Xylem Inc.

XYL

NYSE; manufacturing; SIC 3561, Pumps & Pumping Equipment; CIK 0001524472

B

second fifth of 246 graded peers in manufacturing

rank 68 of 246; percentile 27.3; sampling error 3.0 points; lower is stronger

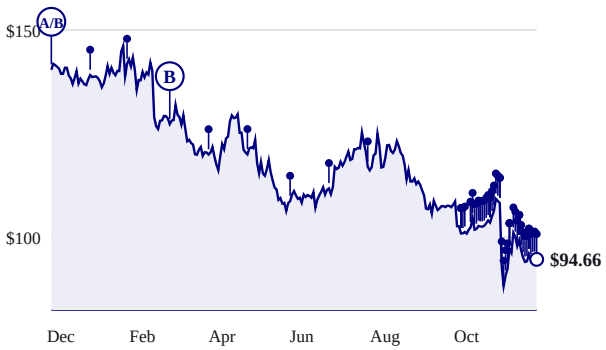
A B C D E

B, the elk



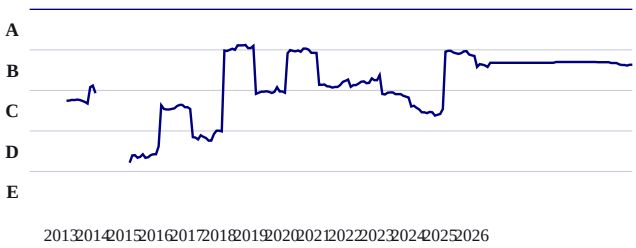
Scoreboard	
Profitability	C percentile 46.5
Solvency	C percentile 44.1
Growth and financing	B percentile 33.9
Reliability	0.94 AUC filers with over $2.67B assets; 95% interval 0.88 to 0.97; 61 events, 2020 to 2025
Peer failure rate	0.52% a year Item 1.03 bankruptcies, same asset band, 2012 to 2025
Size band	over $2.67B assets total assets $17.6B
Standard universe	inside revenue above $1M and assets above $10M
Warnings	none triggered not computable: distress
Inputs computable	12 of 13
Graded from	filings received through Feb 25, 2026 270 days before the rescan; latest periodic filing 10-Q received Oct 27, 2026
Last close	$94.67 2026-11-20; market equity $21.7B; no price enters the letter

Share price, twelve months to the rescan



Split-adjusted close. Each lollipop is a rescan and carries the letter held then.

Letter at every rescan, 2012 to 2026



Sector percentile at each rescan, stronger toward the top; facts filed by each date only.

Business, in the company's words

opening of Item 1 of the 10-K received Feb 25, 2026

Xylem is a leading global water technology company with 2025 revenues of $9.0 billion and approximately 22,000 employees worldwide. We design, manufacture and service engineered products and solutions across a wide variety of critical applications, primarily in the water sector. Our broad portfolio of products, services and solutions addresses customer needs of scarcity, resilience, quality, and affordability across the water cycle, from the delivery, treatment, measurement and use of drinking water, to the collection, testing, analysis and treatment of wastewater, to the return of water to the environment.

The thirteen inputs

lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight

Input	Value	Peer median	Percentile, 0 to 100	Pct	Peers	Period end
Profitability, sleeve percentile 46.5						
Gross profitability	19.7%	22.3%		54.9	267	2025-12-31
Return on invested capital	8.4%	9.9%		58.8	98	2025-12-31
Accruals ratio	(1.7%)	(3.7%)		70.7	288	2025-12-31

