

Inge Thulin
Executive Vice President



Driving Growth In Emerging Markets

Investor Meeting
September 9, 2008



Consumer and Office



Industrial and Transportation



Health Care



Electro and Communications



Safety, Security and Protection Services



Display and Graphics



Localization Market Focus Customer Orientation



Agriculture



Mining



Oil & Gas



Construction



Flowers

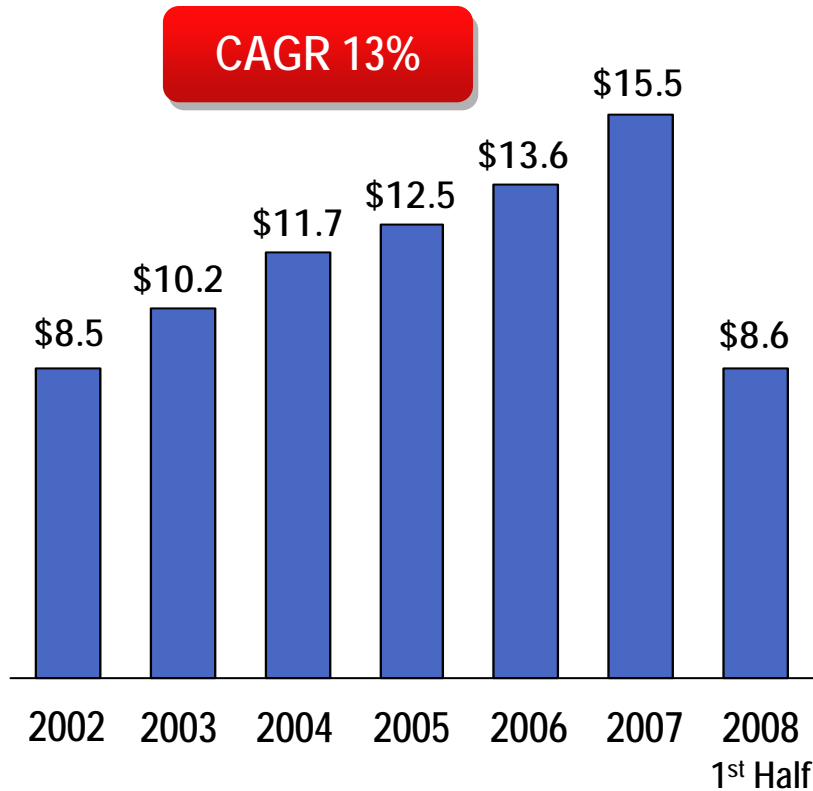


Automotive

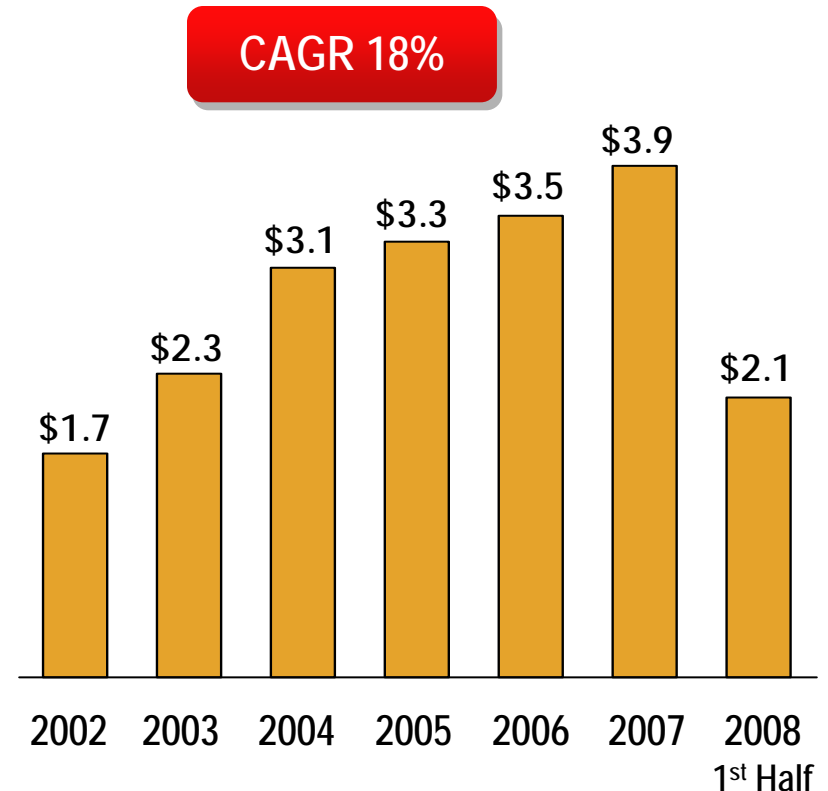


Growth AND Operational Excellence

Revenue (\$B)



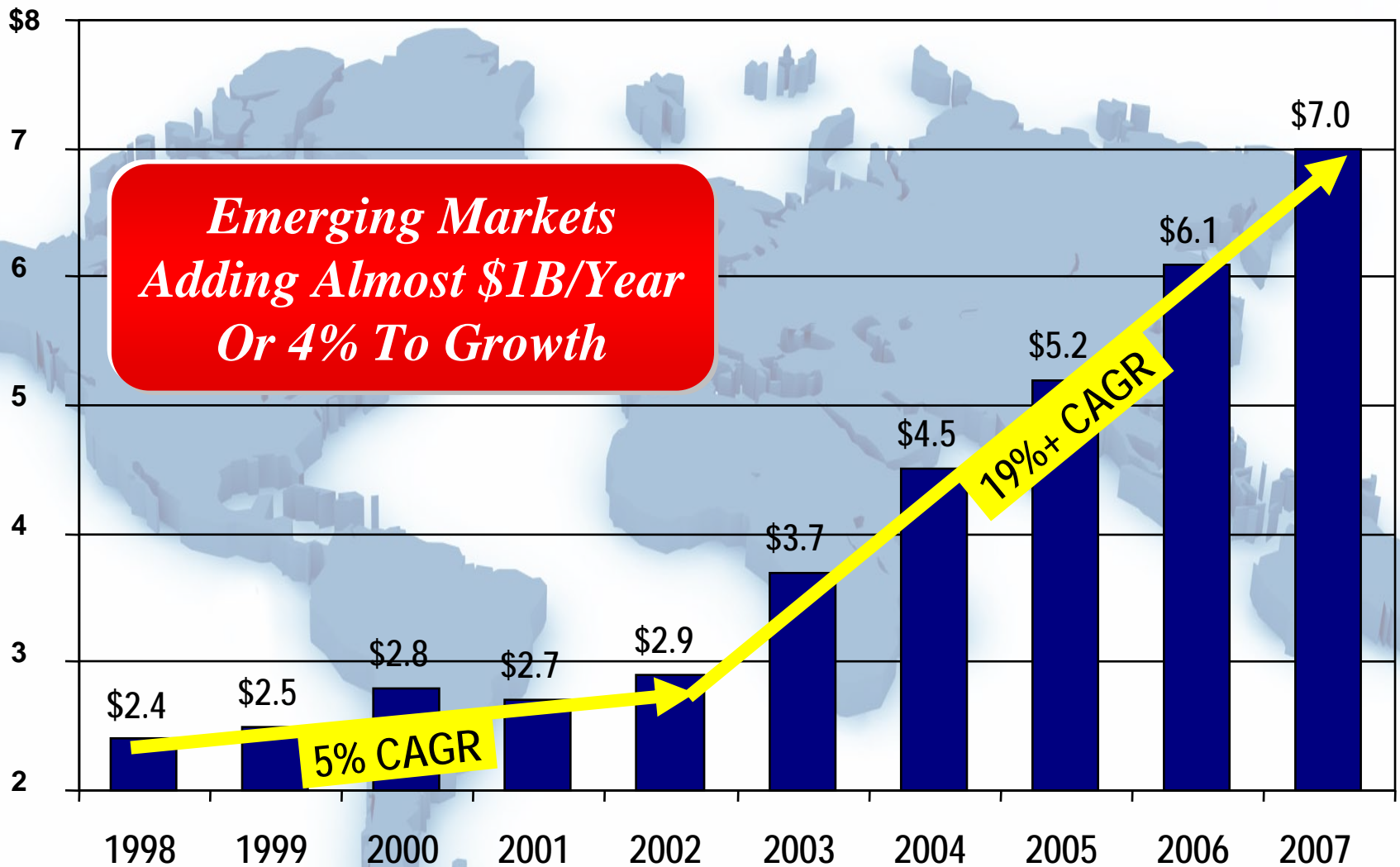
Operating Income (\$B)



Strong Contributions From All Geographical Areas

...With a Growing Percentage of Emerging Market Sales

(Billions)



Emerging Markets = Central/Eastern Europe + Middle East Africa + Asia Pacific ex. Japan & Australia/New Zealand + Latin America

