



Company Name: XYLEM INC.

Assumptions	
Date	March 3, 2022
Discount Rate	8.81%
Tax Rate	21%
EBITDA Growth Rate	12.80%
52-Week Low	84.74
52-Week High	138.78
Current Price	88.92
Price Target	88.11
Upside	-0.91%

In Millions of USD

Year	TTM	2022	2023	2024	2025	2026
EBITDA	714	805	908	1,025	1,156	1,304
Depreciation & Amortization	(127)	(127)	(127)	(127)	(127)	(127)
EBIT	587	678	781	898	1,029	1,177
Check	587					
Variance						
Tax	(84)	(142)	(164)	(189)	(216)	(247)
EBIT (1-t)	503	536	617	709	813	930
Add Back Depreciation	127	127	127	127	127	127
NWC	-	-	-	-	-	-
Capital Expenditures	(324)	(324)	(324)	(324)	(324)	(324)
Unlevered Free Cash Flow	306	339	420	512	616	733
PV Unlevered Free Cash Flow		311	355	398	439	480
	1,984					

#### Terminal value - Growing perpetuity

Long term growth rate	5%
2025 FCF x (1+g)	769
Terminal value in 2025	20,209
PV Terminal Value	13,251
Enterprise Value	15,235

#### Terminal value - EBITDA Multiple

EBITDA multiple	19.49
Terminal value in 2025	25,413
PV Terminal Value	16,664
Enterprise Value	18,648
Total Shares Outstanding	180

#### Net Debt

Total Debt	2,440
Cash and Short Term Investments	1,349
Net Debt	1,091

#### Share Price Target

Growing Perpetuity	78.62
EBITDA Multiple	97.59

#### Enterprise Value

Market Cap	15,997
Total Debt	2,440
Less Cash	(1,349)
Enterprise Value	17,088

#### Ratios

PE Ratio (TTM)	37.46
Price / Sales (TTM)	3.08
EV / Sales (TTM)	3.29
EV / EBITDA (TTM)	23.93
EV / EBITDA (2022)	21.22