

2008 First Quarter Business Review (unaudited)



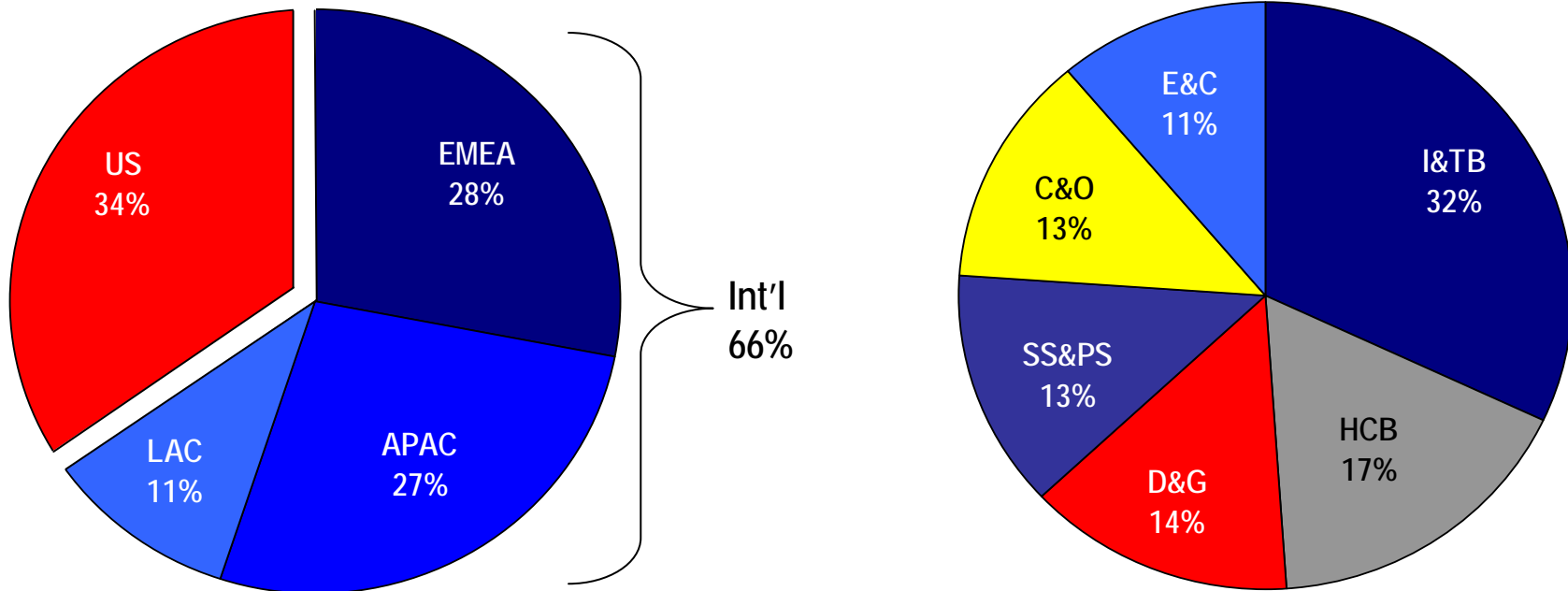
Forward Looking Statements

This presentation contains forward-looking information (within the meaning of the Private Securities Litigation Reform Act of 1995) about the company's financial results and estimates, business prospects, and products under development that involve substantial risks and uncertainties. You can identify these statements by the use of words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "will," and other words and terms of similar meaning in connection with any discussion of future operating or financial performance. Among the factors that could cause actual results to differ materially are the following: (1) worldwide economic conditions; (2) competitive conditions and customer preferences; (3) foreign currency exchange rates and fluctuations in those rates; (4) the timing and acceptance of new product offerings; (5) the availability and cost of purchased components, compounds, raw materials and energy (including oil and natural gas and their derivatives) due to shortages, increased demand or supply interruptions (including those caused by natural and other disasters and other events); (6) the impact of acquisitions, strategic alliances, divestitures, and other unusual events resulting from portfolio management actions and other evolving business strategies, and possible organizational restructuring; (7) generating fewer productivity improvements than estimated; and (8) legal proceedings, including significant developments that could occur in the legal and regulatory proceedings described in the company's Annual Report on Form 10-K for the year ended Dec. 31, 2007 (the "Report"). Changes in such assumptions or factors could produce significantly different results. A further description of these factors is located in the Report under "Risk Factors" in Part I, Item 1A (Annual Report). The information contained in this presentation is as of the date indicated. The company assumes no obligation to update any forward-looking statements contained in this presentation as a result of new information or future events or developments.