Emerging Market Regions



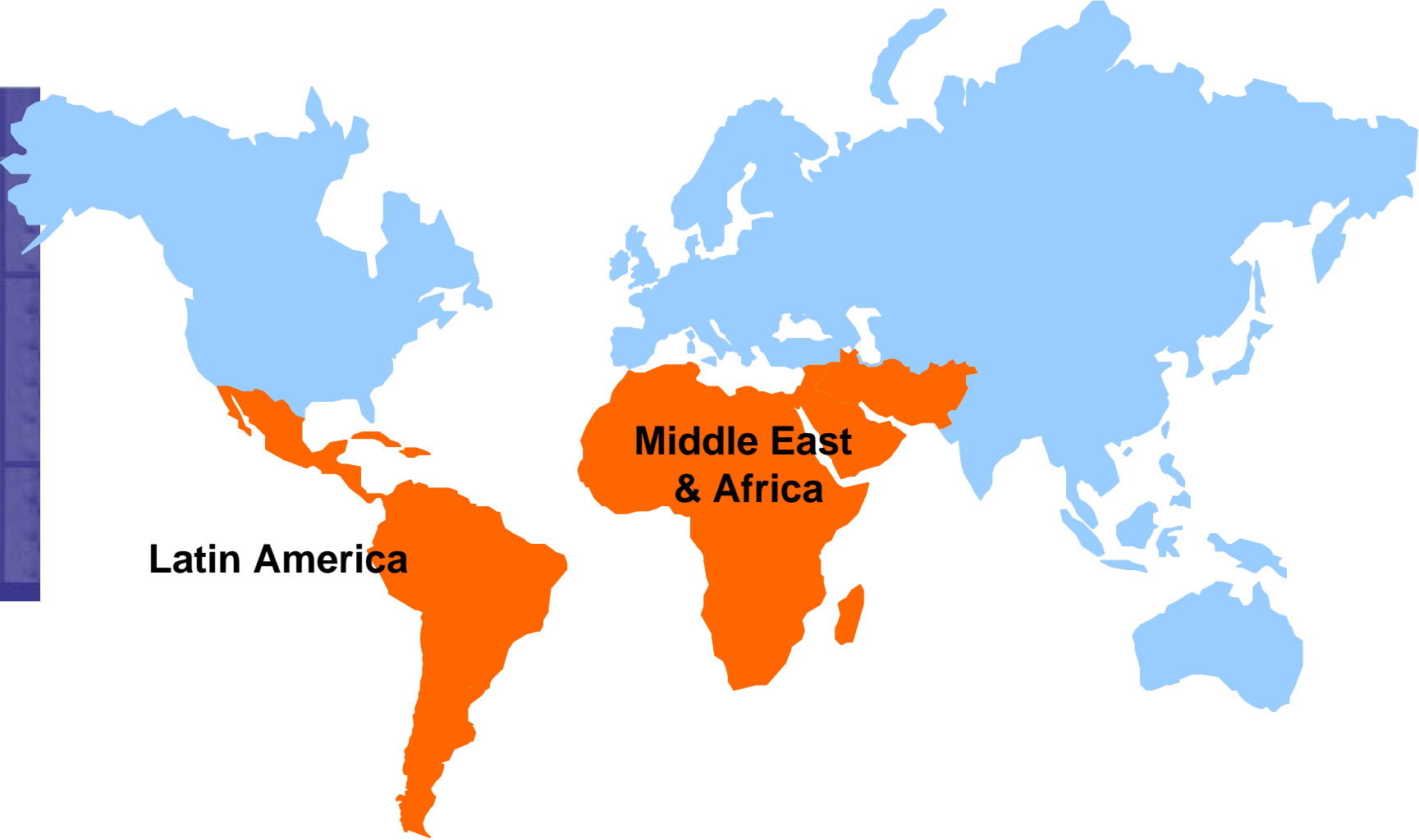
Emerging Market Regions



Latin America



Emerging Market Regions



Emerging Market Regions



Emerging Market Regions



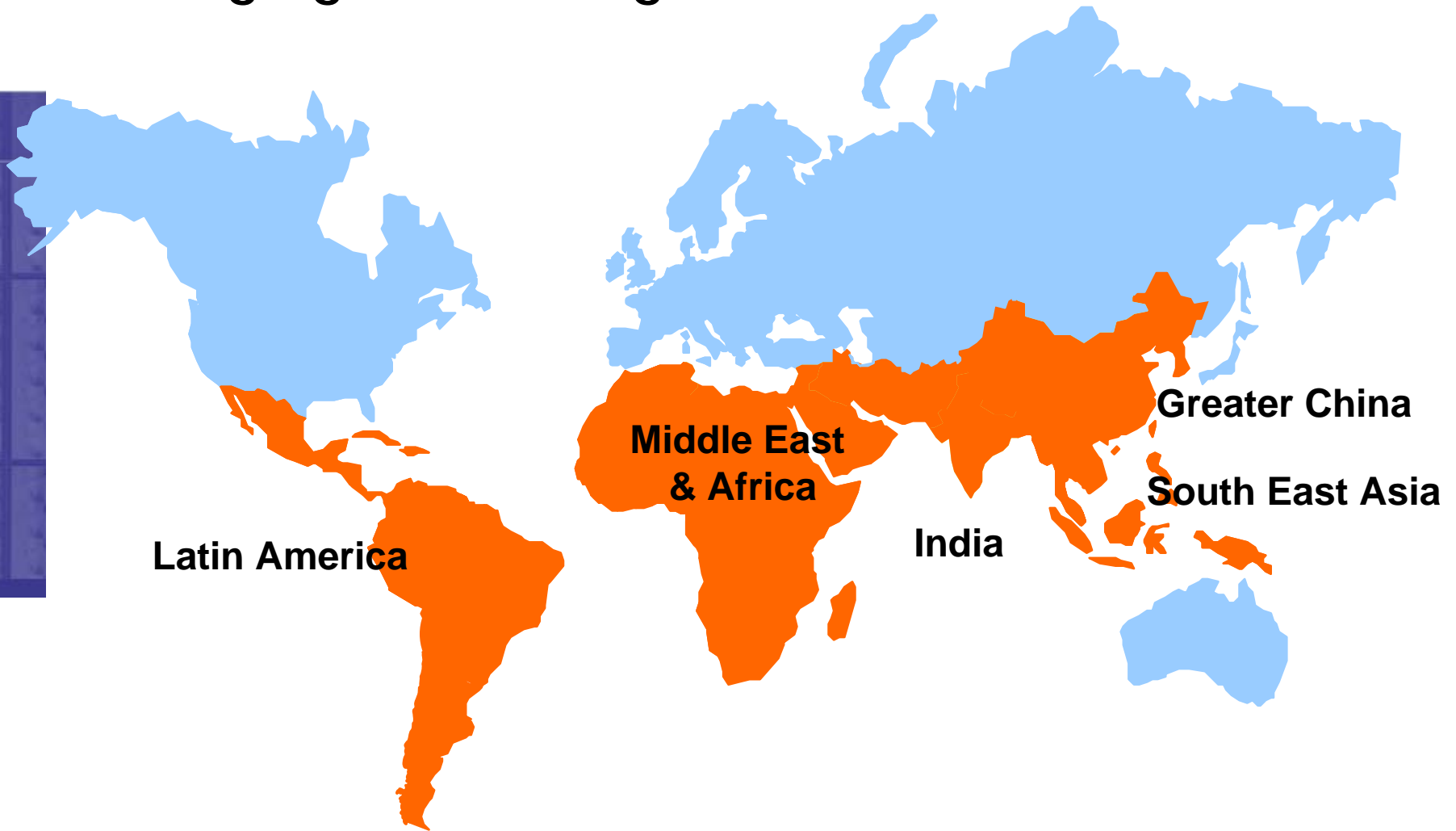
Latin America

**Middle East
& Africa**

India

South East Asia

Emerging Market Regions



Emerging Market Regions



3M Has Great Results and Future in Emerging Markets

Global Economic Trends

- “Shift in economic power from West to East is a transformation that is taking place faster than anticipated.”
- “Decoupling of global growth from the US is premature, but rapid growth in developing countries is shortening and softening the US downturn.”
- “Shifts in power from developed economies to emerging markets including Brazil, Russia, India and China, are spawning multinational companies of their own that effectively compete against established corporations from the West.”
- “Globalization is decentralizing power, while demographic differentials are heightening the fight for talent.”
- “Growing urban populations place enormous strains on existing infrastructure, particularly in Asia and Latin America.”
- Aging population – increased health care spending

