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2025 Second Quarter

Results and Earnings

July 31, 2025

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 ongoing, possible escalation or outbreak of international conflicts, 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, trade policies 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, 2024 ("2024 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

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2Q 2025 Performance Summary

($ in millions, unless otherwise noted)

	Xylem Consolidated		Measurement and Control Solutions		Water Infrastructure		Applied Water		Water Solutions and Services	
	Reported 2Q	Adj* 2Q	Reported 2Q	Adj* 2Q	Reported 2Q	Adj* 2Q	Reported 2Q	Adj* 2Q	Reported 2Q	Adj* 2Q
Orders	2,174		437		672		488		577	
Overall Growth	4%		14%		(3%)		5%		5%	
Organic Growth*		4%		12%		(2%)		4%		5%
Revenue	2,301		540		650		483		628	
Overall Growth	6%		12%		3%		6%		5%	
Organic Growth*		6%		10%		4%		5%		5%
Operating Income	305	402	68	98	103	127	84	94	78	106
Operating Margin	13.3%	17.5%	12.6%	18.1%	15.8%	19.5%	17.4%	19.5%	12.4%	16.9%
EBITDA*	449	502	115	125	125	142	94	105	148	153
EBITDA Margin*	19.5%	21.8%	21.3%	23.1%	19.2%	21.8%	19.5%	21.7%	23.6%	24.4%
Earnings Per Share	$0.93	$1.26								

*See appendix for definitions of non-GAAP measures and non-GAAP reconciliations.

2Q 2025 Earnings Highlights

Outperformed expectations on strong execution

Order strength driven by developed markets

Revenue growth across all segments

Record quarterly Adj EBITDA Margin* with 100 bps expansion and double-digit EPS growth

Operating model transformation driving profitable growth

Pricing and supply chain efforts more than offsetting tariff impacts and inflation

Benefits from simplification driving improved customer experience

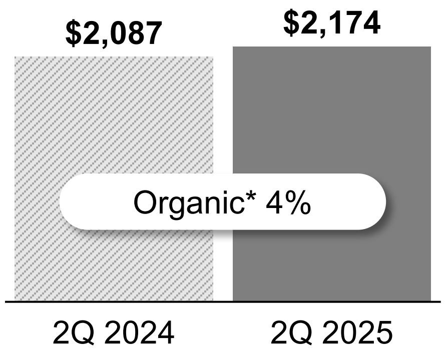
Two recent acquisitions to strengthen our advanced treatment portfolio

Raising FY guide to reflect strong first half results and second half outlook

*See appendix for definitions of non-GAAP measures and non-GAAP reconciliations.

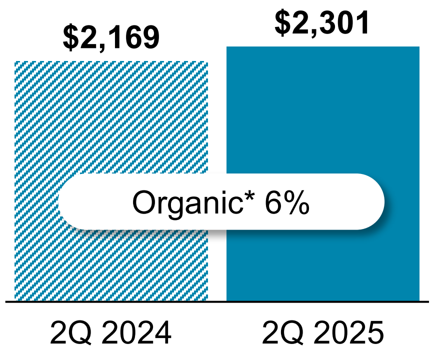
2Q 2025 Financial Performance

Orders



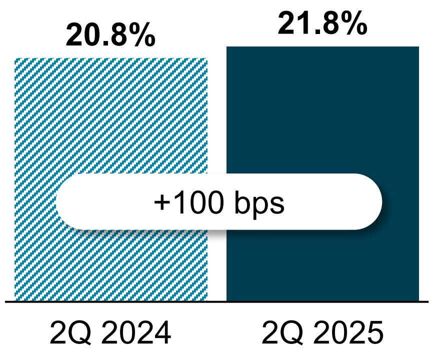
- Healthy demand driven by strength in MCS
- $5.0B backlog with growth in 3 of 4 segments