3M: A Powerful, Diverse and Integrated Enterprise

Q1 2008 Sales = \$6.5 billion



- Emerging markets up 13%
- Developed markets up 7%
- Total company up 9%

- Four of six business—strong sales growth & double-digit operating income increases
- Results impacted by weaknesses in D&G and C&O

*Excludes special items in 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.



Q1 2008 Overview

Positives

- Strong revenue growth and double-digit profit growth in 4 of 6 businesses
- Profit margins of 20 percent or better in all businesses
- Rapid growth in developing countries – China, Russia, India, Middle East, Eastern Europe – all growing 15 to 30 percent
- Tax rate improvement
- Closed Aearo acquisition April 1st
- Balance sheet remains strong
 - 50th consecutive annual dividend increase
 - Returned \$863 million to shareholders via dividends and share repurchase

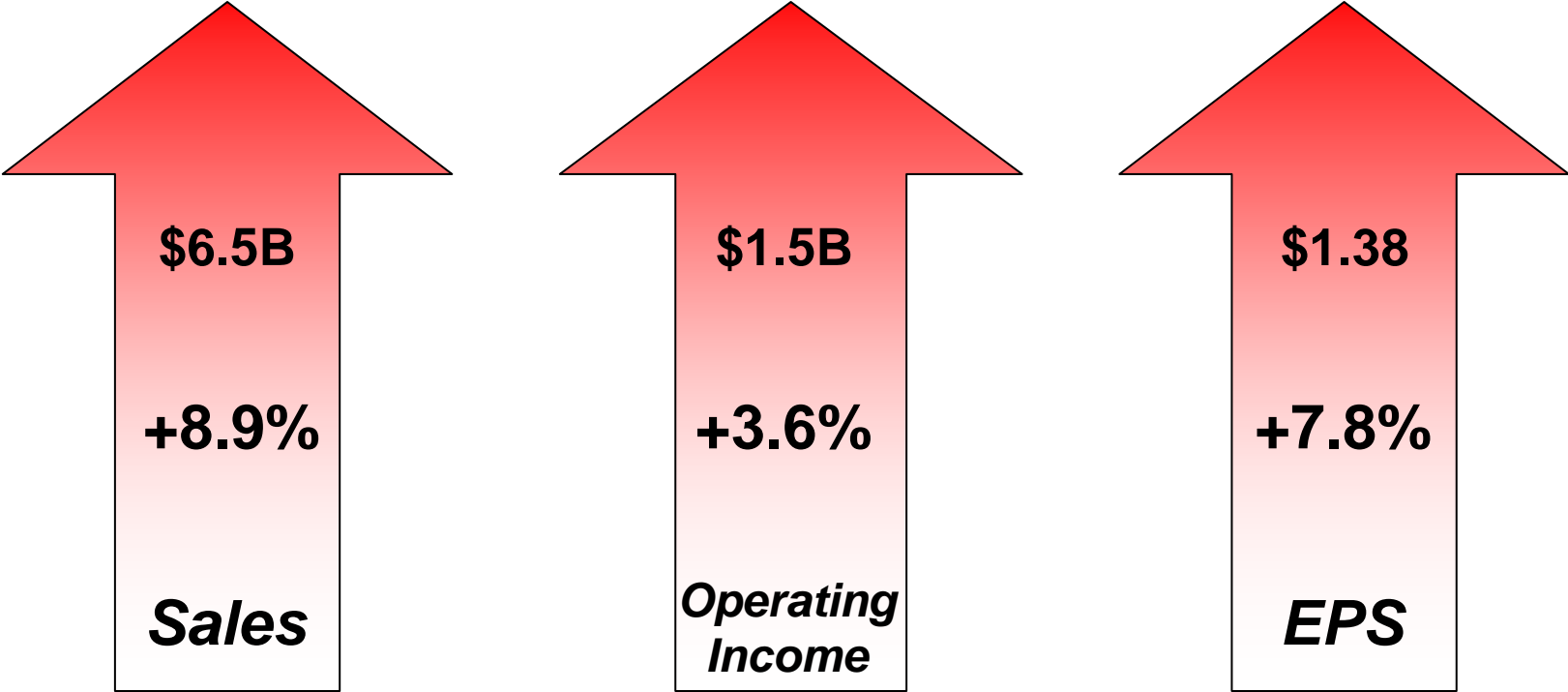
Challenges

- Tough U.S. economy, particularly in retail, auto OEM and housing
- Optical Systems
- Commodity prices at record levels

*Excludes special items in 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.



First Quarter 2008 Highlights



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Q108 P&L Highlights: Comparison vs. Last Year

(\$ in Millions) Except per share amounts	Q1 2007	Q1 2008	Change	3M ex. Optical