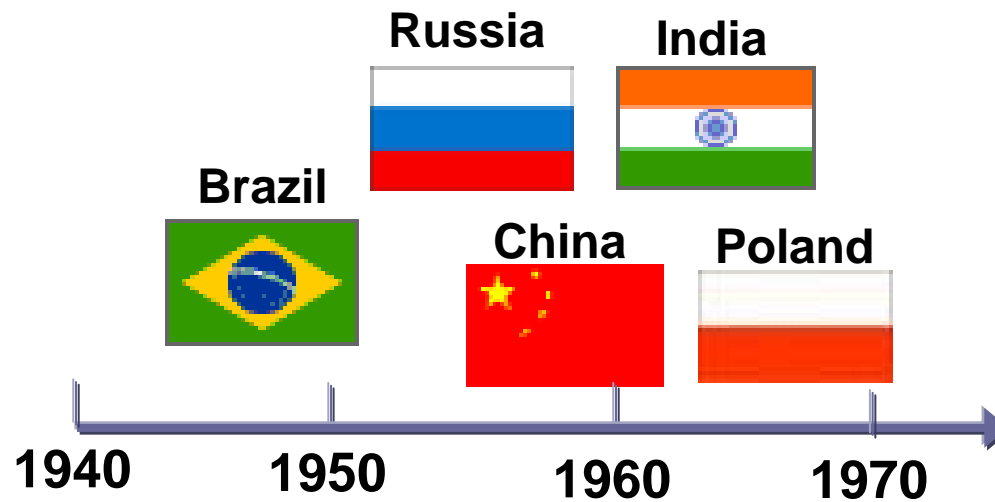


Economist Intelligence Unit

The Economist

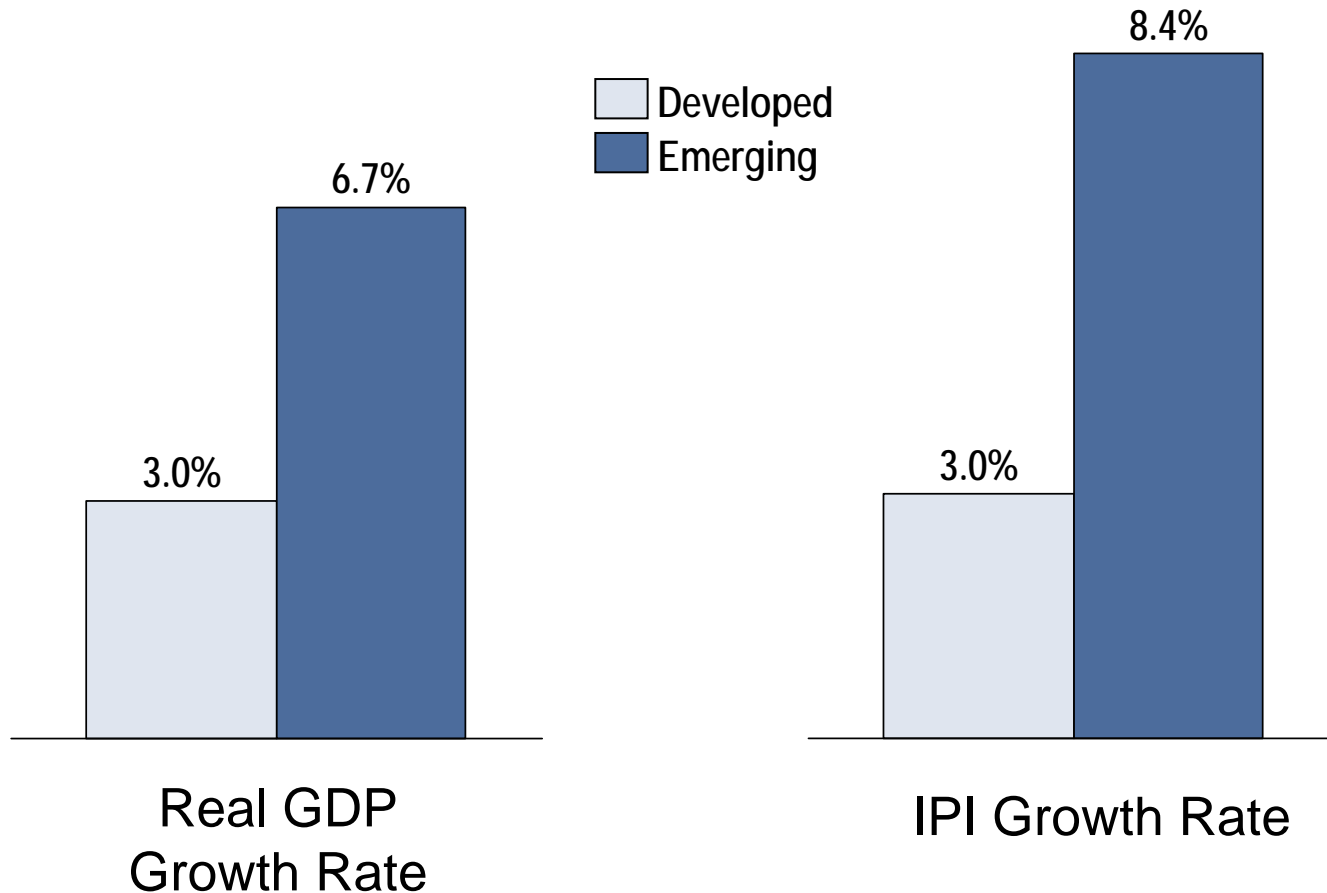


BRICP



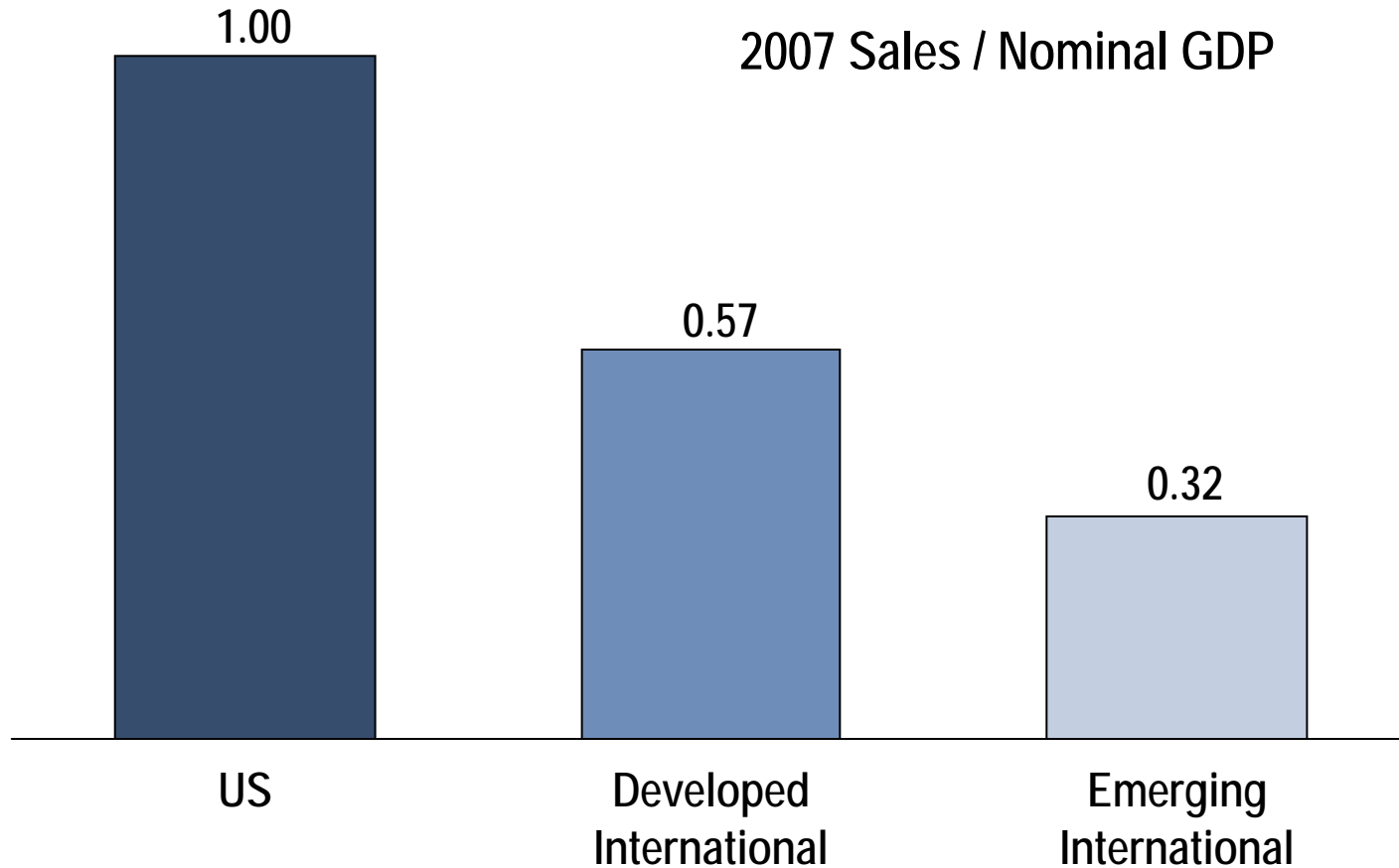
Long-Term Focus on Emerging Countries

GDP and IPI Growth Rates in 3M Countries



GDP and IPI Growth Rates in Emerging Countries Are 2X of Developed Markets

3M Relative Penetration in Key Countries



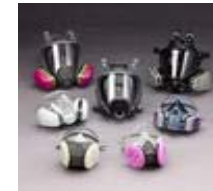
Emerging Countries Represent Good Penetration Opportunity

Source: Khalix/Global Insight



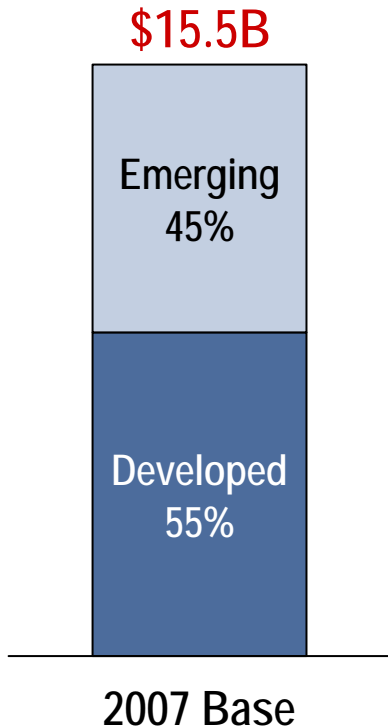
Solutions for Emerging Markets

- Growth in infrastructure spending
- Migration of industrial business
- Emerging middle class
- Increased health care spending

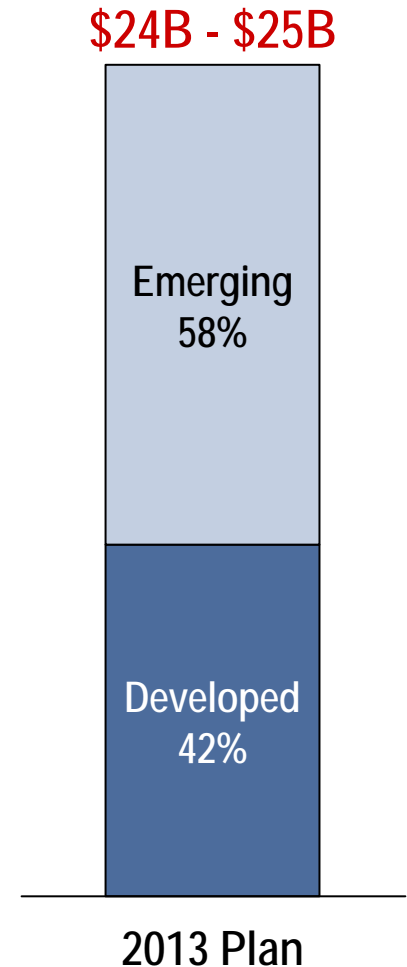


3M Business Portfolio Meets Emerging Market Opportunities

2007 – 2013 International Plan



- Build on base business and increase market share
- Increase emphasis on domestic-driven growth opportunities ... in all countries
- Continue shift of supply chain investments to high growth markets
- Localization of technical capabilities
- Leadership training and knowledge transfer



76% of Growth From Emerging Markets



Emerging Country Strategic Summary

- Localized brands and products
- Focus on growing industrial and infrastructure investments
- Improve penetration in focused markets
 - *Oil and Gas, Mining, Construction, Automotive OEM*
- Emerging middle class opportunity

