UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934
For the year ended December 31, 2000

Commission file number 1-3285

MINNESOTA MINING AND MANUFACTURING COMPANY

State of Incorporation: Delaware
I.R.S. Employer Identification No. 41-0417775
Executive offices: 3M Center, St. Paul, Minnesota 55144
Telephone number: (651) 733-1110

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of each class	Name of each exchange on which registered
Common Stock, Par Value $.01 Per Share	New York Stock Exchange
	Pacific Exchange
	Chicago Stock Exchange

Note: The common stock of the registrant is also traded on the Swiss stock exchange.

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes X . No .

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

The aggregate market value of voting stock held by nonaffiliates of the registrant, based on the closing price of $110.65 per share as reported on the New York Stock Exchange-Composite Index on January 31, 2001, was $43.8 billion.

Shares of common stock outstanding at January 31, 2001: 396,142,377.

DOCUMENTS INCORPORATED BY REFERENCE

Parts of the following documents are incorporated by reference in Parts III and IV of this Form 10-K: (1) Proxy Statement for registrant's 2001 annual meeting, (2) Form 8-K dated December 7, 2000; Form 8-K dated July 27, 2000; Form 8-K dated November 20, 1996, (3) Registration Nos. 333-30689, 333-42660, 333-44692, 333-48922 and 333-49830.

This document contains 82 pages.
The exhibit index is set forth on page 55.

MINNESOTA MINING AND MANUFACTURING COMPANY
FORM 10-K
For the Year Ended December 31, 2000

PART I

Item 1. Business.

Minnesota Mining and Manufacturing Company was incorporated in 1929 under the laws of the State of Delaware to continue operations, begun in 1902, of a Minnesota corporation of the same name. As used herein, the term "3M" or "company" includes Minnesota Mining and Manufacturing Company and subsidiaries unless the context otherwise indicates.

General

3M is an integrated enterprise characterized by substantial intercompany cooperation in research, manufacturing and marketing of products. 3M's business has developed from its research and technology in coating and bonding for coated abrasives, the company's original product. Coating and bonding is the process of applying one material to another, such as abrasive granules to paper or cloth (coated abrasives), adhesives to a backing (pressure-sensitive tapes), ceramic coating to granular mineral (roofing granules), glass beads to plastic backing (reflective sheeting),

and low-tack adhesives to paper (repositionable notes).

3M is among the leading manufacturers of products for many of the markets it serves. In all cases, 3M products are subject to direct or indirect competition. Most 3M products involve expertise in product development, manufacturing and marketing, and are subject to competition from products manufactured and sold by other technically oriented companies.

At December 31, 2000, the company employed about 75,000 people.

Business Segments

Financial information and other disclosures relating to 3M's business segments and operations in various geographic areas are provided in the Notes to Consolidated Financial Statements. 3M's six operating segments bring together common or related 3M technologies, enhancing the development of innovative products and services and providing for efficient sharing of business resources. These segments have worldwide responsibility for virtually all 3M product lines. Certain small businesses and staff-sponsored products, as well as various corporate assets and unallocated corporate expenses, are not assigned to the operating segments.

Industrial Markets: Industrial products include a wide variety of coated and nonwoven abrasives, adhesives, pressure-sensitive tapes, and specialty products. Industry-specialized organizations include distribution and key account management, converter channels, automotive aftermarkets, aerospace, marine and recreational vehicles.

Major product lines include vinyl, polyester, foil and specialty industrial tapes and adhesives; Scotch brand masking, filament and packaging tapes; packaging equipment; 3M brand VHB brand bonding tapes; conductive, low surface energy, hot melt, spray and structural adhesives; reclosable fasteners; label materials for durable goods; coated, nonwoven and microstructured surface finishing and grinding abrasives; and products for maintaining and repairing vehicles, boats, airplanes and other vehicles.

Transportation, Graphics and Safety Markets: This segment provides reflective sheeting, high-performance graphics, respirators, automotive components, security products and optical films.

In transportation safety, 3M provides reflective sheetings used on highway signs, vehicle license plates, construction workzone devices, trucks and other vehicles. Major commercial graphic products include equipment, films, inks and related products used to produce graphics for vehicles and signs. The company also sells maintenance-free and reusable respirators. Major automotive products include body side-molding and trim; functional and decorative graphics; corrosion-resistant and abrasion-resistant films; tapes for attaching nameplates, trim and moldings; and fasteners for attaching interior panels and carpeting. Safety and security products include reflective materials that are widely used on apparel, footwear and accessories, enhancing visibility in low-light situations. Optical products include brightness enhancement films for electronic displays. Other products include spill-control sorbents, Thinsulate brand and Lite Loft brand Insulations, traffic control devices, electronic surveillance products, and films that protect against counterfeiting. In 2000 and early 2001, 3M acquired two touch screen companies, which add product offerings to the Optical Systems business.

Health Care Markets: Major product categories include skin health, medical and surgical supplies, infection prevention, microbiology, health care information systems, pharmaceuticals, drug delivery systems, dental and orthodontic products, and mechanical and tape closures for disposable diapers.

In skin health, 3M is a supplier of medical tapes, dressings and wound closures. In infection prevention, 3M markets a variety of surgical drapes, masks and preps, as well as sterilization assurance equipment. 3M also provides microbiology products, which make it faster and easier for food processors to test for microbiological quality of food. In health information systems, 3M develops and markets computer software for hospital coding and data classification, as well as related consulting services. The health care segment also provides other medical products, including orthopedic casting materials, electrodes and stethoscopes.

This segment also serves the pharmaceutical and dental markets, as well as manufacturers of disposable diapers. Among ethical pharmaceuticals are immune response modifiers, and respiratory and women's health products. Other products include drug-delivery systems, such as metered-dose inhalers, transdermal skin patches and related components. Dental products include restoratives, adhesives, finishing and polishing products, crowns, impression material, preventive sealants, professional tooth whiteners, prophylaxis and orthodontic appliances. Other products include tape closures for disposable diapers, and reclosable fastening

systems and other diaper components that help diapers fit better. In early 2001, 3M combined its German dental business with ESPE Dental AG, a leading German supplier of crowns, bridges and other dental products. In the second quarter of 1999, the company sold the assets of its cardiovascular systems business.

Consumer and Office Markets: Major consumer and office products include Scotch brand tapes; Post-it brand Note products, such as flags, memo pads, labels, Pop-up notes and dispensers; home care products, including Scotch-Brite brand Scouring, Sponge and High Performance Products, O-Cel-O brand Sponges and Scotchgard brand Fabric Protectors; energy control products; nonwoven abrasive materials for floor maintenance and commercial cleaning; floor matting; and home improvement products, including surface-preparation and wood-finishing materials, and Filtrete brand Filters for furnaces and air conditioners. Visual communication products serve the world's office and education markets with

overhead projectors and transparency films, plus equipment and materials for electronic and multimedia presentations.

Electro and Communications Markets: This segment serves the electronics, telecommunications and electrical markets. Major electronic and electrical products include packaging and interconnection devices; insulating materials, including pressure-sensitive tapes and resins; and related items. These products are used extensively by manufacturers of electronic and electrical equipment, as well as in the construction and maintenance segments of the electric utility, telecommunications and other industries. 3M brand Microflex brand Circuits utilize electronic packaging and interconnection technology, providing more connections in less space, and are used in inkjet print cartridges, cell phones and other electronic devices. This segment serves the world's telecommunications companies with a wide array of products for fiber-optic and copper-based telecommunications systems. These include many innovative connecting, closure and splicing systems; maintenance products; and test equipment. In 2000, 3M acquired 91 percent of Quante AG, a telecommunications supplier, with annual sales of approximately $350 million. In the fourth quarter of 2000, 3M also acquired the multi-layer integrated circuit packaging line of W.L. Gore and Associates, and in early 2001 completed the acquisition of Robinson Nugent, a manufacturer of electronic interconnects.

Specialty Material Markets: Major specialty materials include protective materials for furniture and fabrics; firefighting agents; fluoroelastomers for seals, tubes and gaskets in engines; engineering fluids; and high-performance fluids used in the manufacture of computer chips, and for electronic cooling and lubricating of computer hard disk drives. Other products include natural and color-coated mineral granules for asphalt shingles. In December 1999, 3M finalized the acquisition of the outstanding minority interest in Dyneon LLC.

In May 2000, 3M announced its intent to substantially phase-out production by the end of 2000 of the perfluorooctanyl chemistry used to produce certain repellents and surfactant products. These include many products previously sold under the Scotchgard brand, such as soil, oil and water repellent products for carpet, upholstery and fabrics; coatings used for oil and grease resistance on paper packaging; fire-fighting foams; and specialty components for other products. The company has introduced alternatives for some applications and industry segments, including carpet protection, and is working to develop replacement chemistries for some of the other applications.

Distribution

3M products are sold directly to users and through numerous wholesalers, retailers, jobbers, distributors and dealers in a wide variety of trades in many countries around the world. Management believes that the confidence of wholesalers, retailers, jobbers, distributors and dealers in 3M and its products, developed through long association with skilled marketing and sales representatives, has contributed significantly to 3M's position in the marketplace and to its growth. 3M has 231 sales offices and distribution centers worldwide, including nine major branch offices located in principal cities throughout the United States. 3M operates 25 sales offices and distribution centers in the United States. Internationally, 3M has 206 sales offices and distribution centers.

Research, Patents and Raw Materials

Research and product development constitute an important part of 3M's activities. Products resulting from research and development have been a major driver of 3M's growth. Research, development and related expenses totaled $1.101 billion, $1.056 billion and $1.028 billion in 2000, 1999 and 1998, respectively. Research and development, covering basic scientific research and the application of scientific advances to the development of new and improved products and their uses, totaled $727 million, $688 million and $648 million in 2000, 1999 and 1998,

respectively. Related expenses primarily include technical support provided by the laboratories for existing products.

Corporate research laboratories support research efforts of division and market laboratories. These corporate laboratories also engage in research not directly related to existing 3M product lines. Most major operating divisions have their own laboratories to improve existing products and develop new products. Research staff groups provide specialized services in instrumentation, engineering and process development. 3M also maintains an organization for technological development not sponsored by other units of the company.

3M is the owner of many domestic and foreign patents derived primarily from its research activities. 3M's business as a whole is not materially dependent upon any one patent, license or trade secret, or upon any group of related patents, licenses or trade secrets.

The company experienced no significant or unusual problems in the purchase of raw materials during 2000. It is impossible to predict future shortages of raw materials or the impact such shortages would have.

Executive Officers
Following is a list of the executive officers of 3M, their ages, present positions, the years elected to their present positions and other positions held during the past five years. No family relationships exist among any of the executive officers named, nor is there any arrangement or understanding pursuant to which any person was selected as an officer.

<TABLE>
<CAPTION>

Name	Age	Present Position	Year Elected to Present Position	Other Positions Held During 1996-2001
<S>	<C>	<C>	<C>	<C>
W. James McNerney, Jr.	51	Chairman of the Board and Chief Executive Officer	2001	President and CEO, General Electric Aircraft Engines, Cincinnati, Ohio, 1997-2000 President and CEO, General Electric Lighting, Cleveland, Ohio, 1995-1997
Harry C. Andrews	57	Executive Vice President, Electro and Communications Markets	1999	Vice President, Corporate Enterprise Development, 1996-1999 Managing Director, Southern Europe Region, 1996 Managing Director, 3M Italy, 1993-1996
Ronald O. Baukol	63	Executive Vice President, International Operations	1995	
Ronald R. Belschner	61	Vice President, Engineering, Manufacturing and Logistics	2000	Division Vice President, Industrial Tape and Specialties Division, 1995-2000
John W. Benson	56	Executive Vice President, Health Care Markets	1998	Group Vice President, Industrial Markets Group, 1996-1997

</TABLE>

Executive Officers (continued)
<TABLE>
<CAPTION>

Name	Age	Present Position	Year Elected to Present Position	Other Positions Held During 1996-2001
<S>	<C>	<C>	<C>	<C>
Robert J. Burgstahler	56	Vice President, Finance and Administrative Services	2000	President and General Manager, 3M Canada, 1998-2000 Staff Vice President, Taxes, 1995-1998
M. Kay Grenz	54	Vice President, Human Resources	1998	Staff Vice President, Human Resources Consulting and Resource Services, 1996-1998 Staff Vice President, Human Resources Corporate Services, 1992-1996
Paul F. Guehler	62	Vice President, Research and Development	2000	Vice President, Corporate Enterprise Development and Optical Technologies, 1999-2000 Optical Markets and Technologies Vice President, 1998-1999 Division Vice President, Safety and Security Systems Division, 1992-1998

Moe S. Nozari	58	Executive Vice President, Consumer and Office Markets	1999	Group Vice President, Consumer and Office Markets Group, 1996-1999 Division Vice President, Consumer Markets, 1993-1996
David W. Powell	59	Vice President, Marketing	1999	Division Vice President, Stationery and Office Supplies Division, 1996-1999 Division Vice President, Commerical Office Supply Division, 1996 Marketing Director, 3M France, 1995-1996
Charles Reich	58	Executive Vice President, Specialty Material Markets and Corporate Services	1999	Group Vice President, Specialty Material Markets Group, 1999 Group Vice President, Chemical Markets Group, 1998 Division Vice President, Occupational Health and Environmental Safety Division, 1997-1998 Division Vice President, Dental Products Division, 1990-1997
John J. Ursu	61	Senior Vice President, Legal Affairs and General Counsel	1997	Vice President, Legal Affairs and General Counsel, 1993-1996
Ronald A. Weber	59	Executive Vice President, Transportation, Graphics and Safety Markets	2000	Division Vice President, Automotive Division, 1996-2000 Division Vice President, Automotive Engineered Systems Division, 1995-1996
Harold J. Wiens	54	Executive Vice President, Industrial Markets	1999	Executive Vice President, Industrial and Electro Markets, 1999 Executive Vice President, Industrial and Consumer Markets, 1998-1999 Executive Vice President, Sumitomo 3M Limited, 1995-1997

</TABLE>

Item 2. Properties.

3M's general offices, corporate research laboratories, and certain division laboratories and manufacturing facilities are located in St. Paul, Minnesota. In the United States, 3M has 25 sales offices and distribution centers in 19 states and operates 54 manufacturing facilities in 23 states. Internationally, 3M has 206 sales offices and distribution centers. The company operates 84 manufacturing and converting facilities in 38 countries outside the United States.

3M owns substantially all of its physical properties. 3M's physical facilities are highly suitable for the purposes for which they were designed.

Item 3. Legal Proceedings.