Revenue



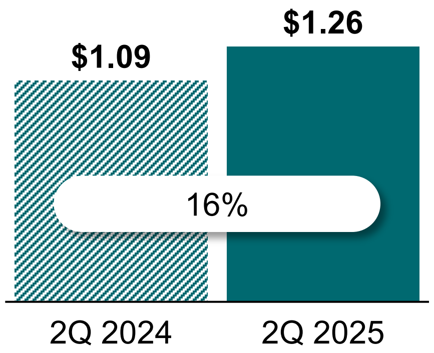
- Growth in all segments
- Strong performance across all end markets
- Particular strength in North America
- Driven by price, higher volumes and synergies

Adj. EBITDA Margin*



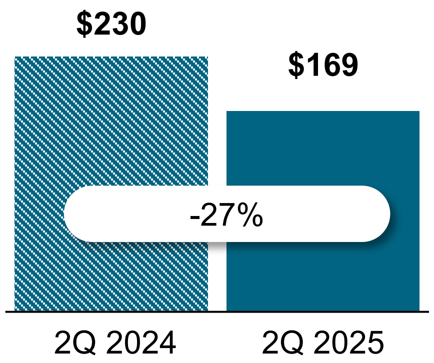
- Improvement driven by productivity, price, and volume more than offset inflation, mix, and investments
- Simplification efforts making an impact

Adj. EPS*



- $0.17 operations
- ($0.02) due to acquisitions/ divestitures
- $0.01 controlling interest income
- $0.01 other partially offset by higher tax

YTD Free Cash Flow*



YTD FCF Margin*

5% **4%**

- Decline driven by outsourced water projects and timing of tax payments mostly offset by higher net income and improved NWC
- 0.4x net debt / adjusted EBITDA* (TTM)

Execution drove record quarterly Adj. EBITDA Margin*

*See appendix for definitions of non-GAAP measures and non-GAAP reconciliations.

2Q 2025 Segment Performance Summary

	Measurement and Control Solutions	Water Infrastructure	Applied Water	Water Solutions and Services
Orders / Organic Growth*	$437M +12%	$672M (2)%	$488M +4%	$577M +5%
Revenue / Organic Growth*	$540M +10%	$650M +4%	$483M +5%	$628M +5%
Adj. EBITDA Margin* / Expansion	23.1% $125M (30) bps YoY	21.8% $142M +200 bps YoY	21.7% $105M +420 bps YoY	24.4% $153M +60 bps YoY
	• Orders growth driven by smart metering; Backlog $1.7B • Revenue growth led by energy metering demand and backlog execution • Margin decline driven by inflation and mix, mostly offset by productivity, volume, and price	• Orders decline driven by treatment • Revenue growth driven by treatment • Margin up due to productivity and price, offset by inflation and divestitures	• Orders growth driven by commercial buildings • Revenue growth driven by US • Margin up due to productivity and price, offset by inflation and other costs	• Orders growth driven by services • Revenue growth driven by service and capital projects • Margin up due to price, productivity, and synergies, offset by inflation

Healthy demand across most applications and end markets

*See appendix for definitions of non-GAAP measures and non-GAAP reconciliations

Approximate Annualized Tariff Impact Assumptions

(Import $ with tariff rates as expected on 7/30/25)

	Imports	Tariff Impact	Net Tariff Exposure
China (30%)	$100M	$30M	$30M
Mexico (25%)	$500M	$125M	$30M *(ex-USMCA compliant imports)*
EU (15%)	$400M	$60M	$60M
Section 232 & RoW	$100M	$40M	$40M
Total	$1.1B	$255M	$160M

Comments

- Price increases implemented in impacted segments, supply chain management accelerated
- Mexico imports ~75% USMCA exemption compliant
- EU exports primarily associated with WI
- Steel & Aluminum @ 50%= ~$20M Impact

Tariff costs mitigated at current levels through pricing and supplier management

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FY 2025 and 3Q 2025 Guidance

	Prior FY Guide	Updated FY Guide**	3Q Guide**
Revenue	**$8.6 - 8.7B** 1 – 2% Total Growth 3 – 4% Organic* Growth	**$8.9 – 9.0B** 4-5% Total Growth ~4% Organic* Growth	**~$2.2B** 5 - 6% Total Growth 4 - 5% Organic* Growth
Adjusted EBITDA Margin*	**21.3 – 21.8%** +70 – 120 bps expansion	**21.3 – 21.8%** +70 - 120 bps expansion	**21.7 – 22.2%** +50 – 100 bps expansion
Adjusted EPS*	**$4.50 – $4.70**	**$4.70 – $4.85**	**$1.20 – $1.25**
Free Cash Flow Margin*	**9 – 10%**	**9 – 10%**	