Strategy Aligned with Emerging Market Opportunity

Strategy Across Four Primary Drivers



Corporate Strategies and International Cornerstones Totally Aligned

Building Global and Local Strength

Globalization

Four Cornerstones of Localization

Portfolio
Management &
Geographic
Expansion

Brand and
Reputation
Building

R&D and
Supply Chain
Localization

Human Capital
Planning

Building Global and Local Strength

Globalization

Four Cornerstones of Localization

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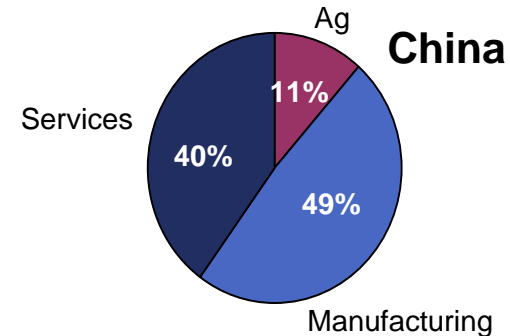
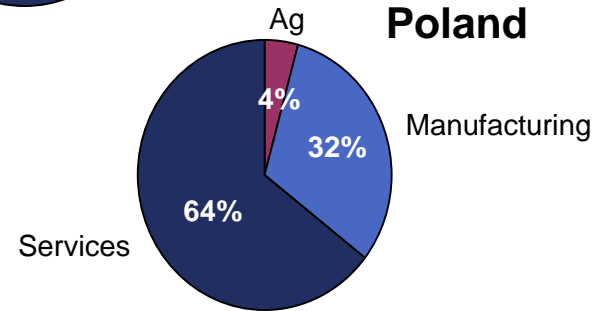
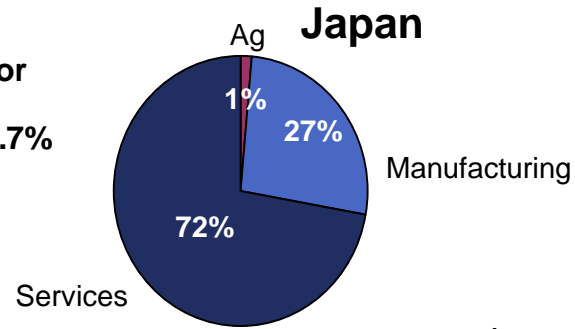
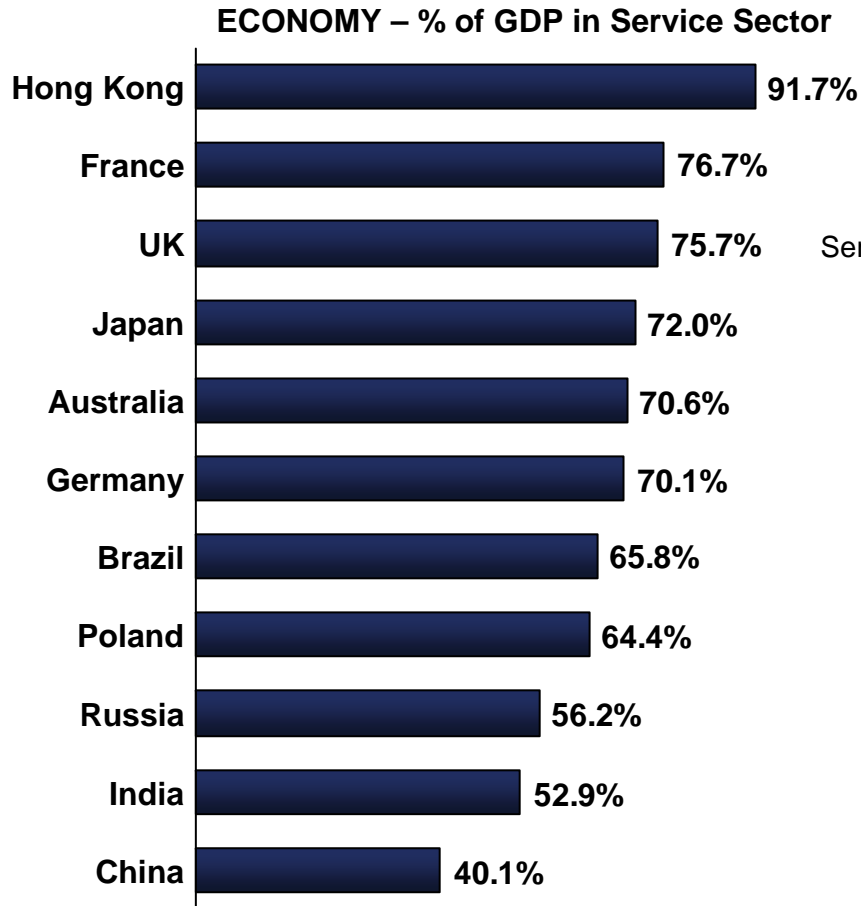
Brand and
Reputation
Building

R&D and
Supply Chain
Localization

Human Capital
Planning

Emerging Economies More Manufacturing Oriented

Source: CIA World Fact Book



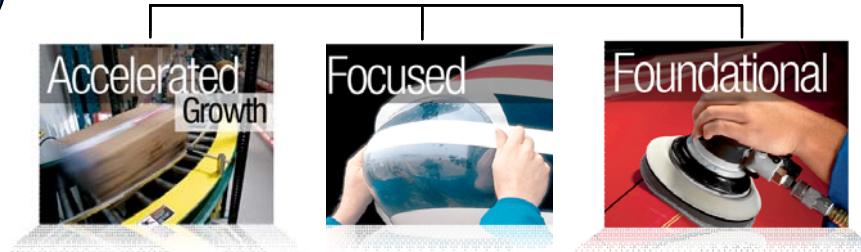
Subsidiary Portfolio Prioritized Based On Local Market and Economy



Portfolio Prioritization Process

1

Differentiate Our Businesses



2

Prioritize – *“Where to Play, How to Win”*



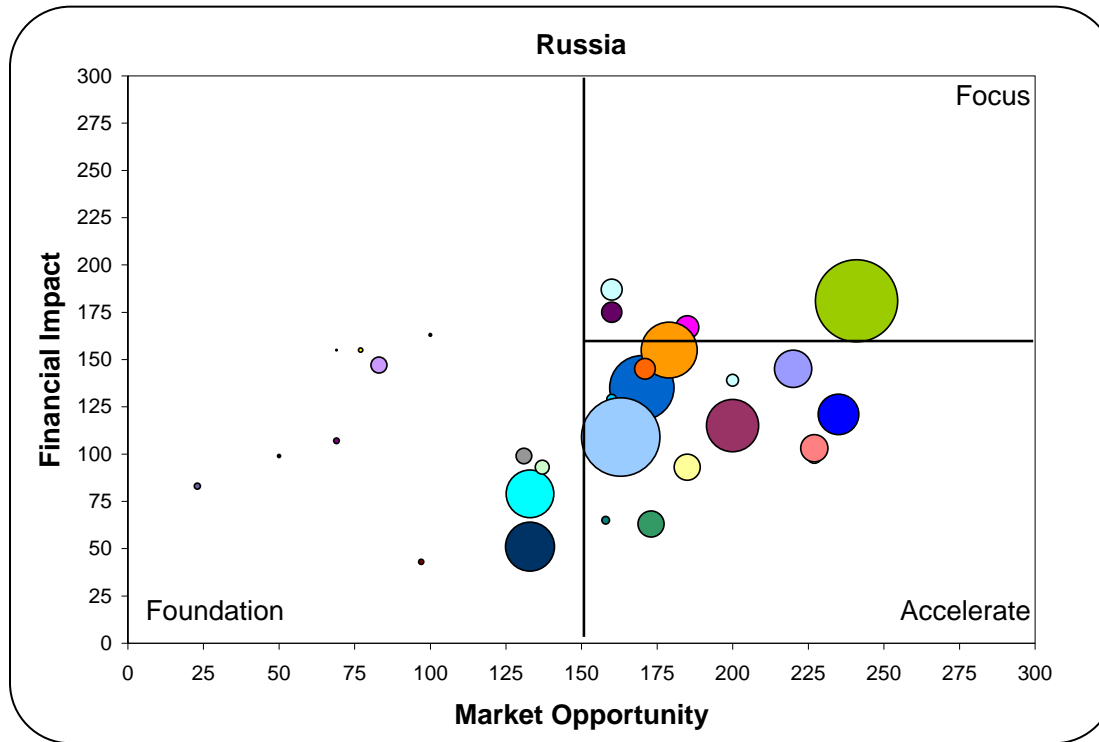
3

Allocate Resources for Improved Shareholder Value



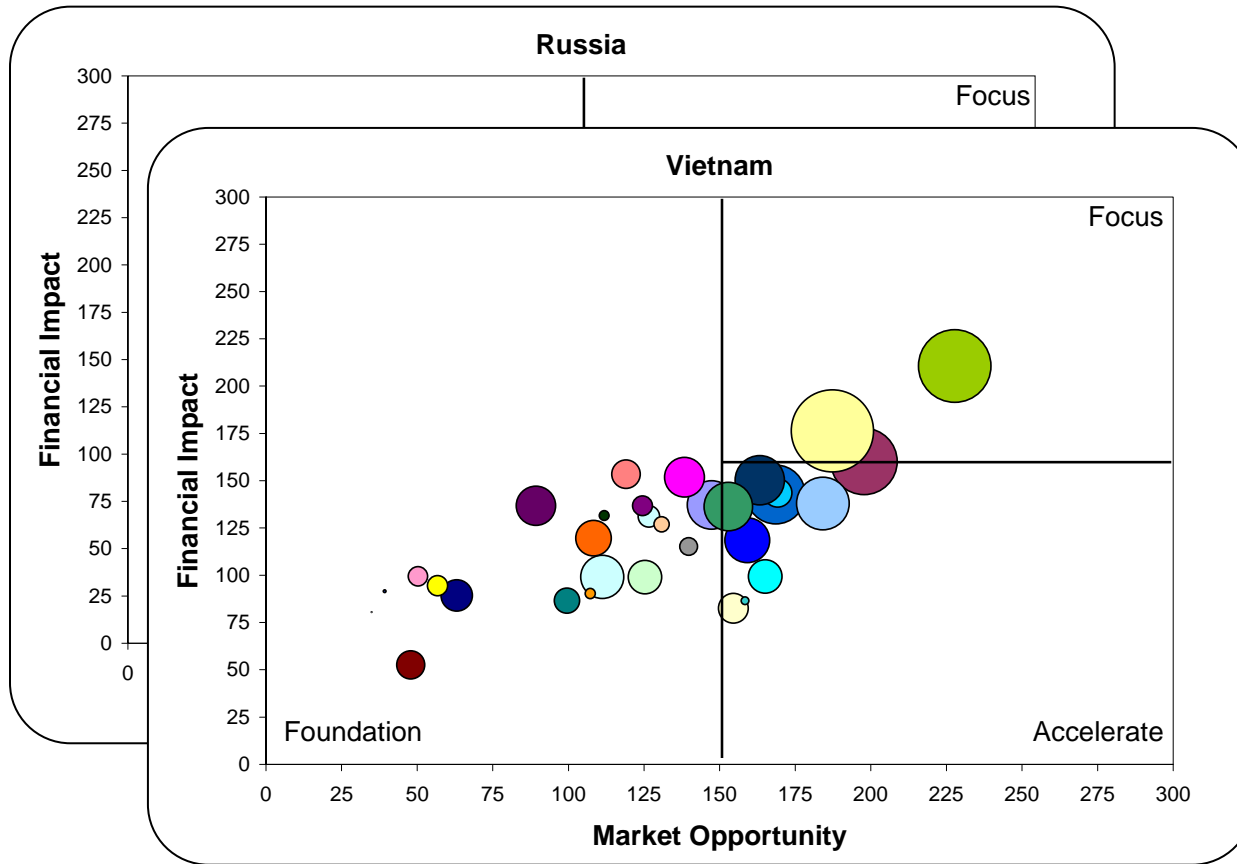
3M's Broad Portfolio Provides Opportunities For All Countries

