

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): May 30, 2012

XYLEM INC.

(Exact name of registrant as specified in its charter)

Indiana
(State or other jurisdiction
of incorporation)

001-35229
(Commission
File Number)

45-2080495
(IRS Employer
Identification No.)

**1133 Westchester Avenue, Suite N200
White Plains, New York**
(Address of principal executive offices)

10604
(Zip Code)

(914) 323-5700

(Registrant's telephone number, including area code)

NOT APPLICABLE

(Former name or former address, if changed since last report)

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

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

Item 7.01 Regulation FD Disclosure

The following information is furnished pursuant to Item 7.01 Regulation FD Disclosure. This information shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing. Company executives will present an overview of the Company at the KeyBanc Capital Markets Industrial, Automotive and Transportation Conference on May 30, 2012. The presentation slides will be posted on the Company’s website and are attached and incorporated herein by reference as Exhibit 99.1.

Caution Concerning Forward Looking Statements

This document contains information that may constitute “forward-looking statements.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Generally, the words “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “believe,” “target” and similar expressions identify forward-looking statements, which generally are not historical in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking.

These forward-looking statements include, but are not limited to, statements about the separation of Xylem Inc. (the “Company”) from ITT Corporation, the terms and the effect of the separation, the nature and impact of the separation, capitalization of the Company, future strategic plans and other statements that describe the Company’s business strategy, outlook, objectives, plans, intentions or goals, and any discussion of future operating or financial performance. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to orders, sales, operating margins and earnings per share growth, and statements expressing general views about future operating results — are forward-looking statements.

Caution should be taken not to place undue reliance on any such forward-looking statements because they involve risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied in, or reasonably inferred from, such statements. The Company undertakes 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. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the Company’s historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those set forth in Item 1A of our Annual Report on Form 10-K, and those described from time to time in subsequent reports filed with the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Presentation slides posted by Xylem Inc. on May 30, 2012.

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 hereunto duly authorized.

XYLEM INC.

Date: May 30, 2012

By: /s/ Frank R. Jimenez

Frank R. Jimenez
Senior Vice President, General Counsel and
Corporate Secretary
(Authorized Officer of Registrant)

EXHIBIT INDEX

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KeyBanc Capital Markets Industrial, Automotive, & Transportation Conference

May 30, 2012



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Global Leader in Water Application Solutions

