



2023 First Quarter Earnings

(unaudited)

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Chairman of the Board &
Chief Executive Officer

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Forward-looking statements

This presentation contains forward-looking information about 3M's financial results and estimates and business prospects that involve substantial risks and uncertainties. You can identify these statements by the use of words such as "anticipate," "estimate," "expect," "aim," "project," "intend," "plan," "believe," "will," "should," "could," "target," "forecast" and other words and terms of similar meaning in connection with any discussion of future operating or financial performance or business plans or prospects. Among the factors that could cause actual results to differ materially are the following: (1) worldwide economic, political, regulatory, international trade, geopolitical, capital markets and other external conditions and other factors beyond the Company's control, including inflation, recession, military conflicts, natural and other disasters or climate change affecting the operations of the Company or its customers and suppliers; (2) risks related to unexpected events such as the public health crises associated with the coronavirus (COVID-19) global pandemic; (3) foreign currency exchange rates and fluctuations in those rates; (4) risks related to certain fluorochemicals, including liabilities related to claims, lawsuits, and government regulatory proceedings concerning various PFAS-related products and chemistries, as well as risks related to the Company's plans to exit PFAS manufacturing and discontinue use of PFAS across its product portfolio; (5) 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, 2022 and any subsequent quarterly reports on Form 10-Q (the "Reports"); (6) competitive conditions and customer preferences; (7) the timing and market acceptance of new product and service offerings; (8) the availability and cost of purchased components, compounds, raw materials and energy due to shortages, increased demand and wages, supply chain interruptions, or natural or other disasters; (9) unanticipated problems or delays with the phased implementation of a global enterprise resource planning (ERP) system, or security breaches and other disruptions to the Company's information technology infrastructure; (10) the impact of acquisitions, strategic alliances, divestitures, and other strategic events resulting from portfolio management actions and other evolving business strategies; (11) operational execution, including the extent to which the Company can realize the benefits of planned productivity improvements, as well as the impact of organizational restructuring activities; (12) financial market risks that may affect the Company's funding obligations under defined benefit pension and postretirement plans; (13) the Company's credit ratings and its cost of capital; (14) tax-related external conditions, including changes in tax rates, laws or regulations; (15) matters relating to the proposed spin-off of the Company's Health Care business, including whether the transaction will be completed, or if completed, will be on the expected terms; the risk that the expected benefits will not be realized; the risk that the costs or dis-synergies will exceed the anticipated amounts; the ability to satisfy the various closing conditions; potential business disruption; the diversion of management time; the impact of the transaction (or its pendency) on the Company's ability to retain talent; potential impacts on the Company's relationships with its customers, suppliers, employees, regulators and other counterparties; the ability to realize the desired tax treatment (including whether an Internal Revenue Service private letter ruling will be sought or obtained); the risk that any consents or approvals required will not be obtained; risks associated with financings that may be undertaken and indebtedness that may be incurred in connection with the transaction; and (16) matters relating to the voluntary chapter 11 proceedings of the Company's subsidiary Aearo Technologies and certain of its affiliates. Changes in such assumptions or factors could produce significantly different results. A further description of these factors is located in the Reports under "Cautionary Note Concerning Factors That May Affect Future Results" and "Risk Factors" in Part I, Items 1 and 1A (Annual Report) and in Part I, Item 2 and Part II, Item 1A (Quarterly Reports). The Company assumes no obligation to update any forward-looking statements discussed herein as a result of new information or future events or developments.

Note on non-GAAP financial measures

This presentation refers to certain non-GAAP financial measures. Refer to 3M's April 25, 2023, press release for descriptions of non-GAAP financial measures such as adjusted net sales (and adjusted sales change); adjusted purchases of property, plant and equipment (also referred to as adjusted capital expenditures); adjusted net cash provided by (used in) operating activities; adjusted free cash flow; adjusted free cash flow conversion; net debt; adjusted EBITDA (and adjusted EBITDA margin); and various measures that adjust for the impacts of special items. These non-GAAP measures are not in accordance with, nor are they a substitute for, GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in that press release.