General
The company and certain of its subsidiaries are named as defendants in a number of actions, governmental proceedings and claims, including environmental proceedings and products liability claims involving products now or formerly manufactured and sold by the company. In some actions, the claimants seek damages as well as other relief, which, if granted, would require substantial expenditures. The company has recorded certain liabilities, which represent reasonable estimates of its probable liabilities for these matters. The company also has recorded receivables for the probable amount of insurance recoverable with respect to these matters.

Some of these matters raise difficult and complex factual and legal issues, and are subject to many uncertainties, including, but not limited to, the facts and circumstances of each particular action, the jurisdiction and forum in which each action is proceeding and differences in applicable law. Accordingly, the company is not always able to estimate the amount of its possible future liabilities with respect to such matters.

While the company currently believes that the ultimate outcome of these proceedings and claims, individually and in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of the company, there can be no absolute certainty that the company may not ultimately incur charges, whether for governmental proceedings and claims, products liability claims, or other actions, in excess of presently recorded liabilities.

While the company currently believes that a material adverse impact on its consolidated financial position, results of operations, or cash flows from any such future charges is remote, due to the inherent uncertainty of litigation, there exists the remote possibility that a future adverse ruling could result in future charges that could have a material adverse impact on the company. The current estimate of the potential impact on the company's financial position for the above legal proceedings could change in the future.

Breast Implant Litigation

The company and certain other companies have been named as defendants in a number of claims and lawsuits alleging damages for personal injuries of various types resulting from breast implants formerly manufactured by the company or a related company. The company entered the business of manufacturing breast implants in 1977 by purchasing McGhan Medical Corporation. In 1984, the company sold the business to a corporation that also was named McGhan Medical Corporation.

As of December 31, 2000, the company is currently named as a defendant, often with multiple co-defendants, in 1,223 lawsuits and 29 claims in various courts, all seeking damages for personal injuries from allegedly defective breast implants. These lawsuits and claims purport to represent 3,715 individual claimants.

3M has confirmed that 70 of the 3,715 claimants have opted out of the Revised Settlement Program (discussed below) and have 3M implants. Approximately 93 percent of the claimants in these confirmed cases have alleged an unspecified amount of damages above the jurisdictional limit of the courts in which the cases were filed. The company has one claimant who filed a lawsuit in New York state court alleging damages of $20 million.

The company believes that most of the remaining 3,645 claimants will be dismissed either because the claimants did not have 3M implants or the claimants accepted benefits under the Revised Settlement Program. Approximately 88 percent of these claimants have filed lawsuits that either do not allege a specific amount of damages or allege an unspecified amount of damages above the jurisdictional limit of the court. The rest of these claimants allege damages aggregating approximately $300 million in their lawsuits. Approximately 412 claimants have filed lawsuits in New York state courts alleging damages in excess of $20 million each. 3M expects that virtually all of these New York cases will be dismissed without payment for the reasons stated above. The company continues to work to clarify the status of these lawsuits and claims.

Based on 3M's experience in resolving thousands of these lawsuits, 3M believes that the amount of damages alleged in complaints is not a reliable or meaningful measure of the potential liability that 3M may incur in the breast implant litigation. Investors should place no reliance on the amount of damages alleged in breast implant lawsuits against 3M.

On December 22, 1995, the United States District Court for the Northern District of Alabama approved a revised class action settlement program for resolution of claims seeking damages for personal injuries from allegedly defective breast implants (the "Revised Settlement Program"). The Court ordered that, beginning after November 30, 1995, members of the plaintiff class may choose to participate in the Revised Settlement Program or opt out, which would then allow them to proceed with separate product liability actions.

The company believes that approximately 90 percent of the registrants, including those claimants who filed current claims, have elected to participate in the Revised Settlement Program. It is still unknown as to what disease criteria all claimants have satisfied, and what options they have chosen. As a result, the total amount and timing of the company's prospective payments under the Revised Settlement Program cannot be determined with precision at this time. As of December 31, 2000, the company had paid $296 million into the court-administered fund as a reserve against costs of claims payable by the company under the Revised Settlement Program (including a $5 million administrative assessment). Additional payments will be made as necessary. Payments to date have been consistent with the company's estimates of the total liability for claims under the Revised Settlement Program.

Under the Revised Settlement Program, additional opt outs are expected to be minimal since the opt-out deadline has passed for virtually all U.S. class members. The company's remaining obligations under the Revised Settlement Program are limited since (i) most payments to current claimants have already been made, (ii) no additional current claims may be filed without court approval, and (iii) late registrants are limited by the terms of the Revised Settlement Program.

The company's current best estimate of the amount to cover the cost and expense of the Revised Settlement Program and the cost and expense of resolving opt-out claims and recovering insurance proceeds (from inception of the litigation through December 31, 2000) is $1.2 billion. After subtracting cumulative payments of $1.168 billion as of December 31, 2000, for defense and other costs and settlements with litigants and claimants, the company had remaining liabilities for the breast implant litigation of $32 million.

The company's insurers initiated a declaratory judgment action in Ramsey County Minnesota against the company seeking adjudication of certain coverage and allocation issues. The jury trial phase of this action finished on February 24, 2000. The jury returned a verdict favorable to the company by rejecting all of the insurers' remaining defenses to coverage for breast implant liabilities and costs. The court has considered additional remedies requested by the company and the insurers including eliminating, limiting or extending allocation among the insurers providing occurrence-based coverage (before 1986), pre- and post-judgment interest, attorneys' fees and further equitable relief.

The court's rulings in post verdict motions are considered to be generally favorable to the company. The court awarded the company prejudgment interest on amounts owing by insurers including reasonable attorney fees. However, the court has yet to determine the amount of attorneys' fees recoverable by the company. The court has indicated a formula to be used for this calculation that would result in the company being reimbursed for less than all of its fees. Exact amounts cannot yet be determined. The company expects entry of judgment to occur during the first half of 2001.

As of December 31, 2000, the company had receivables for insurance recoveries of $519 million, representing settled but yet to be received amounts as well as amounts contested by the insurance carriers. During 2000, the company received payments from its occurrence carriers. Various factors could affect the timing and amount of proceeds to be received under the company's various insurance policies, including (i) the timing of payments made in settlement of claims; (ii) the outcome of occurrence insurance litigation in the courts of Minnesota (as discussed above) and Texas; (iii) potential arbitration with claims-made insurers; (iv) delays in payment by insurers; and (v) the extent to which insurers may become insolvent in the future. There can be no absolute assurance that the company will collect all amounts recorded as being probable of recovery from its insurers.

While the company currently believes that the ultimate outcome of these proceedings and claims, individually and in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of the company, there can be no absolute certainty that the company may not ultimately incur charges for breast implant claims in excess of presently recorded liabilities.

While the company currently believes that a material adverse impact on its consolidated financial position, results of operations, or cash flows from any such future charges is remote, due to the inherent uncertainty of litigation, there exists the remote possibility that a future adverse ruling could result in future charges that could have a material adverse impact on the company. The current estimate of the potential impact on the company's financial position for breast implant litigation could change in the future.

Environmental Matters

The company's operations are subject to environmental laws and regulations enforceable by foreign, federal, state, local authorities and private parties in the United States and abroad, including those pertaining to air emissions, wastewater discharges, toxic substances, and the handling and disposal of solid and hazardous wastes. These laws and regulations provide under certain circumstances for the remediation of contamination, as well as personal injury and property damage claims. The company has incurred, and will continue to incur, costs and capital expenditures in complying with these laws and regulations, defending potential personal injury and property damage claims, and modifying its business operations in light of its environmental responsibilities. In its effort to carry out its environmental responsibilities and comply with environmental laws and regulations, the company has established, and periodically updates, policies relating to environmental standards of performance for its operations worldwide.

Under certain environmental laws, including the United States Comprehensive Environmental Response, Compensation and Liability Act of 1980 and similar state laws, the company may be jointly and severally liable for the costs of environmental contamination at current or former facilities and at off-site locations at which the company has disposed of hazardous waste. The company has identified numerous locations, most of

which are in the United States, at which it may have some liability for remediating contamination. Amounts expensed for environmental remediation activities were not material for 2000 at these locations nor have there been material changes in the recorded liabilities for environmental matters. Liabilities for estimated costs of environmental remediation are, depending on the site, based primarily upon internal or third-party environmental studies, and estimates as to the number, participation level and financial viability of any other potentially responsible parties, the extent of the contamination and the nature of required remedial actions. Recorded liabilities are adjusted as further information develops or circumstances change. The amounts recorded in the company's consolidated financial statements for environmental liabilities are the gross amount of such liabilities, without deductions for insurance or third party indemnity claims. The company expects that the amounts recorded will be paid out over the periods of remediation for the applicable sites, currently ranging from approximately 5 to 30 years.

It is often difficult to estimate the cost of environmental compliance and remediation and potential claims given the uncertainties regarding the interpretation and enforcement of applicable environmental laws and regulations, the extent of environmental contamination and the existence of alternate cleanup methods. The company records an environmental liability when it is probable that the company has incurred a liability and the amount of the liability can be reasonably estimated. Where no amount within a range of estimates is more likely, the minimum is recorded. Otherwise, the most likely cost to be incurred is recorded.

The company's current assessment of the probable liabilities and associated expenses related to environmental matters is based on the facts and circumstances known at this time. New developments may occur that could affect the company's assessment. These developments include, but are not limited to, (i) changes in the information available regarding the environmental impact of the company's operations and products; (ii) changes in environmental regulations or enforcement policies; (iii) new and evolving analytical and remediation techniques; (iv) success in allocating liability to other potentially responsible parties; and (v) financial viability of other potentially responsible parties and third-party indemnitors.

While the company currently believes that the ultimate outcome of these environmental matters, individually and in the aggregate, will not have a material adverse effect on the consolidated financial position, results of operations, or cash flows of the company, there can be no absolute certainty that the company may not ultimately incur charges for capital expenditures, litigation and other costs in excess of presently established liabilities.

While the company currently believes that a material adverse impact on its consolidated financial position, results of operations, or cash flows from any such future charges is remote, due to the inherent uncertainty of environmental matters or were an unfavorable development to occur (discussed above), there exists the remote possibility that a future adverse ruling or development could result in future charges that could have a material adverse impact on the company. The current estimate of the potential impact on the company's financial position for the above environmental matters could change in the future.

Item 4. Submission of Matters to a Vote of Security Holders.

None in the quarter ended December 31, 2000.

Part II

Item 5. Market Price of 3M's Common Stock and Related Security Holder Matters.

At January 31, 2001, there were 129,109 shareholders of record. 3M's stock is listed on the New York, Pacific, Chicago and Swiss stock exchanges. Stock price comparisons are provided in the Quarterly Data section in the Notes to Consolidated Financial Statements.

Item 6. Selected Financial Data.

<TABLE>
<CAPTION>
(Dollars in millions, except per-share amounts)

Years ended December 31:	2000	1999	1998	1997	1996
<S>	<C>	<C>	<C>	<C>	<C>
Net sales........................	$16,724	$15,748	$15,094	$15,133	$14,295
Income from continuing operations...	1,857*	1,763*	1,213*	2,121**	1,516
Per share of common stock:					
Continuing operations - basic........	4.69*	4.39*	3.01*	5.14**	3.63

Continuing operations - diluted	4.64*	4.34*	2.97*	5.06**	3.59
Cash dividends declared and paid	$ 2.32	$ 2.24	$ 2.20	$ 2.12	$ 1.92
At December 31:					
Total assets	$14,522	$13,896	$14,153	$13,238	$13,364
Long-term debt (excluding portion due within one year)	971	1,480	1,614	1,015	851

<FN>
<F1>
Certain reclassifications have been made to prior period net sales to conform to the current period presentation. The above income and earnings per share information exclude discontinued operations in 1996, an extraordinary loss in 1998, and the cumulative effect of accounting change in 2000.
<F2>
*As discussed in the Notes to Consolidated Financial Statements, 2000 includes a non-recurring net loss of $23 million ($15 million after tax), or 4 cents per diluted share. This relates to the company's phase-out of perfluorooctanyl-based chemistry products in the Specialty Material segment, a write-down of certain corporate and unallocated assets, gains related to corporate and unallocated asset dispositions, a gain from the termination of a product distribution agreement in the Health Care segment, and other non-recurring items. 1999 includes a net gain of $100 million ($52 million after tax), or 13 cents per diluted share, relating to gains on divestitures, litigation expense, an investment valuation adjustment, and a change in estimate that reduced the 1998 restructuring charge. 1998 includes a restructuring charge of $493 million ($313 million after tax), or 77 cents per diluted share.
<F3>
**1997 includes a gain of $803 million ($495 million after tax), or $1.18 per diluted share, on the sale of National Advertising Company.
</FN>
</TABLE>

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Operating Results

Sales: Sales in 2000 totaled $16.724 billion, compared with $15.748 billion in 1999 and $15.094 billion in 1998. In 2000, volume grew 10 percent, with the stronger U.S. dollar reducing sales by about 2.5 percent. Selling prices declined about 1.5 percent, mainly due to reductions in certain 3M electronic products both in the United States and internationally. In 1999, volume grew 5 percent, with the stronger U.S. dollar reducing sales by about 1 percent.

In the United States, sales in 2000 totaled $7.858 billion, up 4 percent from 1999. U.S. volume rose about 5 percent. Internationally, sales totaled $8.866 billion, up 8 percent from 1999. International volume increased 15 percent. The stronger U.S. dollar reduced international sales by 5 percent. In 1999, U.S. sales increased 3 percent. Volume rose 4 percent, while selling prices were down 1 percent. Internationally, sales rose 5 percent. Volume increased 7 percent and selling prices were up 1 percent. The stronger U.S. dollar reduced international sales by 3 percent.

<TABLE>
Components of Sales Change
<CAPTION>

		2000			1999	
	U.S.	Intl.	W.W.	U.S.	Intl.	W.W.
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Volume	5%	15%	10%	4%	7%	5%
Price	(1)	(2)	(1.5)	(1)	1	0
Translation	-	(5)	(2.5)	-	(3)	(1)
Total	4%	8%	6%	3%	5%	4%

</TABLE>

Non-recurring items: In 2000, non-recurring items include costs of $208 million (included in cost of sales) and gains of $185 million, included in the other expense (income) line within operating income. Non-recurring costs in 2000 include $168 million of costs in the Specialty Material segment related to the company's phase-out of perfluorooctanyl-based chemistry products, a $20 million write-down of corporate and unallocated assets, and $20 million of other non-recurring expenses ($13 million related to acquisitions in the Electro and Communications segment). Major non-cash costs included above are $73 million of accelerated depreciation and $48 million of impairment losses, primarily related to production equipment used to manufacture products phased out in the Specialty Material segment. Non-recurring gains in 2000 were largely related to asset dispositions, principally the sale of available-for-sale equity securities, and also included $50 million from the termination of a product distribution agreement in the Health Care segment. A cumulative effect of accounting change related to revenue recognition was also recorded in 2000, reducing earnings by $75 million

net of tax. Combined, these non-recurring items reduced net income by $90 million, or 23 cents per diluted share.