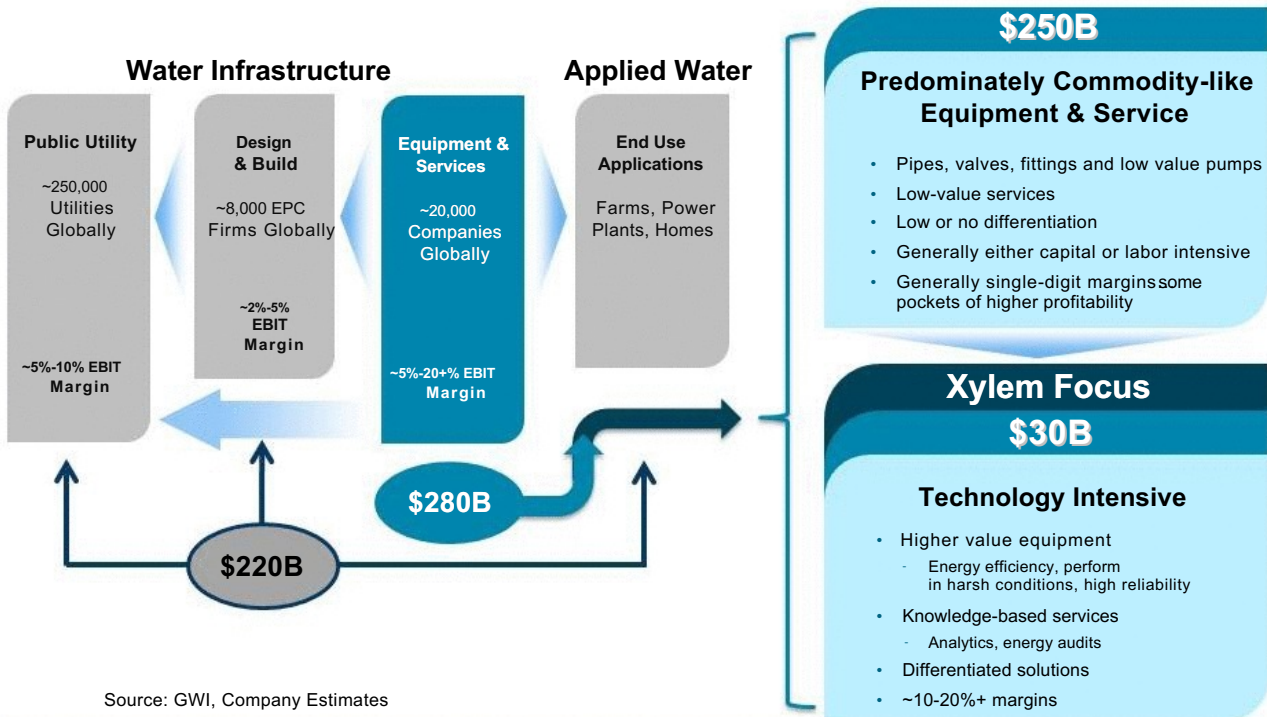


- Design, Manufacture, & Service Highly Engineered Technologies
- A True Water Pure Play
- Diverse End Market & Geographic Mix
- Leading Brands & Large Installed Base
- Unrivaled Global Reach ... Serving 150+ Countries



\$3.8B Company Uniquely Positioned in the Attractive Water Industry

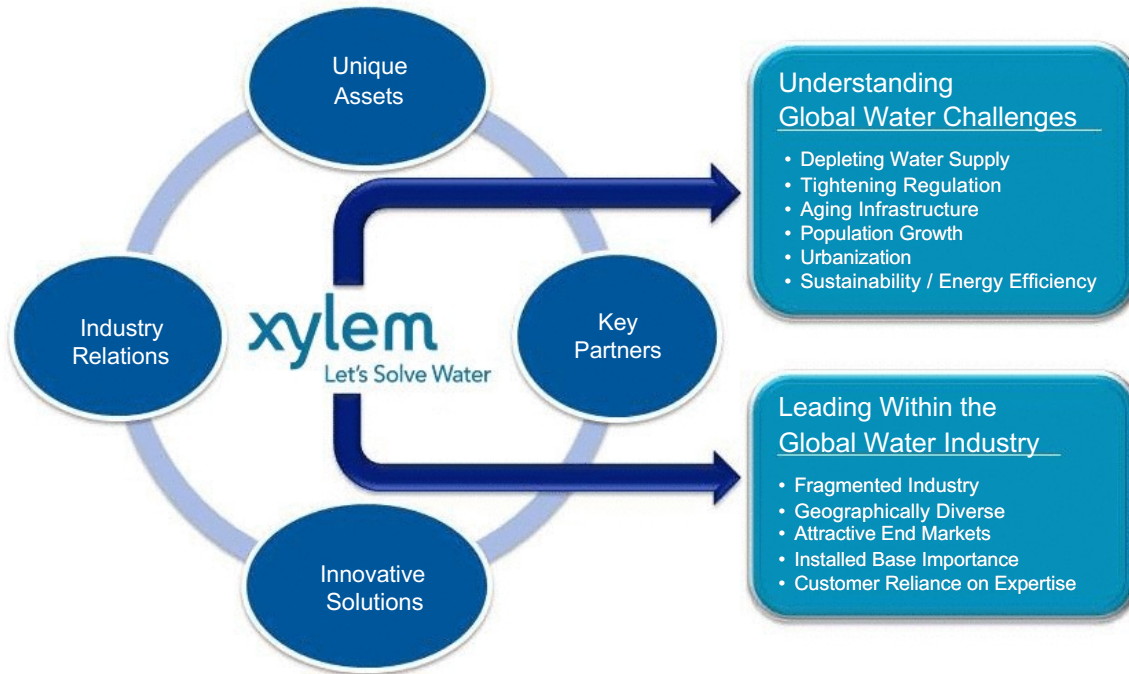
Where do we play in the \$500B Global Water Industry?



Source: GWI, Company Estimates

Xylem Focused on Attractive End-Markets in Equipment & Services

How Does Xylem Create Value?