Country Portfolio Prioritization Example



Portfolio Management Tailored to Local Market Conditions

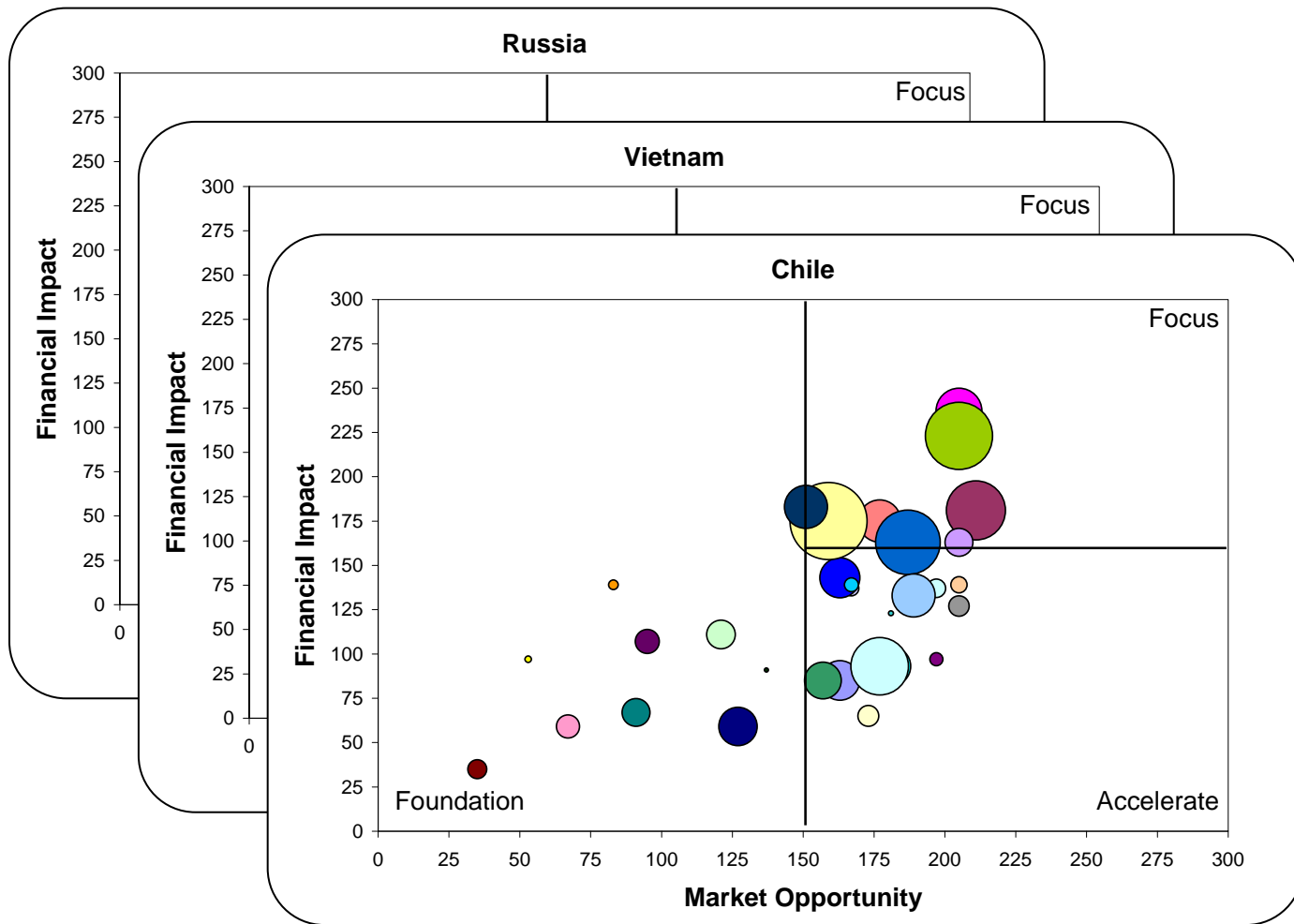
Country Portfolio Prioritization Example