In 1999, non-recurring items include a net gain of $147 million ($81 million after tax) related to gains on the divestitures of Eastern Heights Bank and certain health care businesses, net of an investment valuation adjustment. 1999 also includes a charge of $73 million ($46 million after tax) relating to an adverse jury verdict and legal fees associated with a lawsuit filed by LePage's, Inc. In the third quarter of 1999, the company recorded a change in estimate that reduced the 1998 restructuring charge by $26 million ($17 million after tax). Combined, this net pre-tax gain of $100 million ($52 million after tax, or 13 cents per diluted share) is included in the other expense (income) line within operating income.

In 1998, 3M recorded a $493 million ($313 million after tax) restructuring charge, with $454 million recorded in the other expense (income) line within operating income. The inventory portion of the restructuring charge totaling $39 million was recorded in cost of sales. Details are discussed in the Notes to Consolidated Financial Statements. In 1998, the company also refinanced debt relating to its Employee Stock Ownership Plan, replacing the debt with a new bond that carries a significantly lower interest rate. This resulted in a $38 million extraordinary after-tax charge, or 9 cents per diluted share, from early extinguishment of debt.

The following table shows amounts for non-recurring items in 2000, 1999 and 1998, as well as amounts excluding these items.

<TABLE>
Supplemental Consolidated Statement of Income Information
<CAPTION>
Years ended December 31

(Millions, except per-share amounts)	Non-recurring items			Total (Excluding non-recurring items)		
	2000	1999	1998	2000	1999	1998
Operating income (loss)	$(23)	$ 100	$(493)	$3,081	$2,856	$2,532
Other (income) expense	--	--	--	84	76	87
Income (loss) before income taxes, minority interest, extraordinary loss and cumulative effect	(23)	100	(493)	2,997	2,780	2,445
Provision (benefit) for income taxes	(8)	48	(180)	1,033	984	865
Effective tax rate	32.4%	47.8%	36.5%	34.5%	35.4%	35.4%
Minority interest	--	--	--	92	85	54
Income (loss) before extraordinary loss and cumulative effect	$(15)	52	(313)	$1,872	$1,711	$1,526
Extraordinary loss	--	--	(38)	--	--	--
Cumulative effect	(75)	--	--	--	--	--
Net income (loss)	$(90)	$ 52	$(351)	$1,872	$1,711	$1,526
Per share - diluted	(.23)	.13	(.86)	4.68	4.21	3.74

</TABLE>

The following discussion excludes the impact of non-recurring items in all years, except where indicated.

Costs: Cost of sales was 51.3 percent of sales, down three-tenths of a percentage point from 1999. In 2000, gross margins benefited from volume growth, productivity gains and lower employee benefit costs, but were negatively affected by raw material costs and currency effects. In 1999, gross margins benefited from volume gains, restructuring actions and slightly lower raw material costs, but were negatively affected by the stronger U.S. dollar. Cost of sales includes manufacturing, engineering expenses, and freight costs.

Selling, general and administrative (SG&A) expenses were 23.7 percent of sales in 2000, 23.6 percent in 1999 and 23.5 percent in 1998. In both 2000 and 1999 these expenses reflected increased new product investments. SG&A spending in 2000 benefited from lower employee benefit costs. In 1999, this spending benefited from productivity gains related to restructuring actions.

<TABLE>
<CAPTION>

(Percent of sales)	2000	1999	1998
Cost of sales	51.3	51.6	52.9
Selling, general and administrative expenses	23.7	23.6	23.5

Research, development and related expenses	6.6	6.7	6.8
Operating income	18.4	18.1	16.8

</TABLE>

Operating income: Operating income totaled $3.081 billion, up 7.9 percent from 1999. Operating income was 18.4 percent of sales, up from 18.1 percent in 1999 and 16.8 percent in 1998. In 2000, volume growth and productivity gains drove most of the improvement in operating income. Lower employee benefit costs resulting from lower pension expense, primarily in the United States, increased operating profit margins in 2000 by an estimated five-tenths of a percentage point. This benefit was more than offset by higher payroll costs and other inflationary impacts. In 1999, unit volume growth and productivity gains helped results. During 1998, economic contractions in many international markets, softness in a few key U.S. markets and negative currency effects impacted operating profit margins. The company estimates that currency effects reduced operating income by about $78 million in 2000, $18 million in 1999, and $235 million in 1998.

In the United States, operating income in 2000 decreased 3 percent and profit margins were down one percentage point. In 1999, operating income increased 1 percent and profit margins were down four-tenths of a percentage point.

Internationally, operating income increased 16 percent and profit margins increased 1.4 percentage points. In 1999, operating income increased 23 percent and profit margins increased by 3 percentage points.

Other income and expense: Interest expense was $111 million, compared with $109 million in 1999 and $139 million in 1998. The 1999 decrease reflected lower debt balances due to increased operating cash flow and reduced capital expenditures.

Interest and other income was $27 million, compared with $33 million in 1999 and $52 million in 1998, with the declines in both years due to lower interest income. In 1998, interest and other income included a $10 million gain from a divestiture.

Provision for income taxes: The worldwide effective income tax rate was 34.5 percent in 2000 and 35.4 percent in both 1999 and 1998. Including non-recurring items, 3M's effective tax rate was 34.5 percent in 2000, compared with 35.8 percent in 1999 and 35.1 percent in 1998. The decrease in the 2000 worldwide effective income tax rate was primarily due to a decrease in the average effective tax rate for international operations.

Minority interest: Minority interest was $92 million, compared with $85 million in 1999 and $54 million in 1998. Minority interest represents the elimination of the non-3M ownership interests, primarily in Sumitomo 3M Limited and Dyneon LLC (in 1999 and 1998 only). These companies' results are fully consolidated in 3M's financial statements, and then partially eliminated on the minority interest line to reflect 3M's net position. The increase in 2000 reflects higher profits in Sumitomo 3M Limited, partially offset by a decrease as a result of 3M's acquisition of the 46 percent minority interest in Dyneon in December of 1999. This acquisition is discussed in the Notes to Consolidated Financial Statements. The 1999 increase in minority interest was driven by higher profits in Sumitomo 3M Limited and Dyneon LLC.

Net income: Net income totaled $1.872 billion, or $4.68 per diluted share, compared with $1.711 billion, or $4.21 per diluted share, in 1999, and $1.526 billion, or $3.74 per diluted share, in 1998. Per-share income was up 11.2 percent in 2000 and 12.6 percent in 1999.

In 2000, 1999 and 1998, changes in the value of the U.S. dollar reduced net income by an estimated $55 million, $23 million and $141 million, respectively. Currency effects reduced earnings by 14 cents per share, 6 cents per share and 35 cents per share in 2000, 1999 and 1998, respectively. These estimates include the effect of translating profits from local currencies into U.S. dollars; the impact of currency fluctuations on the value of goods transferred between 3M operations in the United States and abroad; and foreign currency transaction gains and losses, including derivative instruments designed to reduce exchange rate risks. Derivative transactions resulted in a net, pre-tax gain of $19 million (included in cost of sales) for 2000, primarily related to terminated foreign exchange forward contracts used to hedge euro exposures.

Other indices: Excluding non-recurring items, economic profit totaled $974 million in 2000, up from $855 million in 1999 and $604 million in 1998, and return on invested capital was 19.3 percent in 2000, up from 18.6 percent in 1999 and 15.9 percent in 1998. Economic profit equals after-tax operating income less a charge for operating capital employed in 3M's businesses. Return on invested capital is after-tax operating

income divided by average operating capital.

At December 31, 2000, employment totaled about 75,000 people, an increase of about 4,500 from year-end 1999, with about 3,400 of the increase related to acquisitions. At December 31, 1999, employment totaled about 70,500, a decrease of about 3,000 from year-end 1998. The 1999 decline was due both to restructuring actions and attrition. Sales per employee in local currencies increased about 7 percent in 2000, about 10 percent in 1999 and about 3 percent in 1998.

Restructuring charge: To reduce costs and improve productivity, the company initiated a restructuring program in the second half of 1998 to streamline corporate structure, consolidate manufacturing operations and exit certain product lines. These product lines, discontinued primarily in 1998, had combined annual sales of less than $100 million. In 1999, the company also divested Eastern Heights Bank and the cardiovascular systems and other health care businesses that together had annual sales of approximately $200 million.

The company recorded a restructuring charge in 1998, and subsequently recorded a change in estimate that reduced the restructuring charge in 1999. As of the end of 1999, the restructuring program was substantially complete. The company experienced a net reduction of about 2,200 positions in the second half of 1998, with a total net reduction of more than 5,000 positions by December 31, 1999. This decline was due to both restructuring actions and attrition. Of the employment reductions, about one-third were in the United States and about one-third were in Europe, with the remainder split about equally between the Asia Pacific geographic area and the Latin America, Africa and Canada geographic area. Each business segment of the company was affected by this restructuring plan.

The restructuring plan provided annual pre-tax savings of about $250 million upon completion of the plan. The incremental benefit in 2000 versus 1999 was an estimated $60 million, primarily in the first half. Implementation costs associated with this restructuring plan totaled about $30 million in 1999. These costs, which are not included in the restructuring charge, included expenses for relocating employees, inventory and equipment; unfavorable overhead variances; and other expenses.

Performance by Business Segment

Disclosures relating to 3M's business segments are provided in this Form 10-K, Item 1, Business Segments. Financial information and other disclosures, including discussion about non-recurring items, are provided in the Notes to Consolidated Financial Statements.

Industrial Markets (21 percent of consolidated sales):
Sales totaled $3.525 billion, up 3.4 percent from 1999. Operating income increased 4.7 percent to $641 million. Outpacing market growth with a volume gain of nearly 6 percent, this segment increased profit margins to 18.2 percent, despite negative currency effects. This segment experienced continued strong growth in precision polishing abrasives for electronics and telecommunications applications, and in products for the marine trades. This segment maintained leadership in tapes, abrasives, and specialty adhesives, while newly established business organizations maximized 3M opportunities for serving the appliance, electronics, commercial transportation, and recreational vehicle markets.

Transportation, Graphics and Safety Markets (21 percent of consolidated sales):
Sales totaled $3.518 billion, up 8.8 percent from 1999. Operating income increased 16.0 percent to $783 million. This segment increased volume 13.5 percent and boosted profit margins to 22.3 percent from 20.9 percent in 1999. Growth was particularly strong in optical films for computers, personal digital assistants, cell phones, and other electronic devices. 3M's optical films business broadened its horizons with the acquisition of two touch screen companies in 2000 and early 2001. This market also achieved good volume gains in automotive, safety and security, and respiratory protection products.

Health Care Markets (19 percent of consolidated sales):
Sales totaled $3.135 billion, down slightly from 1999 (up more than 2 percent adjusted for divestitures). Despite accelerated investments to support large new 3M pharmaceutical opportunities, the Health Care segment strengthened core businesses and increased profit margins to the 20-percent level. Health information systems reported continued outstanding growth in 2000, while the skin health and dental businesses also continued to excel and grow. In early 2001, 3M combined its German dental business with ESPE Dental AG, a leading German supplier of crowns, bridges, and other dental products. As controlling shareholder, 3M will be consolidating this company into its results.

Non-recurring items in 2000 include a $50 million gain in Health Care

from the termination of a product distribution agreement. A new co-promotion and distribution agreement for this product was entered into in the fourth quarter of 2000. Non-recurring items in 1999 include gains on divestitures of $62 million. Excluding non-recurring items, operating income improved in 2000.

Consumer and Office Markets (17 percent of consolidated sales):
Sales totaled $2.848 billion, up 5.3 percent from 1999. Operating income increased 8.2 percent to $434 million. Operating income was 15.3 percent of sales in 2000, compared to 14.8 percent in 1999. A volume gain of nearly nine percent allowed this sector to outpace market growth. Among achievements were posting double-digit volume increases in home improvement and construction-related businesses, and good gains in office and home care products. 3M's deep relationships with customers, including industry leaders, supported the continued extension of the 3M brand, Scotch brand, Post-it brand, Scotch-Brite brand and O-Cel-O brands, and bolstered the building of newer brands like Filtrete brand and Command brand. In 2000, 3M also confirmed its trademark protection of the canary-yellow color for Post-it brand Notes.

Electro and Communications Markets (15 percent of consolidated sales):
Sales totaled $2.467 billion, up 22.3 percent from 1999 (up about 8.5 percent after adjusting for acquisitions). Operating income increased to $404 million. Operating income was 16.4 percent of sales, compared with 19.9 percent in 1999. This segment increased volume nearly 35 percent on a reported basis, and more than 20 percent excluding acquisitions. Profits grew more slowly than sales due to volume-related price decreases in certain 3M electronic products and costs associated with acquisitions. Both the electronics and telecommunications businesses achieved strong volume gains. This market expanded its industry market penetration through new-product development, as well as through acquisitions. 3M acquired 91 percent of Quante AG, a German-based telecommunications supplier, and purchased the multi-layer integrated circuit packaging line of W. L. Gore and Associates. In early 2001, 3M also completed the acquisition of Robinson Nugent, a U.S.-based manufacturer of electronic interconnects. Strong customer relationships continue throughout the business segment.

Specialty Material Markets (7 percent of consolidated sales):
Sales totaled $1.197 billion, up slightly from 1999. Dyneon LLC manufactures and markets fluoropolymers for transportation, electronics and other high-growth industries. In May 2000, 3M announced its intent to substantially phase- out production by the end of 2000 of the perfluorooctanyl chemistry used to produce certain repellents and surfactant products. The affected product lines represent about $300 million in annual sales with an operating income margin around 20 percent. Overall sales were affected by this phase-out. The company has introduced alternatives for some applications and industry segments, including carpet protection, and is working to develop replacement chemistries for some of the other applications. 3M believes that it will retain a significant portion of this business. Operating income in 2000 includes non-recurring costs of $168 million related to the company's decision to phase-out the perfluorooctanyl chemistry based products.

Excluding non-recurring items in 2000, this market saw an improvement in operating profit margin to 18.9 percent, versus 15.5 percent in 1999. Benefiting from strong demand for 3M brand Novec brand and Dyneon brand high-performance materials used in the electronics, semiconductor, and telecommunications markets, this market increased sales of performance materials by more than 14 percent. Having fulfilled its commitment to make the transition from the perfluorooctanyl chemistry as smooth as possible for its customers, this market has moved aggressively to develop alternative repellants and surfactant technology for several important customer applications. This market also continues to invest in the development of the valuable Scotchgard brand using replacements with improved performance and environmental properties.

