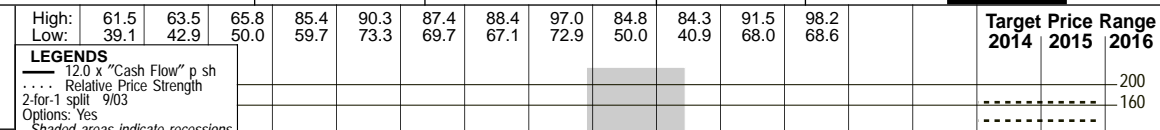


3M COMPANY NYSE-MMM

RECENT PRICE **84.30** P/E RATIO **14.1** (Trailing: 14.3; Median: 18.0) RELATIVE P/E RATIO **0.96** DIV'D YLD **2.6%**

VALUE LINE

TIMELINESS 4 Lowered 11/4/11
SAFETY 1 New 7/27/90
TECHNICAL 3 Lowered 10/14/11
BETA .80 (1.00 = Market)



2014-16 PROJECTIONS

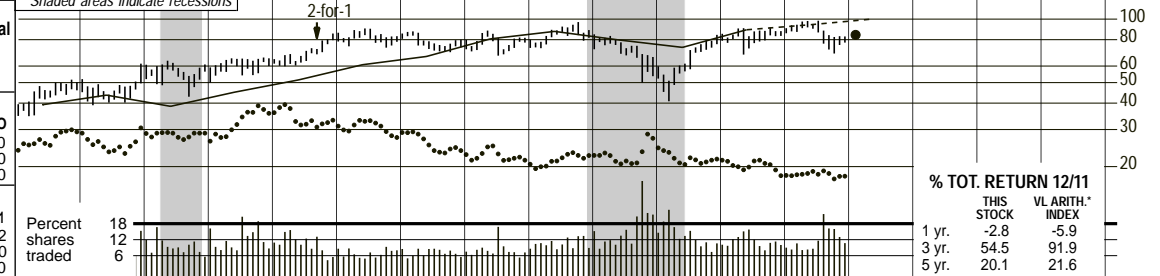
Price	Gain	Ann'l Total Return
High 165	(+95%)	20%
Low 135	(+60%)	15%

Insider Decisions

	F	M	A	M	J	J	A	S	O
to Buy	0	0	0	0	0	0	0	0	0
Options	22	2	6	7	1	1	0	1	0
to Sell	9	0	3	6	2	2	0	0	0

Institutional Decisions

	1Q2011	2Q2011	3Q2011
to Buy	601	508	592
to Sell	570	595	560
Hlds(000)	487098	487729	476820



1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
16.07	17.08	18.62	18.69	19.64	21.11	20.55	20.94	23.25	25.45	28.05	31.21	34.49	36.43	32.54	37.45	42.40	44.10	Sales per sh	63.80
2.65	2.88	3.08	2.98	3.27	3.64	3.22	3.75	4.29	5.07	5.55	6.71	7.29	6.65	6.12	7.43	7.85	8.35	"Cash Flow" per sh	12.25
1.62	1.82	1.94	1.87	2.11	2.32	1.79	2.50	3.02	3.75	4.12	5.06	5.60	4.89	4.52	5.75	5.90	6.30	Earnings per sh ^A	9.85
.94	.96	1.06	1.10	1.12	1.16	1.20	1.24	1.32	1.44	1.68	1.84	1.92	2.00	2.04	2.10	2.20	2.30	Div'ds Decl'd per sh ^B	3.65
1.30	1.33	1.74	1.78	1.30	1.41	1.25	.98	.86	1.19	1.25	1.59	2.01	2.12	1.27	1.53	1.85	2.20	Cap'l Spending per sh	3.00
8.22	7.54	7.32	7.38	7.89	8.24	7.78	7.68	10.06	13.20	13.39	13.56	16.56	14.24	17.96	22.00	24.85	28.20	Book Value per sh	45.80
837.41	833.67	809.45	803.85	797.42	792.17	782.61	779.96	784.12	786.29	754.54	734.36	709.16	693.54	710.60	711.98	698.00	695.00	Common Shs Outst'g ^C	689.00
17.9	19.2	23.6	22.3	20.8	19.9	31.1	24.4	22.8	21.9	18.9	15.2	15.0	14.6	14.1	14.5	14.7	14.7	Avg Ann'l P/E Ratio	15.0
1.20	1.20	1.36	1.16	1.19	1.29	1.59	1.33	1.30	1.16	1.01	.82	.80	.88	.94	.93	.92	.92	Relative P/E Ratio	1.00
3.3%	2.8%	2.3%	2.6%	2.6%	2.5%	2.2%	2.0%	1.9%	1.8%	2.2%	2.4%	2.3%	2.8%	3.2%	2.5%	2.5%	2.5%	Avg Ann'l Div'd Yield	2.5%

CAPITAL STRUCTURE as of 9/30/11

Total Debt \$6159 mill. Due in 5 Yrs \$4900 mill.
 LT Debt \$4955 mill. LT Interest \$215 mill.
 (23% of Capital)

Uncapitalized leases \$139 mill.
 Pension Assets-12/10 \$15.9 bill. Oblig. \$17.2 bill.