Full-Year Highlights

- Organic revenue* growth driven by price, strong demand, and backlog execution more than offsetting anticipated demand impacts from tariffs and 80/20 implementation headwinds
- Margin driven by productivity and price offsetting tariffs and inflation
- Benefits from simplification
- Meaningful FX shift, partially offset by a divestiture
- Cash flow impaired by restructuring costs, system investments and outsourced water projects

Raising guidance and confident in our ability to meet full-year commitments

*See appendix for definitions of non-GAAP measures
** Includes tariff impact and mitigation based on information available as of 7/30/2025

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Key Takeaways

Strong results driven by **execution and simplification**

Self-help initiatives building **foundation for long-term growth**

Guidance raise reflects 1H outperformance and healthy demand

Aligned, customer-centric culture driving shareholder value creation

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Appendix

FY 2025 Guidance Key Assumptions

	FY 2025 Assumptions
Corporate Expense	$75M - $85M
Restructuring & Realignment Costs*	$90M - $110M
Capex	~$390M
Estimated Tax Rate[1]	~22 - 23%
Purchase Accounting Intangible Amortization	~$240M
EUR / USD Rate	1.17

*See appendix for definitions of non-GAAP measures and non-GAAP reconciliations
1 Estimated tax rate is on an adjusted basis

Segment Key Facts

Water Solutions and Services

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

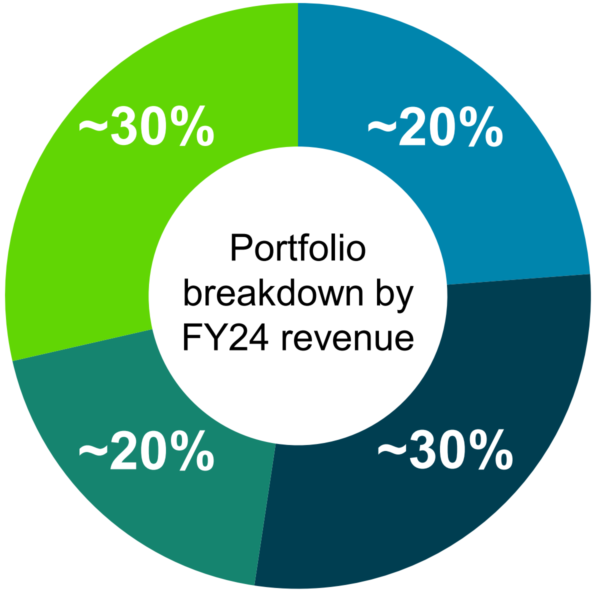
- Key brands: ADI, Frontier, Godwin, MarCor, Pure, Vacom
- Geographic split: US ~80% / Rest of World ~20%
- End-market split: Industrials ~70% / Utilities ~30%
- Channels: Primarily direct
- Market drivers: Outsourced service, water scarcity, regulation, emerging contaminants
- Competitive advantage: Service network, mobile fleet, SOPHIS digital solutions, technology agnostic business model

Measurement and Control Solutions

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

- Key brands: Sensus, Smith-Blair, WTW, Xylem Vue, YSI
- Geographic split: US ~65% / W. Europe ~15% / EM & Other ~20%
- End-market split: Clean Water Utilities ~85% / Industrials ~15%
- 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, FlexNet, Idrica

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, Goulds, Lowara
- Geographic 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

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

- Key brands: Defender, Flygt, Sanitaire, Wedeco
- Geographic 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, digital offerings

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 that 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.

“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.

"Adjusted operating margin" and **"Adjusted segment operating margin"** defined as adjusted operating income and adjusted segment operating income divided by total revenue and segment revenue, respectively.

“Free cash flow” defined as net cash from operating activities, as reported in the Statement of Cash Flows, less capital expenditures.

