

The Xylem logo is rendered in a white, lowercase, sans-serif font. It is positioned on the left side of the slide, set against a background of light blue geometric shapes that form a large, stylized 'X'.

2024 First Quarter

Results & Earnings



Forward-Looking Statements

This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Generally, the words “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “contemplate,” “predict,” “forecast,” “likely,” “believe,” “target,” “will,” “could,” “would,” “should,” “potential,” “may” and similar expressions or their negative, may, but are not necessary to, identify forward-looking statements. By their nature, forward-looking statements address uncertain matters and include any statements that: are not historical, such as statements about our strategy, financial plans, outlook, objectives, plans, intentions or goals (including those related to our social, environmental and other sustainability goals); or address possible or future results of operations or financial performance, including statements relating to orders, revenues, operating margins and earnings per share growth.

Although we believe that the expectations reflected in any of our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in any of our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and to inherent risks and uncertainties, many of which are beyond our control. Important factors that could cause our actual results, performance and achievements, or industry results to differ materially from estimates or projections contained in or implied by our forward-looking statements include, among others, the following: the impact of overall industry and general economic conditions, including industrial, governmental, and public and private sector spending, interest rates, inflation and related monetary policy by governments in response to inflation, and the strength of the residential and commercial real estate markets, on economic activity and our operations; geopolitical events, including the ongoing and possible escalation of the conflicts involving Russia and Ukraine, and the Middle East, as well as regulatory, economic and other risks associated with our global sales and operations, including those related to domestic content requirements applicable to projects receiving governmental funding; manufacturing and operating cost increases due to macroeconomic conditions, including inflation, energy supply, supply chain shortages, logistics challenges, tight labor markets, prevailing price changes, tariffs and other factors; demand for our products, disruption, competition or pricing pressures in the markets we serve; cybersecurity incidents or other disruptions of information technology systems on which we rely, or involving our connected products and services; lack of availability or delays in receiving parts and raw materials from our supply chain, including electronic components (in particular, semiconductors); disruptions in operations at our facilities or that of third parties upon which we rely; uncertainty related to the realization of the benefits and synergies from our acquisition of Evoqua Water Technologies Corp.; safe and compliant treatment and handling of water, wastewater and hazardous materials; failure to successfully execute large projects, including with respect to meeting performance guarantees and customers’ budgets, timelines and safety requirements; our ability to retain and attract leadership and other diverse and key talent, as well as competition for overall talent and labor; defects, security, warranty and liability claims, and recalls related to our products; uncertainty around restructuring and realignment actions and related costs and savings; our ability to execute strategic investments for growth, including related to acquisitions and divestitures; availability, regulation or interference with radio spectrum used by certain of our products; volatility in served markets or impacts on our business and operations due to weather conditions, including the effects of climate change; risks related to our sustainability commitments and related disclosures; fluctuations in foreign currency exchange rates; difficulty predicting our financial results; risk of future impairments to goodwill and other intangible assets; changes in our effective tax rates or tax expenses; financial market risks related to our pension and other defined benefit plans; failure to comply with, or changes in, laws or regulations, including those pertaining to our business conduct, operations, products and services, including anti-corruption, data privacy and security, trade, competition, the environment, climate change and health and safety; legal, governmental or regulatory claims, investigations or proceedings and associated contingent liabilities; matters related to intellectual property infringement or expiration of rights; and other factors set forth under “Item 1A. Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2023 (“2023 Annual Report”) and in subsequent filings we make with the Securities and Exchange Commission (“SEC”).

Forward-looking and other statements in this presentation regarding our environmental and other sustainability plans and goals are not an indication that these statements are necessarily material to investors, to our business, operating results, financial condition, outlook, or strategy, to our impacts on sustainability matters or other parties, or are required to be disclosed in our filings with the SEC. In addition, historical, current, and forward-looking social, environmental and sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. All forward-looking statements made herein are based on information currently available to us as of the date of this presentation. 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.

