (the "DIP Facility") to the Ecommerce Debtors and provided initial funding of $28 million. Through March 31, 2025, we received payments of $13 million. The remaining balance on the DIP Facility is fully reserved and any future distributions will be recorded as income in the period received.

We account for the investment in the Ecommerce Debtors using the equity method, but have ascribed a fair value of our economic interest in the Ecommerce Debtors of zero. We do not anticipate receiving any recovery or distribution from our economic equity interest and remain exposed to the economic risks and continued costs applicable to the Ecommerce Debtors through our investment in the DIP Facility.

Discontinued operations for the period ended March 31, 2024 is comprised of the following:

	Three Months Ended March 31, 2024
Revenue	$ 309,240
Cost of revenue	314,942
Selling, general and administrative	29,366
Other	2,862
Total costs and expenses	347,170
Loss from discontinued operations before taxes	(37,930)
Tax benefit	(2,941)
Loss from discontinued operations, net of tax	$ (34,989)

5. Earnings per Share (EPS)

The calculation of basic and diluted EPS is presented below. The sum of the EPS amounts may not equal the totals due to rounding.

	Three Months Ended March 31,	
	2025	2024
Numerator:		
Income from continuing operations	**$ 35,422**	$ 32,104
Loss from discontinued operations, net of tax	**—**	(34,989)
Net income (loss)	**$ 35,422**	$ (2,885)
Denominator:		
Weighted-average shares used in basic EPS	**182,872**	176,997
Dilutive effect of common stock equivalents	**1,901**	4,483
Weighted-average shares used in diluted EPS	**184,773**	181,480
Basic earnings (loss) per share:		
Continuing operations	**$ 0.19**	$ 0.18
Discontinued operations	**—**	(0.20)
Net income (loss)	**$ 0.19**	$ (0.02)
Diluted earnings (loss) per share:		
Continuing operations	**$ 0.19**	$ 0.18
Discontinued operations	**—**	(0.19)
Net income (loss)	**$ 0.19**	$ (0.02)
Common stock equivalents excluded from calculation of diluted earnings per share because their impact would be anti-dilutive:	**3,969**	7,063

We utilize the control number concept in the computation of diluted earnings per share to determine whether potential common stock equivalents are dilutive. The control number used is income from continuing operations. The control number concept requires that the same number of potentially dilutive securities applied in computing diluted earnings per share from continuing operations be applied to all other categories of income or loss, regardless of their anti-dilutive effect on such categories.

6. Inventories

Inventories are stated at the lower of cost, determined on the first-in, first-out (FIFO) basis, or net realizable value. Inventories consisted of the following:

	March 31, 2025	December 31, 2024
Raw materials	**$ 21,999**	$ 20,405
Supplies and service parts	**18,472**	15,095
Finished products	**24,632**	24,336
Total inventories	**$ 65,103**	$ 59,836

7. Finance Assets and Lessor Operating Leases

Finance Assets

Finance receivables are comprised of sales-type leases, secured loans and unsecured loans. Sales-type leases and secured loans are financing options for the purchase or lease of Pitney Bowes equipment or other manufacturers' equipment and are generally due in installments over periods ranging from three to five years. Unsecured loans are revolving credit lines offered to our clients for postage, supplies and working capital purposes. Unsecured loans are generally due monthly; however, clients may rollover outstanding balances. Interest is recognized on finance receivables using the effective interest method. Annual fees are recognized ratably over the period covered and client acquisition costs are expensed as incurred. All finance receivables are in our SendTech Solutions segment and we segregate finance receivables into a North America portfolio and an International portfolio.

Finance receivables consisted of the following:

	March 31, 2025			December 31, 2024		
	North America	International	Total	North America	International	Total
Sales-type lease receivables						
Gross finance receivables	**$ 924,060**	**$ 117,395**	**$ 1,041,455**	$ 946,294	$ 120,109	$ 1,066,403
Unguaranteed residual values	**35,581**	**5,968**	**41,549**	36,361	5,890	42,251
Unearned income	**(259,886)**	**(35,621)**	**(295,507)**	(257,971)	(34,674)	(292,645)
Allowance for credit losses	**(12,303)**	**(2,165)**	**(14,468)**	(12,659)	(2,324)	(14,983)
Net investment in sales-type lease receivables	**687,452**	**85,577**	**773,029**	712,025	89,001	801,026
Loan receivables						
Loan receivables	**367,054**	**16,966**	**384,020**	334,717	16,874	351,591
Allowance for credit losses	**(6,095)**	**(143)**	**(6,238)**	(6,549)	(144)	(6,693)
Net investment in loan receivables	**360,959**	**16,823**	**377,782**	328,168	16,730	344,898
Net investment in finance receivables	**$ 1,048,411**	**$ 102,400**	**$ 1,150,811**	$ 1,040,193	$ 105,731	$ 1,145,924

Maturities of gross finance receivables at March 31, 2025 were as follows:

	Sales-type Lease Receivables			Loan Receivables		
	North America	International	Total	North America	International	Total
Remainder 2025	$ 264,931	$ 42,469	$ 307,400	$ 189,629	$ 16,966	$ 206,595
2026	293,370	34,911	328,281	53,160	—	53,160
2027	203,728	21,949	225,677	50,759	—	50,759
2028	112,503	12,098	124,601	38,404	—	38,404
2029	44,771	4,808	49,579	22,055	—	22,055
Thereafter	4,757	1,160	5,917	13,047	—	13,047
Total	$ 924,060	$ 117,395	$ 1,041,455	$ 367,054	$ 16,966	$ 384,020

Aging of Receivables

The aging of gross finance receivables was as follows:

	March 31, 2025				
	Sales-type Lease Receivables		Loan Receivables		
	North America	International	North America	International	Total
Past due amounts 0 - 90 days	**$ 913,405**	**$ 115,830**	**$ 363,953**	**$ 16,866**	**$ 1,410,054**
Past due amounts > 90 days	**10,655**	**1,565**	**3,101**	**100**	**15,421**
Total	**$ 924,060**	**$ 117,395**	**$ 367,054**	**$ 16,966**	**$ 1,425,475**

	December 31, 2024				
	Sales-type Lease Receivables		Loan Receivables		
	North America	International	North America	International	Total
Past due amounts 0 - 90 days	$ 932,948	$ 117,908	$ 331,411	$ 16,809	$ 1,399,076
Past due amounts > 90 days	13,346	2,201	3,306	65	18,918
Total	$ 946,294	$ 120,109	$ 334,717	$ 16,874	$ 1,417,994

Allowance for Credit Losses

We provide an allowance for credit losses based on historical loss experience, the nature of our portfolios, adverse situations that may affect a client's ability to pay and current economic conditions and outlook based on reasonable and supportable forecasts. We continually evaluate the adequacy of the allowance for credit losses and adjust as necessary. The assumptions used in determining an estimate of credit losses are inherently subjective and actual results may differ significantly from estimated reserves.

We establish credit approval limits based on the client's credit quality and the type of equipment financed. We cease financing revenue recognition for lease receivables and unsecured loan receivables that are more than 90 days past due. Revenue recognition is resumed when the client's payments reduce the account aging to less than 60 days past due. Finance receivables are written off against the allowance after all collection efforts have been exhausted and management deems the account to be uncollectible. We believe that our credit risk is low because of the geographic and industry diversification of our clients and small account balances for most of our clients.