"Free cash flow margin" defined as free cash flow, adjusted for significant cash paid or received for non-operational tax, acquisition or divestiture activities; divided by revenue.

“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 non-recurring costs incurred by the Company, such those related to acquisitions and integrations, divestitures 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.

Xylem Inc. Non-GAAP Reconciliation

Reported vs. Organic and Constant Currency Orders ($ Millions)

	(As Reported - GAAP)					(As Adjusted - Organic)				Constant Currency
		(A)	(B)			(C)	(D)	(E) = B+C+D	(F) = E/A	(G) = (E - C) / A
	Orders 2025	Orders 2024	Change 2025 v. 2024	% Change 2025 v. 2024	Book-to-Bill	Acquisitions / Divestitures	FX Impact	Change Adj. 2025 v. 2024	% Change Adj. 2025 v. 2024	
Six Months Ended June 30										
Xylem Inc.	4,332	4,333	(1)	(0%)	99%	18	7	24	1%	0%
Water Infrastructure	1,298	1,336	(38)	(3%)	105%	30	-	(8)	(1%)	(3%)
Applied Water	974	945	29	3%	106%	-	1	30	3%	3%
Measurement and Control Solutions	839	813	26	3%	81%	(12)	(2)	12	1%	3%
Water Solutions and Services	1,221	1,239	(18)	(1%)	103%	-	8	(10)	(1%)	(1%)
Quarter Ended June 30										
Xylem Inc.	2,174	2,087	87	4%	94%	13	(23)	77	4%	3%
Water Infrastructure	672	690	(18)	(3%)	103%	16	(12)	(14)	(2%)	(4%)
Applied Water	488	465	23	5%	101%	-	(5)	18	4%	4%
Measurement and Control Solutions	437	384	53	14%	81%	(3)	(5)	45	12%	13%
Water Solutions and Services	577	548	29	5%	92%	-	(1)	28	5%	5%
Quarter Ended March 31										
Xylem Inc.	2,158	2,246	(88)	(4%)	104%	5	30	(53)	(2%)	(3%)
Water Infrastructure	626	646	(20)	(3%)	108%	14	12	6	1%	(1%)
Applied Water	486	480	6	1%	112%	-	6	12	3%	3%
Measurement and Control Solutions	402	429	(27)	(6%)	82%	(9)	3	(33)	(8%)	(6%)
Water Solutions and Services	644	691	(47)	(7%)	114%	-	9	(38)	(5%)	(5%)

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Xylem Inc. Non-GAAP Reconciliation

Reported vs. Organic and Constant Currency Revenue ($ Millions)

	(As Reported - GAAP)				(As Adjusted - Organic)				Constant Currency
		(A)	(B)		(C)	(D)	(E) = B+C+D	(F) = E/A	(G) = (E - C) / A
	Revenue 2025	Revenue 2024	Change 2025 v. 2024	% Change 2025 v. 2024	Acquisitions / Divestitures	FX Impact	Change Adj. 2025 v. 2024	% Change Adj. 2025 v. 2024	
Six Months Ended June 30									
Xylem Inc.	4,370	4,202	168	4%	16	3	187	4%	4%
Water Infrastructure	1,231	1,205	26	2%	29	(1)	54	4%	2%
Applied Water	918	892	26	3%	-	-	26	3%	3%
Measurement and Control Solutions	1,030	944	86	9%	(13)	-	73	8%	9%
Water Solutions and Services	1,191	1,161	30	3%	-	4	34	3%	3%
Quarter Ended June 30									
Xylem Inc.	2,301	2,169	132	6%	11	(23)	120	6%	5%
Water Infrastructure	650	631	19	3%	19	(12)	26	4%	1%
Applied Water	483	456	27	6%	-	(6)	21	5%	5%
Measurement and Control Solutions	540	482	58	12%	(8)	(4)	46	10%	11%
Water Solutions and Services	628	600	28	5%	-	(1)	27	5%	5%
Quarter Ended March 31									
Xylem Inc.	2,069	2,033	36	2%	5	26	67	3%	3%
Water Infrastructure	581	574	7	1%	10	11	28	5%	3%
Applied Water	435	436	(1)	(0%)	-	6	5	1%	1%
Measurement and Control Solutions	490	462	28	6%	(5)	4	27	6%	7%
Water Solutions and Services	563	561	2	0%	-	5	7	1%	1%