Q1 2024 Performance Summary

(\$ in millions, unless otherwise noted)

	Xylem Consolidated		Measurement and Control Solutions		Water Infrastructure		Applied Water		Water Solutions and Services	
	Reported Q1	Adj* Q1	Reported Q1	Adj* Q1	Reported Q1	Adj* Q1	Reported Q1	Adj* Q1	Reported Q1	Adj* Q1
Orders	\$2,246	\$2,246	\$429	\$429	\$646	\$646	\$480	\$480	\$691	\$691
Overall Growth	43%	43%	3%	3%	40%	40%	(1%)	(1%)	227%	227%
Organic Growth*		3%		3%		6%		(1%)		7%
Revenue	\$2,033	\$2,033	\$462	\$462	\$574	\$574	\$436	\$436	\$561	\$561
Overall Growth	40%	40%	22%	22%	40%	40%	(4%)	(4%)	171%	171%
Organic Growth*		7%		22%		6%		(4%)		6%
Operating Income	\$209	\$294	\$70	\$86	\$60	\$88	\$61	\$63	\$50	\$83
Operating Margin	10.3%	14.5%	15.2%	18.6%	10.5%	15.3%	14.0%	14.4%	8.9%	14.8%
EBITDA*	\$337	\$391	\$102	\$105	\$90	\$102	\$68	\$72	\$105	\$125
EBITDA Margin*	16.6%	19.2%	22.1%	22.7%	15.7%	17.8%	15.6%	16.5%	18.7%	22.3%
Earnings Per Share	\$0.63	\$0.90								

Q1 2024 Earnings Highlights



Commercial and operational momentum to start the year

Exceeded guidance across all metrics; Adj. EBITDA* margin expansion of 290 bps

Healthy demand across most of our segments and end markets

Integration well on track; continued focus on revenue and cost synergies

Operational momentum with record first quarter Adj. EBITDA* margin



Strong growth platform with emphasis on operational execution

Full-year guidance raise supported by strong Q1 outperformance, and continued commercial and operational strength

Driving systematic, sustainable margin improvement through simplification and focus

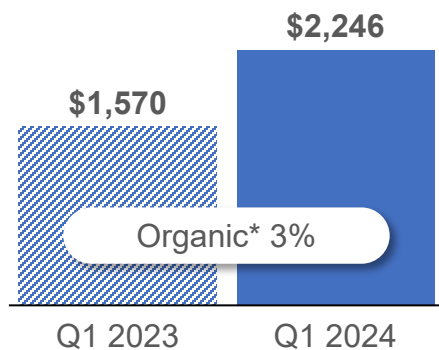
Combined company strongly positioned to meet customers' intensifying water challenges

Hosting Investor Day on May 30: update on our strategy, long-term financial framework, and 2030 sustainability goals

Strong momentum to drive profitable growth

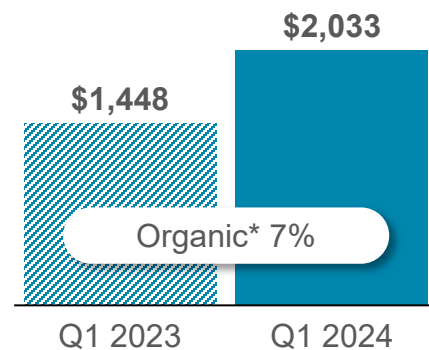
Q1 2024 Financial Performance

Orders



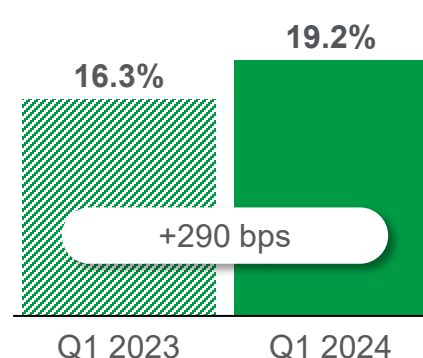
- Resilient demand with book-to-bill ratio >1x
- Strength across Developed Markets
- \$5.3B backlog, up 4% organically

Revenue



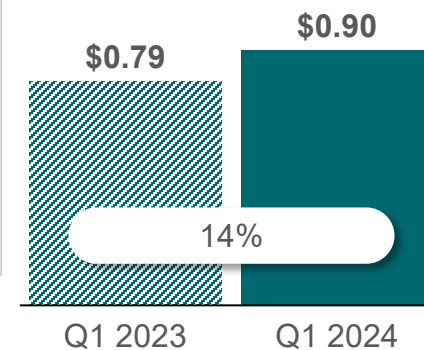
- Outperformance led by MCS and WSS
- Growth in all regions, particularly US