Activity in the allowance for credit losses for finance receivables was as follows:

	Sales-type Lease Receivables		Loan Receivables		
	North America	International	North America	International	Total
Balance at January 1, 2025	$ 12,659	$ 2,324	$ 6,549	$ 144	$ 21,676
Amounts charged to expense	**644**	**(105)**	**582**	**42**	**1,163**
Write-offs	**(1,536)**	**(186)**	**(1,543)**	**(48)**	**(3,313)**
Recoveries	**492**	**48**	**328**	**—**	**868**
Other	**44**	**84**	**179**	**5**	**312**
Balance at March 31, 2025	**$ 12,303**	**$ 2,165**	**$ 6,095**	**$ 143**	**$ 20,706**

	Sales-type Lease Receivables		Loan Receivables		
	North America	International	North America	International	Total
Balance at January 1, 2024	$ 13,942	$ 2,786	$ 6,346	$ 153	$ 23,227
Amounts charged to expense	62	(123)	631	70	640
Write-offs	(1,178)	(156)	(1,260)	(67)	(2,661)
Recoveries	398	113	408	—	919
Other	(11)	(141)	(1)	(4)	(157)
Balance at March 31, 2024	$ 13,213	$ 2,479	$ 6,124	$ 152	$ 21,968

The table below shows write-offs of gross finance receivables by year of origination.

	March 31, 2025							
	Sales Type Lease Receivables							
	2025	2024	2023	2022	2021	Prior	Loan Receivables	Total
Write-offs	$ 64	$ 124	$ 383	$ 518	$ 396	$ 237	$ 1,591	$ 3,313

	March 31, 2024							
	Sales Type Lease Receivables							
	2024	2023	2022	2021	2020	Prior	Loan Receivables	Total
Write-offs	$ 21	$ 193	$ 566	$ 249	$ 172	$ 133	$ 1,327	$ 2,661

Credit Quality

The extension and management of credit lines to new and existing clients uses a combination of a client's credit score, where available, a detailed manual review of their financial condition and payment history, or an automated process. Once credit is granted, the payment performance of the client is managed through automated collections processes and is supplemented with direct follow-up should an account become delinquent. We have robust automated collections and extensive portfolio management processes to ensure that our global strategy is executed, collection resources are allocated and enhanced tools and processes are implemented as needed.

Over 85% of our finance receivables are within the North American portfolio. We use a third-party to score the majority of this portfolio on a quarterly basis using a proprietary commercial credit score. The relative scores are determined based on a number of factors, including financial information, payment history, company type and ownership structure. We stratify the credit scores of our clients into low, medium and high-risk accounts. Due to timing and other issues, our entire portfolio may not be scored at period end. We report these amounts as "Not Scored"; however, absence of a score is not indicative of the credit quality of the account. The credit score is used to predict the payment behaviors of our clients and the probability that an account will become greater than 90 days past due during the subsequent 12-month period.

- Low risk accounts are companies with very good credit scores and a predicted delinquency rate of less than 5%.
- Medium risk accounts are companies with average to good credit scores and a predicted delinquency rate between 5% and 10%.
- High risk accounts are companies with poor credit scores, are delinquent or are at risk of becoming delinquent. The predicted delinquency rate would be greater than 10%.

We do not use a third-party to score our International portfolio because the cost to do so is prohibitive as there is no single credit score model that covers all countries. Accordingly, the entire International portfolio is reported in the Not Scored category. Most of the International credit applications are small dollar applications (i.e. below $50 thousand) and are subjected to an automated review process. Larger credit applications are manually reviewed, which includes obtaining client financial information, credit reports and other available financial information.

The table below shows gross finance receivables by relative risk class and year of origination based on the relative scores of the accounts within each class.

	March 31, 2025							
	Sales Type Lease Receivables							
	2025	2024	2023	2022	2021	Prior	Loan Receivables	Total
Low	**$ 41,655**	**$ 176,645**	**$ 191,448**	**$ 146,902**	**$ 91,835**	**$ 100,342**	**$ 305,415**	**$ 1,054,242**
Medium	**8,064**	**37,437**	**33,324**	**25,302**	**18,973**	**19,378**	**38,979**	**181,457**
High	**1,101**	**4,230**	**3,867**	**3,345**	**2,100**	**2,454**	**9,678**	**26,775**
Not Scored	**30,016**	**38,875**	**30,415**	**20,246**	**9,259**	**4,242**	**29,948**	**163,001**
Total	**$ 80,836**	**$ 257,187**	**$ 259,054**	**$ 195,795**	**$ 122,167**	**$ 126,416**	**$ 384,020**	**$ 1,425,475**

	December 31, 2024							
	Sales Type Lease Receivables							
	2024	2023	2022	2021	2020	Prior	Loan Receivables	Total
Low	$ 188,847	$ 210,547	$ 163,892	$ 104,269	$ 66,673	$ 42,586	$ 273,736	$ 1,050,550
Medium	31,970	31,839	26,652	19,180	10,556	10,512	34,376	165,085
High	4,633	4,488	3,753	2,415	2,038	684	11,826	29,837
Not Scored	49,835	38,659	28,250	17,131	5,400	1,594	31,653	172,522
Total	$ 275,285	$ 285,533	$ 222,547	$ 142,995	$ 84,667	$ 55,376	$ 351,591	$ 1,417,994

Lease Income

Lease income from sales-type leases, excluding variable lease payments, was as follows:

	Three Months Ended March 31,	
	2025	2024
Profit recognized at commencement	**$ 19,760**	$ 26,977
Interest income	**37,763**	37,968
Total lease income from sales-type leases	**$ 57,523**	$ 64,945

Lessor Operating Leases

We also lease mailing equipment under operating leases with terms of one to five years. For the three months ended March 31, 2025 and 2024, revenue includes $15 million and $17 million, respectively, of lease income under operating leases. Maturities of operating leases are as follows:

Remainder 2025	$ 17,658
2026	19,388
2027	14,585
2028	5,620
2029	2,927
Thereafter	760
Total	$ 60,938

8. Intangible Assets and Goodwill

Intangible Assets

Intangible assets consisted of the following:

	March 31, 2025			December 31, 2024		
	Gross Carrying Amount	**Accumulated Amortization**	**Net Carrying Amount**	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Customer relationships	**$ 46,899**	**$ (30,263)**	**$ 16,636**	$ 43,569	$ (29,179)	$ 14,390
Software & technology	**2,993**	**(1,705)**	**1,288**	2,944	(1,554)	1,390
Total intangible assets	**$ 49,892**	**$ (31,968)**	**$ 17,924**	$ 46,513	$ (30,733)	$ 15,780

Amortization expense for both the three months ended March 31, 2025 and 2024 was $1 million.

Future amortization expense as of March 31, 2025 is shown in the table below. Actual amortization expense may differ due to, among other things, fluctuations in foreign currency exchange rates, acquisitions, divestitures and impairment charges.

Remainder 2025	$ 3,468
2026	3,702
2027	3,437
2028	2,771
2029	1,689
Thereafter	2,857
Total	$ 17,924

Goodwill

Changes in the carrying value of goodwill by reporting segment are shown in the table below.

	December 31, 2024	**Currency impact**	**March 31, 2025**
SendTech Solutions	$ 497,240	**$ 8,684**	**$ 505,924**
Presort Services	223,763	—	**223,763**
Total goodwill	$ 721,003	**$ 8,684**	**$ 729,687**

9. Fair Value Measurements and Derivative Instruments

We measure certain financial assets and liabilities at fair value on a recurring basis. Fair value is a market-based measure considered from the perspective of a market participant rather than an entity-specific measure. An entity is required to classify certain assets and liabilities measured at fair value based on the following fair value hierarchy that prioritizes the inputs used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities.

Level 2 – Quoted prices for identical assets and liabilities in markets that are not active, quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3– Unobservable inputs that are supported by little or no market activity, may be derived from internally developed methodologies based on management's best estimate of fair value and that are significant to the fair value of the asset or liability.

Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. Our assessment of the significance of a particular input to the fair value measurement requires judgment and may affect its placement within the fair value hierarchy. The following tables show, by level within the fair value hierarchy, our financial assets and liabilities that are accounted for at fair value on a recurring basis.

	March 31, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets:				
Money market funds	**$ 7,329**	**$ 72,374**	**$ —**	**$ 79,703**
Equity securities	**—**	**11,607**	**—**	**11,607**
Commingled fixed income securities	**1,646**	**494**	**—**	**2,140**
Government and related securities	**2,359**	**13,119**	**—**	**15,478**
Corporate debt securities	**—**	**42,912**	**—**	**42,912**
Mortgage-backed / asset-backed securities	**—**	**91,689**	**—**	**91,689**
Total assets	**$ 11,334**	**$ 232,195**	**$ —**	**$ 243,529**

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$ 6,435	$ 140,125	$ —	$ 146,560
Equity securities	—	12,518	—	12,518
Commingled fixed income securities	1,612	534	—	2,146
Government and related securities	2,334	13,410	—	15,744
Corporate debt securities	—	42,159	—	42,159
Mortgage-backed / asset-backed securities	—	98,464	—	98,464
Total assets	$ 10,381	$ 307,210	$ —	$ 317,591

Investment Securities

The valuation of investment securities is based on a market approach using inputs that are observable, or can be corroborated by observable data, in an active marketplace. The following information relates to our classification within the fair value hierarchy:

- *Money Market Funds:* Money market funds typically invest in government securities, certificates of deposit, commercial paper and other highly liquid, low risk securities. Money market funds are principally used for overnight deposits and are classified as Level 1 when unadjusted quoted prices in active markets are available and as Level 2 when they are not actively traded on an exchange.
- *Equity Securities*: Equity securities are comprised of mutual funds investing in U.S. and foreign stocks. These mutual funds are classified as Level 2.

- *Commingled Fixed Income Securities:* Commingled fixed income securities are comprised of mutual funds that invest in a variety of fixed income securities, including securities of the U.S. government and its agencies, corporate debt, mortgage-backed securities and asset-backed securities. Fair value is based on the value of the underlying investments owned by each fund, minus its liabilities, divided by the number of shares outstanding, as reported by the fund manager. These mutual funds are classified as Level 1 when unadjusted quoted prices in active markets are available and as Level 2 when they are not actively traded on an exchange.
- *Government and Related Securities:* Debt securities are classified as Level 1 when unadjusted quoted prices in active markets are available. Debt securities are classified as Level 2 where fair value is determined using quoted market prices for similar securities or benchmarking model derived prices to quoted market prices and trade data for identical or comparable securities.
- *Corporate Debt Securities:* Corporate debt securities are valued using recently executed comparable transactions, market price quotations or bond spreads for the same maturity as the security. These securities are classified as Level 2.
- *Mortgage-Backed / Asset-Backed Securities:* These securities are valued based on external pricing indices or external price/spread data. These securities are classified as Level 2.

Available-For-Sale Securities

Investment securities classified as available-for-sale are recorded at fair value. Changes in fair value due to market conditions are recorded in accumulated other comprehensive loss (AOCL), and changes in fair value due to credit conditions are recorded in earnings. There were no changes in fair value charged to earnings in the three months ended March 31, 2025 or 2024.

Available-for-sale securities consisted of the following:

	March 31, 2025			
	Amortized cost	**Gross unrealized gains**	**Gross unrealized losses**	**Estimated fair value**
Government and related securities	**$ 21,411**	**$ 4**	**$ (5,937)**	**$ 15,478**
Corporate debt securities	**50,170**	**—**	**(7,258)**	**42,912**
Commingled fixed income securities	**1,847**	**—**	**(201)**	**1,646**
Mortgage-backed / asset-backed securities	**113,307**	**—**	**(21,618)**	**91,689**
Total	**$ 186,735**	**$ 4**	**$ (35,014)**	**$ 151,725**

	December 31, 2024		
	Amortized cost	Gross unrealized losses	Estimated fair value
Government and related securities	$ 21,432	$ (5,688)	$ 15,744
Corporate debt securities	50,367	(8,208)	42,159
Commingled fixed income securities	1,835	(223)	1,612
Mortgage-backed / asset-backed securities	123,289	(24,825)	98,464
Total	$ 196,923	$ (38,944)	$ 157,979

Investment securities in a loss position were as follows:

	March 31, 2025		December 31, 2024	
	Fair Value	**Gross unrealized losses**	Fair Value	Gross unrealized losses
Greater than 12 continuous months				
Government and related securities	**$ 15,478**	**$ 5,937**	$ 15,744	$ 5,688
Corporate debt securities	**42,912**	**7,258**	39,845	8,206
Commingled fixed income securities	**1,646**	**201**	—	—
Mortgage-backed / asset-backed securities	**91,576**	**21,617**	98,464	24,825
Total	**$ 151,612**	**$ 35,013**	$ 154,053	$ 38,719
Less than 12 continuous months				
Corporate debt securities	**$ —**	**$ —**	$ 2,314	$ 2
Commingled fixed income securities	**—**	**—**	1,612	223
Mortgage-backed / asset-backed securities	**113**	**1**	—	—
Total	**$ 113**	**$ 1**	$ 3,926	$ 225

At March 31, 2025, substantially all securities in the investment portfolio were in an unrealized loss position. However, we have not recorded an allowance for credit loss or an impairment charge as we have the ability and intent to hold these securities until recovery of the unrealized losses or expect to receive the stated principal and interest at maturity.

Scheduled maturities of available-for-sale securities at March 31, 2025 were as follows:

	Amortized cost	**Estimated fair value**
Within 1 year	$ 4,181	$ 3,985
After 1 year through 5 years	9,521	8,469
After 5 years through 10 years	37,620	32,636
After 10 years	135,413	106,635
Total	$ 186,735	$ 151,725

Actual maturities may not coincide with scheduled maturities as certain securities contain early redemption features and/or allow for the prepayment of obligations.

Held-to-Maturity Securities

Certain investment securities are classified as held-to-maturity and include certificates of deposits with maturities less than 90 days and highly-liquid government securities with maturities less than two years. Held-to-maturity securities at March 31, 2025 and December 31, 2024 totaled $133 million and $203 million, respectively.

Derivative Instruments

We are exposed to the impact of changes in interest rates and foreign currency exchange rates. We may use derivative instruments to limit the effects on our financial results from changes in interest rates and currency exchange rates. We do not use derivatives for trading or speculative purposes. We did not enter into any derivative instruments during the quarter ended March 31, 2025.

Interest Rate Swaps

At March 31, 2024, we had outstanding interest rate swap agreements that effectively converted $200 million of variable rate debt to fixed rates. These swaps were designated as cash flow hedges. The swaps were recorded at fair value at the end of each reporting period with the change in fair value reflected in AOCL. For the three months ended March 31, 2024, the amount recognized in AOCL was a loss of $2 million and the amount reclassified from AOCL to earnings was a gain of $3 million.

Fair Value of Financial Instruments

Our financial instruments include cash and cash equivalents, available-for-sale and held-to-maturity investment securities, accounts receivable, loan receivables, accounts payable and debt. The carrying value of cash and cash equivalents, held-to-maturity investment securities, accounts receivable, loans receivable, and accounts payable approximate fair value. The fair value of available-for-sale investment securities is presented above. The inputs used to estimate the fair value of debt included recently executed transactions and market price quotations (Level 2 inputs within the fair value hierarchy).

