## STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person ${ }^{*}$
HAMRE JOHN J

HAMRE JOHN J

| (Last) | (First) | (Middle) |
| :--- | :---: | :---: |
| 1133 WESTCHESTER AVENUE |  |  |
| C/O XYLEM INC. |  |  |
| (Street) |  |  |
| WHITE NY 10604 <br> PLAINS (State) (Zip) <br> (City)    |  |  |



Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. <br> Transaction Code (Instr. <br> 8) |  | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |  |  | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | Code | v | Amount | (A) or (D) | Price |  |  |  |
| Common Stock | 11/01/2011 |  | A |  | 5,265 | A | \$0.00 | 21,994 | D |  |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Security (Instr. 3) | 2. <br> Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. <br> Trans Code 8) <br> Code | ction Instr. | 5. Num of Deriva Secur Acqui (A) or Dispo of (D) (Instr. and 5) <br> (A) | ber <br> tive <br> ties <br> ed <br> ed | 6. Date Exer Expiration D (Month/Dayl <br> Date <br> Exercisable | isable and te ear) <br> Expiration Date | 7. Title and Amount of Securities Underlying Derivative (Instr. 3 an <br> Title | Security (4) <br> Amount or Number of Shares | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative <br> Securities <br> Beneficially <br> Owned <br> Following <br> Reported <br> Transaction(s) <br> (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Stock Option (Right to Buy) | \$19.4 | 11/01/2011 |  | A |  | 3,560 |  | (1) | 05/07/2012 | Common Stock | 3,560 | \$0.00 | 3,560 | D |  |
|  | \$17.35 | 11/01/2011 |  | A |  | 2,420 |  | (1) | 01/04/2013 | Common Stock | 2,420 | \$0.00 | 2,420 | D |  |
| Stock Option (Right to Buy) | \$21.03 | 11/01/2011 |  | A |  | 2,480 |  | (1) | 02/02/2014 | $\begin{aligned} & \text { Common } \\ & \text { Stock } \end{aligned}$ | 2,480 | \$0.00 | 2,480 | D |  |
|  | \$25.53 | 11/01/2011 |  | A |  | 2,140 |  | (1) | 03/08/2012 | $\begin{aligned} & \text { Common } \\ & \text { Stock } \end{aligned}$ | 2,140 | \$0.00 | 2,140 | D |  |
|  | \$29.57 | 11/01/2011 |  | A |  | 3,040 |  | (1) | 03/06/2013 | $\begin{aligned} & \text { Common } \\ & \text { Stock } \end{aligned}$ | 3,040 | \$0.00 | 3,040 | D |  |
|  | \$32.56 | 11/01/2011 |  | A |  | 2,700 |  | (1) | 03/07/2014 | $\begin{aligned} & \text { Common } \\ & \text { Stock } \end{aligned}$ | 2,700 | \$0.00 | 2,700 | D |  |
| Stock <br> Option <br> (Right to <br> Buy) | \$29.81 | 11/01/2011 |  | A |  | 2,960 |  | (1) | 03/10/2015 | $\begin{gathered} \text { Common } \\ \text { Stock } \end{gathered}$ | 2,960 | \$0.00 | 2,960 | D |  |
| Stock Option (Right to Buy) | \$18.63 | 11/01/2011 |  | A |  | 3,970 |  | (2) | 03/05/2016 | Common Stock | 3,970 | \$0.00 | 3,970 | D |  |
|  | \$30.03 | 11/01/2011 |  | A |  | 2,860 |  | (3) | 03/05/2020 | $\begin{aligned} & \text { Common } \\ & \text { Stock } \end{aligned}$ | 2,860 | \$0.00 | 2,860 | D |  |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. <br> Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |  | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |  | 6. Date Exercisable and Expiration Date (Month/Day/Year) |  | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) |  | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. <br> Ownership Form: <br> Direct (D) <br> or Indirect <br> (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Phantom Stock | (4) | 11/01/2011 |  | A |  | 1,840 |  | (5) | (5) | Common Stock | 1,840 | \$0.00 | 1,840 | D |  |

## Explanation of Responses:

1. These options are fully vested and exercisable.
2. 2,647 options are vested and exercisable and the remainder will vest on March 5, 2012
3. 954 options are vested and exercisable and the remainder will vest in two equal annual installments beginning on March 5, 2012.
4. Each share of phantom stock represents the right to receive the cash value of 1 share of Xylem Inc. common stock.
5. Credited shares of phantom stock are payable in cash following the director's termination of service on the board of directors or a date selected by the director.

## Remarks:

 Corporation.

/s/ Rina E. Teran, Assistant Corporate Secretary of Xylem Inc., by_power of attorney for John J. Hamre<br>** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).
** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. $78 f f(a)$.
Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.
Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

The undersigned, John J. Hamre, does hereby nominate, constitute and appoint Frank R. Jimenez and Rina E. Teran in their true and lawful attorney and agent to do any and all acts and things and execute and file any and all instruments which said attorneys and agents may deem necessary or advisable to enable the undersigned (in his individual capacity or in any other capacity) to comply with the Securities Exchange Act of 1934 (the " 34 Act") and the Securities Act of 1933 (the "33 Act") and any requirements of the Securities and Exchange Commission (the "SEC") in respect thereof, in connection with the preparation, execution and/or filing of (i) any report or statement of beneficial ownership or changes in beneficial ownership of securities of Xylem Inc., an Indiana corporation (the "Company"), that the undersigned (in his individual capacity or in any other capacity) may be required to file pursuant to Section 16(a) of the 34 Act, including any report or statement on Form 3, Form 4 or Form 5, or to any amendment thereto, (ii) any report or notice required under Rule 144 of the 33 Act, including Form 144, or any amendment thereto, and (iii) any and all other documents or instruments that may be necessary or desirable in connection with or in furtherance of any of the foregoing, including Form ID, or any amendments thereto, and any other documents necessary or appropriate to obtain codes and passwords enabling the undersigned to make electronic filings with the SEC of reports required pursuant to Section 16(a) of the 34 Act or any rule or regulation of the SEC, such power and authority to extend to any form or forms adopted by the SEC in lieu of or in addition to any of the foregoing and to include full power and authority to sign the undersigned's name in his individual capacity or otherwise, hereby ratifying and confirming all that said attorneys and agents, or any of them, shall do or cause to be done by virtue thereof.

This authorization shall supersede all prior authorizations to act for the undersigned with respect to securities of the Company in such matters, which prior authorizations are hereby revoked, and shall remain in effect until revoked by the undersigned in a signed writing delivered to the foregoing attorneys in fact.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of October, 2011.

John J. Hamre