Performance by Geographic Area
Financial information relating to 3M operations in various geographic areas, including discussion of non-recurring items, is provided in the Notes to Consolidated Financial Statements.

United States (47 percent of consolidated sales):
Sales in the United States totaled $7.858 billion, up about 4 percent from 1999. Unit sales increased 5 percent, while selling prices decreased about 1 percent. Operating income, excluding non-recurring items, was down about 3 percent. In 2000, good unit volume growth and productivity gains helped results, but increased new product investments held back overall profit growth. Operating income was 14.8 percent of sales, down from 15.8 percent in 1999.

Europe and Middle East (24 percent of consolidated sales):

Sales in Europe and the Middle East totaled $3.946 billion, up nearly 4 percent from 1999. Local-currency sales increased about 15 percent on a reported basis, and about 8 percent excluding the Quante acquisition. Currency translation reduced sales by about 11 percent. Despite significant unfavorable currency effects, operating income increased nearly 3 percent. Operating income was 14.9 percent of sales, compared with 15.1 percent of sales in 1999. Acquisition effects negatively impacted 2000 profit margins.

Asia Pacific (20 percent of consolidated sales):
Sales in Asia Pacific totaled $3.329 billion, up about 15 percent from 1999. Unit sales in the Asia Pacific area increased about 18 percent in 2000. Selling prices decreased about 4 percent, while currency translation increased sales by about 1.5 percent. Operating income was 28.9 percent of sales, up from 26.6 percent in 1999, led by volume growth and productivity gains. In Japan, home of 3M's largest international company, volume increased about 13.5 percent. Unit sales in Asia outside Japan increased nearly 28 percent in 2000.

Latin America, Canada and Africa (9 percent of consolidated sales):
Sales in Latin America, Canada and Africa combined totaled $1.564 billion, up nearly 7 percent from 1999. In Latin America, unit sales increased 10 percent. Currency reduced Latin America sales by about 2.5 percent. In Canada, unit sales increased about 5 percent. In Africa, volume increased about 9 percent. Operating income for Latin America, Canada and Africa was 24.0 percent of sales, up from 23.7 percent in 1999.

Financial Condition and Liquidity
3M's financial condition remained strong in 2000. The company's key inventory index was 3.4 months, up about 10 percent from year-end 1999. This increase was partially attributable to lower-than-expected sales in the United States due to the significant slowdown in economic growth late in 2000. The accounts receivable index was 60 days, down 1 day from 1999. The current ratio was 1.3, down from 1.6 at the end of 1999. The lower current ratio is principally due to a shift in debt financing from long-term to short-term at year-end 2000 compared with the end of 1999.

Total debt was $2.837 billion, up from $2.610 billion at year-end 1999. Total debt was 30 percent of total capital, compared with 29 percent in 1999. In September 2000, the company completed a three-year, 16 billion yen (approximately $150 million), 1.0 percent yen Eurobond offering. In December 2000, the company issued a $350 million security, remarketable annually, which is classified as short-term debt. On October 30, 2000, the company filed a shelf registration statement with the Securities and Exchange Commission providing the means to offer debt securities of up to $1.5 billion. 3M plans to use the net proceeds from future issuances of debt securities under this shelf registration for general corporate purposes, including the repayment of debt, investments in or extensions of credit to the company's subsidiaries, or the financing of possible acquisitions. As of December 31, 2000, no debt securities had been issued under this shelf registration. Of total debt outstanding at the end of 2000, $333 million represented a guarantee of debt of the 3M Employee Stock Ownership Plan.

Various assets and liabilities, including cash and short-term debt, can fluctuate significantly from month to month depending on short-term liquidity needs. Investments decreased $177 million from year-end 1999, impacted by the sale of a portion of the available-for-sale equity securities and decreases in the market value of the remaining equity securities.

During 2000, cash flows provided by operating activities totaled $2.326 billion, compared with $3.081 billion in 1999 and $2.417 billion in 1998. In 2000, certain working capital increases, partially driven by the 10 percent increase in sales volume, reduced cash provided by operating activities. In 1999, the increase in net income, along with certain working capital improvements, drove the increase. Working capital changes in 1999 include a $205 million use of cash for the impact of employee termination benefits paid in connection with restructuring activities.

Purchases of property, plant and equipment totaled $1.115 billion, an increase of about 6 percent from 1999. This followed a decrease of about 28 percent in 1999 compared with 1998. These investments are helping to meet global demand for new products and increase manufacturing efficiency.

Cash used for acquisitions of businesses totaled $472 million, $374 million and $200 million in 2000, 1999 and 1998, respectively. Acquisitions in 2000 included the purchase of 91 percent of Quante AG (a telecommunications supplier), the purchase of the multi-layer integrated circuit packaging line of W.L. Gore and Associates, and the acquisition of seven smaller businesses. Acquisitions in 1999 included about $340 million related to the acquisition of the outstanding minority interest

in Dyneon LLC. Acquisitions in 1998 were primarily in the occupational health and safety, and telecommunications areas.

Cash proceeds from the sale of businesses totaled $1 million, $249 million and $57 million in 2000, 1999 and 1998, respectively. The company received cash proceeds in 1999 related to divestitures of Eastern Heights Bank and the cardiovascular systems and other health care businesses.

Purchases of investments totaled $12 million, $56 million and $42 million in 2000, 1999 and 1998, respectively. These purchases include patents, and equity and cost basis investments.

Cash dividends paid to stockholders in 2000 totaled $918 million, or $2.32 per share. 3M has paid dividends since 1916. In February 2001, the Board of Directors increased the quarterly dividend on 3M common stock to 60 cents per share, equivalent to an annual dividend of $2.40 per share. This marks the 43rd consecutive year of dividend increases.

Repurchases of 3M common stock totaled $814 million in 2000, compared with $825 million in 1999 and $618 million in 1998. Repurchases were made to support the company's stock-based compensation plans, its employee stock purchase plans and for other corporate purposes. In 2000 and 1999, a reduction in weighted average shares outstanding resulted in a benefit to earnings of 8 cents and 2 cents per diluted share, respectively. In 1998, the combination of a reduction in weighted average shares outstanding and higher interest expense resulted in a net benefit to earnings of 3 cents per diluted share.

In November 2000, the Board of Directors authorized the repurchase of up to 10 million of the company's shares of common stock. This share repurchase authorization is effective from January 1, 2001, through December 31, 2001. In 2000, under a preceding authorization, the company purchased about 9.1 million shares.

The company's strong credit rating provides ready and ample access to funds in global capital markets. At year-end 2000, the company had available short-term lines of credit totaling about $694 million.

Most of the company's implant liabilities have been paid; accordingly, receipt of related insurance recoveries will increase future cash flows. For a more detailed discussion, refer to Part I, Item 3, Legal Proceedings, of this Form 10-K.

Future Outlook

The following discussion excludes the impact of non-recurring items.

While fourth quarter earnings were up only slightly, 2000 was a very good year for 3M. 3M increased earnings per share 11 percent, and volume more than 10 percent.

3M expects to achieve at least 10 percent earnings growth in an environment of slower economic growth with the assumption that currency effects will continue at current or slightly more negative levels in 2001.

3M is moving forward with a more conservative set of growth assumptions for 2001, while maintaining its growth objectives over the longer term. This more conservative plan assumes organic volume growth of about 6 percent with another 2.5 to 3 percentage points of growth provided by acquisitions. 3M expects pricing to be down about 1 percent. 3M assumes that currency, for planning purposes, would reduce 2001 worldwide sales by about 3 percent.

3M is sizing costs to achieve its 2001 earnings target with significantly lower sales growth than originally anticipated.

3M has in place strict cost controls to hold selling, general and administrative expenses flat compared with the first quarter of 2000. This represents a running rate improvement of $50 million, or 5 percent, compared with the fourth quarter of 2000.

3M expects mid-single-digit growth in first-quarter 2001 earnings as these accelerated cost-reduction efforts begin to take effect. 3M will aggressively address selling, general and administrative expenses for the balance of 2001 with follow through on cost controls and initial traction from several longer-term programs that are in the initial stages of implementation.

These include:

* An initiative to more effectively prioritize 3M's significant research and development commercialization investments across all businesses to further strengthen returns.
* Adoption and concentration of Six Sigma across the company - one way of

doing business across all of 3M that will particularly help direct costs and cash.

* E-Productivity - taking full advantage of web-based IT systems investments to increase productivity.
* Leveraging the critical mass of 3M to achieve significant savings in sourcing and procurement.

3M believes that aggressive and sustained implementation of these additional initiatives over time will help ensure that 3M consistently meets its financial objectives, while simultaneously funding 3M's existing growth initiatives such as: re-deploying resources into higher growth areas; selective and targeted acquisitions; and driving global market penetration to its full potential. 3M expects these growth initiatives, already in place, to gain momentum as economic conditions improve.

3M believes its future prospects are enhanced by the fundamental strengths of the company: A strong business portfolio; leading market positions; an efficient and increasingly competitive infrastructure; unequalled international capabilities; and an underlying emphasis on innovation, creation and new product generation. 3M plans to continue to convert these strengths into market success and accelerated earnings growth.

3M believes that all of these elements - combined with an enhanced level of accountability across the entire organization - will help meet its short- and long-term expectations.

In early 2001, 3M completed the acquisition of MicroTouch Systems, Inc., a manufacturer of touch-screen products, and also combined its German dental business with ESPE Dental AG, a leading German supplier of crowns, bridges and other dental products. In early 2001, 3M also completed its acquisition of Robinson Nugent, a manufacturer of electronic interconnects. 3M is actively considering other acquisitions.

The company expects capital spending to total about $1.0 billion to $1.1 billion in 2001. The company does not expect a significant change in its tax rate in 2001.

Financial Instruments

The company enters into contractual derivative arrangements in the ordinary course of business to manage foreign currency exposure, interest rate risks and commodity price risks. A financial risk management committee, composed of senior management, provides oversight for risk management and derivative activities. This committee determines the company's financial risk policies and objectives, and provides guidelines for derivative instrument utilization. This committee also establishes procedures for control and valuation, risk analysis, counterparty credit approval, and ongoing monitoring and reporting.

The company enters into forward contracts and swaps to hedge certain intercompany financing transactions, and purchases options to hedge against the effect of exchange rate fluctuations on cash flows denominated in foreign currencies. The company manages interest expense using a mix of fixed, floating and variable rate debt. To help manage borrowing costs, the company may enter into interest rate swaps. Under these arrangements, the company agrees to exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount. The company manages commodity price risks through negotiated supply contracts, price protection swaps and forward physical contracts.

A variance/co-variance value-at-risk model was used to test the company's exposure to changes in currency and interest rates. An historical value-at-risk model was used to assess commodity risks. All models used a 95 percent confidence level over a one-month time horizon. The Riskmetrics dataset was used for the variance/co-variance analysis. Both models assessed the risk of loss in market value of outstanding financial instruments and derivatives. Based on a value-at-risk analysis of the company's foreign exchange, interest rate and commodity derivative instruments outstanding at December 31, 2000, 3M believes that probable near-term changes in exchange rates, interest rates or commodity prices would not materially affect the company's consolidated financial position, results of operations or cash flows. However, over a one-year period, exchange rates can significantly impact results (for example, in 1998, currency effects reduced net income by an estimated $141 million, or 35 cents per diluted share).

In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133, as amended, was adopted by the company on January 1, 2001. Based on the company's analysis of its current derivative positions, this standard

will not materially affect its financial position or results of operations.

Year 2000 Update

From December 31, 1999, to January 14, 2000, the company operated global information centers to monitor the company's facilities and operations during the Year 2000 transition. No material problems were reported in any of the company's facilities or operations during this period. During 2000, the company did not experience any material Year 2000 problems with its IT or non-IT systems or products, nor did the company experience any material problems with any of its key customers or suppliers.

The Euro Conversion

On January 1, 1999, 11 of the 15 member countries of the European Union (EU) established fixed conversion rates through the European Central Bank (ECB) between existing local currencies and the euro, the EU's new single currency. The participating countries had agreed to adopt the euro as their common legal currency on that date. From that date, the euro has been traded on currency exchanges and available for non-cash transactions. The EU agreed in June 2000 that Greece will join the European Monetary Union (EMU) and will fix its conversion rate on January 1, 2001, adopting the physical euro currency on January 1, 2002 (simultaneously with the previous 11 countries).

Local currencies will remain legal tender until December 31, 2001. Goods and services may be paid for with the euro or the local currency under the EU's "no compulsion, no prohibition" principle. If cross-border payments are made in a local currency during this transition period, the amount will be converted into euros and then converted from euros into the second local currency at rates fixed by the ECB. The participating countries will issue new euro-denominated bills and coins for use in cash transactions on or about December 31, 2001. By no later than July 1, 2002, participating countries will withdraw all bills and coins denominated in local currencies.

In February 1997, the company created a EMU Steering Committee and project teams representing all company business and staff units in Europe. The objective of these teams is to ensure a smooth transition to EMU for the company and its constituencies. The scope of the teams' efforts includes (i) assessing the euro's impact on the company's business and pricing strategies for customers and suppliers, and (ii) ensuring that the company's business processes and information technology (IT) systems can process transactions in euros and local currencies during the transition period and achieve the conversion of all relevant local currency data to the euro by December 31, 2001, in the participating countries.

The Europe and Middle East market contributed 24 percent of consolidated sales and 19 percent of consolidated operating income in 2000. The participating countries accounted for 67 percent of the company's sales in the Europe and Middle East market in 2000. The company believes that the euro will, over time, increase price competition for the company's products across Europe due to cross-border price transparency. The company also believes that the adverse effects of increased price competition will be offset somewhat by new business opportunities and efficiencies. The company, however, is not able to estimate the net long-term impact of the euro introduction on the company.

The company has made significant investments in IT systems in Europe and these investments already enable the company to manage customer orders, invoices, payments and accounts in euros and in local currencies according to customer needs. The company anticipates spending approximately $35 million to $40 million to complete the conversion of all its IT systems in Europe to the euro by December 31, 2001. The company is developing appropriate contingency plans in order that the euro adoption does not jeopardize the operations of the company.

The euro introduction is not expected to have a material impact on the company's overall currency risk. Although the company engages in significant trade within the EU, the impact to date of changes in currency exchange rates on trade within the EU has not been material. The company anticipates the euro will simplify financial issues related to cross-border trade in the EU and reduce the transaction costs and administrative time necessary to manage this trade and related risks. The company believes that the associated savings will not be material to corporate results.