By Partnering with Our Customers to Solve Water Challenges

Balanced Portfolio ... Diversified Market Exposure

Geographical Mix*



■ Europe	37%
■ U.S.	36%
■ Asia Pac	11%
■ Other	16%

Mkt Growth Rates '10 -'15

Developed	1 - 3%
Emerging	8 - 10+%
Global	3 - 5%

**Xylem
Emerging
Market Revenue
= 19% in 2011**

End Market Mix*



■ Industrial	40%
■ Public Utility	36%
■ Commercial	12%
■ Residential	9%
■ Agricultural	3%

Balanced End Market

End Market	Cycle	Fundamentals
Industrial	Less Cyclical/ Late Cycle	<ul style="list-style-type: none"> • Critical products • Strong aftermarket & replacement
Public Utility	Non-Cyclical	<ul style="list-style-type: none"> • Tariffs protected & growing • ~70% for O&M activity • Strong aftermarket & replacement
Commercial	Late Cycle	<ul style="list-style-type: none"> • Strong replacement • Green regulation
Residential	Early Cycle	<ul style="list-style-type: none"> • Strong replacement • Energy efficiency
Agriculture	Mid Cycle	<ul style="list-style-type: none"> • Growing demand

*2011 Revenues

... With Attractive Growth Rates and Strong Fundamentals

Dewatering and Industrial Water Applications



Dewatering Applications



Industrial Water Applications

A grid of icons and images representing industrial water applications. The top row contains four icons: a flame for Heating, a snowflake for Cooling, a pressure gauge for Pressure Boosting, and a water drop for Waste Water Removal. Below these icons is a large image of a complex industrial water treatment facility with multiple tanks and pipes. At the bottom of this section are three circular images: a cluster of blue pumps, a white pump unit, and a red pump unit.

- ### Diverse Applications
- Construction
 - Disaster Recovery
 - Environmental
 - Heavy Industry
 - Mining
 - Oil, Gas & Chemical
 - Water & Waste Water
 - Marine