Net Sales	\$5,937	\$6,463	8.9%	11.0%
Gross Margin	49.3%	48.3%	-1.0 pts	+0.2 pts
SG&A	\$1,153	\$1,275	10.6%	10.8%
R&D and related exp.	\$324	\$351	8.0%	9.8%
Op. Income	\$1,448	\$1,501	3.6%	12.2%
Op. Income %	24.4%	23.2%	-1.2 pts	+0.3 pts
Tax Rate	33.2%	31.8%	-1.4 pts	
Net Income	\$946	\$988	4.4%	
EPS	\$1.28	\$1.38	7.8%	

*Excludes special items in 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.



Q108 P&L Highlights: Comparison vs. Last Quarter

(\$ in Millions) Except per share amounts	Q4 2007	Q1 2008	Change
Net Sales	\$6,206	\$6,463	4.1%
Gross Margin	46.9%	48.3%	+1.4 pts
SG&A	\$1,267	\$1,275	0.6%
R&D and related exp.	\$357	\$351	-1.7%
Op. Income	\$1,290	\$1,501	16.3%
Op. Income %	20.8%	23.2%	+2.4 pts
Tax Rate	30.7%	31.8%	+1.1 pts
Net Income	\$863	\$988	14.5%
EPS	\$1.19	\$1.38	16.0%

*Excludes special items in 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.



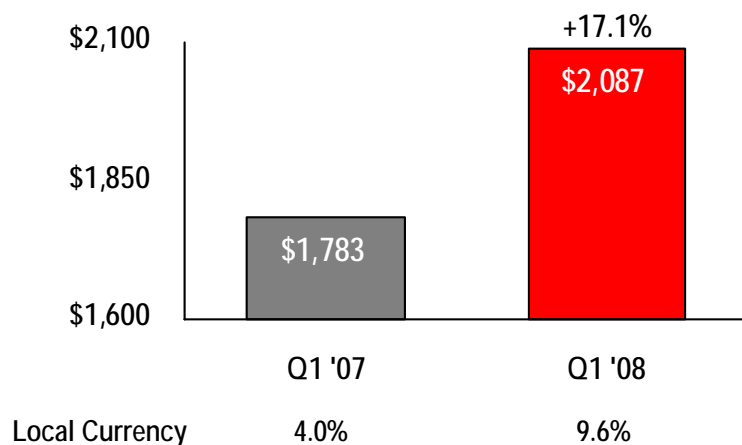
Sales Recap: Q108 vs. Q107

	WW	US	Int'l
Sales growth – USD	8.9%	1.6%	13.1%
Add back: divestiture impact	0.2%	0.4%	----
Growth adjusted for divestitures	9.1%	2.0%	13.1%
Less: currency impact	(6.1%)	---	(9.7%)
Total local currency growth	3.0%	2.0%	3.4%
Components of Total LC Growth			
Volume – organic	1.6%	(2.8%)	3.9%
Volume - acquired	1.7%	3.1%	0.9%
Selling price changes	(0.3%)	1.7%	(1.4%)