The carrying value and estimated fair value of debt was as follows:

	March 31, 2025	December 31, 2024
Carrying value	**$ 1,913,152**	$ 1,919,708
Fair value	**$ 1,820,224**	$ 1,823,430

10. Restructuring Charges

2024 Plan

We continue to take actions and incur charges under this plan. Through March 31, 2025, we eliminated approximately 2,800 positions and incurred cumulative charges of $75 million. We expect the 2024 Plan to be completed by the end of the first half of 2025.

Activity in our restructuring reserves was as follows:

	2024 Plan
Balance at January 1, 2025	**$ 23,164**
Amounts charged to expense	**1,400**
Cash payments	**(13,106)**
Noncash activity	**(568)**
Balance at March 31, 2025	**$ 10,890**

	2023 Plan
Balance at January 1, 2024	$ 26,128
Amounts charged to expense - continuing operations	3,766
Amounts charged to expense - discontinued operations	549
Cash payments	(14,989)
Noncash activity	(875)
Balance at March 31, 2024	$ 14,579

Components of restructuring expense were as follows:

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024
	2024 Plan	2023 Plan
Severance	**$ 832**	$ 2,870
Facilities and other	**568**	896
Total	**$ 1,400**	$ 3,766

Components of restructuring expense in discontinued operations primarily included severance charges.

11. Debt

Total debt consisted of the following:

	Interest rate	March 31, 2025	December 31, 2024
Term loan due March 2026	SOFR + 2.25%	**$ —**	$ 235,000
Notes due March 2027	6.875%	**372,500**	380,000
Notes due March 2028	SOFR + 6.9%	**—**	96,563
Term loan due March 2028	SOFR + 4.0%	—	433,125
Term loan due March 2028	SOFR + 2.35%	**160,000**	—
Notes due March 2029	7.25%	**335,000**	350,000
Term loan due March 2032	SOFR + 3.75%	**615,000**	—
Notes due January 2037	5.25%	**35,841**	35,841
Notes due March 2043	6.70%	**425,000**	425,000
Principal amount		**1,943,341**	1,955,529
Less: unamortized costs, net		**30,189**	35,821
Total debt		**1,913,152**	1,919,708
Less: current portion long-term debt		**14,150**	53,250
Long-term debt		**$ 1,899,002**	$ 1,866,458

In the first quarter of 2025, we redeemed the remaining outstanding balance of the Notes due March 2028 and recorded a loss of $17 million in other expense. Additionally, we entered into a new senior secured credit agreement (the "New Credit Agreement"), which provides for $265 million revolving credit facility maturing March 2028, a $160 million term loan maturing March 2028 and a $615 million term loan maturing March 2032. The proceeds were used to repay the outstanding balances of the Term loan due March 2026 and Term loan due March 2028 and for general corporate purposes. We recorded a loss of $8 million in connection with this refinance in other expense. We also purchased an aggregate $23 million of the Notes due March 2027 and Notes due March 2029.

From April 1, 2025 through May 2, 2025, we purchased an additional aggregate $14 million of the Notes due March 2027 and Notes due March 2029.

Under the New Credit Agreement, we are required to maintain (with maintenance tested quarterly) (i) a Consolidated Interest Coverage Ratio (as defined in the New Credit Agreement) of not less than 2.00 to 1.00, (ii) a Consolidated Secured Net Leverage Ratio (as defined in the New Credit Agreement) of no greater than 3.00 to 1.00 and (iii) a Consolidated Total Net Leverage Ratio (as defined in the New Credit Agreement) of no greater than (a) 5.25 to 1.00 for the fiscal quarters ending March 31, 2025 and June 30, 2025, (b) 5.00 to 1.00 for the fiscal quarters ending September 30, 2025 and December 31, 2025 and (c) 4.75 to 1.00 for each fiscal quarter ending on or after March 31, 2026. At March 31, 2025, we were in compliance with these financial covenants and there were no outstanding borrowings under the revolving credit facility. Borrowings under our New Credit Agreement are secured by assets of the Company.

The New Credit Agreement also contains provisions whereby if, on any day between the period commencing on September 14, 2026 and ending on March 15, 2027 the Notes due March 2027 have not been redeemed in full and liquidity is less than an amount equal to the amount to redeem the Notes due March 2027 plus $100 million, the Term loan due March 2028 and any borrowings under the revolving credit facility would become due on such date (the "Pro Rata Springing Maturity Date"), and if on any date during the period beginning on December 14, 2026 and ending on March 15, 2027, the Notes due March 2027 remain outstanding and the Pro Rata Springing Maturity Date has occurred, the Term loan due March 2032 would be become due on such date. We are considering various strategies and fully intend to redeem the Notes due March 2027 before September 2026 either with available cash on hand or refinance through the capital markets.

12. Pensions and Other Benefit Programs

The components of net periodic benefit (income) cost were as follows:

	Defined Benefit Pension Plans				Nonpension Postretirement Benefit Plans	
	United States		Foreign			
	Three Months Ended March 31,		Three Months Ended March 31,		Three Months Ended March 31,	
	2025	2024	**2025**	2024	**2025**	2024
Service cost	**$ 6**	$ 12	**$ 278**	$ 188	**$ 70**	$ 92
Interest cost	**13,522**	14,966	**5,608**	5,201	**1,038**	1,136
Expected return on plan assets	**(18,650)**	(21,909)	**(6,382)**	(6,450)	**—**	—
Amortization of prior service (credit) cost	**(5)**	(5)	**73**	74	**—**	—
Amortization of net actuarial loss (gain)	**5,071**	4,972	**2,183**	1,923	**(604)**	(295)
Net periodic benefit (income) cost	**$ (56)**	$ (1,964)	**$ 1,760**	$ 936	**$ 504**	$ 933
Contributions to benefit plans	**$ 1,613**	$ 1,069	**$ 7,356**	$ 6,998	**$ 3,702**	$ 3,700

13. Income Taxes

The effective tax rate for the three months ended March 31, 2025 is 24.2% and includes a benefit of $2 million for the vesting of restricted stock. The effective tax rate for the three months ended March 31, 2024 is 32.6% and includes a charge of $1 million for the vesting of restricted stock.

On a regular basis, we conclude tax return examinations, statutes of limitation expire, and court decisions interpret tax law. We regularly assess tax uncertainties in light of these developments; and as a result, it is reasonably possible that the amount of unrecognized tax benefits will decrease in the next 12 months, and this decrease could be up to 45% of our unrecognized tax benefits.

With regard to U.S. Federal income tax, the Internal Revenue Service examination of our consolidated U.S. income tax returns for tax years prior to 2020 are closed to audit, except for review of the Tax Cuts and Jobs Act Sec. 965 transition tax. On a state and local level, returns for most jurisdictions are closed through 2019. For our significant non-U.S. jurisdictions, Canada is closed to examination through 2019 except for a specific issue under current exam, and France, Germany and the U.K. are closed through 2019, 2017 and 2022, respectively. We also have other less significant tax filings currently subject to examination.

14. Commitments and Contingencies

From time to time, in the ordinary course of business, we are involved in litigation pertaining to, among other things, contractual rights under vendor, insurance or other contracts; intellectual property or patent rights; equipment, service, payment or other disputes with clients; or disputes with employees. Some of these actions may be brought as a purported class action on behalf of a purported class of customers, employees, or others.

On October 1, 2024, one of the Ecommerce Debtors filed a complaint against Trilogy Leasing Co., LLC (“Trilogy”) in the United States Bankruptcy Court for the Southern District of Texas seeking to recharacterize certain Equipment Supplements to which they are parties as disguised financings ("Recharacterization Proceeding"). On October 8, 2024, we filed a motion to intervene in support of the Ecommerce Debtors' position, which the court granted on April 1, 2025. The case is now proceeding.