Portfolio Management Tailored to Local Market Conditions



Country Portfolio Prioritization Example



Portfolio Management Tailored to Local Market Conditions

2006 & 2007 Closed International Acquisitions



7 of 13 International Acquisitions From Emerging Countries



Improving Penetration with focus on key markets

Oil & Gas



Mining



Construction



Automotive
OEM



Targeting the right areas for growth

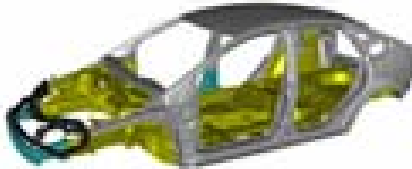
Automotive Technology



Precision Lighting Elements



Next Generation Paint Adhesive



Structural Adhesives



Specialty Trim Parts



Interam "Spike" Process



Internally Illuminated License Plates

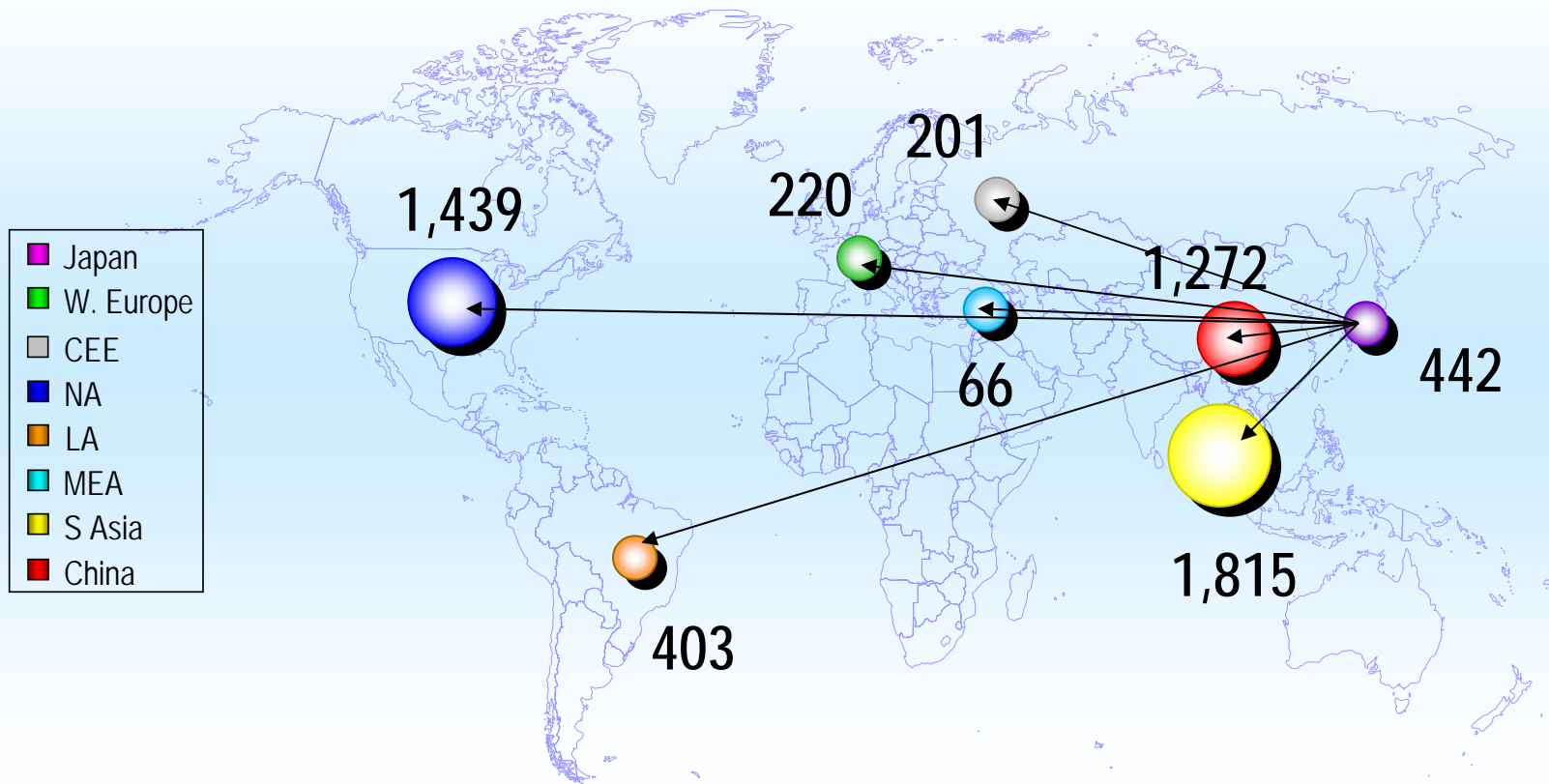


Cabin Air Solutions

Broad portfolio of products for automotive manufacturers



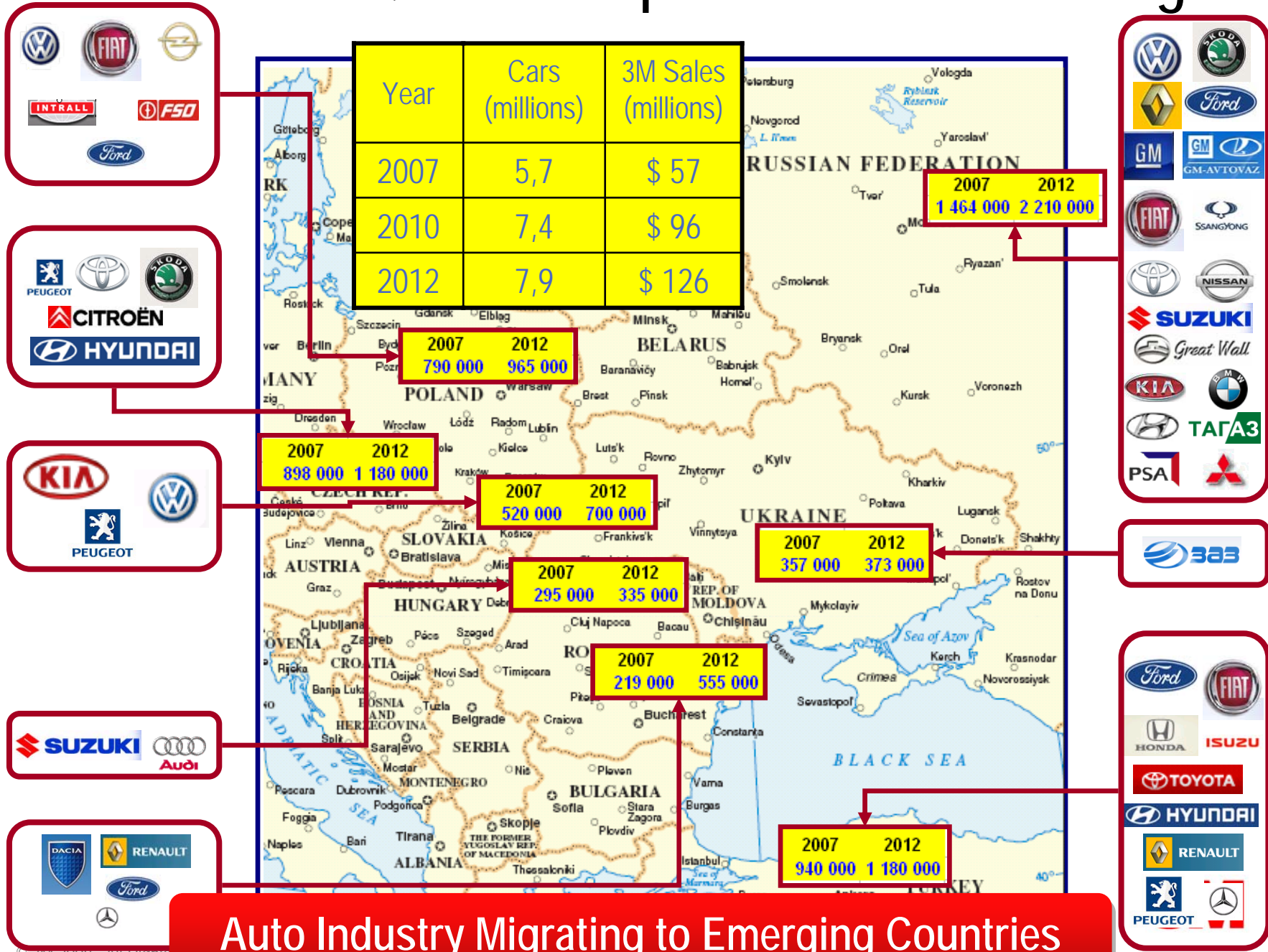
Japanese Auto Manufacturing



Japanese Vehicle Growth (000): 2006-2012
Japan = 442,000; Outside Japan = 5,416,000



Central/East Europe Auto Manufacturing



Auto Industry Migrating to Emerging Countries

Building Global and Local Strength

Globalization

Four Cornerstones of Localization

Portfolio
Management &
Geographic
Expansion

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Building

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Supply Chain
Localization

Human Capital
Planning

Building Brand Strength Worldwide



Local Brands Particularly Important in Emerging Markets



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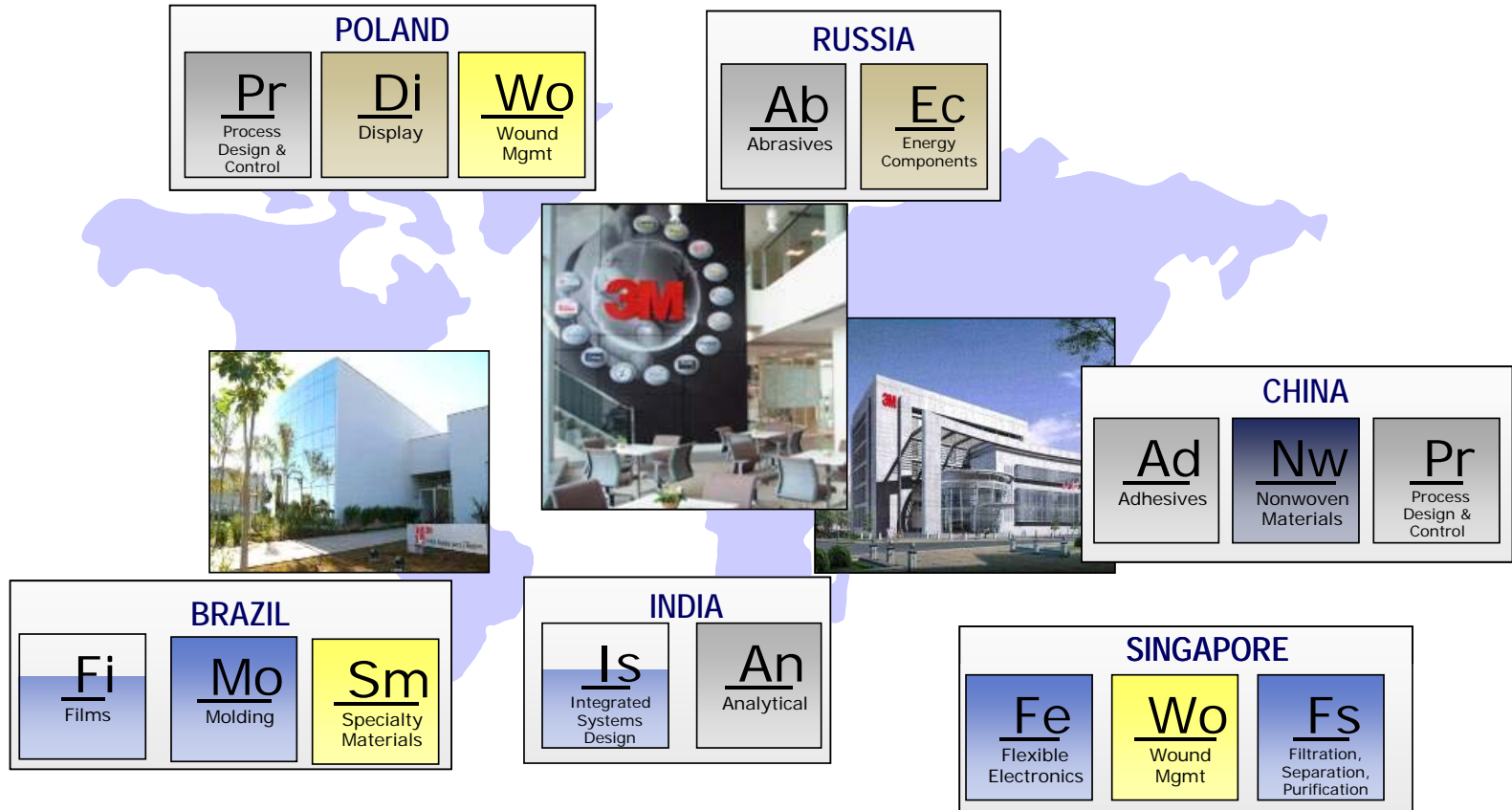
R&D and
Supply Chain
Localization

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3M's Multiple Technology Platforms

<u>Ab</u> Abrasives	<u>Bi</u> Biotech							<u>Pm</u> Polymer Melt Processing	<u>Sm</u> Specialty Materials
<u>Ac</u> Acoustics	<u>Ce</u> Ceramics	<u>Em</u> Electronic Materials					<u>Nt</u> Nano-technology	<u>Po</u> Porous Materials & Membranes	<u>Su</u> Surface Modification
<u>Ad</u> Adhesives	<u>Dd</u> Drug Delivery	<u>Fc</u> Flexible Converting & Packaging				<u>Mi</u> Microbial Detection & Control	<u>Nw</u> Nonwoven Materials	<u>Pp</u> Precision Processing	<u>Tt</u> Track and Trace
<u>Am</u> Advanced Materials	<u>Di</u> Display	<u>Fe</u> Flexible Electronics	<u>Fs</u> Filtration, Separation, Purification	<u>Is</u> Integrated Systems Design	<u>Me</u> Metal Matrix Composites	<u>Mo</u> Molding	<u>Op</u> Opto-electronics	<u>Pr</u> Process Design & Control	<u>Vp</u> Vapor Processing
<u>An</u> Analytical	<u>Do</u> Dental & Orthodontic Materials	<u>Fi</u> Films	<u>Im</u> Imaging	<u>Lm</u> Light Mgmt	<u>Mf</u> Mechanical Fasteners	<u>Mr</u> Micro-replication	<u>Pd</u> Particle & Dispersion Processing	<u>Rp</u> Radiation Processing	<u>We</u> Accelerated Weathering
<u>As</u> Application Software	<u>Ec</u> Energy Components	<u>Fl</u> Fluoro-materials	<u>In</u> Inspection & Measurement	<u>Md</u> Medical Data Mgmt			<u>Pe</u> Predictive Engineering & Modeling	<u>Se</u> Sensors	<u>Wo</u> Wound Mgmt