Adj. EBITDA* Margin



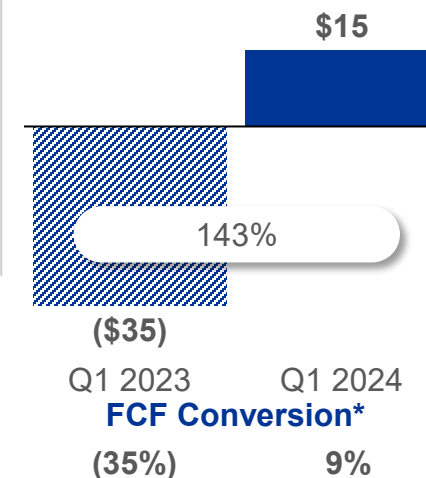
- 57% incrementals ex Evoqua
- Productivity, volume, and price more than offset inflation

Adj. EPS*



- 16% growth ex Evoqua
- \$0.20 organic operations
- (\$0.02) from acquisitions: \$0.30 operations, (\$0.32) dilution
- (\$0.05) higher tax and interest expense

Adj. Free Cash Flow*



- Adj. Free Cash Flow growth driven by higher net income partly offset by higher capex
- Strong financial position
- 0.9x net debt / adjusted EBITDA* (TTM)

Outperformance on strong commercial and operational execution

Q1 2024 Segment Performance Summary

	Measurement and Control Solutions	Water Infrastructure	Applied Water	Water Solutions and Services
Orders / Organic Growth*	\$429 +3%	\$646M +6%	\$480M (1%)	\$691M +7%
Revenue / Organic Growth*	\$462 +22%	\$574M +6%	\$436M (4%)	\$561M +6%
Adj. EBITDA* Margin / Expansion	22.7% \$105M +550 bps YoY	17.8% \$102M +320 bps YoY	16.5% \$72M (380 bps) YoY	22.3% \$125M +680 bps YoY
	<ul style="list-style-type: none"> Organic* orders growth led by healthy smart metering demand \$2.2B backlog, up 6% organically Revenue growth led by smart metering demand and execution Margin expansion driven by productivity, volume, price, and favorable mix 	<ul style="list-style-type: none"> Organic* orders growth led by robust transport demand Organic* revenue growth across all regions and applications Margin expansion driven by productivity, favorable mix, volume and price 	<ul style="list-style-type: none"> Organic* orders decline slightly offset by large projects in US Revenue decline driven by developed market softness Margin down due to unfavorable mix, inflation, and lower volume partially offset by productivity 	<ul style="list-style-type: none"> Pro forma⁽¹⁾ orders growth of 19% led by large long-term outsourced water contract Pro forma⁽¹⁾ revenue growth of 9% led by broad-based demand Margin expansion driven by favorable mix, volume, price and productivity

Healthy demand across most segments and end markets

FY 2024 and Q2 2024 Guidance

	Prior FY Guide	Updated FY Guide	Q2 Guide
Revenue	\$8.4B – \$8.5B 14% – 15% Total Growth 3 – 5% Organic* Growth	~\$8.5B 15% – 16% Total Growth 4 – 6% Organic* Growth	\$2.12B – \$2.16B 23% – 25% Total Growth 5 – 7% Organic* Growth
Adjusted EBITDA* Margin	19.4% – 19.9% 50 – 100 bps expansion	~20% ~110 bps expansion	~20% ~90 bps expansion
Adjusted EPS*	\$4.00 – \$4.20	\$4.10 – \$4.25	\$1.00 – \$1.05
Adjusted FCF Conversion*	~115%	~115%	

Highlights

Raising full year 2024 guide

- Revenue growth driven by strong demand and backlog execution
- Evoqua expected to contribute ~\$0.8B of inorganic revenue
- On track for ~\$100M run-rate cost synergies
- Driving working capital** productivity

Raising full year guidance on commercial and operational momentum

Key Takeaways



Strong start to 2024 with momentum on **operational and commercial execution**



Evoqua integration and culture transformation well on track



Guidance raise reflects Q1 outperformance and healthy demand

Creating **economic** value, underpinned by sustainability

The background features a dynamic splash of water in shades of blue, with a large, light blue stylized 'X' logo overlaid on the left side. The water splash is captured in mid-air, creating intricate patterns and droplets. The overall color palette is monochromatic, ranging from light sky blue to deep navy blue.

xylem

Appendix

FY 2024 Guidance Key Assumptions

	FY 2024 Assumptions
Corporate Expense	~\$75M
Restructuring & Realignment Costs*	~\$50 – 70M
Capex	~\$390M
Estimated Tax Rate*	~23%
Purchase Accounting Intangible Amortization	~\$220M
EUR / USD Rate	1.09