On November 7, 2024, Trilogy and its parent company Kingsbridge Holdings, LLC brought suit against us in the Circuit Court of Cook County, Illinois, alleging that we are liable for certain Equipment Supplements that were executed by the Ecommerce Debtors and by Pitney Bowes Presort Services, LLC. On December 16, 2024, we removed the litigation to the Northern District of Illinois based on diversity jurisdiction and subsequently filed a motion to dismiss, and to the extent not dismissed, stay the action pending the conclusion of the Recharacterization Proceeding.

Due to uncertainties inherent in litigation, any actions could have a material adverse effect on our financial position, results of operations or cash flows; however, in management's opinion, the final outcome of outstanding matters will not have a material adverse effect on our business.

15. Stockholders' Deficit

Changes in stockholders' deficit were as follows:

	Common stock	Retained earnings	Accumulated other comprehensive loss	Treasury stock	Total deficit
Balance at January 1, 2025	**$ 270,338**	**$ 2,671,868**	**$ (839,171)**	**$ (2,681,468)**	**$ (578,433)**
Net income	**—**	**35,422**	**—**	**—**	**35,422**
Other comprehensive income	**—**	**—**	**27,596**	**—**	**27,596**
Dividends paid ($0.06 per common share)	**—**	**(10,980)**	**—**	**—**	**(10,980)**
Issuance of common stock	**—**	**(47,278)**	**—**	**50,106**	**2,828**
Stock-based compensation expense	**—**	**2,683**	**—**	**—**	**2,683**
Repurchase of common stock	**—**	**—**	**—**	**(15,000)**	**(15,000)**
Balance at March 31, 2025	**$ 270,338**	**$ 2,651,715**	**$ (811,575)**	**$ (2,646,362)**	**$ (535,884)**

	Common stock	Retained earnings	Accumulated other comprehensive loss	Treasury stock	Total deficit
Balance at January 1, 2024	$ 270,338	$ 3,077,988	$ (851,245)	$ (2,865,657)	$ (368,576)
Net loss	—	(2,885)	—	—	(2,885)
Other comprehensive loss	—	—	(12,566)	—	(12,566)
Dividends paid ($0.05 per common share)	—	(8,832)	—	—	(8,832)
Issuance of common stock	—	(41,631)	—	39,745	(1,886)
Stock-based compensation expense	—	2,390	—	—	2,390
Balance at March 31, 2024	$ 270,338	$ 3,027,030	$ (863,811)	$ (2,825,912)	$ (392,355)

16. Accumulated Other Comprehensive Loss

Reclassifications out of AOCL were as follows:

	Gain (Loss) Reclassified from AOCL	
	Three Months Ended March 31,	
	2025	2024
Cash flow hedges		
Interest expense, net	**$ —**	$ 2,591
Income tax provision	**—**	648
Net of tax	**$ —**	$ 1,943
Available-for-sale securities		
Financing revenue	**$ (505)**	$ (648)
Income tax benefit	**(126)**	(162)
Net of tax	**$ (379)**	$ (486)
Pension and postretirement benefit plans		
Prior service costs	**$ (68)**	$ (69)
Actuarial losses	**(6,650)**	(6,600)
Total before tax	**(6,718)**	(6,669)
Income tax benefit	**(1,666)**	(1,628)
Net of tax	**$ (5,052)**	$ (5,041)

Changes in AOCL, net of tax were as follows:

	Available for sale securities	Pension and postretirement benefit plans	Foreign currency adjustments	Total
Balance at January 1, 2025	$ (29,597)	$ (704,818)	$ (104,756)	$ (839,171)
Other comprehensive income before reclassifications	**2,616**	—	**19,549**	**22,165**
Reclassifications into earnings	**379**	**5,052**	—	**5,431**
Net other comprehensive income	**2,995**	**5,052**	**19,549**	**27,596**
Balance at March 31, 2025	**$ (26,602)**	**$ (699,766)**	**$ (85,207)**	**$ (811,575)**

	Cash flow hedges	Available for sale securities	Pension and postretirement benefit plans	Foreign currency adjustments	Total
Balance at January 1, 2024	$ 6,962	$ (33,463)	$ (757,452)	$ (67,292)	$ (851,245)
Other comprehensive income (loss) before reclassifications	702	(1,453)	—	(15,399)	(16,150)
Reclassifications into earnings	(1,943)	486	5,041	—	3,584
Net other comprehensive (loss) income	(1,241)	(967)	5,041	(15,399)	(12,566)
Balance at March 31, 2024	$ 5,721	$ (34,430)	$ (752,411)	$ (82,691)	$ (863,811)

17. Supplemental Financial Statement Information

Activity in the allowance for credit losses, other than finance receivables (see Note 7 for further information) is presented below.

	Three Months Ended March 31,	
	2025	2024
Balance at beginning of year	**$ 27,096**	$ 5,292
Amounts charged to expense	**(724)**	3,699
Write-offs, recoveries and other	**(1,044)**	(808)
Balance at end of period	**$ 25,328**	$ 8,183
Accounts and other receivables	**$ 7,494**	$ 8,183
Other current assets and prepayments	**17,834**	—
Total	**$ 25,328**	$ 8,183

Interest expense, net

Interest expense, net for the three months ended March 31, 2025 and 2024 includes $2 million and $4 million of interest income, respectively.

Supplemental cash flow information is as follows:

	Three Months Ended March 31,	
	2025	2024
Cash interest paid	**$ 49,273**	$ 56,013
Cash income tax payments (refunds), net	**$ 2,980**	$ (4,352)
Noncash activity		
Capital assets obtained under capital lease obligations	**$ 857**	$ 5,459

Item 2: Management’s Discussion and Analysis of Financial Condition and Results of Operations

Forward-Looking Statements

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) contains statements that are forward-looking. We caution readers that any forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 (Securities Act) and Section 21E of the Securities Exchange Act of 1934 (Exchange Act) may change based on various factors. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on current expectations and assumptions, which we believe are reasonable; however, such statements are subject to risks and uncertainties, and actual results could differ materially from those projected or assumed in any of our forward-looking statements. Words such as "estimate," "target," "project," "plan," "believe," "expect," "anticipate," "intend," "will," "forecast," "strategy," "goal," "should," "would," "could," "may" and similar expressions may identify such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Forward-looking statements in this Form 10-Q speak only as of the date hereof.

Although we believe the expectations reflected in any of our forward-looking statements are reasonable, our results of operations, financial condition and forward-looking statements are subject to change and to inherent risks and uncertainties disclosed or incorporated by reference in our filings with the Securities and Exchange Commission. Other 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
- inability to compete effectively with our Sending Technology Solutions competitors
- changes in trade policies, tariffs and regulations
- the loss of some of our larger clients in our Presort Services segment
- 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
- loss of key employees and accumulated knowledge and ability to attract and retain employees
- changes in government contracting regulations and inability to comply
- inability to protect our intellectual property rights and intellectual property infringement claims
- our success in developing and marketing new products and services and obtaining regulatory approvals, if required
- changes within our senior management and Board of Directors
- expenses and potential impacts resulting from cyber-attacks or other cybersecurity incidents affecting us or our suppliers
- inability to comply with data privacy and protection laws and regulations
- interruptions or difficulties in the operation of our cloud-based applications and systems or those of our suppliers
- changes in credit ratings, capital market disruptions, decline in cash flows, noncompliance with debt covenants or significant withdrawals by depositors at the Pitney Bowes Bank that adversely impact our ability to access capital markets at reasonable costs
- the potential for future interest rate increases on our cost of debt
- our success at managing customer credit risk
- the risks and uncertainties associated with the Ecommerce Restructuring
- changes in banking regulations, major bank failures or the loss of our Industrial Bank charter
- changes in tax rates, laws or regulations
- changing expectations and regulations in the areas of Environmental, Social and Governance ("ESG")
- acts of nature and the impact of a pandemic on the Company and the services and solutions we offer
- shareholder activism

Further information about factors that could materially affect us, including our results of operations and financial condition, is contained in Item 1A. "Risk Factors" in our 2024 Annual Report, as supplemented by Part II, Item 1A in this Quarterly Report on Form 10-Q.