The company has derivatives outstanding beyond December 31, 2000, in several European currencies. Under the EU's "no compulsion, no prohibition" principle, the outstanding derivative positions will either mature as local currency contracts or convert to euro contracts at no additional economic cost to the company. The company has modified systems to track derivatives in euros. The company believes the impact of the euro introduction on the company's derivative positions will not be

material.

Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements may be identified by the use of words like "plan," "expect," "aim," "believe," "project," "anticipate," "intend," "estimate," "will," "should," "could" and other expressions that indicate future events and trends. All statements that address expectations or projections about the future, including statements about the company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events that are subject to risks and uncertainties. Actual future results and trends may differ materially from historical results or those projected in any such forward-looking statements depending on a variety of factors, including but not limited to the following:

* The effects of, and changes in, worldwide economic conditions. The company operates in more than 60 countries and derives more than half of its revenues from outside the United States. The company 's business may be affected by factors in other countries that are beyond its control, such as downturns in economic activity in a specific country or region (the economic difficulties that occurred in Asia in 1998 as an example); social, political or labor conditions in a specific country or region; or potential adverse foreign tax consequences.

* Foreign currency exchange rates and fluctuations in those rates may affect the company's ability to realize projected growth rates in its sales and net earnings and its results of operations. Because the company derives more than half its revenues from outside the United States, its ability to realize projected growth rates in sales and net earnings and results of operations could be adversely affected if the United States dollar strengthens significantly against foreign currencies.

* The company's growth objectives are largely dependent on the timing and market acceptance of its new product offerings. The company's growth objectives are largely dependent on its ability to renew its pipeline of new products and to bring those products to market. This ability may be adversely affected by difficulties or delays in product development, such as the inability to: identify viable new products; successfully complete clinical trials and obtain regulatory approvals; obtain adequate intellectual property protection; or gain market acceptance of new products.

* The company's future results are subject to fluctuations in the costs of raw materials due to market demand, currency exchange risks, shortages and other factors. The company depends on various raw materials for the manufacturing of its products. Although the company has not experienced any difficulty in obtaining raw materials, it is possible that any of its supplier relationships could be terminated in the future. Any sustained interruption in the company's receipt of adequate supplies could have a material adverse effect on it. In addition, while the company has a process to minimize volatility in raw material pricing, no assurance can be given that the company will be able to successfully manage price fluctuations due to market demand, currency risks, or shortages or that future price fluctuations will not have a material adverse effect on it.

* The possibility that acquisitions, divestitures and strategic alliances may not meet sales and/or profit expectations. As part of the company's strategy for growth, the company has made and may continue to make acquisitions, divestitures and strategic alliances. However, there can be no assurance that these will be completed or beneficial to the company.

* The company is the subject of various legal proceedings. For a more detailed discussion of the legal proceedings involving the company, see the discussion of "Legal Proceedings" in Part I, Item 3 of this Form 10-K.

Item 8. Financial Statements and Supplementary Data.

<TABLE>
Index to Financial Statements
<CAPTION>

<S>	Reference (pages) Form 10-K <C>
Data submitted herewith:	
Report of Independent Auditors	27

Consolidated Statement of Income for the years ended December 31, 2000, 1999 and 1998	28
Consolidated Balance Sheet at December 31, 2000 and 1999	29
Consolidated Statement of Changes in Stockholders' Equity and Comprehensive Income for the years ended December 31, 2000, 1999 and 1998	30
Consolidated Statement of Cash Flows for the years ended December 31, 2000, 1999 and 1998	31
Notes to Consolidated Financial Statements	32-52

</TABLE>

Report of Independent Auditors

To the Stockholders and Board of Directors of Minnesota Mining and Manufacturing Company:

In our opinion, the consolidated financial statements listed in Item 8 of this Form 10-K present fairly, in all material respects, the consolidated financial position of Minnesota Mining and Manufacturing Company and Subsidiaries at December 31, 2000 and 1999, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 2000, in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
St. Paul, Minnesota
February 12, 2001

<TABLE>
Consolidated Statement of Income
<CAPTION>
Minnesota Mining and Manufacturing Company and Subsidiaries
Years ended December 31

(Amounts in millions, except per-share amounts)	2000	1999	1998
<S>	<C>	<C>	<C>
Net sales	$16,724	$15,748	$15,094
Operating expenses			
Cost of sales	8,787	8,126	8,020
Selling, general and administrative expenses	3,963	3,712	3,553
Research, development and related expenses	1,101	1,056	1,028
Other expense (income)	(185)	(102)	454
Total	13,666	12,792	13,055
Operating income	3,058	2,956	2,039
Other income and expense			
Interest expense	111	109	139
Interest and other income	(27)	(33)	(52)
Total	84	76	87
Income before income taxes, minority interest, extraordinary loss and cumulative effect of accounting change	2,974	2,880	1,952
Provision for income taxes	1,025	1,032	685
Minority interest	92	85	54
Income before extraordinary loss and cumulative effect of accounting change	1,857	1,763	1,213
Extraordinary loss from early extinguishment of debt	--	--	(38)

Cumulative effect of accounting change	(75)	--	--
Net income	$ 1,782	$ 1,763	$ 1,175
Weighted average common shares outstanding - basic	395.7	402.0	403.3
Earnings per share - basic			
Income before extraordinary loss and cumulative effect of accounting change	$ 4.69	$ 4.39	$ 3.01
Extraordinary loss	--	--	(.10)
Cumulative effect of accounting change	(.19)	--	--
Net income	$ 4.50	$ 4.39	$ 2.91
Weighted average common shares outstanding - diluted	399.9	406.5	408.0
Earnings per share - diluted			
Income before extraordinary loss and cumulative effect of accounting change	$ 4.64	$ 4.34	$ 2.97
Extraordinary loss	--	--	(.09)
Cumulative effect of accounting change	(.19)	--	--
Net income	$ 4.45	$ 4.34	$ 2.88

<FN>
<F1>
The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.
</FN>
</TABLE>

<TABLE>
Consolidated Balance Sheet
<CAPTION>
Minnesota Mining and Manufacturing Company and Subsidiaries
At December 31

(Dollars in millions)	2000	1999
<S>	<C>	<C>
Assets		
Current assets		
Cash and cash equivalents	$ 302	$ 387
Accounts receivable - net	2,891	2,778
Inventories	2,312	2,030
Other current assets	874	871
Total current assets	6,379	6,066
Investments	310	487
Property, plant and equipment - net	5,823	5,776
Other assets	2,010	1,567
Total	$14,522	$13,896
Liabilities and Stockholders' Equity		
Current liabilities		
Short-term debt	$ 1,866	$ 1,130
Accounts payable	1,081	1,008
Payroll	382	361
Income taxes	462	464
Other current liabilities	963	856
Total current liabilities	4,754	3,819
Long-term debt	971	1,480
Other liabilities	2,266	2,308
Stockholders' equity		
Common stock, par value $.01 per share in 2000	5	236
Shares outstanding - 2000: 396,085,348		
1999: 398,710,817		
Capital in excess of par value	291	60
Retained earnings	11,517	10,741
Treasury stock	(4,065)	(3,833)
Unearned compensation - ESOP	(303)	(327)
Accumulated other comprehensive income (loss)	(914)	(588)
Stockholders' equity - net	6,531	6,289
Total	$14,522	$13,896

<FN>
<F1>
The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.
</FN>
</TABLE>

<TABLE>
Consolidated Statement of Changes in
Stockholders' Equity and Comprehensive Income
<CAPTION>
Minnesota Mining and Manufacturing Company and Subsidiaries

(Dollars in millions, except per-share amounts)	Total	Common Stock and Capital in Excess of Par	Retained Earnings	Treasury Stock	Unearned Compen-sation ESOP	Accumulated Other Compre-hensive Income (Loss)
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance at December 31, 1997	$5,926	$296	$9,848	$(3,300)	$(379)	$(539)
Net income	1,175		1,175			
Cumulative translation adjustment - net	29					29
Debt and equity securities, unrealized gain - net of tax of $1 million	2					2
Total comprehensive income	1,206					
Dividends paid ($2.20 per share)	(887)		(887)			
Amortization of unearned compensation	29				29	
Reacquired stock (7.4 million shares)	(618)			(618)		
Issuances pursuant to stock option and benefit plans (4.6 million shares)	280		(156)	436		
Balance at December 31, 1998	$5,936	$296	$9,980	$(3,482)	$(350)	$(508)
Net income	1,763		1,763			
Cumulative translation adjustment - net	(176)					(176)
Minimum pension liability adjustment - net of tax of $36 million	(30)					(30)
Debt and equity securities, unrealized gain - net of tax of $77 million	126					126
Total comprehensive income	1,683					
Dividends paid ($2.24 per share)	(901)		(901)			
Amortization of unearned compensation	23				23	
Reacquired stock (9.0 million shares)	(825)			(825)		
Issuances pursuant to stock option and benefit plans (5.7 million shares)	373		(101)	474		
Balance at December 31, 1999	$6,289	$296	$10,741	$(3,833)	$(327)	$(588)
Net income	1,782		1,782			
Cumulative translation adjustment - net	(191)					(191)
Minimum pension liability adjustment - net of tax of $37 million	(28)					(28)
Debt and equity securities, unrealized loss - net of tax of $65 million	(107)					(107)
Total comprehensive income	1,456					
Dividends paid ($2.32 per share)	(918)		(918)			
Amortization of unearned compensation	24				24	
Reacquired stock (9.1 million shares)	(814)			(814)		
Issuances pursuant to stock option and benefit plans (6.3 million shares)	483		(88)	571		
Issuances pursuant to acquisitions (129 thousand shares)	11			11		
Balance at December 31, 2000	$6,531	$296	$11,517	$(4,065)	$(303)	$(914)

<FN>
<F1>
The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.
</FN>
</TABLE>

<TABLE>
Consolidated Statement of Cash Flows
<CAPTION>
Minnesota Mining and Manufacturing Company and Subsidiaries

Years ended December 31 (Dollars in millions)	2000	1999	1998
<S>	<C>	<C>	<C>
Cash Flows from Operating Activities			
Net income	$ 1,782	$ 1,763	$ 1,175
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	1,025	900	866
Asset impairment and restructuring	48	(31)	182
Deferred income tax provision	89	95	139
Implant litigation - net	49	93	(255)
Changes in assets and liabilities			
Accounts receivable	(171)	(186)	(160)
Inventories	(261)	96	195
Other current assets	(172)	(256)	11
Other assets - net of amortization	(145)	119	(255)
Income taxes payable	27	196	21
Accounts payable and other current liabilities	119	89	462

Other liabilities	(92)	173	36
Other - net	28	30	--
Net cash provided by operating activities	2,326	3,081	2,417
Cash Flows from Investing Activities			
Purchases of property, plant and equipment	(1,115)	(1,050)	(1,453)
Proceeds from sale of property, plant and equipment	104	108	25
Acquisitions of businesses	(472)	(374)	(200)
Proceeds from sale of businesses	1	249	57
Purchases of investments	(12)	(56)	(42)
Proceeds from sale of investments	121	9	41
Net cash used in investing activities	(1,373)	(1,114)	(1,572)
Cash Flows from Financing Activities			
Change in short-term debt - net	(236)	(164)	55
Repayment of long-term debt	(23)	(179)	(129)
Proceeds from remarketable securities and long-term debt	495	2	645
Purchases of treasury stock	(814)	(825)	(618)
Reissuances of treasury stock	425	347	249
Dividends paid to stockholders	(918)	(901)	(887)
Distributions to minority interests	(60)	(51)	(96)
Net cash used in financing activities	(1,131)	(1,771)	(781)
Effect of exchange rate changes on cash	93	(20)	(83)
Net increase (decrease) in cash and cash equivalents	(85)	176	(19)
Cash and cash equivalents at beginning of year	387	211	230
Cash and cash equivalents at end of year	$ 302	$ 387	$ 211

<FN>
<F1>
The accompanying Notes to Consolidated Financial Statements are an integral part of this statement.
</FN>
</TABLE>

Notes to Consolidated Financial Statements

Significant Accounting Policies

Consolidation: All significant subsidiaries are consolidated. All significant intercompany transactions are eliminated. As used herein, the term "3M" or "company" refers to Minnesota Mining and Manufacturing Company and subsidiaries unless the context indicates otherwise.

Foreign currency translation: Local currencies generally are considered the functional currencies outside the United States, except in countries treated as highly inflationary. Assets and liabilities for operations in local-currency environments are translated at year-end exchange rates. Income and expense items are translated at average rates of exchange prevailing during the year. Cumulative translation adjustments are recorded as a component of accumulated other comprehensive income in stockholders' equity.

For operations in countries treated as highly inflationary, certain financial statement amounts are translated at historical exchange rates, with all other assets and liabilities translated at year-end exchange rates. These translation adjustments are reflected in income and are not material.

Reclassifications: Certain prior period amounts have been reclassified to conform with the current year presentation. Research, development and related expenses have been reclassified from cost of sales and are now presented separately. Pursuant to FASB Emerging Issues Task Force Issue No. 00-10, Accounting for Shipping and Handling Fees and Costs, the company has also reclassified freight billed to customers from selling, general and administrative expenses to net sales, and has reclassified related freight costs from selling, general and administrative expenses to cost of sales.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and cash equivalents: Cash and cash equivalents consist of cash and temporary investments with maturities of three months or less when purchased.

Investments: Investments primarily include debt securities held by captive insurance operations; the cash surrender value of life insurance

policies; and real estate and venture capital investments. Unrealized gains and losses relating to investments classified as available-for-sale are recorded as a component of accumulated other comprehensive income in stockholders' equity.

Inventories: Inventories are stated at lower of cost or market, with cost generally determined on a first-in, first-out basis.

Property, plant and equipment: Depreciation of property, plant and equipment generally is computed using the straight-line method based on estimated useful lives of the assets. Estimated useful lives range from 5 to 40 years for buildings and improvements and 3 to 20 years for machinery and equipment. Fully depreciated assets are retained in property and accumulated depreciation accounts until removed from service. Upon disposal, assets and related accumulated depreciation are removed from the accounts and the net amount, less proceeds from disposal, is charged or credited to operations.

Other assets: Other assets include product and other insurance receivables, goodwill, patents, other intangible assets, deferred income taxes and other

noncurrent assets. Goodwill is amortized on a straight-line basis over the periods benefited, ranging from 5 to 40 years. Other intangible assets are amortized on a straight-line basis over their estimated economic lives.