Segment Key Facts

Water Solutions and Services⁽²⁾

Treatment, transport and assessment services solutions with an extensive service network and highly recurring revenue

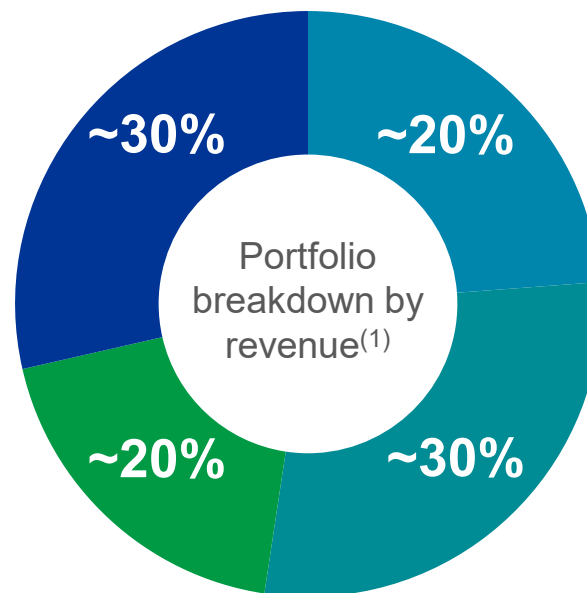
- Key Brands: MarCor, Frontier, ADI, Godwin, Pure
- Geo. Split: US ~80% / Rest of World ~20%
- End Market Split: Industrials ~70% / Utilities ~30%
- Channels: Primarily direct
- Market Drivers: Outsourced service, water scarcity, regulation, emerging contaminants
- Competitive Advantage: Service network, mobile fleet, SOPHIS digital solutions, technology agnostic business model

Measurement and Control Solutions⁽²⁾

Advanced technology solutions for water and energy, including smart metering and test & measurement

- Key Brands: Sensus, Smith-Blair, WTW, YSI
- Geo. Split: US ~65% / W. Europe ~15% / EM & Other ~20%
- End Market Split: Clean Water Utilities ~80% / Industrials ~20%
- Channels: Primarily indirect, some direct for larger projects
- Market Drivers: AMI adoption acceleration, connected solutions, non-revenue water, affordability, labor shortages
- Competitive Advantage: Deep application expertise and technology leadership, long-standing customer relationships

Diversified Portfolio Addressing the Full Lifecycle of Water



Applied Water

Industrial and buildings solutions applications including pumps, valves, heat exchangers, controls, and dispensing equipment

- Key Brands: Bell & Gossett, Flojet, Gould's, Lowara
- Geo. Split: US ~50% / W. Europe ~20% / EM & Other ~30%
- End Market Split: Industrials ~45% / Building Solutions ~55%
- Channels: Primarily indirect
- Market Drivers: Urbanization, climate, regulation, labor shortage
- Competitive Advantage: Established footprint, strong channel partnerships, quality & reliability

Water Infrastructure⁽²⁾

Products and solutions for the transportation and treatment of water, including pumps, filtration and treatment equipment, and controls

- Key Brands: Flygt, Wedeco, Sanitaire, Defender, Magneto
- Geo. Split: US ~35% / W. Europe ~35% / EM & Other ~30%
- End Market Split: Wastewater Utilities ~60% / Industrials ~40%
- Channels: Primarily direct
- Market Drivers: Water scarcity, affordability, aging infrastructure, regulations, sustainability
- Competitive Advantage: Innovation leadership, significant global installed base

(1) Expected approximate proportion of total revenue per business segment for fiscal 2024

(2) Effective January 1, 2024 Integrated Solutions and Services is combined with Dewatering and Assessment Services into a new segment called Water Solutions and Services