Streamlining and simplifying 3M to drive growth, margins, and cash

- Improve cost structure and expand margins
 - Reduce corporate costs and management layers
 - Simplify supply chain to better align how we plan, source, make and deliver
 - Streamline go-to-market models to more closely align with customers
 - Prioritize geographies and leverage digital engagement capabilities
 - Prioritize high growth markets and deliver improved supply chain performance
 - Focus on high growth markets: automotive electrification, personal safety, home improvement, semiconductors, and health care
 - Invest in emerging areas: climate technology, industrial automation, next-generation electronics, and sustainable packaging
 - Accelerate factory automation and drive improvements in network optimization of our plants and distribution centers
 - Aligning leadership to future direction of 3M
- Reducing headcount by ~6,000 roles across the global organization in addition to previously announced reduction of 2,500 roles in global manufacturing
 - Expected annual run-rate improvement in operating income of \$700M to \$900M
 - Anticipated total pre-tax charges of \$700M to \$900M

Remain focused on our strategies while managing in a challenging environment

- Q1 performance
 - End-market trends played out as anticipated; significant weakness in consumer electronics and consumer retail; continued strength in automotive, automotive aftermarket, electrical markets, and abrasives
 - Relentlessly focused on serving customers; decline in disposable respirator demand and exit of Russia in-line with expectations
 - Aggressively managed costs and spending discipline; prioritized investments in productivity
- Continued focus on our strategic objectives
 - Advancing Health Care separation workstreams
 - Executing on the exit of PFAS manufacturing
 - Progressing on legal matters
- Full-year 2023 guidance remains unchanged

Adjusted organic growth

-5.6%

Includes ~(3.4) ppt headwind from disposable respirator decline and 2022 exit of Russia

Adjusted operating margin

17.9%

Adjusted earnings per share

\$1.97

Q1 2023 operating margin and EPS

	Adjusted operating margin	Adjusted earnings per share	Commentary
Q1 2022	22.0%	\$2.63	
Total organic growth/productivity/other	-2.0%	-\$0.38	
Disposable respirator/Russia exit	-1.1%	-\$0.21	<ul style="list-style-type: none"> Decline in COVID-related disposable respirator demand; 2022 exit of operations in Russia
Remaining organic growth/productivity/other	-0.9%	-\$0.17	<ul style="list-style-type: none"> Decline driven by lower sales volumes (particularly electronics/consumer retail); manufacturing/supply chain headwinds; China (COVID-related); and Europe geopolitical impacts Benefits from higher selling prices; aggressive spending discipline; ongoing productivity actions Investments in growth, productivity, and sustainability
Restructuring charge	-0.5%	-\$0.05	<ul style="list-style-type: none"> Q1 2023 pre-tax charge of \$52M versus \$18M in Q1 2022
Raw material	-1.3%	-\$0.15	<ul style="list-style-type: none"> Carryover impact of raw material, logistics, and energy cost inflation
FX	-0.3%	-\$0.10	<ul style="list-style-type: none"> U.S. dollar strength
Divestiture*	0.0%	-\$0.03	<ul style="list-style-type: none"> Food Safety divestiture; Aearo Technologies deconsolidation
Other expense/income	NA	-\$0.02	<ul style="list-style-type: none"> Primarily higher non-op pension
Adjusted tax rate**	NA	\$0.00	<ul style="list-style-type: none"> Q1 2023 adjusted tax rate of 17.7% versus 17.5% in Q1 2022
Shares outstanding	NA	+\$0.07	<ul style="list-style-type: none"> Average diluted shares down 3.8%
Q1 2023	17.9%	\$1.97	

* Includes lost income from divested businesses and remaining stranded costs (net of transition arrangement income).

** The effect of income taxes on items that had specific tax rates are reflected within their respective impacts in the table above.

Q1 2023 cash flow and balance sheet

Adjusted free cash flow

\$0.9B

Adjusted free cash flow
conversion

87%

Cash returned to
shareholders

\$0.9B

Adjusted free cash flow

- Q1: \$0.9B, up 24% YoY

Adjusted free cash flow
conversion

- Q1: 87%, up 37 pts YoY
- Q1 YoY increase driven by lower annual incentive cash compensation and improvement in working capital, primarily inventory

Adjusted capital
expenditures

- Q1: \$445M, up 15% YoY

Net debt

- Q1: \$12.0B, down 10% YoY

Capital returned to
shareholders

- Q1: dividends \$827M

Business Group performance



**Safety &
Industrial**



**Transportation &
Electronics**



Health Care



Consumer

Safety & Industrial

Q1 2023 commentary


- Organic growth performance:
 - High-single digit increases in automotive aftermarket, electrical markets, and abrasives
 - Declines in personal safety; industrial adhesives and tapes; and closure and masking systems
 - Disposable respirator/Russia YoY headwind of ~\$285M, or -67% organically; reduced segment organic growth by 9.9 ppts
- Moderating demand and destocking in certain industrial end-markets, most significantly in Asia and China
- Adjusted operating margin -2.4 ppts YoY
 - Decline driven by lower sales volume; manufacturing/supply chain headwinds; carryover raw material/logistics/energy cost inflation; investments; and China COVID-related challenges
 - Headwinds partially offset by benefits from pricing, aggressive spending discipline, and productivity actions