Public Utility & Industrial Transport, Treatment & Test

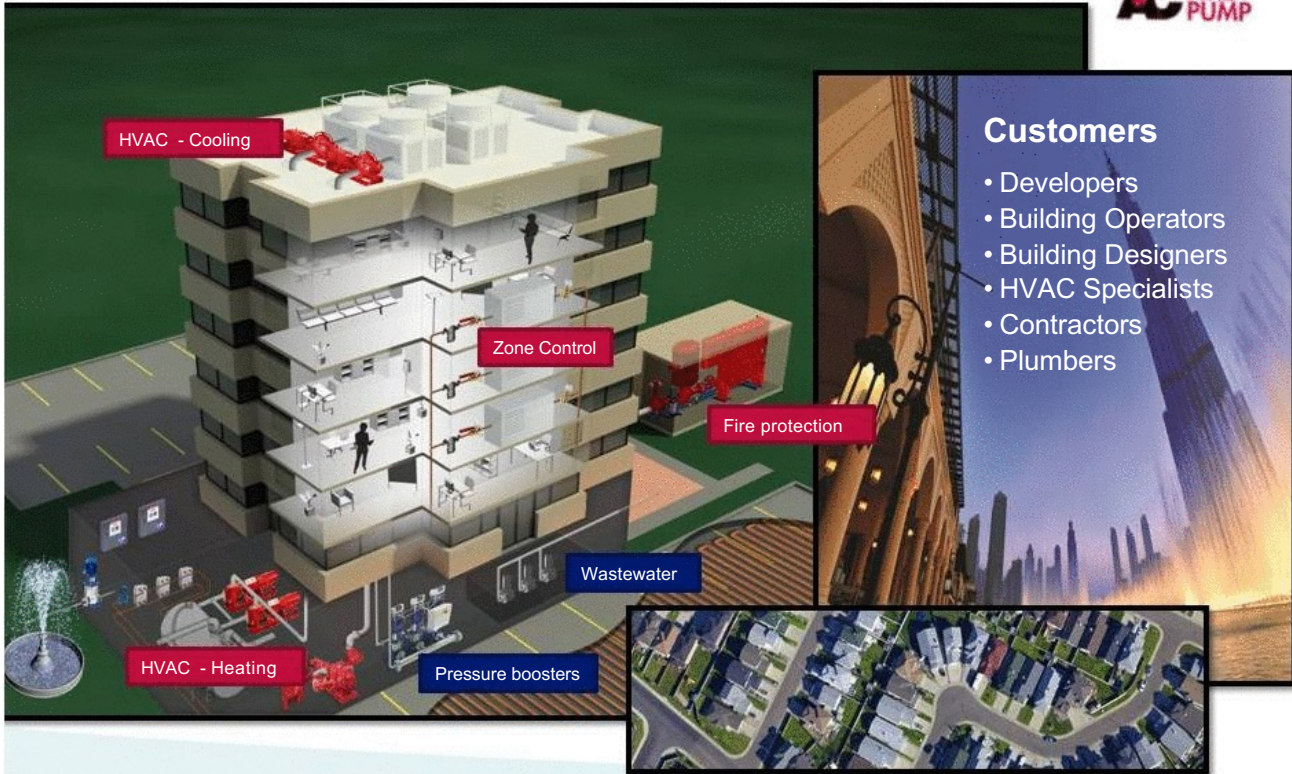


Application Technologies

- Waste Water Transport
- Filtration
- Biological Treatment
- UV & Ozone Disinfection
- Analytical Instrumentation



Commercial & Residential



Customers

- Developers
- Building Operators
- Building Designers
- HVAC Specialists
- Contractors
- Plumbers

A Unique Spectrum of Applications Expertise

	Water as % of Total Revs	Water Infrastructure			Applied Water		
		Transport	Treatment	Test	Building Services	Industrial Water	Irrigation
Xylem	>90%	✓ 46*	✓ 11%*	✓ 6%*	✓ 19%*	✓ 15%*	✓ 3%*
Danaher	~15%		✓	✓			
Franklin	~85%				✓		✓
Grundfos	~85%	✓			✓	✓	✓
KSB	~25%	✓				✓	✓
Pentair	~50%	✓	✓		✓	✓	✓
Siemens	~5%		✓				
Sulzer (ABS)	~50%	✓	✓				
Thermo	~5%			✓			
Wilo	~30%	✓			✓	✓	

Source: Citi Investment Research and Xylem Company Estimates

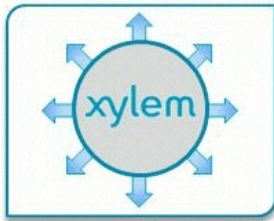
* 2011 Revenues

A Genuine Water Company With the Broadest Portfolio

Xylem Has a Focused Growth Strategy

Organic Growth

- Replicate leadership positions
- Leverage brands with global partners
- Strong aftermarket opportunities
- Innovative application solutions
- Sustainable infrastructure initiatives



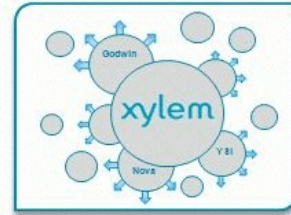
Emerging Markets

- Established footprint
- Localized innovation centers
- Partnerships with leading, global water companies
- Focused BRIC & ROW Strategy



Acquisition Strategy

- Disciplined approach
- Build upon Dewatering and Analytics acquisition platforms
 - Dewatering & Analytics
- History of successful integration
- Bolt-on, niche go-forward strategy



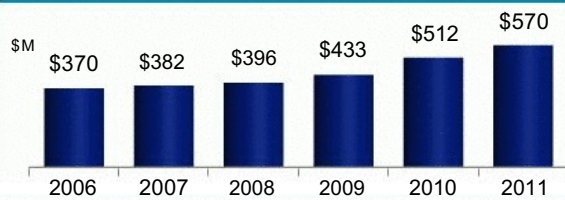
Xylem Target Organic Growth ~ 2 points Faster Than Market

Highly Attractive Recurring Revenue Profile

Parts & Service

- 15% of Xylem revenue
- Strong global presence
 - 120+ owned service centers
 - 600+ service employees
 - Extensive channel partner network
- 9% Revenue CAGR '06-'11 despite economic downturn
 - ~11% revenue growth 2010-2011

