

OMB APPROVAL	
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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* <u>HAMRE JOHN J</u> (Last) (First) (Middle) <u>1133 WESTCHESTER AVENUE</u> <u>C/O XYLEM INC.</u> (Street) <u>WHITE PLAINS NY 10604</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Xylem Inc. [XYL]</u>	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) <u>12/31/2012</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	12/31/2012		M ⁽¹⁾		2,480	A	\$21.0302	36,170	D	
Common Stock	12/31/2012		M ⁽¹⁾		3,970	A	\$18.633	40,140	D	
Common Stock	12/31/2012		s ⁽¹⁾		4,775 ⁽¹⁾	D	\$26.5315 ⁽²⁾	35,365	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. 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
Stock Option (Right to Buy)	\$21.0302	12/31/2012		M			2,480	(3)	02/02/2014	Common Stock	2,480	\$0.00	0	D	
Stock Option (Right to Buy)	\$18.633	12/31/2012		M			3,970	(3)	03/05/2016	Common Stock	3,970	\$0.00	0	D	

Explanation of Responses:

- The reporting person exercised options and subsequently sold only enough shares to cover the cost of the exercise and taxes and is retaining the remaining shares acquired upon exercise.
- This price represents the 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 26.5238 to 26.55 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.
- These options are fully vested and exercisable.

Remarks:

/s/ Rina E. Teran, Assistant Corporate Secretary of Xylem Inc., by power of attorney for John J. Hamre 01/03/2013

** 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.