Ecommerce Restructuring

On August 8, 2024, we entered into a series of transactions designed to facilitate an orderly wind-down of a majority the Company's Global Ecommerce reporting segment. In connection with the wind-down, an affiliate of Hilco Commercial Industrial, LLC ("Hilco") subscribed for 81% of the voting interests in the subsidiary, DRF Logistics, LLC owning a majority of the Global Ecommerce segment's net assets and operations (DRF Logistics, LLC and its subsidiary, DRF LLC, the "Ecommerce Debtors") for de minimis consideration (the "GEC Sale"), with a subsidiary of Pitney Bowes retaining 19% of the voting interests and 100% of the economic interests. Subsequent to the GEC Sale, the Ecommerce Debtors, at the direction of their own governing bodies, filed petitions to commence Chapter 11 bankruptcy cases and conduct an orderly wind down of the Ecommerce Debtors (the "GEC Chapter 11 Cases"). We refer to the GEC Sale, the GEC Chapter 11 Cases and any associated transactions as the "Ecommerce Restructuring".

As a result of the Ecommerce Restructuring, certain revenues and expenses for the period ended March 31, 2024 are reported as discontinued operations in our Condensed Consolidated Financial Statements. Prior periods have been recast to conform to the current period presentation. For segment reporting purposes, the remaining portion of Global Ecommerce in continuing operations is now reported as "Other" and includes the revenue and related expenses of a cross-border services contract and prior operations and shared services. See Note 4 for further information.

Outlook

Within SendTech Solutions, mailing-related revenues are expected to decline driven by lower meter populations and a higher mix of lease extensions versus new equipment sales and leases. We expect this decline to be partially offset by growth in our shipping offerings, particularly our SaaS solutions. The shift to lease extensions will result in declining equipment sales in the near term, but more stable and continued cash flows over the lease term.

Within Presort Services, we expect revenue and margin improvements from the investments we made in automation and technology to drive increased efficiencies and productivity.

The U.S. government has recently announced a broad range of tariffs on goods imported into the United States. The amount of tariffs imposed has been volatile and is different for each country of origin. We are continuously assessing the potential impact these tariffs may have on our operations and considering various mitigating actions.

RESULTS OF OPERATIONS

OVERVIEW OF CONSOLIDATED RESULTS

Constant Currency

In the tables below, we report the change in revenue on a reported basis and a constant currency basis. Constant currency measures exclude the impact of changes in currency exchange rates from the prior period under comparison. We believe that excluding the impacts of currency exchange rates provides investors with a better understanding of the underlying revenue performance. Constant currency change is calculated by converting the current period non-U.S. dollar denominated revenue using the prior year's exchange rate.

Financial Results Summary - Three Months Ended March 31:

	Three Months Ended March 31,			
			Favorable/(Unfavorable)	
	2025	2024	Actual % Change	Constant Currency % change
Total revenue	**$ 493,420**	$ 521,269	(5)%	(5)%
Cost of revenue	**224,299**	248,522	10 %	
Operating expenses	**222,389**	225,143	1 %	
Income from continuing operations before taxes	**46,732**	47,604	(2)%	
Provision for income taxes	**11,310**	15,500	27 %	
Income from continuing operations	**35,422**	32,104	10 %	
Loss from discontinued operations, net of tax	**—**	(34,989)	100 %	
Net income (loss)	**$ 35,422**	$ (2,885)	>100%	

Revenue decreased $28 million in the first quarter of 2025 compared to the prior year period due to lower products revenue of $21 million, lower services revenue of $4 million and lower financing and other revenue of $3 million.

Costs of revenue decreased $24 million primarily due to lower cost of products of $12 million, lower cost of services of $9 million and lower cost of financing and other of $3 million.

Total operating expenses decreased $3 million compared to the prior year period primarily due to:

- lower selling, general and administrative (SG&A) expense of $21 million primarily due to lower employee-related expenses of $25 million driven by actions taken under the 2024 Plan;
- lower research and development costs of $3 million primarily due to cost savings initiatives; and
- lower restructuring charges of $2 million driven by actions taken under the 2023 and 2024 Plans; partially offset by
- Other expense in the first quarter of 2025 of $24 million, primarily due to a loss on the redemption/refinancing of debt.

The effective tax rate for the three months ended March 31, 2025 includes a benefit of $2 million for the vesting of restricted stock and the effective tax rate for the three months ended March 31, 2024 includes a charge of $1 million for the vesting of restricted stock. See Note 13 for more information.

As a result of the above, income from continuing operations for the first quarter of 2025 was $35 million compared to $32 million in the prior year period. Net loss for the first quarter of 2024 was $3 million and includes a loss from discontinued operations, net of tax of $35 million. See Note 4 for more information.

SEGMENT RESULTS

Effective January 1, 2025, we revised our reporting presentation of revenue and cost of revenue in order to better align with our offerings. Additionally, due to a change in how these functions are now managed, we revised our corporate expense allocation methodology to allocate all marketing and innovation expenses to our SendTech Solutions segment. Prior periods have been recast to conform to the current period presentation.

We allocate a portion our total interest expense to finance interest expense, included in Cost of financing and other in our Condensed Consolidated Statements of Operations.

Management measures segment profitability and performance as segment revenues less the related costs and expenses attributable to the segment. Segment results exclude interest, including finance interest expense, taxes, corporate expenses, restructuring charges and other items not allocated to the segments.

SendTech Solutions

SendTech Solutions provides clients with physical and digital shipping and mailing technology solutions and other applications to help simplify and save on the sending, tracking and receiving of letters, parcels and flats, as well as supplies and maintenance services for these offerings. We offer financing alternatives that enable clients to finance equipment and product purchases, a revolving credit solution that enables clients to make meter rental payments and purchase postage, services and supplies, and an interest-bearing deposit solution to clients who prefer to prepay postage. We also offer financing alternatives that enable clients to finance or lease other manufacturers' equipment and provide working capital.

Financial performance for the SendTech Solutions segment was as follows:

	Three Months Ended March 31,			
			Favorable/(Unfavorable)	
	2025	2024	Actual % change	Constant Currency % change
Services	**$ 123,067**	$ 128,858	(4)%	(4)%
Products	**93,190**	114,124	(18)%	(18)%
Financing and other	**81,798**	84,455	(3)%	(3)%
Total revenue	**298,055**	327,437	(9)%	(8)%
Cost of services	**37,877**	42,035	10 %	
Cost of products	**50,919**	62,754	19 %	
Cost of financing and other	**3,892**	4,684	17 %	
Total costs of revenue	**92,688**	109,473	15 %	
Gross margin	**205,367**	217,964	(6)%	
Gross margin %	***68.9 %***	*66.6 %*		
Selling, general and administrative	**105,098**	117,026	10 %	
Research and development	**3,528**	7,765	55 %	
Other components of pension and post retirement cost	**1,807**	(537)	>(100%)	
Adjusted Segment EBIT	**$ 94,934**	$ 93,710	1 %	

SendTech Solutions revenue decreased $29 million in the first quarter of 2025 compared to the prior year period, which includes an unfavorable adjustment of $4 million related to prior periods. Products revenue declined $21 million primarily due to customers opting to extend leases of their existing advanced-technology equipment rather than purchase new equipment, the impact of the prior year product migration and a significant deal in the prior year. Services revenue declined $6 million primarily due to the declining meter population, which was partially offset by growth in our shipping subscriptions. Financing and other revenue declined $3 million.