Organic growth

-6.0%

Includes ~(9.9) ppt headwind from disposable respirator decline and 2022 exit of Russia



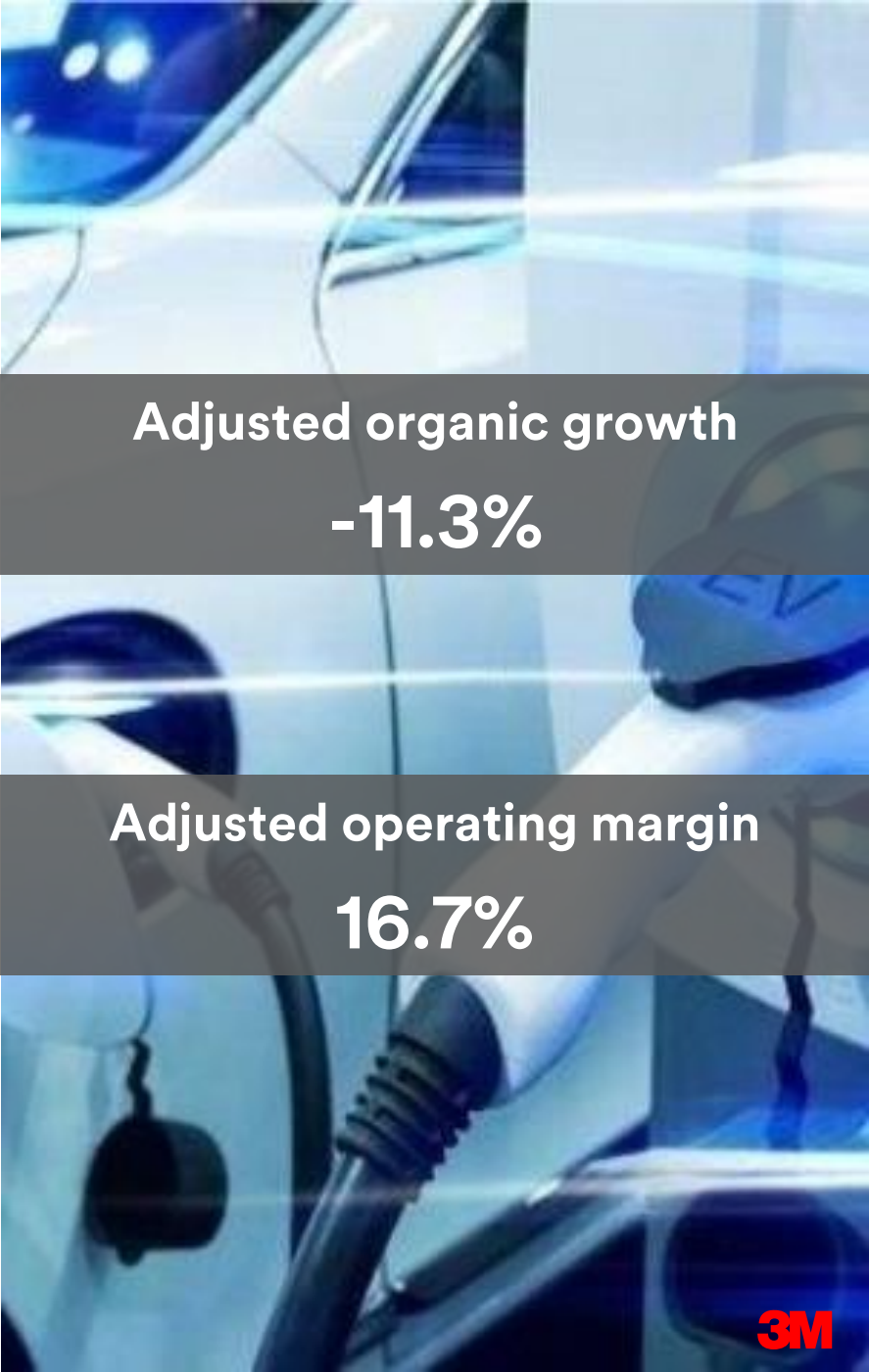
Adjusted operating margin

20.2%

Transportation & Electronics

Q1 2023 commentary

- Adjusted organic growth performance
 - Low-double digit increase in automotive and aerospace; high-single digit increase in advanced materials
 - Significant decline in electronics (-35% YoY); single-digit declines in transportation safety and commercial solutions
- Significant consumer electronics softness continues; weak demand for smartphones, tablets, and TVs; tiers and OEM's aggressively reducing inventories
- Expect sales volumes will improve as consumer electronics markets stabilize and China recovers in 2H
- Adjusted operating margin -5.5 ppts YoY
 - Decline driven by lower sales volume; manufacturing/supply chain headwinds; carryover raw material/logistics/energy cost inflation; investments; and China COVID-related challenges
 - Headwinds partially offset by benefits from pricing, aggressive spending discipline, and productivity actions



Adjusted organic growth
-11.3%

Adjusted operating margin
16.7%

Health Care

Q1 2023 commentary

- Organic growth performance
 - Low-single digit increases in medical solutions and oral care; health information systems was flat
 - High-single digit decline in separation and purification due to normalization of post-COVID-related biopharma demand
 - 2022 exit of Russia reduced segment organic growth by 50 bps YoY
- Healthcare and oral care elective procedure volumes at ~90% of pre-COVID levels; expect procedure volumes to improve as we progress through the year
- Operating margin -3.0 ppts YoY
 - Decline driven by manufacturing/supply chain headwinds; carryover raw material/logistics/energy cost inflation; and investments
 - Headwinds partially offset by benefits from pricing, aggressive spending discipline, and productivity actions