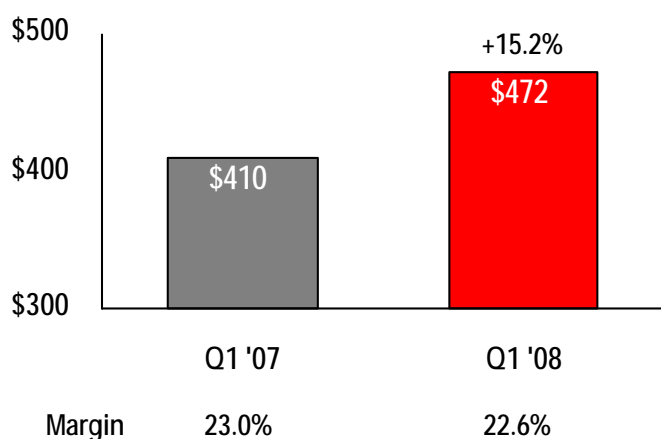


Segment Highlights – Industrial & Transportation

Revenue (\$ in millions)



Operating Income (\$ in millions)



Q1 Highlights

- Local currency growth of 9.6% including 4.0% from acquisitions
- Strength in industrial adhesives and tapes, automotive repair shops and abrasives businesses
- Double-digit sales growth in virtually all product divisions and in all major geographies
- Superior operational discipline drove profit increase of 15.2%; margins of 22.6 percent

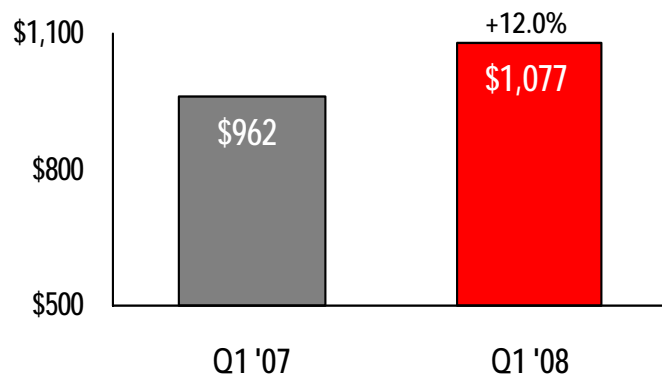
Drivers

- >65% of sales are International
- Expanding into fast-growing adjacencies including abrasive power tools and solar energy to meet emerging demands; seven acquisitions in 2007
- Abrasives for professional autobody shops continue to outperform in a competitive market
- Weak US appliance manufacturing, auto OEM & residential housing market



Segment Highlights – Health Care

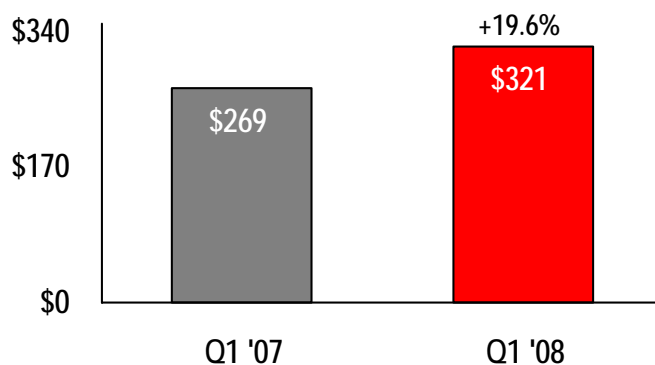
Revenue (\$ in millions)



Local Currency

Q1 '07	20.4%	Q1 '08	5.9%
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Operating Income (\$ in millions)



Margin

Q1 '07	27.9%	Q1 '08	29.8%
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Q1 Highlights