Preferred Stock None
 Common Stock 700,844,681 shares

MARKET CAP: \$59.1 billion (Large Cap)

16079	16332	18232	20011	21167	22923	24462	25269	23123	26662	29610	30660	Sales (\$mill)	43955
20.3%	24.5%	26.5%	30.6%	31.1%	32.3%	29.7%	25.2%	25.8%	26.4%	26.0%	26.0%	Operating Margin	25.5%
1089	954	964	999	986	1079	1072	1153	1157	1120	1225	1290	Depreciation (\$mill)	1490
1430	1974	2403	2990	3199	3851	4096	3460	3193	4169	4250	4505	Net Profit (\$mill)	6945
32.1%	32.1%	32.9%	33.0%	34.7%	30.6%	33.9%	33.4%	32.2%	26.2%	29.0%	32.2%	Income Tax Rate	30.0%
8.9%	12.1%	13.2%	14.9%	15.1%	16.8%	16.7%	13.7%	13.8%	15.6%	14.4%	14.7%	Net Profit Margin	15.8%
1787	1602	2638	2649	1877	1623	4476	3759	5898	6126	7680	8315	Working Cap'l (\$mill)	11980
1520	2140	1735	727	1309	1047	4019	5166	5097	4183	4840	4885	Long-Term Debt (\$mill)	5425
6086	5993	7885	10378	10100	9959	11747	9879	12764	15663	17350	19585	Shr. Equity (\$mill)	31570
19.4%	25.1%	25.5%	27.3%	28.5%	35.4%	26.6%	23.6%	18.4%	21.5%	21.0%	20.0%	Return on Total Cap'l	19.0%
23.5%	32.9%	30.5%	28.8%	31.7%	38.7%	34.9%	35.0%	25.0%	26.6%	24.5%	23.0%	Return on Shr. Equity	22.0%
66%	49%	43%	38%	40%	36%	34%	40%	45%	36%	36%	36%	All Div'ds to Net Prof	36%

CURRENT POSITION 2009 2010 9/30/11

Cash Assets	3784	4478	4862
Receivables	3250	3615	4259
Inventory (FIFO)	2639	3155	3604
Other	1122	967	944
Current Assets	10795	12215	13669
Accts Payable	1453	1662	1689
Debt Due	613	1269	1204
Other	2831	3158	3272
Current Liab.	4897	6089	6165

BUSINESS: 3M Company is a diversified manufacturer and technology company with operations in more than 65 countries. It is a leader in many of the geographic markets it serves. The conglomerate currently operates six segments: Industrial & Transportation (32.2% of 2010 sales); Health Care (17.0%); Display & Graphics (14.6%); Consumer & Office (14.5%); Safety, Security & Protection (12.4%); and Electro & Communications (11.0%). 2010 R&D: \$1.4 billion, 5.4% of sales. Employs about 80,000. Officers & directors own less than 1.0% of common stock; State Street 7.4% (3/11 proxy). Chairman, President & CEO: George W. Buckley. Incorporated: Delaware. Address: 3M Center, St. Paul, Minnesota 55144. Telephone: 651-733-1110. Internet: www.3m.com.

ANNUAL RATES Past 10 Yrs. Past 5 Yrs. Est'd '08-'10 to '14-'16

Sales	6.0%	7.0%	10.5%
"Cash Flow"	7.5%	6.0%	10.5%
Earnings	9.0%	6.5%	12.0%
Dividends	6.0%	6.5%	10.0%
Book Value	8.5%	8.0%	16.5%

QUARTERLY SALES (\$ mill.)

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	6463	6739	6558	5509	25269
2009	5089	5719	6193	6122	23123
2010	6348	6731	6874	6709	26662
2011	7311	7680	7531	7088	29610
2012	7480	7740	7820	7620	30660

EARNINGS PER SHARE ^A

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	1.38	1.33	1.41	.77	4.89
2009	.73	1.12	1.37	1.30	4.52
2010	1.40	1.54	1.53	1.28	5.75
2011	1.49	1.60	1.52	1.29	5.90
2012	1.50	1.68	1.67	1.45	6.30

QUARTERLY DIVIDENDS PAID ^B

Cal-endar	Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2008	.50	.50	.50	.50	2.00
2009	.51	.51	.51	.51	2.04
2010	.525	.525	.525	.525	2.10
2011	.55	.55	.55	.55	2.20
2012					

3M Company likely closed out 2011 on a sour note. We anticipate management will report that sales were in the neighborhood of \$7.1 billion, and expect share earnings to come in at \$1.29. To be sure, these estimates compare favorably to the year-earlier figures, but are well below our previous expectations of \$7.5 billion and \$1.55, respectively. Volume advances have tailed off, reflecting weakness across the electronics market and general softness on the global economic front. Recent inventory-reduction efforts across a number of sectors also hurt revenues.

We have cut our 2012 top- and bottom-line targets, though we still look for decent growth on both fronts. We expect the lackluster operating backdrop to continue stifling growth in the LCD TV market. Sales of traffic safety systems are set to move lower, too, due to budget constraints and government cost-cutting initiatives. Recent decelerating demand in the electronics market is also a concerning development. All told, we have reduced our 2012 share-earnings target by \$0.60; our revenue estimate has been cut by approximately \$2.0 billion.

The conglomerate is also looking to make an acquisition. Earlier this year, it announced its intent to buy the office and consumer products (OCP) division of Avery Dennison for \$550 million in cash. The OCP business is one of the world's leading suppliers of office and education products, which includes everything from labels and binders to writing instruments and presentation products. OCP also houses Avery's *HI-LITERS* and *Mark-A-Lot* brands. We like the move, as Avery's OCP group should complement the existing business nicely, as well as add to 3M's portfolio of iconic brands. Sales ought to be augmented by nearly \$800 annually, and 3M estimates the unit's EBITDA was almost \$100 million in 2011. On the downside, share net will likely take a nominal hit in 2012 as a result of the transaction and integration initiatives. **This untimely blue chip is a solid selection for conservative and value investors.** The issue carries our Highest Safety rank; it's Beta is below the market average; the yield is good; and long-term total return potential is solid.

Erik A. Antonson
 January 20, 2012

To subscribe call 1-800-833-0046.