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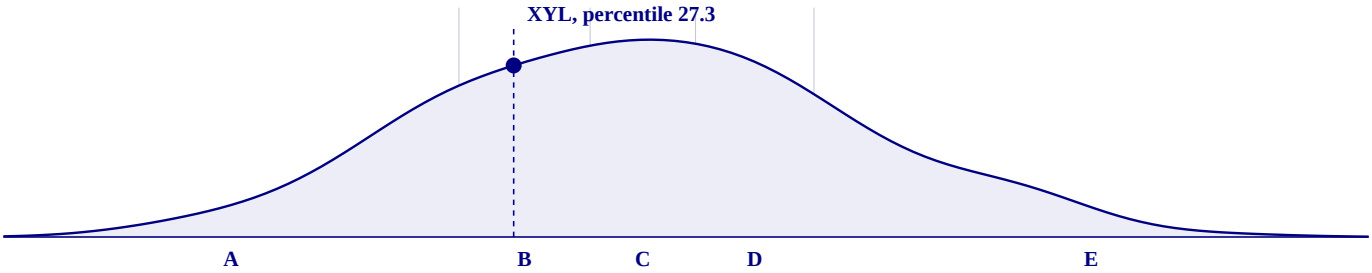
Gross margin stability, five years	0.5 pts	2.1 pts	1.8	222	2025-12-31
Solvency, sleeve percentile 44.1					
Altman Z double-prime	3.86	3.74	41.9	223	2025-12-31
Net debt to EBITDA	0.26x	1.75x	21.4	118	2025-12-31
Interest coverage	not computable	5.13x			
latest aligned inputs end 2023-12-31; latest annual assets end 2025-12-31					
Current ratio	1.62x	2.30x	69.1	302	2025-12-31
Growth and financing, sleeve percentile 33.9					
Revenue growth, three-year compound	17.8%	2.3%	9.2	261	2025-12-31
Free cash flow growth, three-year compound	32.9%	13.5%	22.5	139	2025-12-31
Reinvestment rate	(22.5%)	24.5%	77.7	140	2025-12-31
Asset growth, three years	30.4%	4.2%	7.6	265	2025-12-31
Net share issuance, one year	0.04%	(0.04%)	52.7	240	2026-02-20

Among 246 peers

manufacturing; letters are fifths of this list



Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.

Rank	Company	Percentile	Letter	Warnings
63	Valmont Industries Inc. (VMI)	25.3	B	
64	Tennant Co. (TNC)	25.7	B	
65	Aptargroup, Inc. (ATR)	26.1	B	
66	ATI Inc. (ATI)	26.5	B	
67	Carlisle Companies Inc. (CSL)	26.9	B	
68	Xylem Inc. (XYL)	27.3	B	
69	Armstrong World Industries Inc. (AWI)	27.8	B	
70	Janus International Group, Inc. (JBI)	28.2	B	
71	Zurn Elkay Water Solutions Corp. (ZWS)	28.6	B	
72	Smith & Wesson Brands, Inc. (SWBI)	29.0	B	
73	Sturm Ruger & Co. Inc. (RGR)	29.4	B	

What the price implies

at the 2026-11-20 close; none of these enters the grade

Measure	Value	Peer median	Percentile
Twelve-month price change, skipping the latest month	(31.9%)	10.0%	14
Distance from 52-week high	(35.2%)	(32.1%)	42
EBIT to enterprise value	5.1%	4.5%	57
Free cash flow yield	4.2%	3.8%	54
Book value to price	0.47	0.39	56
Sales to price	0.42	0.60	34
Composite equity issuance, five years	17.4%	(9.5%)	80
Relative strength against the sector, log excess return	(0.47)	0.01	14
Twelve-month failure probability, CHS model	not computable	0.04%	

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Diagnostics

shown on every report; none enters the grade

Measure	Value
Piotroski F-score 7 of 9, period end 2025-12-31	
Return on assets above zero	pass
Operating cash flow above zero	pass
Return on assets improved	pass
Operating cash flow exceeds net income	pass
Long-term leverage fell	pass
Current ratio improved	fail
No new shares issued	fail
Gross margin improved	pass
Asset turnover improved	pass
Cash, filings, liquidity	
Cash and equivalents	$708.0M
Operating cash flow, four quarters	$1.3B
Months of runway	not finite
Days since last periodic filing	26 (10-Q received Oct 27, 2026)
Median daily dollar volume, 63 sessions	$249.7M