Globalizing Product Development and Technical Support



Investing in R&D in Emerging Markets



New Products Around the World

Anti-Graffiti Varnish
Mexico

Premium Polyester Casting Tape
Poland

Corrosion Protection Products
Russia

Superhydrophilic – Anti-Fog Wipe
China

White Glue Packaging
India

New Delhi Airport

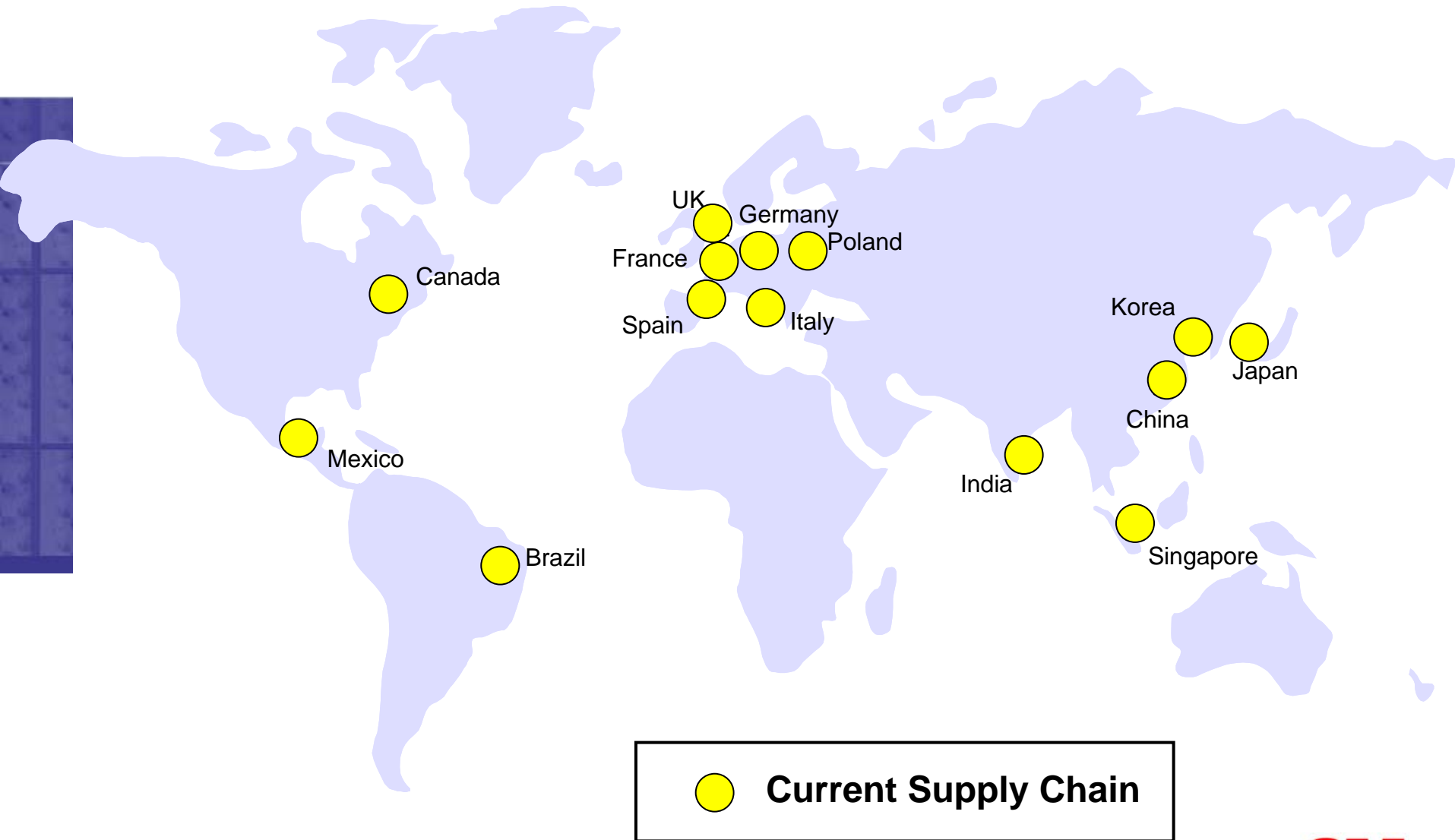
Cero Rayas Sponge
Brazil

Brushes for Indian Toilets

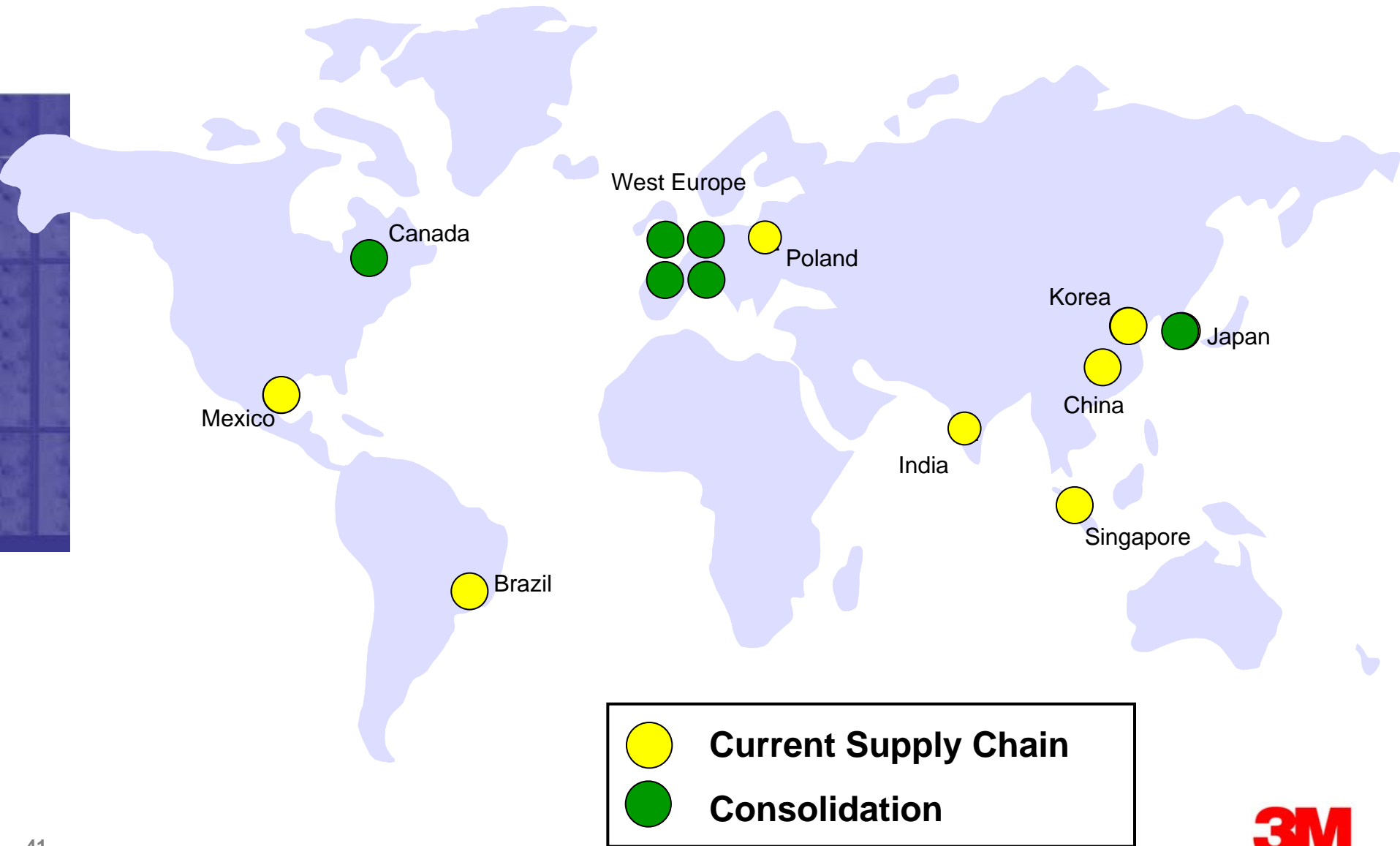
VStack Road Barrier

Designed for Emerging Markets – In Emerging Markets

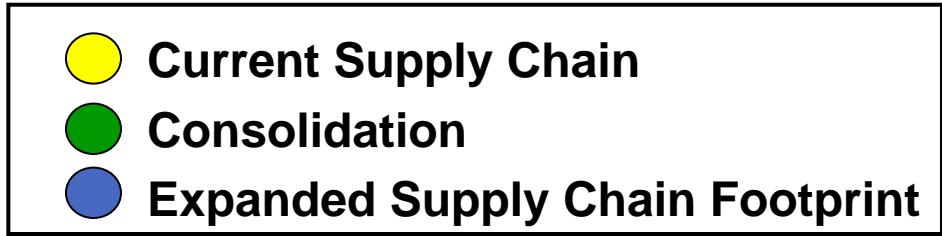
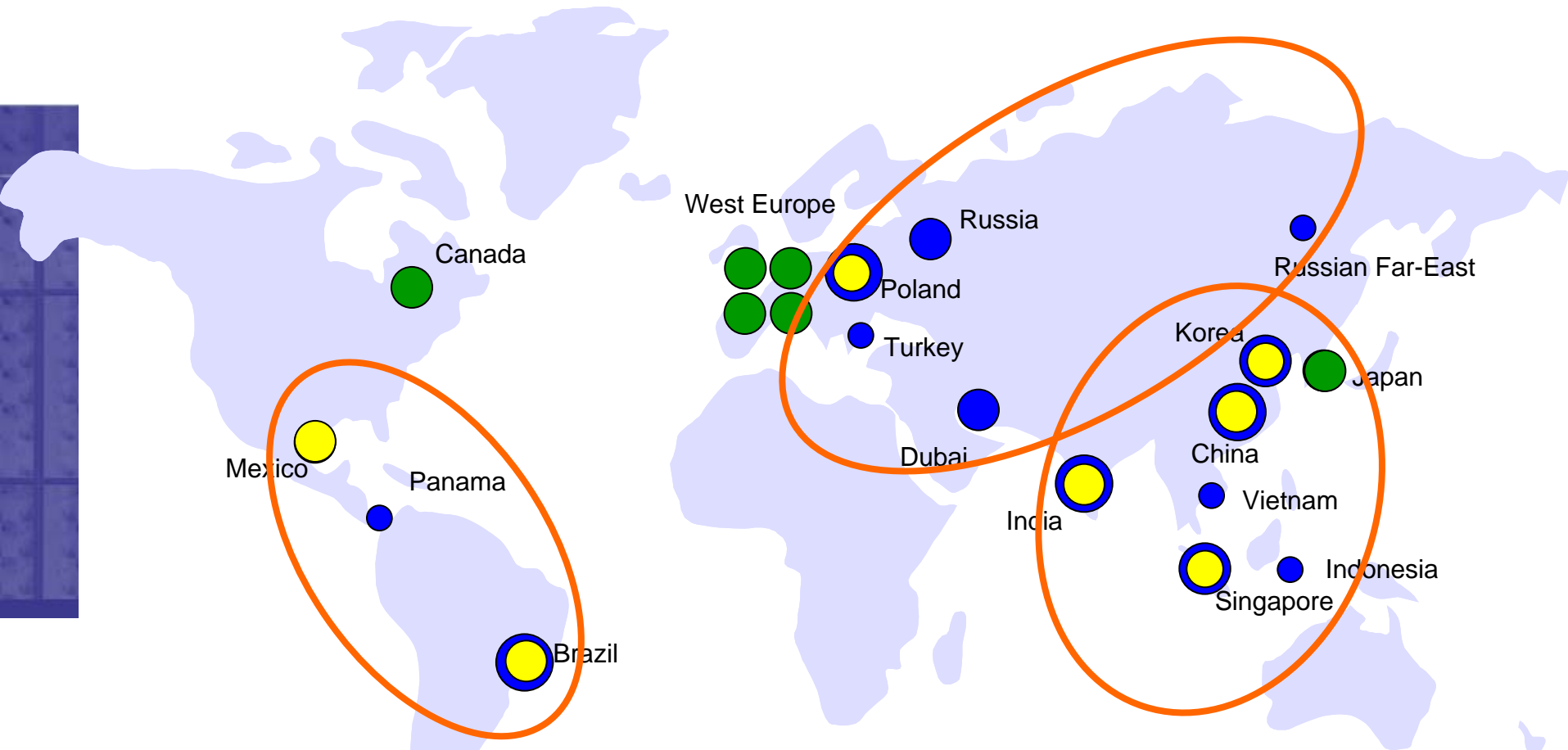
Center of Gravity Shift



Center of Gravity Shift



Center of Gravity Shift



Building Global and Local Strength

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Localization Strategy

Accelerating International Growth

- Investment in highest growth opportunities
- Emerging markets
- Enable investment by re-balancing global employee population

**Strategic
Investment**

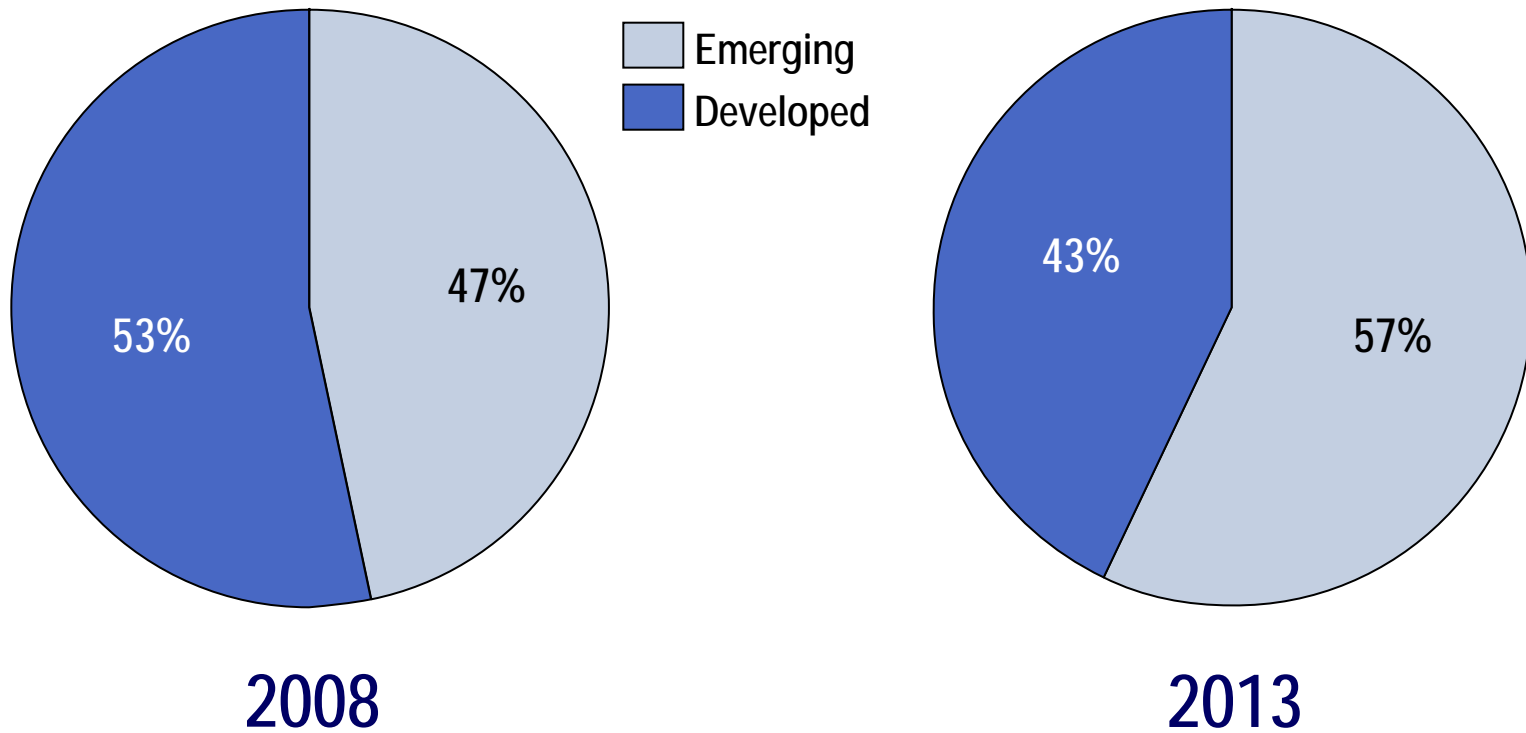
**Competitive
Advantage Model**

**Improved
Shareholder
Value**