Appendix

Xylem Inc. Non-GAAP Measures



Management reviews key performance indicators including revenue, gross margins, segment operating income and margins, orders growth, working capital and backlog, among others. In addition, we consider certain non-GAAP (or "adjusted") measures to be useful to management and investors evaluating our operating performance for the periods presented, and to provide a tool for evaluating our ongoing operations, liquidity and management of assets. This information can assist investors in assessing our financial performance and measures our ability to generate capital for deployment among competing strategic alternatives and initiatives, including but not limited to, dividends, acquisitions, share repurchases and debt repayment. Excluding revenue, Xylem provides guidance only on a non-GAAP basis due to the inherent difficulty in forecasting certain amounts that would be included in GAAP earnings, such as discrete tax items, without unreasonable effort. These adjusted metrics are consistent with how management views our business and are used to make financial, operating and planning decisions. These metrics, however, are not measures of financial performance under GAAP and should not be considered a substitute for revenue, operating income, net income, earnings per share (basic and diluted) or net cash from operating activities as determined in accordance with GAAP. We consider the following items to represent the non-GAAP measures we consider to be key performance indicators, as well as the related reconciling items to the most directly comparable measure calculated and presented in accordance with GAAP. The non-GAAP measures may not be comparable to similarly titled measures reported by other companies.

"Organic revenue" and "Organic orders" defined as revenue and orders, respectively, excluding the impact of fluctuations in foreign currency translation and contributions from acquisitions and divestitures. Divestitures include sales or discontinuance of insignificant portions of our business that did not meet the criteria for classification as a discontinued operation. The period-over-period change resulting from foreign currency translation impacts is determined by translating current period and prior period activity using the same currency conversion rate.

"Constant currency" defined as financial results adjusted for foreign currency translation impacts by translating current period and prior period activity using the same currency conversion rate. This approach is used for countries whose functional currency is not the U.S. dollar. "Adjusted Operating Income", "Adjusted Segment Operating Income",

"EBITDA" defined as earnings before interest, taxes, depreciation and amortization expense. "Adjusted EBITDA" and "Adjusted Segment EBITDA" reflect the adjustments to EBITDA and segment EBITDA, respectively, to exclude share-based compensation charges, restructuring and realignment costs, gain or loss from sale of businesses and special charges.

"Adjusted EBITDA Margin" and "Adjusted Segment EBITDA Margin" defined as adjusted EBITDA and adjusted segment EBITDA divided by total revenue and segment revenue, respectively.

"Adjusted Operating Income", "Adjusted Segment Operating Income", "Adjusted Net Income" and "Adjusted EPS" defined as operating income, segment operating income, net income and earnings per share, adjusted to exclude restructuring and realignment costs, amortization of acquired intangible assets, gain or loss from sale of businesses, special charges and tax-related special items, as applicable.

"Free Cash Flow" defined as net cash from operating activities, as reported in the Statement of Cash Flows, less capital expenditures, and "Free Cash Flow Conversion" defined as Free Cash Flows divided by net income, excluding the gain on sale of businesses and other non-recurring, significant non-cash impacts, such as non-cash impairment charges and significant deferred tax items. Our definitions of "free cash flow" and "free cash flow conversion" do not consider certain non-discretionary cash payments, such as debt.

"Adjusted Free Cash Flow" defined as free cash flow adjusted for significant cash items for which the corresponding income statement impact does not occur within the same fiscal year.

"Realignment costs" defined as costs not included in restructuring costs that are incurred as part of actions taken to reposition our business, including items such as professional fees, severance, relocation, travel, facility set-up and other costs.

"Special charges" defined as costs incurred by the Company, such as acquisition and integration related costs and non-cash impairment charges.

"Tax-related special items" defined as tax items, such as tax return versus tax provision adjustments, tax exam impacts, tax law change impacts, excess tax benefits/losses and other discrete tax adjustments.



Appendix

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

	(As Reported - GAAP)				(As Adjusted - Organic)				Constant Currency
	(A)		(B)	% Change 2024 v. 2023	(C) Acquisitions / Divestitures	(D)	(E) = B+C+D	(F) = E/A	(G) = (E - C) / A
	Revenue 2024	Revenue 2023	Change 2024 v. 2023			FX Impact	Change Adj. 2024 v. 2023	% Change Adj. 2024 v. 2023	
Quarter Ended March 31									
Xylem Inc.	2,033	1,448	585	40%	(480)	(2)	103	7%	40%
Water Infrastructure	574	410	164	40%	(137)	(1)	26	6%	40%
Applied Water	436	453	(17)	(4%)	-	(1)	(18)	(4%)	(4%)
Measurement and Control Solutions	462	378	84	22%	-	(1)	83	22%	22%
Water Solutions and Services	561	207	354	171%	(343)	1	12	6%	171%