Sources

every fact behind the inputs; each row links to its filing index on sec.gov

#	Concept	XBRL tag	Value	Period end	Received	Form	Accession
1	gross profit	us-gaap:GrossProfit	$3.5B	2025-12-31	2026-02-25	10-K	26-000012
2	assets	us-gaap:Assets	$17.6B	2025-12-31	2026-02-25	10-K	26-000012
3	operating income	us-gaap:OperatingIncomeLoss	$1.2B	2025-12-31	2026-02-25	10-K	26-000012
4	pretax income	us-gaap:IncomeLossFromContinuingOperationsBeforeInc...	$1.2B	2025-12-31	2026-02-25	10-K	26-000012
5	income tax	us-gaap:IncomeTaxExpenseBenefit	$231.0M	2025-12-31	2026-02-25	10-K	26-000012
6	total debt	us-gaap:LongTermDebt	$2.0B	2025-12-31	2026-02-25	10-K	26-000012
7	book equity	us-gaap:StockholdersEquity	$11.5B	2025-12-31	2026-02-25	10-K	26-000012
8	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.5B	2025-12-31	2026-02-25	10-K	26-000012
9	total debt	us-gaap:LongTermDebt	$2.0B	2024-12-31	2025-03-03	10-K	25-000013
10	book equity	us-gaap:StockholdersEquity	$10.6B	2024-12-31	2026-02-25	10-K	26-000012
11	cash	us-gaap:CashAndCashEquivalentsAtCarryingValue	$1.1B	2024-12-31	2026-02-25	10-K	26-000012
12	net income	us-gaap:NetIncomeLoss	$957.0M	2025-12-31	2026-02-25	10-K	26-000012
13	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.2B	2025-12-31	2026-02-25	10-K	26-000012
14	assets	us-gaap:Assets	$16.5B	2024-12-31	2026-02-25	10-K	26-000012
15	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$9.0B	2025-12-31	2026-02-25	10-K	26-000012
16	gross profit	us-gaap:GrossProfit	$3.2B	2024-12-31	2026-02-25	10-K	26-000012
17	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$8.6B	2024-12-31	2026-02-25	10-K	26-000012
18	gross profit	us-gaap:GrossProfit	$2.7B	2023-12-31	2026-02-25	10-K	26-000012
19	revenue	us-gaap:RevenueFromContractWithCustomerExcludingA...	$7.4B	2023-12-31	2026-02-25	10-K	26-000012
20	gross profit	us-gaap:GrossProfit	$2.1B	2022-12-31	2025-03-03	10-K	25-000013
21	revenue	us-gaap:Revenues	$5.5B	2022-12-31	2025-03-03	10-K	25-000013
22	gross profit	us-gaap:GrossProfit	$2.0B	2021-12-31	2024-02-28	10-K	24-000006
23	revenue	us-gaap:Revenues	$5.2B	2021-12-31	2024-02-28	10-K	24-000006
24	current assets	us-gaap:AssetsCurrent	$4.6B	2025-12-31	2026-02-25	10-K	26-000012
25	current liabilities	us-gaap:LiabilitiesCurrent	$2.9B	2025-12-31	2026-02-25	10-K	26-000012
26	retained earnings	us-gaap:RetainedEarningsAccumulatedDeficit	$3.7B	2025-12-31	2026-02-25	10-K	26-000012
27	liabilities	us-gaap:Liabilities	$5.9B	2025-12-31	2026-02-25	10-K	26-000012
28	depreciation amortization	us-gaap:DepreciationDepletionAndAmortization	$575.0M	2025-12-31	2026-02-25	10-K	26-000012
29	operating income	us-gaap:OperatingIncomeLoss	$652.0M	2023-12-31	2026-02-25	10-K	26-000012
30	interest expense	us-gaap:InterestExpense	$49.0M	2023-12-31	2024-02-28	10-K	24-000006
31	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$331.0M	2025-12-31	2026-02-25	10-K	26-000012

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32	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$1.3B	2024-12-31	2026-02-25	10-K	26-000012
33	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$321.0M	2024-12-31	2026-02-25	10-K	26-000012
34	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$837.0M	2023-12-31	2026-02-25	10-K	26-000012
35	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$271.0M	2023-12-31	2026-02-25	10-K	26-000012
36	operating cash flow	us-gaap:NetCashProvidedByUsedInOperatingActivities	$596.0M	2022-12-31	2025-03-03	10-K	25-000013
37	capital expenditure	us-gaap:PaymentsToAcquireProductiveAssets	$208.0M	2022-12-31	2025-03-03	10-K	25-000013
38	current assets	us-gaap:AssetsCurrent	$4.1B	2024-12-31	2026-02-25	10-K	26-000012
39	current liabilities	us-gaap:LiabilitiesCurrent	$2.3B	2024-12-31	2026-02-25	10-K	26-000012
40	assets	us-gaap:Assets	$16.1B	2023-12-31	2025-03-03	10-K	25-000013
41	assets	us-gaap:Assets	$8.0B	2022-12-31	2024-02-28	10-K	24-000006
42	shares outstanding	dei:EntityCommonStockSharesOutstanding	243,141,405	2026-02-20	2026-02-25	10-K	26-000012
43	shares outstanding	dei:EntityCommonStockSharesOutstanding	243,046,226	2025-02-28	2025-03-03	10-K	25-000013

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