

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

**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* <b>LORANGER STEVEN R</b>  (Last) (First) (Middle) <b>1133 WESTCHESTER AVENUE</b> <b>C/O XYLEM INC.</b>  (Street) <b>WHITE PLAINS NY 10604</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>Xylem Inc. [ XYL ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <b>01/03/2012</b>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

**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. Transaction Code (Instr. 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	02/09/2012		M		100,000	A	\$25.5271	333,872	D	
Common Stock	02/09/2012		S		100,000	D	\$27.0943 <sup>(1)</sup>	233,872	D	
Common Stock								50,551	I	By Betsy Palmer Loranger Revocable Trust
Common Stock								303.86 <sup>(2)</sup>	I	By 401(k) plan

**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. 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. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Phantom Stock	(3)	01/03/2012		J <sup>(4)</sup>		0.157		(5)	(5)	Common Stock	0.157	\$25.14	39.157	D	
Stock Option (Right to Buy)	\$25.5271	02/09/2012		M		100,000		(6)	03/08/2012	Common Stock	100,000	\$0.00	99,120	D	

**Explanation of Responses:**

- This price represents the approximate weighted average price per share of common stock (each, a "Share") of Xylem Inc. (the "Issuer"), of sales that were executed at prices ranging from \$27.07 to \$27.16 per Share. The Reporting Person undertakes to provide, upon request by the Securities and Exchange Commission staff, the Issuer or a security holder of the Issuer, full information regarding the number of Shares sold at each price.
- Equivalent share balance as of February 10, 2012.
- Each share of phantom stock represents the right to receive the cash value of one share of Xylem Inc. common stock.
- Represents dividend equivalent rights accrued on phantom stock which vest on the same terms as the phantom stock to which they relate.
- Credited shares of phantom stock are payable in cash pursuant to the Resignation Agreement, dated as of October 14, 2011, by and between Mr. Loranger and ITT Corporation.
- These options are fully vested and exercisable.

**Remarks:**

/s/ Rina E. Teran, Assistant Corporate Secretary of Xylem Inc., by power of attorney for Steven R. Loranger 02/13/2012

\*\* 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. 78ff(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.