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Xylem Inc. Non-GAAP Reconciliation

Adjusted Operating Income ($ Millions)

	Q1		Q2		YTD	
	2025	2024	2025	2024	2025	2024
Total Revenue						
• Total Xylem	2,069	2,033	2,301	2,169	4,370	4,202
• Water Infrastructure	581	574	650	631	1,231	1,205
• Applied Water	435	436	483	456	918	892
• Measurement and Control Solutions	490	462	540	482	1,030	944
• Water Solutions and Services	563	561	628	600	1,191	1,161
• Corporate/ Other	-	-	-	-	-	-
Operating Income (Loss)						
• Total Xylem	231	209	305	253	536	462
• Water Infrastructure	80	60	103	78	183	138
• Applied Water	72	61	84	71	156	132
• Measurement and Control Solutions	56	70	68	79	124	149
• Water Solutions and Services	44	50	78	47	122	97
• Corporate/ Other	(21)	(32)	(28)	(22)	(49)	(54)
Operating Margin						
• Total Xylem	11.2%	10.3%	13.3%	11.7%	12.3%	11.0%
• Water Infrastructure	13.8%	10.5%	15.8%	12.4%	14.9%	11.5%
• Applied Water	16.6%	14.0%	17.4%	15.6%	17.0%	14.8%
• Measurement and Control Solutions	11.4%	15.2%	12.6%	16.4%	12.0%	15.8%
• Water Solutions and Services	7.8%	8.9%	12.4%	7.8%	10.2%	8.4%
• Corporate/ Other	N/A	N/A	N/A	N/A	N/A	N/A
Special Charges						
• Total Xylem	12	16	13	13	25	29
• Water Infrastructure	2	2	2	4	4	6
• Applied Water	-	-	-	-	-	-
• Measurement and Control Solutions	4	-	6	1	10	1
• Water Solutions and Services	4	9	1	3	5	12
• Corporate/ Other	2	5	4	5	6	10
Restructuring & Realignment Costs						
• Total Xylem	27	15	29	29	56	44
• Water Infrastructure	15	7	12	2	27	9
• Applied Water	5	2	10	2	15	4
• Measurement and Control Solutions	3	2	5	2	8	4
• Water Solutions and Services	4	3	2	23	6	26
• Corporate/ Other	-	1	-	-	-	1
Purchase Accounting Intangible Amortization Adjustment						
• Total Xylem	55	54	55	57	110	111
• Water Infrastructure	10	19	10	17	20	36
• Applied Water	-	-	-	-	-	-
• Measurement and Control Solutions	19	14	19	14	38	28
• Water Solutions and Services	26	21	25	26	51	47
• Corporate/ Other	-	-	1	-	1	-
Adjusted Operating Income (Loss)						
• Total Xylem	325	294	402	352	727	646
• Water Infrastructure	107	88	127	101	234	189
• Applied Water	77	63	94	73	171	136
• Measurement and Control Solutions	82	86	98	96	180	182
• Water Solutions and Services	78	83	106	99	184	182
• Corporate/ Other	(19)	(26)	(23)	(17)	(42)	(43)
Adjusted Operating Margin						
• Total Xylem	15.7%	14.5%	17.5%	16.2%	16.6%	15.4%
• Water Infrastructure	18.4%	15.3%	19.5%	16.0%	19.0%	15.7%
• Applied Water	17.7%	14.4%	19.5%	16.0%	18.6%	15.2%
• Measurement and Control Solutions	16.7%	18.6%	18.1%	19.9%	17.5%	19.3%
• Water Solutions and Services	13.9%	14.8%	16.9%	16.5%	15.4%	15.7%
• Corporate/ Other	N/A	N/A	N/A	N/A	N/A	N/A

Xylem Inc. Non-GAAP Reconciliation

Adjusted Diluted EPS ($ Millions, except per share amounts)