- Local currency growth of 5.9% including 0.8% from acquisitions
- Sales growth was strongest in medical, oral care and health information systems businesses
- Positive sales growth in all major geographies, led by Europe, Asia and Latin America
- Operating income increased 19.6%, with margins of nearly 30 percent

Drivers

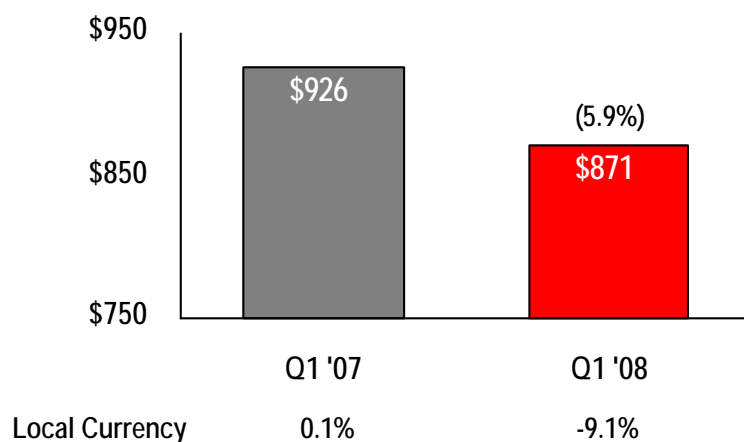
- Nearly 58% of sales are International
- Emerging market penetration; core new products; 10+ acquisitions in past two years
- Increased demand for CFC-free inhalers and components
- Named “Most Innovative” dental products company for the third year in a row; launched new Tegaderm™ infection prevention product for IV sites

Note: Excludes special items in Q1 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.

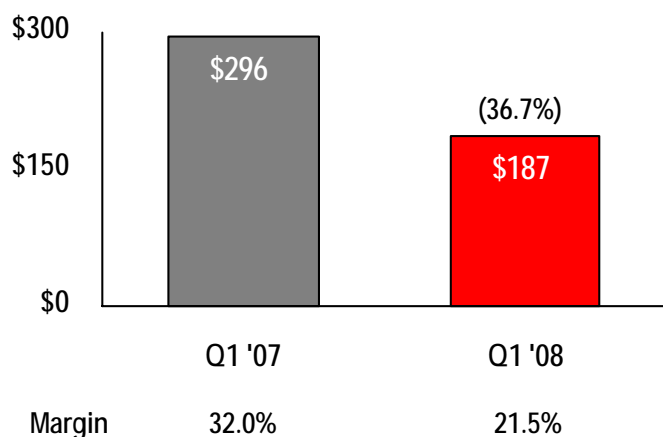


Segment Highlights – Display & Graphics

Revenue (\$ in millions)



Operating Income (\$ in millions)



Q1 Highlights

- Local currency decline of -9.1% excluding -0.7% from divestiture
- Positive sales growth in Traffic Safety Systems and Commercial Graphics, which was more than offset by lower sales in Optical Systems, down 16% year-on-year
- Optical profits down 50% vs. Q1 2008
- Actively addressing cost structure to offset top-line performance
- Margins of 21.5%, down year-on-year from 32.0%

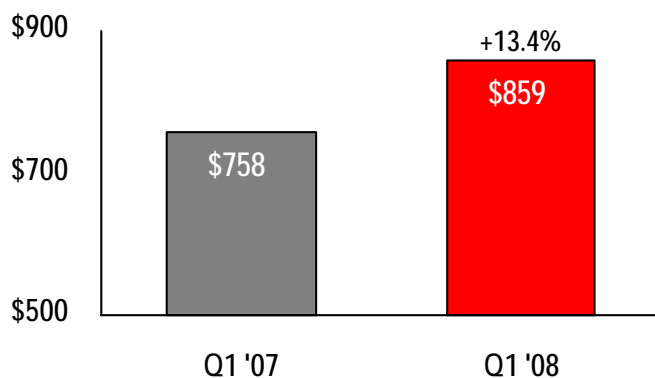
Drivers

- >80% of sales are International
- On premise graphics, services and fleet graphics are driving growth for Commercial Graphics
- Launched super close projector products and are scaling up ultra-compact Mobile Projection Technology, driven by 3M's advanced optical science