Organic growth

1.4%

Includes ~(50) bps headwind from
2022 exit of Russia

Operating margin

17.9%

Consumer

Q1 2023 commentary

- Organic growth performance
 - Low-single digit increase in stationery and office
 - Low double-digit decline in home improvement; mid-single digit decline in home, health, and auto care
- Consumers shifted spending patterns and retailers aggressively reduced inventory levels relative to Q1 2022; expect cautious discretionary spending as we move forward through the year
- Operating margin -1.8 pts YoY
 - Decline driven by lower sales volume; manufacturing/supply chain headwinds; and carryover raw material/logistics/energy cost inflation
 - Headwinds partially offset by benefits from pricing, aggressive spending discipline, and productivity actions



Organic growth

-6.8%

Operating margin

15.0%

2023 Outlook



Full-year 2023 guidance remains unchanged

Full-year

Adjusted organic sales growth -3.0% to flat

Includes ~(2) ppt headwind from disposable respirator decline and 2022 exit of Russia

Adjusted earnings per share \$8.50 to \$9.00

Includes \$0.55-\$0.80 headwind from disposable respirator decline, 2022 exit of Russia, FX and divestitures

Adjusted free cash flow conversion 90% to 100%

Q2 2023

- Adjusted sales of \$7.7B to \$7.9B
- Adjusted EPS of \$1.50 to \$1.75, includes pre-tax restructuring charge of \$175M to \$250M, or (\$0.25) to (\$0.35) per share

Macroeconomic and end-market trends

- GDP up ~2% YoY; IPI up ~1% YoY
- China impacts and EMEA geopolitical challenges remain
- Continued consumer-facing end-market weakness
- Semiconductor down mid-teens YoY
- Auto builds up low-teen YoY
- Healthcare/oral care procedure volumes similar to Q1
- Industrial end-markets mixed



Q&A

Mike Roman

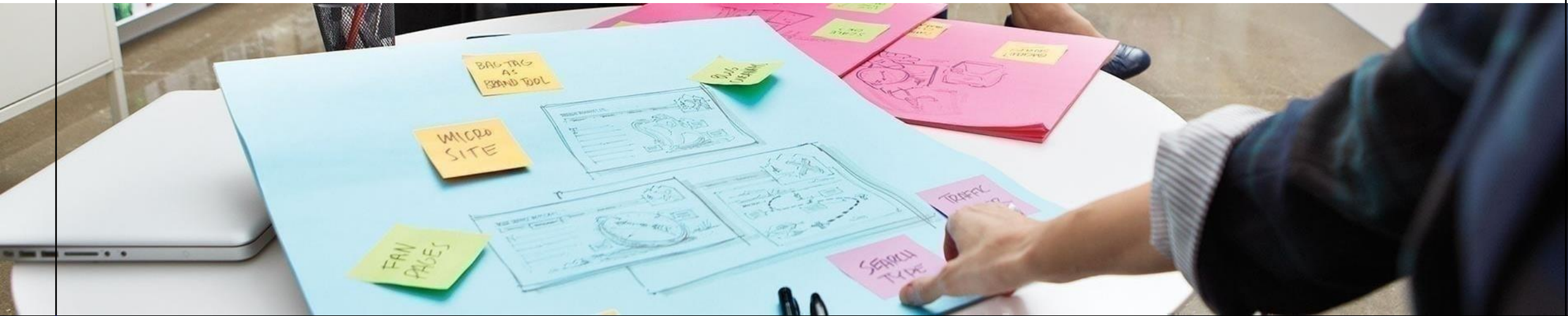
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Appendix