	Q2 2025				Q2 2024			
	As Reported	Adjustments		Adjusted	As Reported	Adjustments		Adjusted
Total Revenue	2,301	-		2,301	2,169	-		2,169
Operating Income	305	97	a	402	253	99	a	352
Operating Margin	*13.3%*			*17.5%*	*11.7%*			*16.2%*
Interest Expense	(9)	-		(9)	(11)	-		(11)
Other Non-Operating Income (Expense)	3	-		3	4	-		4
Gain/(Loss) From Sale of Business	-	-	b	-	1	(1)	b	-
Income before Taxes	299	97		396	247	98		345
Provision for Income Taxes	(75)	(15)	c	(90)	(53)	(26)	c	(79)
Net Income	224	82		306	194	72		266
Net Loss Attributable to Non-controlling Interests	2	-		2	-	-		-
Net Income Attributable to Xylem	226	82		308	194	72		266
Diluted Shares	243.9			243.9	243.5			243.5
Diluted EPS	**$0.93**	**$0.33**		**$1.26**	**$0.80**	**$0.29**		**$1.09**

a **Quarter-to-date:**

Restructuring & realignment costs: 2025 - $29 million and 2024 - $29 million

Special charges: 2025 - $9 million of acquisition, divestiture & integration costs and $4 million of intangible asset impairment charges; 2024 - $13 million of acquisition & integration costs

Purchase accounting intangible amortization: 2025 - $55 million and 2024 - $57 million

b Gain/(Loss) from sale of business as per income statement for all periods presented

c **Quarter-to-date:** 2025 - Net tax impact on pre-tax adjustments (note a and b) of $20 million and $5 million of other tax special expense items; 2024 - Net tax impact on pre-tax adjustments (note a and b) of $20 million and other tax special benefit items of $6 million;

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Xylem Inc. Non-GAAP Reconciliation

Adjusted Diluted EPS ($ Millions, except per share amounts)

	Q2 YTD 2025				Q2 YTD 2024			
	As Reported	Adjustments		Adjusted	As Reported	Adjustments		Adjusted
Total Revenue	4,370	-		4,370	4,202	-		4,202
Operating Income	536	191	a	727	462	184	a	646
Operating Margin	*12.3%*			*16.6%*	*11.0%*			*15.4%*
Interest Expense	(17)	-		(17)	(25)	-		(25)
Other Non-Operating Income (Expense)	7	-		7	10	-		10
Gain/(Loss) From Sale of Business	(10)	10	b	-	(4)	4	b	-
Income before Taxes	516	201		717	443	188		631
Provision for Income Taxes	(125)	(37)	c	(162)	(96)	(50)	c	(146)
Net Income	391	164		555	347	138		485
Net Loss Attributable to Non-controlling Interests	4	-		4	-	-		-
Net Income Attributable to Xylem	395	164		559	347	138		485
Diluted Shares	243.8			243.8	243.3			243.3
Diluted EPS	**$1.62**	**$0.67**		**$2.29**	**$1.43**	**$0.56**		**$1.99**

a **Year-to-date:**

Restructuring & realignment costs: 2025 - $56 million and 2024 - $44 million

Special charges: 2025 - $17 million of acquisition, divestiture & integration costs and $8 million of intangible asset impairment charges; 2024 - $28 million of acquisition & integration related costs and $1 million of asset impairment charges

Purchase accounting intangible amortization: 2025 - $110 million and 2024 - $111 million

b Gain/(Loss) from sale of business as per income statement for all periods presented

c **Year-to-date:** 2025 - Net tax impact on pre-tax adjustments (note a and b) of $42 million and other tax special expense items of $5 million; 2024 - Net tax impact on pre-tax adjustments (note a and b) of $42 million and other tax special benefits of $8 million;

Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

2025	Q1	Q2	Q3	Q4	Total
Net Income attributable to Xylem	169	226			395
Net Income margin	8.2%	9.8%			9.0%
Depreciation	68	69			137
Amortization	77	76			153
Interest Expense (Income), net	-	3			3
Income Tax Expense	50	75			125
EBITDA	364	449	-	-	813
Share-based Compensation	12	13			25
Restructuring & Realignment	27	29			56
Special Charges	12	13			25
Loss/(Gain) from sale of business	10	-			10
Loss attributable to non-controlling interest	(2)	(2)			(4)
Adjusted EBITDA	423	502	-	-	925
Revenue	2,069	2,301			4,370
Adjusted EBITDA Margin	20.4%	21.8%			21.2%

2024	Q1	Q2	Q3	Q4	Total
Net Income	153	194	217	326	890
Net Income margin	7.5%	8.9%	10.3%	14.5%	10.4%
Depreciation	61	62	68	67	258
Amortization	73	83	73	75	304
Interest Expense (Income), net	7	6	5	(2)	16
Income Tax Expense	43	53	52	49	197
EBITDA	337	398	415	515	1,665
Share-based Compensation	18	13	12	13	56
Restructuring & Realignment	15	29	11	36	91
Special Charges	16	13	7	21	57
Gain on joint venture remeasurement	-	-	-	(152)	(152)
Loss/(Gain) from sale of business	5	(1)	2	40	46
Adjusted EBITDA	391	452	447	473	1,763
Revenue	2,033	2,169	2,104	2,256	8,562
Adjusted EBITDA Margin	19.2%	20.8%	21.2%	21.0%	20.6%

Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

Water Infrastucture

2025	Q1	Q2	Q3	Q4	Total
Operating Income	80	103			183
Operating Margin	13.8%	15.8%			14.9%
(Loss)/Gain from sale of business	(10)	-			(10)
Depreciation	10	11			21
Amortization	13	13			26
Other non-operating expense, excluding interest income	(2)	(2)			(4)
EBITDA	91	125	-	-	216
Share-based Compensation	2	3			5
Restructuring & Realignment	15	12			27
Special Charges	2	2			4
Loss/(Gain) from sale of business	10	-			10
Adjusted EBITDA	120	142	-	-	262
Revenue	581	650			1,231
Adjusted EBITDA Margin	20.7%	21.8%			21.3%

2024	Q1	Q2	Q3	Q4	Total
Operating Income	60	78	96	122	356
Operating Margin	10.5%	12.4%	15.4%	16.8%	13.9%
(Loss)/Gain from sale of business	-	-	-	(40)	(40)
Depreciation	10	10	12	14	46
Amortization	21	27	13	15	76
Other non-operating expense, excluding interest income	(1)	-	(1)	1	(1)
EBITDA	90	115	120	112	437
Share-based Compensation	3	4	3	2	12
Restructuring & Realignment	7	2	6	15	30
Special Charges	2	4	(2)	6	10
Loss/(Gain) from sale of business	-	-	-	40	40
Adjusted EBITDA	102	125	127	175	529
Revenue	574	631	623	727	2,555
Adjusted EBITDA Margin	17.8%	19.8%	20.4%	24.1%	20.7%

Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

Applied Water

2025	Q1	Q2	Q3	Q4	Total
Operating Income	72	84			156
Operating Margin	16.6%	17.4%			17.0%
Depreciation	7	8			15
Amortization	1	1			2
Other non-operating expense, excluding interest income	(1)	1			-
EBITDA	79	94	-	-	173
Share-based Compensation	1	1			2
Restructuring & Realignment	5	10			15
Special Charges	-	-			-
Adjusted EBITDA	85	105	-	-	190
Revenue	435	483			918
Adjusted EBITDA Margin	19.5%	21.7%			20.7%

2024	Q1	Q2	Q3	Q4	Total
Operating Income	61	71	71	68	271
Operating Margin	14.0%	15.6%	15.9%	15.0%	15.1%
Depreciation	6	7	6	6	25
Amortization	1	-	1	1	3
Other non-operating expense, excluding interest income	-	(1)	1	(3)	(3)
EBITDA	68	77	79	72	296
Share-based Compensation	2	1	2	1	6
Restructuring & Realignment	2	2	2	9	15
Special Charges	-	-	-	-	-
Adjusted EBITDA	72	80	83	82	317
Revenue	436	456	447	454	1,793
Adjusted EBITDA Margin	16.5%	17.5%	18.6%	18.1%	17.7%