Xylem Inc. Non-GAAP Reconciliation Reported vs. Organic and Constant Currency Orders (\$ Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)				Constant Currency
	(A)		(B)	% Change 2024 v. 2023	(C) Acquisitions / Divestitures	(D)	(E) = B+C+D	(F) = E/A	(G) = (E - C) / A
	Orders 2024	Orders 2023	Change 2024 v. 2023			FX Impact	Change Adj. 2024 v. 2023	% Change Adj. 2024 v. 2023	
Quarter Ended March 31									
Xylem Inc.	2,246	1,570	676	43%	(621)	(1)	54	3%	43%
Water Infrastructure	646	461	185	40%	(154)	(2)	29	6%	40%
Applied Water	480	483	(3)	(1%)	-	-	(3)	(1%)	(1%)
Measurement and Control Solutions	429	415	14	3%	-	-	14	3%	3%
Water Solutions and Services	691	211	480	227%	(467)	1	14	7%	228%

Xylem Inc. Non-GAAP Reconciliation

Adjusted Operating Income (\$ Millions)

	Q1	
	2024	2023
Total Revenue		
• Total Xylem	2,033	1,448
• Water Infrastructure	574	410
• Applied Water	436	453
• Measurement and Control Solutions	462	378
• Water Solutions and Services	561	207
• Corporate/ Other	-	-
Operating Income (Loss)		
• Total Xylem	209	131
• Water Infrastructure	60	46
• Applied Water	61	83
• Measurement and Control Solutions	70	26
• Water Solutions and Services	50	18
• Corporate/ Other	(32)	(42)
Operating Margin		
• Total Xylem	10.3%	9.0%
• Water Infrastructure	10.5%	11.2%
• Applied Water	14.0%	18.3%
• Measurement and Control Solutions	15.2%	6.9%
• Water Solutions and Services	8.9%	8.7%
• Corporate/ Other	N/A	N/A

	Q1	
	2024	2023
Special Charges		
• Total Xylem	16	25
• Water Infrastructure	2	-
• Applied Water	-	-
• Measurement and Control Solutions	-	2
• Water Solutions and Services	9	-
• Corporate/ Other	5	23
Restructuring & Realignment Costs		
• Total Xylem	15	11
• Water Infrastructure	7	3
• Applied Water	2	3
• Measurement and Control Solutions	2	5
• Water Solutions & Services	3	-
• Corporate/ Other	1	-
Purchase Accounting Intangible Amortization Adjustment		
• Total Xylem	54	18
• Water Infrastructure	19	1
• Applied Water	-	-
• Measurement and Control Solutions	14	14
• Water Solutions and Services	21	3
• Corporate/ Other	-	-
Adjusted Operating Income (Loss)		
• Total Xylem	294	185
• Water Infrastructure	88	50
• Applied Water	63	86
• Measurement and Control Solutions	86	47
• Water Solutions and Services	83	21
• Corporate/ Other	(26)	(19)
Adjusted Operating Margin		
• Total Xylem	14.5%	12.8%
• Water Infrastructure	15.3%	12.2%
• Applied Water	14.4%	19.0%
• Measurement and Control Solutions	18.6%	12.4%
• Water Solutions and Services	14.8%	10.1%
• Corporate/ Other	N/A	N/A

Appendix

Xylem Inc. Non-GAAP Reconciliation

Adjusted Diluted EPS

(\$ Millions, except per share amounts)

	Q1 2024			Q1 2023		
	As Reported	Adjustments	Adjusted	As Reported	Adjustments	Adjusted
Total Revenue	2,033	-	2,033	1,448	-	1,448
Operating Income	209	85 a	294	131	54 a	185
Operating Margin	10.3%		14.5%	9.0%		12.8%
Interest Expense	(14)	-	(14)	(9)	-	(9)
Other Non-Operating Income (Expense)	6	-	6	4	-	4
Gain/(Loss) From Sale of Business	(5)	5	-	-	-	-
Income before Taxes	196	90	286	126	54	180
Provision for Income Taxes	(43)	(24) b	(67)	(27)	(9) b	(36)
Net Income	153	66	219	99	45	144
Diluted Shares	243.0		243.0	181.3		181.3
Diluted EPS	\$0.63	\$0.27	\$0.90	\$0.54	\$0.25	\$0.79

a Restructuring & realignment costs: 2024 - \$15 million and 2023 - \$11 million

Special charges: 2024 - \$15 million of acquisition & integration cost and \$1 million of asset impairment charges; 2023 - \$23 million of acquisition & integration cost and \$2 million of asset impairment charges.