Aftermarket Parts & Services Revenues



Replacement Equipment (1)

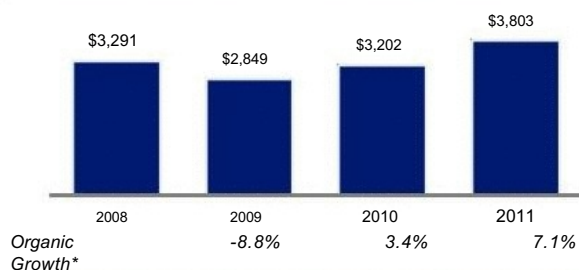
- Approximately 22% of Xylem revenue
- Installed base drives replacement sales
- Brand loyalty drives like-for-like replacement
- Installed base provides opportunity for upgrades, next generation and services



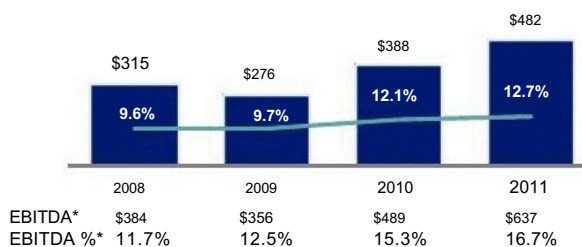
Aftermarket Provides Stability and Drives Strong Profitable Growth

Strong Growth in Revenue and Profitability

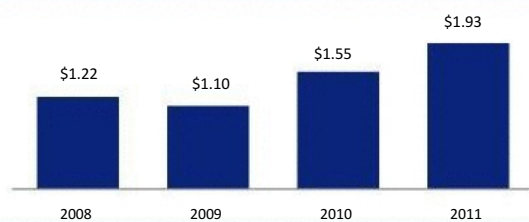
Revenues (\$M)



Operating Income & Margin* (\$M)



Earnings Per Share*



Op Margin expands 310 bps

- Operational & Commercial Excellence Initiatives
- Price & Productivity more than offset inflation
- Includes restructuring costs \$41M, \$31M, and \$15M ('08 - '10)

EPS CAGR of 16.5% ('08 - '11)

Demonstrated Record of Growing Revenue and Profitability

13 * See non-GAAP reconciliations.