Gross margin declined $13 million compared to the prior year period primarily driven by lower revenue; however, gross margin percentage increased to 68.9% from 66.6% driven by headcount reductions and other cost savings initiatives.

SG&A expense declined $12 million, primarily driven by lower employee-related expenses and overall cost savings initiatives.

Adjusted segment EBIT was $95 million in the first quarter of 2025, which includes the $4 million charge from the unfavorable revenue adjustment related to prior periods compared to $94 million for the prior year period.

Presort Services

Presort Services is the largest workshare partner of the USPS and national outsource provider of mail sortation services that allow clients to qualify large volumes of First Class Mail, Marketing Mail, and Marketing Mail Flats/Bound Printed Matter for postal worksharing discounts.

Financial performance for the Presort Services segment was as follows:

	Three Months Ended March 31,			
			Favorable/(Unfavorable)	
	2025	2024	Actual % Change	Constant Currency % change
Services	**$ 177,814**	$ 169,807	5 %	5 %
Cost of services	**104,635**	107,327	3 %	
Gross Margin	**73,179**	62,480	17 %	
Gross Margin %	***41.2 %***	*36.8 %*		
Selling, general and administrative	**18,353**	22,101	17 %	
Other components of net pension and postretirement cost	**47**	50	6 %	
Adjusted segment EBIT	**$ 54,779**	$ 40,329	36 %	

Revenue increased $8 million in the first quarter of 2025 compared to the prior year period primarily due to pricing actions despite a 2% decline in total mail volumes. The processing of First Class Mail and Marketing Mail contributed revenue increases of $13 million and $1 million, respectively, which was partially offset by a revenue decrease from Marketing Mail Flats/Bound Printed Matter of $6 million. Prior year revenue includes a $5 million favorable adjustment related to prior periods. See Note 1 for more information.

Gross margin increased $11 million and gross margin percentage increased from 36.8% in the prior period to 41.2% primarily due to the increase in revenue, lower transportation costs of $1 million driven by lane optimization and lower labor costs of $1 million.

SG&A expense declined $4 million compared to the prior year period driven primarily by lower credit loss provision of $2 million and lower employee related expenses of $1 million.

Adjusted segment EBIT was $55 million in the first quarter of 2025 compared to $40 million in the prior year period, which includes the $5 million benefit from the favorable revenue adjustment.

CORPORATE EXPENSES

The majority of operating expenses are recorded directly or allocated to our reportable segments. Operating expenses not recorded directly or allocated to our reportable segments are reported as corporate expenses. Corporate expenses primarily represents corporate administrative functions such as finance, human resources, legal and information technology.

Corporate expenses were as follows:

	Three Months Ended March 31,		
			Favorable/(Unfavorable)
	2025	2024	Actual % change
Corporate expenses	**$ 31,903**	$ 42,202	24 %

Corporate expenses for the first quarter of 2025 decreased $10 million compared to the prior year period primarily due to lower salary expense of $12 million driven by actions taken under the 2024 Plan and lower variable compensation expense of $3 million.

LIQUIDITY AND CAPITAL RESOURCES

Our ability to maintain adequate liquidity for our operations is dependent upon a number of factors, including our revenue and earnings, our ability to manage costs and improve productivity, our clients' ability to pay their balances on a timely basis and the impacts of changing macroeconomic and geopolitical conditions. At March 31, 2025, we had cash, cash equivalents and short-term investments of $340 million, which includes $43 million held at our foreign subsidiaries used to support their liquidity needs. At this time, we believe that existing cash and investments, cash generated from operations and borrowing capacity under our revolving credit facility will be sufficient to fund our cash needs for the next 12 months.

Cash Flow Summary

Changes in cash and cash equivalents were as follows:

	2025	2024	Change
Net cash from operating activities	**$ (16,679)**	$ (12,609)	$ (4,070)
Net cash from investing activities	**(45,536)**	(11,841)	(33,695)
Net cash from financing activities	**(85,066)**	(58,433)	(26,633)
Effect of exchange rate changes on cash and cash equivalents	**1,342**	(2,147)	3,489
Change in cash and cash equivalents	**$ (145,939)**	$ (85,030)	$ (60,909)

Operating Activities

Cash flows from operating activities for the first quarter of 2025 declined $4 million compared to the prior year period driven primarily by the annual payment of incentive awards, partially offset by higher income and lower cash outflows from discontinued operations.

Investing Activities

Cash flows from investing activities for the first quarter of 2025 declined $34 million compared to the prior year period primarily due to higher investments in loan receivables of $35 million, higher capital expenditures of $3 million and $2 million for a Presort Services acquisition, partially offset by lower cash outflows from discontinued operations of $6 million.

Financing Activities

Cash flows from financing activities for the first quarter of 2025 declined $27 million compared to the prior year period primarily due to the fees to redeem and refinance debt of $21 million and repurchases of our common stock of $15 million.

We paid dividends of $11 million in the quarter. Each quarter, our Board of Directors considers whether to approve the payment of a dividend. We currently expect to continue paying a quarterly dividend; however, no assurances can be given.

Debt and Financing Activities

In the first quarter of 2025, we redeemed the remaining outstanding balance of the Notes due March 2028 and recorded a loss of $17 million in other expense. Additionally, we entered into a new senior secured credit agreement (the "New Credit Agreement"), which provides for $265 million revolving credit facility maturing March 2028, a $160 million term loan maturing March 2028 and a $615 million term loan maturing March 2032. The proceeds were used to repay the outstanding balances of the Term loan due March 2026 and Term loan due March 2028 and for general corporate purposes. We recorded a loss of $8 million in connection with this refinance in other expense. We also purchased an aggregate $23 million of the Notes due March 2027 and Notes due March 2029.

From April 1, 2025 through May 2, 2025, we purchased an additional aggregate 14 million of the Notes due March 2027 and Notes due March 2029.

Under the New Credit Agreement, we are required to maintain (with maintenance tested quarterly) (i) a Consolidated Interest Coverage Ratio (as defined in the New Credit Agreement) of not less than 2.00 to 1.00, (ii) a Consolidated Secured Net Leverage Ratio (as defined in the New Credit Agreement) of no greater than 3.00 to 1.00 and (iii) a Consolidated Total Net Leverage Ratio (as defined in the New Credit Agreement) of no greater than (a) 5.25 to 1.00 for the fiscal quarters ending March 31, 2025 and June 30, 2025, (b) 5.00 to 1.00 for the fiscal quarters ending September 30, 2025 and December 31, 2025 and (c) 4.75 to 1.00 for each fiscal quarter ending on or after March 31, 2026. At March 31, 2025, we were in compliance with these financial covenants and there were no outstanding borrowings under the revolving credit facility. Borrowings under our New Credit Agreement are secured by assets of the Company.

The New Credit Agreement also contains provisions whereby if, on any day between the period commencing on September 14, 2026 and ending on March 15, 2027 the Notes due March 2027 have not been redeemed in full and liquidity is less than an amount equal to

the amount to redeem the Notes due March 2027 plus $100 million, the Term loan due March 2028 and any borrowings under the revolving credit facility would become due on such date (the "Pro Rata Springing Maturity Date"), and if on any date during the period beginning on December 14, 2026 and ending on March 15, 2027, the Notes due March 2027 remain outstanding and the Pro Rata Springing Maturity Date has occurred, the Term loan due March 2032 would be become due on such date. We are considering various strategies and fully intend to redeem the Notes due March 2027 before September 2026 either with available cash on hand or refinance through the capital markets.