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Xylem Inc. Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA by Quarter ($ Millions)

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

2025	Q1	Q2	Q3	Q4	Total
Operating Income	56	68			124
Operating Margin	11.4%	12.6%			12.0%
Loss attributable to non-controlling interest	-	4			4
Depreciation	7	10			17
Amortization	32	34			66
Other non-operating expense, excluding interest income	-	(1)			(1)
EBITDA	95	115			210
Share-based Compensation	1	3			4
Restructuring & Realignment	3	5			8
Special Charges	4	6			10
Loss attributable to non-controlling interest	-	(4)			(4)
Adjusted EBITDA	103	125	-	-	228
Revenue	490	540			1,030
Adjusted EBITDA Margin	21.0%	23.1%			22.1%

2024	Q1	Q2	Q3	Q4	Total
Operating Income	70	79	66	32	247
Operating Margin	15.2%	16.4%	14.4%	6.8%	13.2%
Gain on joint venture remeasurement	-	-	-	152	152
Depreciation	6	7	7	6	26
Amortization	27	25	26	28	106
Other non-operating expense, excluding interest income	(1)	(2)	(4)	(3)	(10)
EBITDA	102	109	95	215	521
Share-based Compensation	1	1	1	1	4
Restructuring & Realignment	2	2	(1)	7	10
Special Charges	-	1	2	9	12
Gain on joint venture remeasurement	-	-	-	(152)	(152)
Adjusted EBITDA	105	113	97	80	395
Revenue	462	482	458	469	1,871
Adjusted EBITDA Margin	22.7%	23.4%	21.2%	17.1%	21.1%

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

2025	Q1	Q2	Q3	Q4	Total
Operating Income	44	78			122
Operating Margin	7.8%	12.4%			10.2%
(Loss)/Gain from sale of business	-				-
Depreciation	41	43			84
Amortization	27	28			55
Other non-operating expense, excluding interest income	-	(1)			(1)
EBITDA	112	148	-	-	260
Share-based Compensation	2	2			4
Restructuring & Realignment	4	2			6
Special Charges	4	1			5
Adjusted EBITDA	122	153	-	-	275
Revenue	563	628			1,191
Adjusted EBITDA Margin	21.7%	24.4%			23.1%

2024	Q1	Q2	Q3	Q4	Total
Operating Income	50	47	63	59	219
Operating Margin	8.9%	7.8%	10.9%	9.7%	9.3%
(Loss)/Gain from sale of business	(5)	1	(2)		(6)
Depreciation	38	38	43	40	159
Amortization	22	28	30	28	108
Other non-operating expense, excluding interest income	-	1	(1)	1	1
EBITDA	105	115	133	128	481
Share-based Compensation	3	3	2	3	11
Restructuring & Realignment	3	23	4	5	35
Special Charges	9	3	1	2	15
Loss/(Gain) from sale of business	5	(1)	2	-	6
Adjusted EBITDA	125	143	142	138	548
Revenue	561	600	576	606	2,343
Adjusted EBITDA Margin	22.3%	23.8%	24.7%	22.8%	23.4%

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Xylem Inc. Non-GAAP Reconciliation

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

	Q1		Q2		Year-to-Date	
	2025	2024	2025	2024	2025	2024
Net Cash - Operating Activities	$33	$89	$305	$288	$338	$377
Capital Expenditures - PPE	(55)	(59)	(78)	(59)	(133)	(118)
Capital Expenditures - Software	(16)	(15)	(20)	(14)	(36)	(29)
Capital Expenditures	(71)	(74)	(98)	(73)	(169)	(147)
Free Cash Flow	($38)	$15	$207	$215	$169	$230
Revenue	$2,069	$2,033	$2,301	$2,169	$4,370	$4,202
Operating Cash Flow Margin	2%	4%	13%	13%	8%	9%
Free Cash Flow Margin	(2%)	1%	9%	10%	4%	5%

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Thank you.

2Q 2025 Earnings & Results

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