xylem
Let's Solve Water

Xylem Segment Overview



Water Infrastructure Overview

Market Size: \$16B

2011 Revenues: \$2.4B

2011 Op Margin*: 14.9%

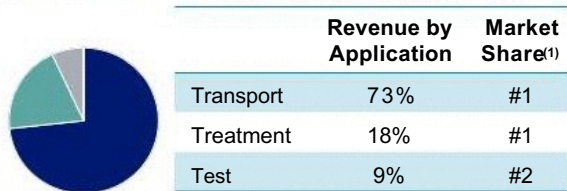
Customers

Public Utilities
Industrial Facilities

Distribution

World-Class Global Direct (~70%)
& Indirect Channels

*Excluding separation costs of \$16M



Applied Water Overview

Market Size: \$14B

2011 Revenues: \$1.4B

2011 Op Margin*: 12.0%

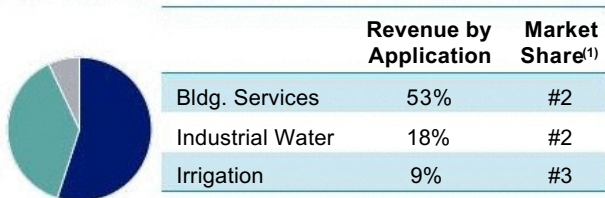
Customers

Residential & Commercial,
Industrial Facilities, Agriculture

Distribution

Primarily through World-Class
Indirect (+70%) Channels

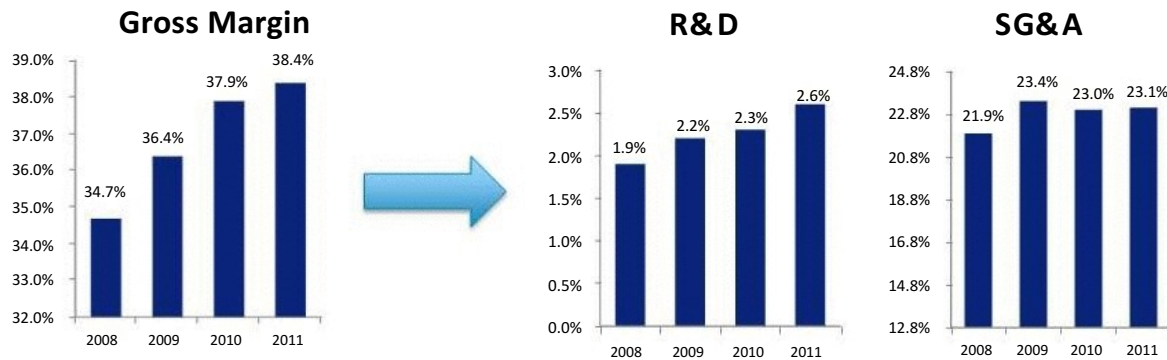
*Excluding separation costs of \$13M



Unique Position - Only Provider of All Three "T's"

Large Installed Base, Growth Despite Slow New Construction

Gross Margin Improvement Funds Future Growth

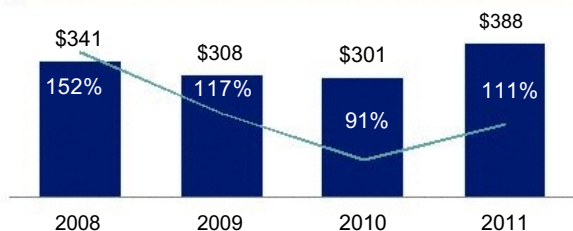


- Operational and Commercial excellence
- Growth in higher margin Analytics and Dewatering applications
- Xylem's Water Infrastructure direct sales force a key competitive advantage

Xylem Continues to Invest While Increasing Profitability

Focused on Free Cash Flow

Free Cash Flow ^{1*} and Conversion (\$M)



¹ Free CashFlow = Netcashfrom operatingactivities Capital expenditures

Capital Structure & Liquidity Position

March 31, 2012

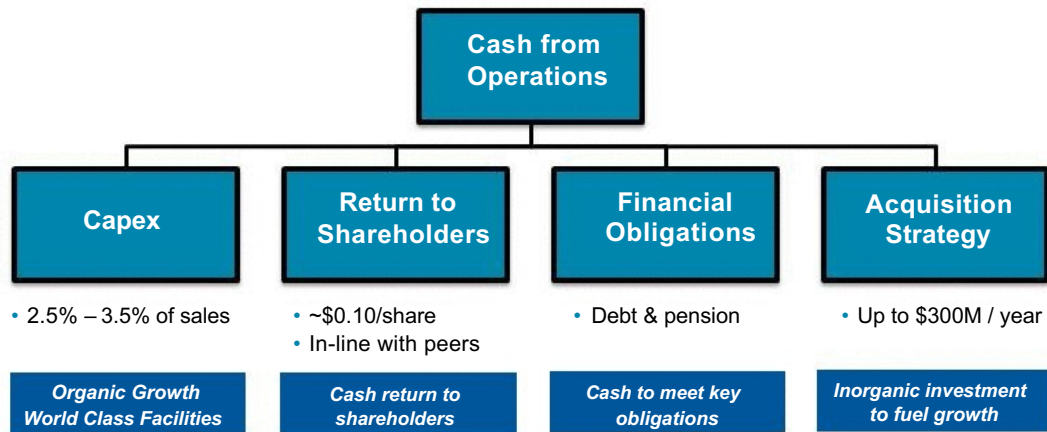
Cash	347
Debt	1,206
Net Debt	859
Shareholders' Equity	1,949
Net Capital	2,808
Net Debt to Net Capital	31%

- Strong Cash Position
- No Significant Debt Maturities Until 2016
- 31% Net Debt to Net Capital
- 1.3x Net Debt/Adj. TTM EBITDA
- \$600M Revolving Credit Facility Undrawn
- Access to Commercial Paper

Strong Free Cash Flow & Solid Balance Sheet to Fund Growth Initiatives

16 * See non-GAAP reconciliations.