Impairment of long-lived assets: Long-lived assets, including identifiable intangibles and goodwill, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when the carrying amount of an asset exceeds the estimated undiscounted future cash flows expected to result from the use of the asset and its eventual disposition. The amount of the impairment loss to be recorded is calculated by the excess of the assets carrying value over its fair value. Fair value is determined using a discounted cash flow analysis.

Revenue recognition: Revenue is recognized when the risks and rewards of ownership have substantively transferred to customers, regardless of whether legal title has transferred. This condition is normally met when the product has been delivered or upon performance of services. The company sells a wide range of products to a diversified base of customers around the world and, therefore, believes there is no material concentration of credit risk. Prior to 2000, the company recognized revenue upon shipment of goods to customers and upon performance of services (refer to "Accounting Change" that follows).

Advertising and merchandising: These costs are charged to operations in the year incurred.

Internal-use software: The company capitalizes direct costs of materials and services used in the development of internal-use software. Amounts capitalized are amortized on a straight-line basis over a period of 3 to 5 years and are reported as a component of machinery and equipment within property, plant and equipment.

Environmental: Environmental expenditures relating to existing conditions caused by past operations that do not contribute to current or future revenues are expensed. Liabilities for remediation costs are recorded on an undiscounted basis when they are probable and reasonably estimable, generally no later than the completion of feasibility studies or the company's commitment to a plan of action.

Derivatives and hedging activities: The company uses interest rate swaps, currency swaps, and forward and option contracts to manage risks generally associated with foreign exchange rate, interest rate and commodity market volatility. All hedging instruments are designated and effective as hedges, in accordance with U.S. generally accepted accounting principles. Instruments that do not qualify for hedge accounting are marked to market with changes recognized in current earnings. The company does not hold or issue derivative financial instruments for trading purposes and is not a party to leveraged derivatives.

Realized and unrealized gains and losses for qualifying hedge instruments are deferred until offsetting gains and losses on the underlying transactions are recognized in earnings. These gains and losses generally are recognized either as interest expense over the borrowing period for interest rate and currency swaps; as an adjustment to cost of sales for inventory-related hedge transactions; or as a component of accumulated other comprehensive income in stockholders' equity for hedges of net investments in international companies. If the underlying hedged transaction ceases to exist, all changes in fair value of the related

derivatives that have not been settled are recognized in earnings. Cash flows attributable to these financial instruments are included with the cash flows of the associated hedged items.

Accounting for stock-based compensation: The company uses the intrinsic value method for the Management Stock Ownership Program (MSOP). The General Employees' Stock Purchase Plan is considered noncompensatory.

Comprehensive income: Total comprehensive income and the components of accumulated other comprehensive income are presented in the Consolidated Statement of Changes in Stockholders' Equity and Comprehensive Income. Accumulated other comprehensive income is composed of foreign currency translation effects, including hedges of net investments in international companies, minimum pension liability adjustments, and unrealized gains and losses on available-for-sale debt and equity securities.

Earnings per share: The difference in the weighted average shares outstanding for calculating basic and diluted earnings per share is attributable to the assumed exercise of MSOP stock options, if dilutive.

New accounting pronouncements: In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133, as amended, was adopted by the company on January 1, 2001. Based on the company's analysis of its current derivative positions, this standard will not materially affect its financial position or results of operations.

Accounting Change

During the fourth quarter of 2000, the company changed its revenue recognition policy. Essentially, the new policies recognize that the risks and rewards of ownership in many transactions do not substantively transfer to customers until the product has been delivered, regardless of whether legal title has transferred. In addition to this change in accounting that affects a substantial portion of its product sales, the company has revised aspects of its accounting for services provided in several of its smaller businesses. These new policies are consistent with the guidance contained in SEC Staff Accounting Bulletin No. 101. The effect of these changes in revenue recognition policies, as of January 1, 2000, are reported as the cumulative effect of an accounting change in the fourth quarter of 2000. This change did not have a significant effect on previously reported 2000 quarters or on prior years.

Restructuring Charge

To reduce costs and improve productivity, the company initiated a restructuring program in the second half of 1998 to streamline corporate structure, consolidate manufacturing operations and exit certain product lines. Related to this, the company recorded a restructuring charge of $493 million ($313 million after tax). A portion of this restructuring charge ($39 million) has been classified as a component of cost of sales. In 1999, the company recorded a change in estimate that reduced the restructuring charge by $28 million. The restructuring charge does not include the write-down of goodwill or other intangible assets. As of December 31, 1999, this restructuring program was substantially complete.

Of the total restructuring charge, $275 million related to employee termination benefits for personnel reductions in each business segment and geographic area of the company and in all major functions. Under the plan, the company terminated 1,225 employees in the second half of 1998 and 3,288 employees in 1999, of whom about one-third were in the United States and two-thirds were abroad. Because certain employees can defer receipt of termination benefits, cash payments lag job eliminations. After subtracting payments of $268 million made through December 31, 2000, the company had a remaining liability of $7 million related to employee termination benefits at year-end. This amount is classified in current liabilities (payroll) on the Consolidated Balance Sheet.

The company has consolidated or downsized manufacturing operations, including actions in seven locations in the United States, nine in Europe, four in the Asia Pacific area and two in Latin America. As part of the restructuring plan, the company has discontinued product lines that had combined annual sales of less than $100 million and marginal operating income.

The restructuring charge included $112 million, net of salvage value, for the write-down of assets included in property, plant and equipment. These assets primarily included specialized 3M manufacturing machinery and equipment. Estimated salvage values are based on estimates of proceeds upon sale of certain affected assets.

The restructuring charge also included $78 million for losses on inventory write-downs and other exit costs. The company has taken an inventory write-down of $39 million, which has been classified as a

component of cost of sales, for certain product lines that were discontinued primarily in 1998. Other exit costs included $39 million in incremental costs and contractual obligations for items such as leasehold termination payments and other facility exit costs incurred as a direct result of the plan. After subtracting $35 million in payments made through December 31, 2000, the company had a remaining balance of $4 million in other current liabilities for these exit costs at December 31, 2000.

Restructuring Information (Millions)	Employee Termination Benefits	Write-down of Property, Plant and Equipment	Inventory	Other	Total
1998 restructuring charge					
Third quarter	$102	$161	$29	$40	$332
Fourth quarter	169	--	10	--	179
Fourth quarter change in estimate	--	(18)	--	--	(18)
Total-year 1998	$271	$143	$39	$40	$493
1999 change in estimate	4	(31)	--	(1)	(28)
Total restructuring charge	$275	$112	$39	$39	$465

Restructuring Liability (Millions)	Employee Termination Benefits	Other	Total
September 30, 1998 liability	$102	$40	$142
Fourth-quarter 1998 employee termination benefits charge	169	--	169
Fourth-quarter 1998 cash payments	(39)	(8)	(47)
December 31, 1998 liability	$232	$32	$264
1999 cash payments	(205)	(23)	(228)
1999 change in estimate	4	(1)	3
December 31, 1999 liability	$ 31	$ 8	$39
2000 cash payments	(24)	(4)	(28)
December 31, 2000 liability	$ 7	$ 4	$ 11

Acquisitions and Divestitures

Year 2000 acquisitions: During 2000, 3M acquired 91 percent of Quante AG (a telecommunications supplier), 100 percent of the multi-layer integrated circuit packaging line of W.L. Gore and Associaties, and seven smaller businesses for a total purchase price of $472 million in cash (net of cash acquired) plus 128,994 shares of 3M common stock. The stock had a fair market value of $11 million at the acquisition date and was previously held as 3M treasury stock. All of these transactions were accounted for using the purchase method of accounting. The preliminary estimated fair values of assets acquired and liabilities assumed relating to these acquisitions are summarized in the table below:

Millions	Asset (Liability)
Accounts receivable	$ 86
Inventories	112
Other working capital - net	(80)
Property, plant and equipment	179
Purchased intangible assets	326
Other assets	30
Interest bearing debt	(123)
Long-term liabilities	(47)
Net assets acquired	$483

The 2000 purchased intangible assets, including goodwill, are being amortized on a straight-line basis over the periods benefited, ranging from 3 to 20 years. In-process research and development charges associated with these acquisitions were not significant. Proforma information related to these acquisitions is not included because the impact of these acquisitions on the company's results of operations is not considered to be significant.

Year 1999 acquisition: On December 28, 1999, 3M finalized the acquisition of the outstanding 46 percent minority interest in Dyneon LLC from Celanese AG for approximately $340 million in cash, primarily financed by debt. The purchase method of accounting was used for this acquisition. The purchase price exceeded the fair value of the minority interest net assets by approximately $267 million, of which approximately

$242 million represents goodwill and other intangible assets that will be amortized over 20 years or less. Dyneon's assets, liabilities, revenues and expenses were already fully consolidated in 3M's financial statements, with the 46 percent minority interest eliminated on the minority interest line to reflect 3M's net position. If this acquisition had occurred at the beginning of 1999, the effect on results of operations would not have been material.

Year 1999 divestitures: On June 30, 1999, the company closed on the sale of Eastern Heights Bank, a subsidiary banking operation, and on the sale of the assets of its cardiovascular systems business. These divestitures generated cash proceeds of $203 million and, net of an investment valuation adjustment, resulted in a pre-tax gain of $104 million ($55 million after tax) in the second quarter of 1999. 3M also recorded a pre-tax gain of $43 million ($26 million after tax) related to divestitures, mainly in the Health Care segment, in the third quarter of 1999. These pre-tax gains are recorded in the other expense (income) line within operating income.

<TABLE>
Supplemental Statement of Income Information
<CAPTIONS>

(Millions)	2000	1999	1998
Research, development and related expenses	$1,101	$1,056	$1,028
Advertising and merchandising costs	544	484	448

</TABLE>

Research and development expenses, covering basic scientific research and the application of scientific advances to the development of new and improved products and their uses, totaled $727 million, $688 million and $648 million in 2000, 1999 and 1998, respectively. Related expenses primarily include technical support provided by the laboratories for existing products.

<TABLE>
Supplemental Balance Sheet Information
<CAPTION>

(Millions)	2000	1999
Accounts receivable		
Accounts receivable	$ 2,975	$ 2,860
Less allowances	84	82
Accounts receivable - net	$ 2,891	$ 2,778
Inventories		
Finished goods	$ 1,231	$ 1,103
Work in process	663	544
Raw materials	418	383
Total inventories	$ 2,312	$ 2,030
Other current assets		
Product and other insurance receivables	$ 267	$ 291
Deferred income taxes	152	172
Other	455	408
Total other current assets	$ 874	$ 871
Investments		
Available-for-sale (fair value)	72	254
Other (cost, which approximates fair value)	238	233
Total investments	$ 310	$ 487
Property, plant and equipment - at cost		
Land	$ 249	$ 265
Buildings and leasehold improvements	3,477	3,429
Machinery and equipment	9,958	9,356
Construction in progress	486	602
	14,170	13,652
Less accumulated depreciation	8,347	7,876
Property, plant and equipment - net	$ 5,823	$ 5,776

</TABLE>

<TABLE>
Supplemental Balance Sheet Information (continued)
<CAPTION>

(Millions)	2000	1999
Other assets		
Intangible assets - net	$ 852	$ 537
Product and other insurance receivables	541	634
Prepaid pension benefits	412	265
Deferred income taxes	143	88
Other	62	43

Total other assets	$ 2,010	$ 1,567
Other current liabilities		
Product and other claims	$ 107	$ 141
Nonfunded pension and postretirement benefits	93	72
Other	763	643
Total other current liabilities	$ 963	$ 856
Other liabilities		
Nonfunded pension and postretirement benefits	$ 754	$ 761
Product and other claims	339	397
Minority interest in subsidiaries	346	371
Deferred income taxes	362	332
Other	465	447
Total other liabilities	$ 2,266	$ 2,308

</TABLE>

Supplemental Stockholders' Equity and Comprehensive Income Information
Common stock ($.01 par value per share; $.50 par value at December 31, 1999 and 1998) of 1.5 billion shares is authorized (1 billion shares at December 31, 1999), with 472,016,528 shares issued in 2000, 1999 and 1998. Common stock and capital in excess of par includes $231 million transferred from common stock to capital in excess of par value during 2000 in connection with the change in par value of the company's common stock to $.01 per share. Preferred stock, without par value, of 10 million shares is authorized but unissued.

The following table shows the ending balances of the components of accumulated other comprehensive income (loss).

<TABLE>
Accumulated Other Comprehensive Income (Loss)
<CAPTION>

(Millions)	2000	1999	1998
<S>	<C>	<C>	<C>
Cumulative translation - net	$(885)	$(694)	$(518)
Minimum pension liability adjustments - net	(58)	(30)	--
Debt and equity securities, unrealized gain - net	29	136	10
Total accumulated other comprehensive income (loss)	$(914)	$(588)	$(508)

</TABLE>

Reclassification adjustments in 2000 for realized gains included in net income totaled $62 million ($101 million before tax). These gains related to the sale of appreciated equity securities. Reclassification adjustments in 1999 for realized gains included in net income totaled $25 million ($41 million before tax). These gains related to appreciated equity securities donated to the 3M Foundation in December 1999. In 2000, 1999 and 1998, other reclassification adjustments were not material. Income tax effects for cumulative translation are not material since no tax provision has been made for the translation of foreign currency financial statements into U.S. dollars.

<TABLE>
Supplemental Cash Flow Information
<CAPTION>

(Millions)	2000	1999	1998
<S>	<C>	<C>	<C>
Income tax payments	$ 852	$ 653	$ 467
Interest payments	104	114	130
Depreciation	915	822	798
Amortization of software	45	39	28
Amortization of patents, other identifiable acquisition intangibles, and goodwill	65	39	40

</TABLE>

As required by a third-quarter 2000 Emerging Issues Task Force concensus, stock option tax benefits have been classified as a component of cash flows from operating activities. Prior period Consolidated Statement of Cash Flows amounts have been restated to conform with this presentation.

Individual amounts on the Consolidated Statement of Cash Flows exclude the effects of acquisitions, divestitures and exchange rate impacts, which are presented separately. The net impact of cumulative effect of accounting changes is recorded in "Other - net" within operating activities.

In 1999, 3M exchanged assets used in the business, but not held for sale, with a fair market value of $61 million plus cash of $12 million, for similar assets having a fair market value of $73 million. No gain was recognized on this nonmonetary exchange of productive assets. Also in 1999, 3M donated to the 3M Foundation appreciated equity securities with a market value of $66 million, resulting in $8 million of pre-tax expense, which represented the company's cost of the securities.