Segment Highlights – Safety, Security & Protection Svcs

Revenue (\$ in millions)

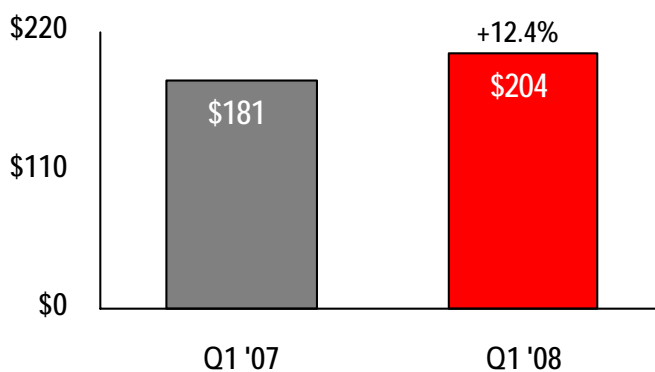


Local Currency

15.0%

6.4%

Operating Income (\$ in millions)



Margin

23.9%

23.7%

Q1 Highlights

- Local currency growth of 6.4% including 1.9% from acquisitions, primarily E Wood, PLC.
- Broad-based organic growth led by respiratory protection, cleaning and window film solutions for commercial buildings and corrosion protection products
- Double-digit sales growth led by Europe, Asia Pacific and Latin America.
- Good operational performance drove 12.4% increase in profits; strong margins of 23.7%

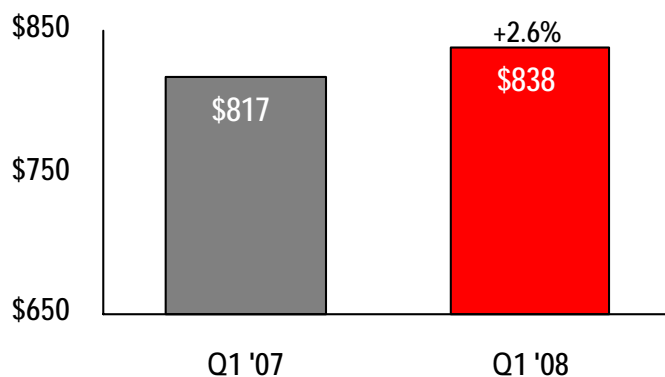
Drivers

- >69% of sales are International
- US growth negatively impacted by first responder demand and roofing granules
- Driving growth in our expanded safety portfolio and corrosion protection; demand remains strong in personal protection
- Five 3M window films selected to be part of an initiative to lower global energy costs



Segment Highlights – Consumer & Office

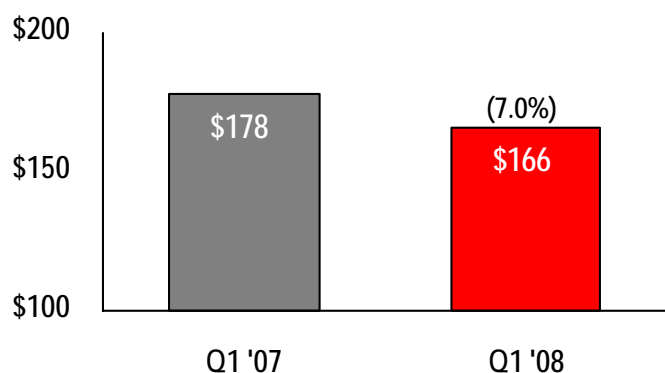
Revenue (\$ in millions)



Local Currency

Q1 '07	8.2%
Q1 '08	-2.5%

Operating Income (\$ in millions)



Margin

Q1 '07	21.8%
Q1 '08	19.8%

Q1 Highlights

- Local currency decline of -2.5%, including 0.2% from acquisitions
- Continued weakness in office mass retail channel
- Outstanding sales growth overseas, with strong contributions from Europe, Asia Pacific and Latin America
- Difficult US retail market conditions holding back US growth overall