In connection with the GEC Chapter 11 Cases, the Company, through one of its wholly owned subsidiaries, agreed to provide funding to the Ecommerce Debtors through a DIP Facility. We provided initial funding of $28 million and to-date, have received repayments of $13 million. The remaining balance on the DIP Facility is fully reserved and any future distributions will be recorded as income in the period received.

Off-Balance Sheet Arrangements

At March 31, 2025, there are no off-balance sheet arrangements that have, or are reasonably likely to have, a material effect on our financial condition, results of operations or liquidity.

Regulatory Matters

There have been no significant changes to the regulatory matters disclosed in our 2024 Annual Report.

Critical Accounting Estimates

There have been no significant changes to the Critical Accounting Estimates disclosed in our 2024 Annual Report.

Item 3: Quantitative and Qualitative Disclosures About Market Risk

There were no material changes to the disclosures made in our 2024 Annual Report.

Item 4: Controls and Procedures

Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms. Disclosure controls and procedures are also designed to reasonably ensure that such information is accumulated and communicated to management, including our Chief Executive Officer (CEO) and Chief Financial Officer (CFO), to allow timely decisions regarding disclosures.

With the participation of our CEO and CFO, management evaluated our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act) and internal controls over financial reporting as of the end of the period covered by this report. Our CEO and CFO concluded that, as of the end of the period covered by this report, such disclosure controls and procedures were effective to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the required time periods. In addition, no changes in internal control over financial reporting occurred during the quarter covered by this report that materially affected, or are reasonably likely to materially affect, such internal control over financial reporting.

It should be noted that any system of controls is based in part upon certain assumptions designed to obtain reasonable (and not absolute) assurance as to its effectiveness, and there can be no assurance that any design will succeed in achieving its stated goals. Notwithstanding this caution, the CEO and CFO have reasonable assurance that the disclosure controls and procedures were effective as of March 31, 2025.

PART II. OTHER INFORMATION

Item 1: Legal Proceedings

See Note 14 to the Condensed Consolidated Financial Statements.

Item 1A: Risk Factors

There were no material changes to the risk factors identified in Item 1A of our 2024 Annual Report.

Item 2: Unregistered Sales of Equity Securities and Use of Proceeds

Repurchases of Equity Securities

On February 11, 2025, our Board of Directors authorized a new $150 million share repurchase program. In connection with the new share repurchase program, the Board of Directors terminated and replaced our prior share repurchase program authorized on February 4, 2019. Subject to limitations in our New Credit Agreement, purchases by the Company under the new share repurchase program may be made from time to time in open market or private transactions in such manner as may be deemed advisable from time to time (including, without limitation, pursuant to one or more 10b5-1 trading plans, accelerated share repurchase programs, and any other method that the Company may deem advisable) and may be discontinued at any time. We may also repurchase shares of our common stock to manage the dilution created by shares issued under employee stock plans and for other purposes. The following table provides information about purchases of our common stock during the three months ended March 31, 2025:

	Total number of shares purchased		Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in thousands)
Beginning balance					$150,000
January 2025	—	$	—	—	$150,000
February 2025	244,929	$	10.73	244,929	$147,373
March 2025	1,291,036	$	9.58	1,291,036	$135,000
	1,535,965	$	9.77	1,535,965	

From April 1, 2025 through May 2, 2025, we purchased an additional 1,434,850 shares for a total of $12 million.

Item 3: Defaults Upon Senior Securities

None.

Item 4: Mine Safety Disclosures

Not applicable.

Item 5: Other Information

During the three months ended March 31, 2025, certain directors and officers of the Company adopted a "Rule 10b5-1 trading arrangement," as defined in Item 408(a) of Regulation S-K, as set forth in the table below:

			Trading Arrangement			
	Action	Date	Rule 10b5-1[1]	Non-Rule 10b5-1[2]	Total Shares to be Sold[3]	Expiration Date
Lauren Thomas DeFina (Vice President, Chief Accounting Officer)	Adopt	March 10, 2025[4]	x		11,000	April 30, 2026

[1] Intended to satisfy the affirmative defense of Rule 10b5-1(c).

[2] Not intended to satisfy the affirmative defense of Rule 10b5-1(c).

[3] Represents the maximum number of shares that may be sold pursuant to the 10b5-1 trading arrangement. The actual number of shares sold will be dependent on the terms of, and the satisfaction of the conditions as set forth in, the written plan.

[4] The Rule 10b5-1 trading arrangement was entered into prior to the date Ms. Thomas DeFina became a Section 16 officer (as defined in Rule 16a-1 under the Exchange Act) of the Company.

Item 6: Exhibits

Exhibit Number	Description	Exhibit Number in this Form 10-Q
3.1	Amended and Restated Certificate of Incorporation of Pitney Bowes Inc. (incorporated by reference to Exhibit 3.2 to the Form 8-K filed with the Commission on May 8, 2024)	3.2
3.2	Pitney Bowes Inc. Amended and Restated By-laws effective May 6, 2024 (incorporated by reference to Exhibit 3.4 to the Form 8-K filed with the Commission on May 8, 2024)	3.4
10.1	Credit Agreement, dated as of February 7, 2025, among Pitney Bowes Inc., a Delaware corporation, the lenders and issuing banks thereto from time to time and Bank of America, N.A., as administrative agent (incorporated by reference to Exhibit 10.1 to the Form 8-K filed with the Commission on February 12, 2025)	10.1
10.2*	Offer Letter, executed as of February 10, 2025, between Bob Gold and Pitney Bowes Inc. (incorporated by reference to Exhibit 10.2 to the Form 8-K filed with the Commission on February 12, 2025)	10.2
10.3*	Separation Agreement, dated as of February 11, 2025, by and between the Company and John Witek (incorporated by reference to Exhibit 10.3 to the Form 8-K filed with the Commission on February 12, 2025)	10.3
31.1	Certification of Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended	31.1
31.2	Certification of Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as amended	31.2
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. Section 1350	32.1
32.2	Certification of Chief Financial Officer Pursuant to 18 U.S.C. Section 1350	32.2
101.SCH	Inline XBRL Taxonomy Extension Schema Document	
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document	
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document	
101.LAB	Inline XBRL Taxonomy Label Linkbase Document	
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document	
104	The cover page from the Company's Quarterly Report on Form 10-Q for the current quarter, formatted in Inline XBRL. (included as Exhibit 101).	

* The Exhibits identified above with an asterisk (*) are management contracts or compensatory plans or arrangements.

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.

Date: May 8, 2025

/s/ Robert J. Gold

Robert J. Gold
Executive Vice President and Chief Financial Officer
(Duly Authorized Officer, Principal Financial Officer)

/s/ Lauren Thomas DeFina

Lauren Thomas DeFina
Vice President and Chief Accounting Officer
(Duly Authorized Officer, Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lance Rosenzweig, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pitney Bowes Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Lance Rosenzweig

Lance Rosenzweig
Chief Executive Officer

Exhibit 31.2

CERTIFICATION PURSUANT TO

SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Robert J. Gold, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pitney Bowes Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 8, 2025

/s/ Robert J. Gold

Robert J. Gold

Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Pitney Bowes Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Lance Rosenzweig, Chief Executive Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Lance Rosenzweig
Lance Rosenzweig
Chief Executive Officer

Date: May 8, 2025

The foregoing certification is being furnished solely to accompany this report pursuant to 18 U.S.C. §1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company.

Exhibit 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Pitney Bowes Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Robert J. Gold, Executive Vice President and Chief Financial Officer of the Company, certify, to the best of my knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert J. Gold

Robert J. Gold

Executive Vice President and Chief Financial Officer (Principal Financial Officer)

Date: May 8, 2025

The foregoing certification is being furnished solely to accompany this report pursuant to 18 U.S.C. §1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company.