Disciplined Capital Deployment



Capital Deployment Strategy

- Balance of organic & inorganic investment
- Return value to shareholders
- Maintain solid investment grade metrics



Capital Deployment Evaluation

- Fold targeted performance into Operating plans
- Quarterly / Annual investment review
- Ensure targeted returns achieved

Focused on LT Shareholder Returns

Financial Projections

	2012 Guidance	2015 Target
Revenues	\$3.9B to \$4.0B	\$4.5B to \$5.0B
Operating Margin*	12.7% to 13.3%	14.5% to 15.5%
Free Cash Flow Conversion	95%	100%
EPS Growth*	+8% to +17%	

Long-Term Targets

- Market growth of 3-5%...4-6% Xylem targeted growth
 - Acquisition strategy adds 1-2 % points of growth
 - Emerging markets > 20% of revenues
-
- Operational & Commercial excellence expand segment margins 50-75 bps per year
 - Gross margin > 40%
 - Continued cash management discipline to achieve cash conversion of ~100%
 - Capital deployment strategy to drive ROIC

Xylem is poised to achieve our long-term financial objectives

18 * See non-GAAP reconciliations.

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Let's Solve Water



Q&A

Investment Highlights

- **Uniquely Positioned** ... Global leader in Attractive Water Industry
- **Balanced Portfolio** ... Diversified End & Geographic Market Mix
- **Large Installed Base** ... Stability, Profitable Aftermarket Growth
- **Attractive Growth Opportunities** ... Organic & Inorganic
- **Increasing Profitability** ... Proven Track Record, Continued Focus
- **Solid Cash Flow Generation** ... Funds Growth and Shareholder Returns

Ability to Deliver Strong & Consistent Financial Performance



NYSE: XYL

Phil De Sousa, Investor Relations Officer

(914) 323-5930

Janice Tedesco, Investor Relations Coordinator

(914) 323-5931

<http://investors.xylem.com>

Thank you for your interest !

Appendix

Non-GAAP Reconciliation: Organic Revenue

Xylem Inc. Non-GAAP Reconciliation Reported vs. Organic Revenue (\$ Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)				
	(A)	(B)	(C)	(D)	(E)	(F) = B+C+D+E	(G) = F/A		
	Revenue	Revenue	Change	% Change	Acquisitions /	FX Contribution	Eliminations	Change	% Change
	2011	2010	2011 v. 2010	2011 v. 2010	Divestitures			Adj. 2011 v. 2010	Adj. 2011 v. 2010
Year Ended December 31, 2011									
Xylem Inc.	3,803	3,202	601	18.8%	(264)	(111)	-	226	7.1%
Water infrastructure	2,416	1,930	486	25.2%	(264)	(87)	2	137	7.1%
Applied Water	1,444	1,327	117	8.8%	-	(28)	(1)	88	6.6%
	Revenue	Revenue	Change	% Change	Acquisitions /	FX Contribution	Eliminations	Change	% Change
	2010	2009	2010 v. 2009	2010 v. 2009	Divestitures			Adj. 2010 v. 2009	Adj. 2010 v. 2009
Year Ended December 31, 2010									
Xylem Inc.	3,202	2,849	353	12.4%	(263)	6	-	96	3.4%
Water Infrastructure	1,930	1,651	279	16.9%	(247)	(8)	-	24	1.5%
Applied Water	1,327	1,254	73	5.8%	(16)	16	-	73	5.8%
	Revenue	Revenue	Change	% Change	Acquisitions /	FX Contribution	Eliminations	Change	% Change
	2009	2008	2009 v. 2008	2009 v. 2008	Divestitures			Adj. 2009 v. 2008	Adj. 2009 v. 2008
Year Ended December 31, 2009									
Xylem Inc.	2,849	3,291	(442)	-13.4%	(7)	158	-	(291)	-8.8%
Water infrastructure	1,651	1,824	(173)	-9.5%	-	108	-	(65)	-3.6%
Applied Water	1,254	1,527	(273)	-17.9%	(7)	53	-	(227)	-14.9%

Non-GAAP Reconciliation: EBITDA

Xylem Inc. Non-GAAP Reconciliation
 Net Cash - Operating Activities vs. Free Cash Flow
 Years ended 2011, 2010, 2009, & 2008
 (\$ Millions)