In 1998, the 3M Employee Stock Ownership Plan (ESOP) refinanced its existing debt by issuing new debt of $385 million. Because the company has guaranteed repayment of the ESOP debt, the debt and related unearned compensation are recorded on the Consolidated Balance Sheet. The repayment of principal and proceeds of long-term debt relating to the ESOP have been excluded from the financing activities of the company in the Consolidated Statement of Cash Flows because the funds involved were received and disbursed by the ESOP trust.

Debt

Short-Term Debt (Millions)	Effective Interest Rate*	2000	1999
Commercial paper	6.49%	$ 655	$ 786
Long-term debt - current portion	5.94%	646	36
6.325% dealer remarketable securities	5.67%	352	--
Other borrowings	7.79%	213	308
Total short-term debt		$1,866	$1,130

Long-Term Debt (Millions)	Effective Interest Rate*	Maturity Date	2000	1999
ESOP debt guarantee	5.62%	2002-2009	$ 303	$ 333
U.S. dollar 6.375% note	6.38%	2028	330	330
Japanese Yen 1% Eurobond	1.00%	2003	139	--
Sumitomo 3M Limited 0.795% note	0.80%	2003	87	98
Other borrowings	6.11%	2002-2037	112	719
Total long-term debt			$ 971	$1,480

*Reflects the effects of interest rate and currency swaps at December 31, 2000.

At December 31, 2000, debt with fixed interest rates includes the ESOP, U.S. dollar 6.375 percent note, Japanese yen Eurobond, Sumitomo 3M Limited note and a portion of other borrowings. The ESOP debt is serviced by dividends on stock held by the ESOP and by company contributions. These contributions are reported as an employee benefit expense in the Consolidated Statement of Income. At December 31, 2000, debt not denominated in U.S. dollars includes the Japanese yen Eurobond, the Sumitomo 3M Limited note, and most of other borrowings. Other borrowings includes debt held by 3M's international companies, and floating rate notes and industrial bond issues in the United States. Other borrowings in long-term debt significantly decreased in 2000 as a result of certain debt securities becoming due in 2001, with the corresponding increase reflected in the current portion of long-term debt.

Maturities of long-term debt for the next five years are: 2001, $646 million; 2002, $33 million; 2003, $261 million; 2004, $36 million; and 2005, $38 million.

The company estimates that the fair value of short-term debt approximates the carrying amount of this debt. The fair value of long-term debt, based on third-party quotes, is estimated at $950 million. Debt covenants do not restrict the payment of dividends. At year-end 2000, the company had available short-term lines of credit totaling about $694 million.

Other Financial Instruments

Interest rate and currency swaps: The company uses interest rate and currency swaps to manage interest rate risk related to borrowings. The notional amounts shown in the table that follows serve solely as a basis for the calculation of payment streams to be exchanged. These notional amounts are not a measure of the company's exposure through its use of derivatives. These instruments generally mature in relationship to their underlying debt and have maturities extending to 2001. Unrealized gains and losses and exposure to changes in market conditions were not material at December 31, 2000 and 1999, for interest rate swaps. Currency swaps at December 31, 2000, had unrealized gains of $29 million and unrealized losses of $47 million. Currency swaps at December 31, 1999, had unrealized gains of $13 million and unrealized losses of $61 million. In both years, unrealized gains and losses relating to underlying debt instruments largely offset these unrealized amounts.

Notional Amounts (Millions)	2000	1999
Interest rate swaps	$615	$550
Currency swaps	365	465

Foreign exchange forward and option contracts: The company has entered into foreign exchange forward and option contracts, the majority of which have maturities of less than one year. The face amounts represent contracted U.S. dollar equivalents of forward and option contracts denominated in foreign currencies. The amounts at risk are not material because the company has the ability to generate offsetting foreign currency cash flows. Unrealized gains and losses at December 31, 2000 and 1999, were not material. In 2000, realized gains totaled $132 million and realized losses totaled $45 million, with most of this net impact offset by underlying hedged items.

Face Amounts (Millions)	2000	1999
Forward contracts	$ 442	$ 997
Options purchased	113	140

The company engages in hedging activities to reduce exchange rate risks arising from cross-border cash flows denominated in foreign currencies. The company operates on a global basis, generating more than half its revenues internationally and engaging in substantial product and financial transfers among geographic areas. Major forward contracts at December 31, 2000, were denominated in European euros and Japanese yen.

Credit risk: The company is exposed to credit loss in the event of nonperformance by counterparties in interest rate swaps, currency swaps, and option and foreign exchange contracts. However, the company's risk is limited to the fair value of the instruments. The company actively monitors its exposure to credit risk through the use of credit approvals and credit limits, and by selecting major international banks and financial institutions as counterparties. The company does not anticipate nonperformance by any of these counterparties.

Income Taxes

At December 31, 2000, about $2.6 billion of retained earnings attributable to international companies were considered to be indefinitely invested. No provision has been made for taxes that might be payable if these earnings were remitted to the United States. It is not practical to determine the amount of incremental taxes that might arise were these earnings to be remitted.

In 2000, the company recorded a cumulative effect of accounting change, reducing earnings by $75 million net of tax. The provision for income taxes excludes a $42 million tax benefit related to this cumulative effect.

In 1998, the company refinanced debt related to its Employee Stock Ownership Plan. The provision for income taxes excludes a $21 million tax benefit (classified as part of the extraordinary loss) related to this refinancing.

Income Before Income Taxes, Minority Interest, Extraordinary Loss and Cumulative Effect of accounting change

(Millions)	2000	1999	1998
United States	$1,580	$2,020	$1,326
International	1,394	860	626
Total	$2,974	$2,880	$1,952

Provision for income taxes

(Millions)	2000	1999	1998
Currently payable			
Federal	$ 385	$ 494	$ 186
State	64	72	52
International	487	371	308

Deferred			
Federal	92	100	149
State	7	9	13
International	(10)	(14)	(23)
Total	$1,025	$1,032	$ 685

</TABLE>

<TABLE>
Components of Deferred Tax Assets
and Liabilities
<CAPTION>

(Millions)	2000	1999
<S>	<C>	<C>
Accruals currently not deductible		
Employee benefit costs	$278	$288
Product and other claims	170	205
Product and other insurance receivables	(308)	(353)
Accelerated depreciation	(436)	(423)
Other	221	206
Net deferred tax asset (liability)	$(75)	$(77)

</TABLE>

<TABLE>
<CAPTION>

Reconciliation of Effective Income Tax Rate	2000	1999	1998
<S>	<C>	<C>	<C>
Statutory U.S. tax rate	35.0%	35.0%	35.0%
State income taxes - net	1.6	1.8	2.4
International income taxes - net	(.8)	.2	.8
All other - net	(1.3)	(1.2)	(3.1)
Effective worldwide tax rate	34.5%	35.8%	35.1%

</TABLE>

Business Segments
Net sales in prior periods have been reclassified to conform with the current year presentation. In the first quarter of 2000, business segment operating income for 1999 was restated for minor amounts to be consistent with year 2000 management reporting practices. Certain costs previously included in Corporate and Unallocated were allocated to the individual business segments. 3M's businesses are organized, managed and internally reported as six operating segments based on differences in products, technologies and services. These segments are Industrial; Transportation, Graphics and Safety; Health Care; Consumer and Office; Electro and Communications; and Specialty Material. These segments have worldwide responsibility for virtually all of the company's product lines. 3M is not dependent on any single product or market.

Transactions among reportable segments are recorded at cost. 3M is an integrated enterprise characterized by substantial intersegment cooperation, cost allocations and inventory transfers. Therefore, management does not represent that these segments, if operated independently, would report the operating income and other financial information shown. The allocations resulting from the shared utilization of assets are not necessarily indicative of the underlying activity for segment assets, depreciation and amortization, and capital expenditures.

Operating income in 2000 includes a non-recurring net loss of $23 million. Non-recurring costs include $168 million in the Specialty Material segment related to the company's phase-out of perfluorooctanyl-based chemistry products. This $168 million includes $56 million of accelerated depreciation (included in the Specialty Material segment depreciation and amortization), $48 million of impairment losses, and severance and other costs. Other non-recurring costs include a $20 million write-down of corporate and unallocated assets, and $20 million of other non-recurring expenses ($13 million related to acquisitions in the Electro and Communications segment). Non-recurring operating income gains in 2000 of $135 million were largely related to corporate and unallocated asset dispositions, principally the sale of available-for-sale equity securities. Operating income in 2000 also included a $50 million gain from the termination of a product distribution agreement in the Health Care segment.

Operating income in 1999 includes a non-recurring net gain of $100 million. This relates to divestitures of certain health care businesses and Eastern Heights Bank, litigation expense, an investment valuation adjustment, and a change in estimate that reduced the 1998 restructuring charge. Of this $100 million gain, $62 million was recorded in Health Care and $38 million in Corporate and Unallocated. Operating income in 1998 includes a restructuring charge of $493 million in Corporate and Unallocated.

Business segments (continued):
<TABLE>

<CAPTION>

Business Segments	Major Products
<S>	<C>
Industrial	Tapes, coated and nonwoven abrasives, and specialty adhesives
Transportation, Graphics and Safety	Reflective sheeting, commercial graphics systems, respirators, automotive components, safety and security products, and optical films
Health Care	Medical and surgical supplies, skin health products, infection prevention, pharmaceuticals, drug delivery systems, dental and orthondontic products, health information systems, microbiology products, and closures for disposable diapers
Consumer and Office	Sponges, scour pads, high performance cloths, consumer and office tapes, repositionable notes, carpet and fabric protectors, energy control products, home improvement products, floor matting and commercial cleaning products, and visual systems
Electro and Communications	Packaging and interconnection devices, insulating and splicing solutions for the electronics, telecommunications and electrical industries
Specialty Material	Specialty materials for automotive, electronics, telecommunications, textile, and other industries, and roofing granules

</TABLE>

Business segments (continued):
<TABLE>
<CAPTION>
Business Segment Information

(Millions)		Net Sales	Operating Income	Assets**	Depr. and Amort.	Capital Expendi- tures
<S>	<S>	<C>	<C>	<C>	<C>	<C>
Industrial	2000	$ 3,525	$ 641	$ 2,392	$ 213	$ 214
	1999	3,409	612	2,357	220	202
	1998	3,372	561	2,394	199	281
Transportation, Graphics and Safety	2000	3,518	783	2,741	186	239
	1999	3,234	675	2,673	140	199
	1998	3,025	532	2,652	170	336
Health Care	2000	3,135	675	2,025	188	189
	1999	3,138	680	2,076	203	189
	1998	3,102	571	2,168	161	225
Consumer and Office	2000	2,848	434	1,711	101	134
	1999	2,705	401	1,589	118	123
	1998	2,624	398	1,614	136	182
Electro and Communications	2000	2,467	404	1,961	158	208
	1999	2,017	402	1,359	130	194
	1998	1,743	263	1,177	111	225
Specialty Material	2000	1,197	57	1,230	144	131
	1999	1,194	185	1,323	79	143
	1998	1,133	194	1,112	66	188
Corporate and Unallocated*	2000	34	64	2,462	35	--
	1999	51	1	2,519	10	--
	1998	95	(480)	3,036	23	16
Total Company	2000	$16,724	$3,058	$14,522	$1,025	$1,115
	1999	15,748	2,956	13,896	900	1,050
	1998	15,094	2,039	14,153	866	1,453

<FN>
<F1>
*Corporate and Unallocated operating income principally includes corporate investment gains and losses, certain derivative gains and losses, insurance-related gains and losses, banking operating results (divested June 30, 1999), certain litigation expenses, restructuring charges and other miscellaneous items. Because this category includes a variety of miscellaneous items, it is subject to fluctuation on a quarterly and annual basis.
<F2>

**Segment assets primarily include accounts receivable; inventory; property, plant and equipment - net; and other miscellaneous assets. Assets included in Corporate and Unallocated principally are cash and cash equivalents; insurance receivables; deferred income taxes; certain investments and other assets; and certain unallocated property, plant and equipment.
</FN>
</TABLE>

Geographic Areas
Information in the table below is presented on the basis the company uses to manage its businesses. Export sales and certain income and expense items are reported within the geographic area where the final sales to customers are made. Prior year amounts have been retroactively restated to conform to the current-year presentation.

In 1999, operating income for eliminations and other includes a $100 million non-recurring net benefit related to gains on divestitures, litigation expense, an investment valuation adjustment, and a change in estimate that reduced the 1998 restructuring charge. In 1998, operating income for eliminations and other includes a $493 million restructuring charge.

<TABLE>
<CAPTION>
Geographic Area Information

(Millions)		United States	Europe and Middle East	Asia Pacific	Latin America, Africa and Canada	Elimina-tions and Other	Total Company
<S>	<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net sales to customers	2000	$7,858	$3,946	$3,329	$1,564	$ 27	$16,724
	1999	7,559	3,808	2,887	1,467	27	15,748
	1998	7,297	3,863	2,375	1,539	20	15,094
Operating Income	2000	$1,160	$ 589	$ 961	$ 376	$ (28)	$3,058
	1999	1,198	574	768	348	68	2,956
	1998	1,185	515	512	339	(512)	2,039
Property, plant and equipment - net	2000	$3,699	$1,046	$ 711	$ 367	$ --	$5,823
	1999	3,647	1,017	757	355	--	5,776
	1998	3,504	1,116	718	376	--	5,714

</TABLE>

Retirement and Postretirement Benefit Plans
3M has various company-sponsored retirement plans covering substantially all U.S. employees and many employees outside the United States. Pension benefits are based principally on an employee's years of service and compensation near retirement. In addition to providing pension benefits, the company provides certain postretirement health care and life insurance benefits for substantially all of its U.S. employees who reach retirement age while employed by the company. Most international employees and retirees are covered by government health care programs. The cost of company-provided health care plans for these international employees is not material.

The company's pension funding policy is to deposit with independent trustees amounts at least equal to accrued liabilities, to the extent allowed by law. Trust funds and deposits with insurance companies are maintained to provide pension benefits to plan participants and their beneficiaries. In addition, the company has set aside funds for its U.S. postretirement plan with an independent trustee and makes periodic contributions to the plan.

The company's U.S. non-qualified pension plan had an unfunded accumulated benefit obligation of $187 million at December 31, 2000, and $171 million at December 31, 1999. There are no plan assets in the non-qualified plan due to its nature.

Certain international pension plans were underfunded as of year-end 2000 and 1999. The accumulated benefit obligations of these plans were $499 million in 2000 and $467 million in 1999. The assets of these plans were $300 million in 2000 and $353 million in 1999. The net underfunded amounts are included in current and other liabilities on the Consolidated Balance Sheet.