**Competitive Business Structure
Imperative To Meet Productivity Targets**

Localization Strategy

Employee Mix (non-manufacturing)



3M International

Jetzt mitmachen und eine von 3 wertvollen Digitalkameras gewinnen!

Der I am 3M. Fotowettbewerb!
vom 15.11.2006 - 31.01.2007

I am 3M.
3M Innovation

Wir sind 3M.
2. Juni 2007

"I am 3M!"
3M Germany

yo soy 3M

3M Argentina



"I am 3M! Vision 2010"
3M Philippines



"I am 3M!"
"We Love the Brand!"
3M South Africa

"VIVE 3M!"
3M Mexico



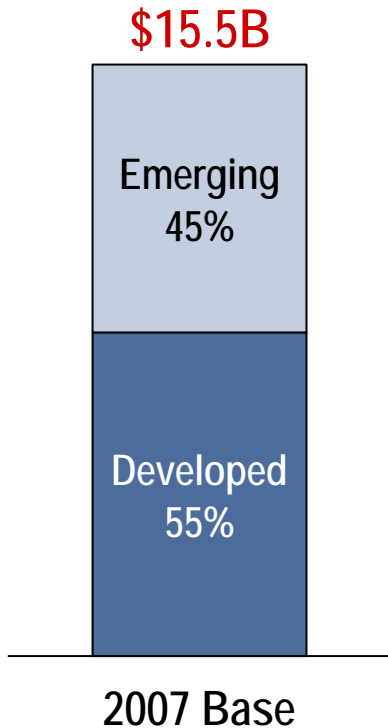
"Transcending Boundaries"
3M Malaysia

Vive 3M

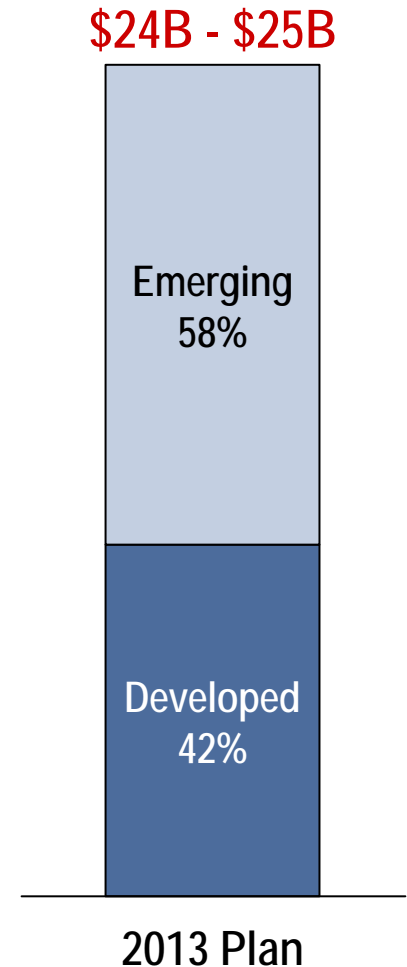
Sintoniza Canal 12, El canal de todos

Mantengamos la frecuencia y **12** Sintoniza

2007 – 2013 International Plan



- Build on base business and increase market share
- Increase emphasis on domestic-driven growth opportunities ... in all countries
- Continue shift of supply chain investments to high growth markets
- Localization of technical capabilities
- Leadership training and knowledge transfer



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Latin America

