



1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	© VALUE LINE PUB., INC.	12-14
16.32	17.96	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	33.05	34.45	Sales per sh	40.90
2.72	2.91	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	6.30	6.65	"Cash Flow" per sh	9.05
1.46	1.59	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	4.50	4.90	Earnings per sh <sup>A</sup>	6.90
.83	.88	.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	2.08	Div'ds Decl'd per sh <sup>B</sup>	2.26
1.29	1.37	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	1.65	1.80	Cap'l Spending per sh	2.10
7.58	8.02	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	18.50	20.65	Book Value per sh	29.35
858.96	839.59	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	708.00	700.00	Common Shs Outst'g <sup>C</sup>	680.00
18.5	16.5	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			Avg Ann'l P/E Ratio	16.0
1.09	1.08	1.20	1.20	1.36	1.16	1.19	1.29	1.59	1.33	1.30	1.16	1.01	.82	.80	.89			Relative P/E Ratio	1.05
3.1%	3.4%	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%			Avg Ann'l Div'd Yield	2.1%

CAPITAL STRUCTURE as of 9/30/09				2007	2008	9/30/09	2007	2008	9/30/09	2007	2008	9/30/09	2007	2008	9/30/09	2007	2008	9/30/09	2007	2008	9/30/09	2007	2008	9/30/09			
Total Debt \$6125 mill. Due in 5 Yrs \$921 mill. LT Debt \$5172 mill. LT Interest \$243.8 mill. (Total interest coverage: 3.1x)				15659	16724	16079	16332	18232	20011	21167	22923	24462	25269	23390	24100	2476	2476	2476	2476	2476	2476	2476	2476	2476	2476	2476	2476
Uncapitalized leases \$104 mill. Pension Assets-12/08 \$13.6 bill. Oblig. \$12.8 bill. Pfd Stock None				24.7%	23.3%	20.3%	24.5%	26.5%	30.6%	31.1%	32.3%	29.7%	25.2%	24.5%	26.5%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%	24.7%
Common Stock 707,958,268 shs.				1711.0	1857.0	1430.0	1974.0	2403.0	2990.0	3199.0	3851.0	4096.0	3460.0	3255	3430	3255	3430	3255	3430	3255	3430	3255	3430	3255	3430	3255	3430
MARKET CAP: \$52 billion (Large Cap)				37.9%	34.5%	32.1%	32.1%	32.9%	33.0%	34.7%	30.6%	33.9%	33.4%	33.0%	33.4%	33.0%	33.0%	33.0%	33.4%	33.0%	33.4%	33.0%	33.0%	33.0%	33.4%	33.0%	33.4%
CURRENT POSITION (SMILL.)				10.9%	11.1%	8.9%	12.1%	13.2%	14.9%	15.1%	16.8%	16.7%	13.7%	13.9%	14.2%	13.9%	14.2%	13.9%	14.2%	13.9%	14.2%	13.9%	14.2%	13.9%	14.2%	13.9%	14.2%
ANNUAL RATES of change (per sh)				2247.0	1625.0	1787.0	1602.0	2638.0	2649.0	1877.0	1623.0	4476.0	3759.0	5400	5300	5400	5300	5400	5300	5400	5300	5300	5400	5300	5300	5400	5300
Sales				1480.0	971.0	1520.0	2140.0	1735.0	727.0	1309.0	1047.0	4019.0	5166.0	5170	5150	5170	5150	5170	5150	5170	5150	5150	5170	5150	5150	5170	5150
Earnings				6289.0	6531.0	6086.0	5993.0	7885.0	10378	10100	9959.0	11747	9879.0	13110	14460	13110	14460	13110	14460	13110	14460	13110	14460	13110	13110	14460	13110
Dividends				22.5%	25.2%	19.4%	25.1%	25.5%	27.3%	28.5%	35.4%	26.6%	23.6%	16.5%	16.0%	16.5%	16.0%	16.5%	16.0%	16.5%	16.0%	16.0%	16.5%	16.0%	16.0%	16.5%	16.0%
Book Value				27.2%	28.4%	23.5%	32.9%	30.5%	28.8%	31.7%	38.7%	34.9%	35.0%	25.0%	23.5%	25.0%	23.5%	25.0%	23.5%	25.0%	23.5%	23.5%	25.0%	23.5%	23.5%	25.0%	23.5%
All Div'ds to Net Prof				12.9%	14.4%	7.9%	16.8%	17.4%	18.0%	18.9%	24.9%	23.1%	20.9%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%	13.5%

**BUSINESS:** 3M Company (formerly Minnesota Mining & Manufacturing) is a diversified manufacturer. It sells more than 50,000 products in 60 countries. 3M is a component of the DJIA. Its six business segments include: Industrial & Transportation (31% of 2008 sales); Display and Graphics (14%); Health care (17%); Consumer and Office (13%); Electro and Communications (11%); Safety, Security & Protection (14%). Divested data storage and imaging systems, 7/96. '08 foreign sales, 65% of total. R&D, 5.7% of sales. '08 depr. rate: 6.4%. Has about 78,390 employees. State Street Bank & Trust owns 8.1% of stock (4/09 proxy). Chairman, President & CEO: George Buckley. Incomp: DE. Addr.: 3M Center, St. Paul, Minn. 55144-1000. Tel.: 651-733-8206. Internet: www.mmm.com.

**3M's third-quarter earnings came in better than expected . . .** And since this cyclical industrial behemoth is considered by many to be a close barometer of economic prosperity, its results augur well for the recovering global economy. Share net of \$1.20, and \$0.20 higher than Wall Street consensus of \$1.17.

**. . . But it was still below the year-ago figure.** This was primarily due to an across-the-board sales shortfall. Revenue fell 5.6%, to \$6.19 billion. Excluding negative translation effects, sales were down 3.3%. Operating income rose in four of the six business segments, but decreased in the largest division (Industrial & Transportation) by 8%, to \$382 million. Electro & Communications operating income also declined.

**We have raised our full-year 2009 share-net estimate by \$0.20, to \$4.50.** This is mainly due to the third-quarter success. This number, however, is relatively conservative, and we wouldn't be surprised to see something in the \$4.60 range, provided the dollar doesn't weaken any further against the euro and the yen (65% of sales come from abroad), although we doubt this will be the case.

**Profits should stage a partial recovery in 2010.** We look for volume and pricing improvements as the year wears on. The company's vast array of products in many different markets and countries should enable it to capitalize on a variety of secular uptrends. These are government-backed healthcare reform, renewable energy initiatives, the further industrialization of emerging markets, a push for cleaner air and water, and infrastructure refurbishment.

**Most of the good news is already factored into this high-quality issue's price.** The stock has been rising steadily since March, cutting into its long-term capital gains potential. Still, if you are looking for a well-rounded company, this is it. The company's Financial Strength rating is unsurpassed, backing rock-solid dividend growth. The stock also carries Value Line's Highest (1) rank for Safety, and has done so for decades. Moreover, the Stock Price Stability rating remains very high (95).

<b>Company's Financial Strength</b>	A++
<b>Stock's Price Stability</b>	95
<b>Price Growth Persistence</b>	55
<b>Earnings Predictability</b>	80