Purchase accounting intangible amortization: 2024 - \$54 million and 2023 - \$18 million

b 2024 - Net tax impact on pre-tax adjustments (note a) of \$22 million and other tax special items of \$2 million; 2023 - Net tax impact on pre-tax adjustments (note a) of \$9 million

Appendix

Xylem Inc. Non-GAAP Reconciliation EBITDA and Adjusted EBITDA by Quarter (\$ Millions)

2024					
	Q1	Q2	Q3	Q4	Total
Net Income	153				153
Net Income margin	7.5%				7.5%
Depreciation	61				61
Amortization	73				73
Interest Expense (Income), net	7				7
Income Tax Expense	43				43
EBITDA	337	-	-	-	337
Share-based Compensation	18				18
Restructuring & Realignment	15				15
Special Charges	16				16
Loss/(Gain) from sale of business	5				5
Adjusted EBITDA	391	-	-	-	391
Revenue	2,033				2,033
Adjusted EBITDA Margin	19.2%				19.2%

2023					
	Q1	Q2	Q3	Q4	Total
Net Income	99	92	152	266	609
Net Income margin	6.8%	5.3%	7.3%	12.6%	8.3%
Depreciation	28	41	63	61	193
Amortization	32	51	84	76	243
Interest Expense (Income), net	2	5	6	8	21
Income Tax Expense	27	22	33	(56)	26
EBITDA	188	211	338	355	1,092
Share-based Compensation	12	15	18	15	60
Restructuring & Realignment	11	36	33	23	103
Special Charges	25	67	22	22	136
Loss/(Gain) from sale of business	-	-	-	1	1
Adjusted EBITDA	236	329	411	416	1,392
Revenue	1,448	1,722	2,076	2,118	7,364
Adjusted EBITDA Margin	16.3%	19.1%	19.8%	19.6%	18.9%

Xylem Inc. Non-GAAP Reconciliation EBITDA and Adjusted EBITDA by Quarter (\$ Millions) Water Infrastructure

2024					
	Q1	Q2	Q3	Q4	Total
Operating Income	60				60
Operating Margin	10.5%	-	-	-	10.5%
Depreciation	10				10
Amortization	21				21
Other non-operating expense, excluding interest income	(1)				(1)
EBITDA	90	-	-	-	90
Share-based Compensation	3				3
Restructuring & Realignment	7				7
Special Charges	2				2
Adjusted EBITDA	102	-	-	-	102
Revenue	574				574
Adjusted EBITDA Margin	17.8%	-	-	-	17.8%

2023					
	Q1	Q2	Q3	Q4	Total
Operating Income	46	70	84	75	275
Operating Margin	11.2%	13.5%	13.7%	11.1%	12.4%
Depreciation	7	8	10	9	34
Amortization	2	10	17	26	55
Other non-operating expense, excluding interest income	-	1	(1)	3	3
EBITDA	55	89	110	113	367
Share-based Compensation	2	3	4	4	13
Restructuring & Realignment	3	2	2	11	18
Special Charges	-	12	6	10	28
Adjusted EBITDA	60	106	122	138	426
Revenue	410	519	612	674	2,215
Adjusted EBITDA Margin	14.6%	20.4%	19.9%	20.5%	19.2%

Appendix

Xylem Inc. Non-GAAP Reconciliation EBITDA and Adjusted EBITDA by Quarter (\$ Millions) Applied Water

	2024				
	Q1	Q2	Q3	Q4	Total
Operating Income	61				61
Operating Margin	14.0%	-	-	-	14.0%
Depreciation	6				6
Amortization	1				1
Other non-operating expense, excluding interest income	-				-
EBITDA	68				68
Share-based Compensation	2				2
Restructuring & Realignment	2				2
Special Charges	-				-
Adjusted EBITDA	72	-	-	-	72
Revenue	436				436
Adjusted EBITDA Margin	16.5%	-	-	-	16.5%

	2023				
	Q1	Q2	Q3	Q4	Total
Operating Income	83	84	73	70	310
Operating Margin	18.3%	17.6%	15.7%	15.3%	16.7%
Depreciation	5	6	7	7	25
Amortization	1	1	-	1	3
Other non-operating expense, excluding interest income	(1)	-	-	(1)	(2)
EBITDA	88	91	80	77	336
Share-based Compensation	1	-	1	1	3
Restructuring & Realignment	3	2	6	2	13
Special Charges	-	-	-	-	-
Adjusted EBITDA	92	93	87	80	352
Revenue	453	478	465	457	1,853
Adjusted EBITDA Margin	20.3%	19.5%	18.7%	17.5%	19.0%