Q1 2023 P&L

GAAP (\$M)	Q1 2023	Q1 2022	Change
Sales	\$8,031	\$8,829	(9.0)%
Gross profit	\$3,418	\$4,003	(14.6)%
% to sales	42.6%	45.3%	(2.7)%
SG&A	\$1,705	\$1,882	(9.3)%
% to sales	21.3%	21.3%	—%
R&D & related	\$472	\$480	(1.7)%
% to sales	5.9%	5.4%	0.5%
Operating income	\$1,241	\$1,641	(24.4)%
% to sales	15.4%	18.6%	(3.2)%
Net income	\$976	\$1,299	(24.9)%
Earnings per share	\$1.76	\$2.26	(21.9)%

Q1 2023 adjusted sales recap

	Americas	EMEA	APAC	Worldwide
Organic growth	0.4%	(3.9)%	(16.7)%	(5.6)%
Acquisitions/divestitures	(1.6)%	(1.0)%	(1.0)%	(1.3)%
FX	(0.4)%	(5.0)%	(5.3)%	(2.8)%
Total growth	(1.6)%	(9.9)%	(23.0)%	(9.7)%

Business segment information

(\$M)	Adjusted net sales*		Q1 2023 adjusted sales growth*				Adjusted operating income*			Adjusted operating margin*	
Business Groups	Q1 2023	Q1 2022	Organic Growth	FX	M&A	Total sales change	Q1 2023	Q1 2022	Percent change	Q1 2023	Q1 2022
Safety & Industrial	\$2,779	\$3,051	(6.0)%	(2.9)%	—%	(8.9)%	\$562	\$690	(18.7)%	20.2%	22.6%
Transportation & Electronics	\$1,705	\$2,020	(11.3)%	(3.2)%	(1.1)%	(15.6)%	\$284	\$448	(36.4)%	16.7%	22.2%
Health Care	\$2,010	\$2,128	1.4%	(2.7)%	(4.3)%	(5.6)%	\$360	\$445	(19.2)%	17.9%	20.9%
Consumer	\$1,192	\$1,309	(6.8)%	(1.9)%	(0.3)%	(9.0)%	\$179	\$219	(18.5)%	15.0%	16.8%
Total Operating Business Segment							\$1,385	\$1,802			
Corporate & Unallocated	\$—	\$1					\$(9)	\$73			
Total	\$7,686	\$8,509	(5.6)%	(2.8)%	(1.3)%	(9.7)%	\$1,376	\$1,875	(26.6)%	17.9%	22.0%

*"Safety & Industrial", "Transportation & Electronics", "Corporate & Unallocated", "Total Operating Business Segment" and "Total" provided on an adjusted basis while "Health Care" and "Consumer" are not provided on an adjusted basis

Additional GAAP sales detail

(\$M)	GAAP Net Sales	
Business Groups	Q1 2023	Q1 2022
Abrasives	341	329
Automotive Aftermarket	312	295
Closure and Masking Systems	245	258
Electrical Markets	324	309
Industrial Adhesives and Tapes	544	621
Personal Safety	903	1,127
Roofing Granules	110	112
Total Safety & Industrial Business Group	2,779	3,051
Advanced Materials	301	305
Automotive and Aerospace	462	460
Commercial Solutions	432	454
Electronics	672	923
Transportation Safety	183	198
Total Transportation & Electronics Business Group	2,050	2,340

(\$M)	GAAP Net Sales	
Business Groups	Q1 2023	Q1 2022
Food Safety	—	92
Health Information Systems	300	300
Medical Solutions	1,123	1,128
Oral Care	341	348
Separation and Purification Sciences	232	260
Other Health Care	14	—
Total Health Care Business Group	2,010	2,128
Home, Health and Auto Care	400	437
Construction and Home Improvement Markets	529	603
Stationery and Office	263	269
Total Consumer Business Group	1,192	1,309
Corporate and Unallocated	—	1
Total 3M	8,031	8,829



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