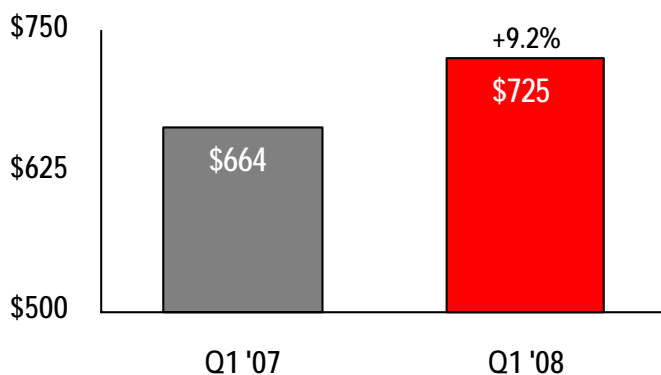
Drivers

- Nearly 49% of sales come from International
- Weak US consumer retail markets; slow US residential housing construction
- Continuing to innovate on some of the world's best known brands, including: Scotch[®], Post-it[®], Scotch-Brite[®], O-Cel-O[™], Scotchgard[®], Filtrete[™] and Nexcare[™]
- Leadership position in damage-free mounting solutions, with a new line of Command[™] products



Segment Highlights – Electro & Communications

Revenue (\$ in millions)

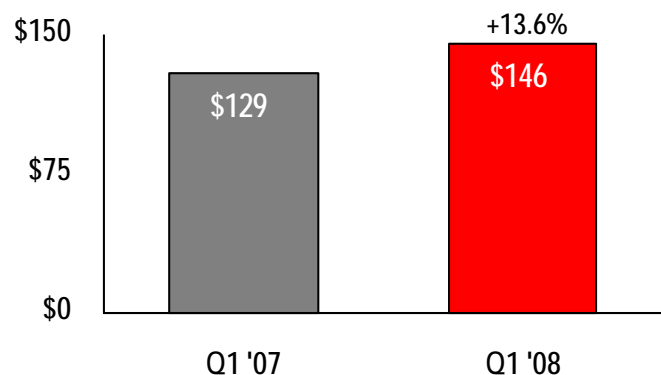


Local Currency

(0.1%)

3.3%

Operating Income (\$ in millions)



Margin

19.4%

20.2%

Q1 Highlights

- Local currency growth of 3.3% including 1 point from acquisitions
- Positive sales growth in all major geographies, led by double digit gains in Asia Pacific and Latin America
- Double digit growth in two largest businesses—electrical markets and electronics markets materials
- Relentless focus on productivity drove margins in excess of 20%; profits increased 13.6%

Drivers

- Nearly 73% of sales are International
- Strong flow of new products to connect the world's power grid, enable global telecommunications and support high-tech devices in both emerging and mature economies
- Solid demand for our semiconductor manufacturing technology; high growth areas include electronic devices and consumer electronics

Note: Excludes special items in Q1 2007. Refer to 3M's April 24, 2008 press release for a complete list and explanation of these items.



Balance Sheet & Cash Flow

(\$ in Millions)	Q1 2007	Q4 2007	Q1 2008
Free Cash Flow*	\$670	\$1,252	\$699
Net W/C Turns	5.0	5.3	4.9
Inventories	\$2,714	\$2,852	\$3,021
Receivables-Net	\$3,444	\$3,362	\$3,776
Cap-ex	\$304	\$391	\$298
Dividends Paid	\$350	\$341	\$353
Share Repurchases	\$1,164	\$483	\$510

*Excludes certain special items that impacted cash flow in 2007.

Refer to 3M's April 24, 2008 press release for an explanation of these items, and for a complete discussion of net working capital turns and free cash flow (non-GAAP measures).



2008 Annual Guidance Review

- Minimum 10% earnings per share growth
- Operating margin: 22.5% to 23.5%
- Tax rate: 31.5% to 32.5%
- Cap expenditures: \$1.3 – \$1.4 billion

*Excludes special items.



Q & A

3M

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