Xylem Inc. Non-GAAP Reconciliation EBITDA and Adjusted EBITDA by Quarter (\$ Millions) Measurement and Control Solutions

	2024				
	Q1	Q2	Q3	Q4	Total
Operating Income	70				70
Operating Margin	15.2%	-	-	-	15.2%
Depreciation	6				6
Amortization	27				27
Other non-operating expense, excluding interest income	(1)				(1)
EBITDA	102	-	-	-	102
Share-based Compensation	1				1
Restructuring & Realignment	2				2
Special Charges	-				-
Adjusted EBITDA	105	-	-	-	105
Revenue	462				462
Adjusted EBITDA Margin	22.7%	-	-	-	22.7%

	2023				
	Q1	Q2	Q3	Q4	Total
Operating Income	26	29	35	43	133
Operating Margin	6.9%	7.6%	8.5%	9.8%	8.3%
(Loss)/Gain from sale of business	-	-	-	(1)	(1)
Depreciation	6	7	7	7	27
Amortization	24	24	24	25	97
Other non-operating expense, excluding interest income	-	(1)	-	(3)	(4)
EBITDA	56	59	66	71	252
Share-based Compensation	2	2	1	2	7
Restructuring & Realignment	5	2	5	5	17
Special Charges	2	-	1	1	4
Loss/(Gain) from sale of business	-	-	-	1	1
Adjusted EBITDA	65	63	73	80	281
Revenue	378	384	413	437	1,612
Adjusted EBITDA Margin	17.2%	16.4%	17.7%	18.3%	17.4%

Xylem Inc. Non-GAAP Reconciliation
EBITDA and Adjusted EBITDA by Quarter (\$ Millions)
Water Solutions and Services

2024					
	Q1	Q2	Q3	Q4	Total
Operating Income	50				50
Operating Margin	8.9%	-	-	-	8.9%
(Loss)/Gain from sale of business	(5)				(5)
Depreciation	38				38
Amortization	22				22
Other non-operating expense,	-				-
EBITDA	105	-	-	-	105
Share-based Compensation	3				3
Restructuring & Realignment	3				3
Special Charges	9				9
Loss/(Gain) from sale of business	5				5
Adjusted EBITDA	125	-	-	-	125
Revenue	561				561
Adjusted EBITDA Margin	22.3%	-	-	-	22.3%

2023					
	Q1	Q2	Q3	Q4	Total
Operating Income	18	26	33	55	132
Operating Margin	8.7%	7.6%	5.6%	10.0%	7.8%
(Loss)/Gain from sale of business	-	-	-	-	-
Depreciation	10	19	39	37	105
Amortization	3	15	39	22	79
Other non-operating expense, excluding interest income	-	-	1	-	1
EBITDA	31	60	112	114	317
Share-based Compensation	1	4	3	2	10
Restructuring & Realignment	-	8	9	3	20
Special Charges	-	7	9	6	22
Loss/(Gain) from sale of business	-	-	-	-	-
Adjusted EBITDA	32	79	133	125	369
Revenue	207	341	586	550	1,684
Adjusted EBITDA Margin	15.5%	23.2%	22.7%	22.7%	21.9%

Appendix

Xylem Inc. Non-GAAP Reconciliation

Net Cash - Operating Activities vs. Free Cash Flow (\$ Millions)

	Q1	
	2024	2023
Net Cash - Operating Activities	\$89	(\$19)
Capital Expenditures - PPE	(59)	(33)
Capital Expenditures - Software	(15)	(16)
Capital Expenditures	(74)	(49)
Cash paid in excess of tax provision for R&D law change adoption	-	33
Free Cash Flow	\$15	(\$35)
Net Income	\$153	\$99
Gain/(Loss) from sale of business	(5)	-
Restructuring Charges - non-cash stock acceleration	(2)	-
Special Charges - non-cash impairment	(1)	(2)
Net Income, excluding gain/(loss) on sale of businesses and non-cash restructuring and special charges	\$161	\$101
Operating Cash Flow Conversion	58%	(19%)
Free Cash Flow Conversion	9%	(35%)



Thank you.

Q1 2024 Earnings & Results

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