	Year Ended			
	2011	2010	2009	2008
Net Cash - Operating Activities	449	395	370	408
Capital Expenditures	(126)	(94)	(62)	(67)
Free Cash Flow, including separation costs	<u>323</u>	<u>301</u>	<u>308</u>	<u>341</u>
Separation Costs (Cash Paid incl. Capex)	65	-	-	-
Free Cash Flow, excluding separation costs	<u>388</u>	<u>301</u>	<u>308</u>	<u>341</u>
Net Income	279	329	263	224
Separation Costs, net of tax	<u>72</u>	-	-	-
Adjusted Net Income	<u>351</u>	<u>329</u>	<u>263</u>	<u>224</u>
Free Cash Flow Conversion	<u>111%</u>	<u>91%</u>	<u>117%</u>	<u>152%</u>

Non-GAAP Reconciliation: Earnings Per Share

Xylem Inc. Non-GAAP Reconciliation
Adjusted Diluted EPS
2009, 2010, & 2011
(\$ Millions, except per share amounts)

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>
Net Income	263	329	279
Separation costs, net of tax	-	-	72
Adjusted Net Income before Special Tax Items	263	329	351
Special Tax Items	(61)	(43)	7
Adjusted Net Income	202	286	358
Diluted Earnings per Share	\$1.42	\$1.78	\$1.50
Separation costs per Share	-	-	\$0.39
Adjusted diluted EPS before Special Tax Items	\$1.42	\$1.78	\$1.89
Special Tax Items per Share	(\$0.32)	(\$0.23)	\$0.04
Adjusted diluted EPS	\$1.10	\$1.55	\$1.93

Non-GAAP Reconciliation: Free Cash Flow

Xylem Inc. Non-GAAP Reconciliation
Net Cash Operating Activities vs. Free Cash Flow
Years ended 2011, 2010, 2009, & 2008
(\$ Millions)

	Year Ended			
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Free Cash Flow Conversion	<u>111%</u>	<u>91%</u>	<u>117%</u>	<u>152%</u>

Non-GAAP Reconciliation: Guidance

Xylem Inc. Non-GAAP Reconciliation Guidance (\$ Millions, except per share amounts)

2012 Guidance

Illustration of Mid Point Guidance

	FY '11					FY '12		
	As Reported	Adjustments	Adjusted	Adjustments	Normalized	As Reported	Adjustments	Adjusted
Total Revenue	3,803		3,803		3,803	3,950		3,950
Segment Operating Income	503	29 ^a	532	(8) ^d	524	577	8 ^h	585
Segment Operating Margin	13.2%		14.0%		13.8%	14.6%		14.8%
Corporate Expense	108	(58) ^b	50	20 ^e	70	81	(10) ^h	71
Operating Income	395	87	482	(28)	454	496	18	514
Operating Margin	10.4%		12.7%		11.9%	12.6%		13.0%
Interest Expense	(17)		(17)	(39) ^f	(56)	(51)		(51)
Other Non-Operating Income (Expense)	5		5		5	-		-
Income before Taxes	383	87	470	(67)	403	445	18	463
Provision for Income Taxes	(104)	(7) ^c	(111)	16 ^g	(95)	(111)	(5) ⁱ	(116)
Net Income	279	80	359	(51)	308	334	13	347
Diluted Shares (j)	185.3				185.3	185.9		185.9
Diluted EPS	\$ 1.50	\$ 0.43	\$ 1.93	\$ (0.27)	1.66	1.80	0.07	1.87

- ^a One time separation costs incurred at the segment level
^b One time separation costs incurred at the corporate level
^c Net tax impact of above items, plus the addition of 2011 special tax items
^d Incremental stand alone costs to be incurred in 2012 at the segment level (\$8M)
^e Incremental stand alone costs to be incurred in 2012 at the corporate level (\$20M)
^f Incremental interest expense on long-term debt to be incurred in 2012
^g Tax impact of incremental interest expense and stand alone costs to be incurred in 2012
^h Expected one time separation costs of \$8M and \$10M to be incurred at the segments and headquarters, respectively.
ⁱ Tax impact of one time separation costs expected to be incurred in 2012.
^j Full year 2012 diluted shares outstanding are based on diluted shares outstanding for quarter ended March 31, 2012