<TABLE>
<CAPTION>
Benefit Plan Information

	Qualified and Non-qualified Pension Benefits				Postretirement Benefits	
	United States		International			
(Millions)	2000	1999	2000	1999	2000	1999

<S>	<C>	<C>	<C>	<C>	<C>	<C>
Reconciliation of benefit obligation						
Beginning balance	$5,597	$6,201	$2,234	$2,153	$1,016	$1,030
Service cost	125	150	83	88	39	42
Interest cost	416	387	98	98	82	69
Participant contributions	-	-	6	7	11	9
Foreign exchange rate changes	-	-	(199)	(34)	-	1
Plan amendments	1	8	-	3	-	-
Actuarial(gain)loss	117	(823)	199	(21)	109	(56)
Benefit payments	(351)	(326)	(53)	(60)	(91)	(79)
Ending balance	$5,905	$5,597	$2,368	$2,234	$1,166	$1,016
Reconciliation of plan assets at fair value						
Beginning balance	$6,813	$6,233	$2,155	$2,028	$ 537	$ 523
Actual return on plan assets	384	807	5	173	4	19
Company contributions	90	86	60	51	139	64
Participant contributions	-	-	6	7	11	9
Foreign exchange rate changes	-	-	(157)	(45)	-	-
Benefit payments	(333)	(313)	(58)	(59)	(90)	(78)
Ending balance	$6,954	$6,813	$2,011	$2,155	$ 601	$ 537
Funded status of plans						
Plan assets at fair value less benefit obligation	$1,049	$1,216	$ (357)	$ (79)	$ (565)	$ (480)
Unrecognized transition (asset) obligation	-	-	16	21	-	-
Unrecognized prior service cost	129	142	25	36	(26)	12
Unrecognized (gain) loss	(1,012)	(1,325)	311	13	160	(37)
Net amount recognized	$ 166	$ 33	$ (5)	$ (9)	$ (431)	$ (505)
Amounts recognized in the Consolidated Balance Sheet consist of:						
Prepaid assets	$ 319	$ 184	$ 80	$ 74	-	-
Accrued liabilities	(187)	(171)	(229)	(157)	$ (431)	$ (505)
Intangible assets	5	6	8	1	-	-
Accumulated other comprehensive income - pre-tax	29	14	136	73	-	-
Net amount recognized	$ 166	$ 33	$ (5)	$ (9)	$ (431)	$ (505)

</TABLE>

<TABLE>
<CAPTION>

Benefit Plan Information	Qualified and Non-qualified Pension Benefits						Postretirement Benefits		
	United States			International					
(Millions)	2000	1999	1998	2000	1999	1998	2000	1999	1998
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Components of net periodic benefit cost									
Service cost	$125	$150	$130	$ 83	$ 88	$ 80	$ 39	$ 42	$ 36
Interest cost	416	387	377	98	98	95	82	69	62
Expected return on assets	(565)	(501)	(440)	(117)	(108)	(103)	(47)	(34)	(32)
Amortization of transition (asset) obligation	-	(37)	(37)	2	2	(1)	-	-	-
Amortization of prior service cost or benefit	13	45	38	8	8	8	(11)	(11)	(11)
Recognized net actuarial (gain) loss	(14)	14	-	7	2	3	3	-	-
Net periodic benefit cost	$(25)	$ 58	$ 68	$ 81	$ 90	$ 82	$ 66	$ 66	$ 55
Weighted average assumptions									
Discount rate	7.50%	7.50%	6.50%	5.40%	5.67%	5.58%	7.50%	7.50%	6.50%
Expected return on assets	9.00%	9.00%	9.00%	7.14%	6.69%	6.72%	8.19%	8.19%	6.25%
Compensation rate increase	4.65%	4.65%	4.65%	4.28%	4.12%	4.02%	4.65%	4.65%	4.65%

</TABLE>

The company expects its health care cost trend rate for postretirement benefits to slow from 5.8 percent in 2001 to 5.0 percent in 2004, after which the rate is expected to stabilize. A one percentage point change in the assumed health care cost trend rates would have the effects shown in the following table.

<TABLE>
<CAPTION>

Health Care Cost (Millions)	One Percentage Point Increase	One Percentage Point Decrease
<S>	<C>	<C>
Effect on current year's benefit expense	$ 16	$(13)
Effect on benefit obligation	119	(103)

</TABLE>

Leases
Rental expense under operating leases was $119 million in 2000, $113

million in 1999 and $125 million in 1998. The table below shows minimum payments under operating leases with non-cancelable terms in excess of one year, as of December 31, 2000.

(Millions)	2001	2002	2003	2004	2005	After 2005	Total
Minimum lease payments	$83	$67	$50	$29	$20	$83	$332

Employee Savings and Stock Ownership Plans

The company sponsors employee savings plans under Section 401(k) of the Internal Revenue Code. These plans are offered to substantially all regular U.S. employees. Employee contributions of up to 6 percent of compensation are matched at rates ranging from 20 to 35 percent, with additional company contributions depending upon company performance.

The company maintains an Employee Stock Ownership Plan (ESOP). This plan was established in 1989 as a cost-effective way of funding the majority of the company's contributions under 401(k) employee savings plans. Total ESOP shares are considered to be shares outstanding for earnings per share calculations.

In 1998, the ESOP refinanced its existing debt by issuing new debt of $385 million at an interest rate of 5.62 percent. This refinancing extended the life of the original ESOP from 2004 to 2009. The company incurred a one-time charge of $59 million ($38 million net of tax), or 9 cents per diluted share, which is reported as an extraordinary loss from early extinguishment of debt.

Dividends on shares held by the ESOP are paid to the ESOP trust and, together with company contributions, are used by the ESOP to repay principal and interest on the outstanding notes. Over the life of the notes, shares are released for allocation to participants based on the ratio of the current year's debt service to the remaining debt service prior to the current payment.

The ESOP has been the primary funding source for the company's employee savings plans. Expenses related to the ESOP include total debt service on the notes, less dividends. The company contributes treasury shares, accounted for at fair value, to employee savings plans to cover obligations not funded by the ESOP. These amounts are reported as an employee benefit expense. Unearned compensation, shown as a reduction of stockholders' equity, is reduced symmetrically as the ESOP makes principal payments on the debt.

Employee Savings and Stock Ownership Plans

(Millions)	2000	1999	1998
Dividends on shares held by the ESOP	$ 31	$ 31	$ 31
Company contributions to the ESOP	15	7	44
Interest incurred on ESOP notes	19	21	29
Expenses related to ESOP debt service	12	14	37
Expenses related to treasury shares	35	50	2

ESOP Debt Shares	2000	1999	1998
Allocated	6,898,666	6,596,898	6,586,192
Committed to be released	194,187	280,615	85,153
Unreleased	6,116,961	6,709,549	7,457,885
Total ESOP debt shares	13,209,814	13,587,062	14,129,230

General Employees' Stock Purchase Plan

In May 1997, shareholders approved 15 million shares for issuance under the company's General Employees' Stock Purchase Plan (GESPP). Substantially all employees are eligible to participate in the plan. Participants are granted options at 85 percent of market value at the date of grant. There are no GESPP shares under option at the beginning or end of each year because options are granted on the first business day and exercised on the last business day of the same month.

General Employees'	2000	1999	1998

Stock Purchase Plan	Shares	Exercise Price*	Shares	Exercise Price*	Shares	Exercise Price*
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Options granted	1,206,262	77.40	1,210,189	72.25	1,271,120	69.91
Options exercised	(1,206,262)	77.40	(1,210,189)	72.25	(1,271,120)	69.91
Shares available for grant-						
December 31	10,563,726		11,769,988		12,980,177	

<FN>
<F1>
*Weighted average
</FN>
</TABLE>

Management Stock Ownership Program
In May 1997, shareholders approved 35 million shares for issuance under the Management Stock Ownership Program (MSOP). Management stock options are granted at market value at the date of grant. These options generally are exercisable one year after the date of grant and expire 10 years from the date of grant. In May 2000, at the time of the grant, there were 11,073 participants in the plan.

<TABLE>
<CAPTION>

Management Stock Ownership Program	2000 Shares	2000 Exercise Price*	1999 Shares	1999 Exercise Price*	1998 Shares	1998 Exercise Price*
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Under option-						
January 1	30,702,415	$74.67	29,330,549	$67.72	26,831,852	$59.75
Granted	6,612,707	89.20	5,697,333	94.32	5,872,537	92.78
Exercised	(4,684,779)	62.19	(4,201,886)	52.50	(3,300,215)	47.76
Canceled	(283,087)	86.77	(123,581)	93.35	(73,625)	93.35
December 31	32,347,256	$79.34	30,702,415	$74.67	29,330,549	$67.72
Options exercisable-						
December 31	26,159,345	$77.02	25,213,683	$70.27	24,031,395	$62.09
Shares available for grant-						
December 31	11,738,624		18,088,285		23,780,604	

<FN>
<F1>
*Weighted average
</FN>
</TABLE>

Management Stock Ownership Program (continued)
<TABLE>
Options Outstanding and Exercisable at December 31, 2000
<CAPTION>

Range of Exercise Prices	Options Outstanding Shares	Options Outstanding Remaining Contractual Life (months)*	Options Outstanding Exercise Price*	Options Exercisable Shares	Options Exercisable Exercise Price*
<S>	<C>	<C>	<C>	<C>	<C>
$42.50-54.42	4,542,274	34	$47.96	4,542,274	$47.96
54.47-82.91	6,855,135	60	62.02	6,855,135	62.02
86.70-119.60	20,949,847	101	91.86	14,761,936	93.01

<FN>
<F1>
*Weighted average
</FN>
</TABLE>

Stock-Based Compensation
No compensation cost has been recognized for the General Employees' Stock Purchase Plan (GESPP) or the Management Stock Ownership Program (MSOP). Pro forma amounts based on the options' estimated fair value, net of tax, at the grant dates for awards under the GESPP and MSOP are presented below.

<TABLE>
Pro Forma Net Income and Earnings Per Share
<CAPTION>

(Millions)	2000	1999	1998
<S>	<C>	<C>	<C>
Net income			
As reported	$1,782	$1,763	$1,175
Pro forma	1,668	1,652	1,072
Earnings per share - basic			
As reported	$ 4.50	$ 4.39	$ 2.91
Pro forma	4.22	4.11	2.66
Earnings per share - diluted			
As reported	$ 4.45	$ 4.34	$ 2.88
Pro forma	4.17	4.06	2.63

</TABLE>

The weighted average fair value per option granted during 2000, 1999 and 1998 was $13.65, $12.75 and $12.34, respectively, for the GESPP, and $22.45, $22.86 and $20.41, respectively, for the incentive MSOP grants. The weighted average fair value was calculated by using the fair value of each option on the date of grant. The fair value of GESPP options was based on the 15 percent purchase discount. For MSOP options, the fair value was calculated utilizing the Black-Scholes option-pricing model and the weighted average assumptions that follow.

MSOP Assumptions	2000	1999	1998
Risk-free interest rate	6.7%	5.4%	5.7%
Dividend growth rate	4.3%	5.0%	5.8%
Volatility	22.3%	22.3%	17.6%
Expected life (months)	68	66	69

The MSOP options, if exercised, would have the following dilutive effect on shares outstanding for 2000, 1999 and 1998, respectively: 4.2 million, 4.5 million and 4.7 million shares. Certain MSOP options outstanding for years 2000, 1999 and 1998 (11.5, 8.7 and 10.8 million shares, respectively) were not included in the computation of diluted earnings per share because they would not have a dilutive effect.

Legal Proceedings - Discussion of legal matters is incorporated by reference from the subcaptions "General" and "Breast Implant Litigation" under Legal Proceedings, Part I, Item 3, of this Form 10-K, and should be considered an integral part of the Consolidated Financial Statements and Notes.

Quarterly Data (Unaudited)

(Millions, except per-share amounts)	First	Second	Third	Fourth	Year
Net sales*					
2000	$ 4,075	$ 4,243	$ 4,270	$ 4,136	$16,724
1999	3,795	3,885	4,021	4,047	15,748
Cost of sales*					
2000	$ 2,091	$ 2,181	$ 2,295	$ 2,220	$ 8,787
1999	1,991	2,010	2,072	2,053	8,126
Income before cumulative effect of accounting change*					
2000	$ 487	$ 470	$ 499	$ 401	$ 1,857
1999	384	476	459	444	1,763
Net income*					
2000	$ 487	$ 470	$ 499	$ 326	$ 1,782
1999	384	476	459	444	1,763
Basic earnings per share - income before cumulative effect*					
2000	$ 1.22	$ 1.19	$ 1.26	$ 1.02	$ 4.69
1999	.95	1.18	1.14	1.11	4.39
Basic earnings per share - net income*					
2000	$ 1.22	$ 1.19	$ 1.26	$ .83	$ 4.50
1999	.95	1.18	1.14	1.11	4.39
Diluted earnings per share - income before cumulative effect*					
2000	$ 1.21	$ 1.18	$ 1.25	$ 1.00	$ 4.64
1999	.95	1.17	1.13	1.10	4.34
Diluted earnings per share - net income*					
2000	$ 1.21	$ 1.18	$ 1.25	$ .82	$ 4.45
1999	.95	1.17	1.13	1.10	4.34
Stock price comparisons (NYSE composite transactions)					
2000 High	$103.81	$ 98.31	$ 97.44	$122.94	$122.94
2000 Low	78.19	80.44	80.50	83.94	78.19
1999 High	81.38	96.38	100.00	103.38	103.38
1999 Low	69.31	70.06	85.00	87.44	69.31

* Net sales in prior periods have been reclassified to conform to the current period presentation. Fourth-quarter and third-quarter 2000 operating income include non-recurring costs of $90 million and $118 million, respectively, included in cost of sales, and non-recurring gains of $16 million and $119 million, respectively, primarily relating to the sale of equity securities. Non-recurring costs in both quarters primarily

relate to the company's phase-out of perfluorooctanyl-based chemistry products. Fourth-quarter 2000 non-recurring items include an operating loss of $74 million ($46 million after tax) and a cumulative effect of accounting change reduced earnings by $75 million net of tax, or 30 cents per diluted share on a combined basis. First quarter 2000 includes a gain from termination of a product distribution agreement of $50 million ($31 million after tax), or 8 cents per diluted share. Third quarter 1999 includes gains on divestitures of $43 million, litigation expense of $73 million and a change in estimate that reduced the 1998 restructuring charge by $26 million. These items resulted in a net loss of $4 million ($3 million after tax), or 1 cent per diluted share. Second quarter 1999 includes gains on divestitures, net of an investment valuation adjustment, of $104 million ($55 million after tax), or 14 cents per diluted share.
</FN>
</TABLE>

Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 10. Directors and Executive Officers of the Registrant.

Item 11. Executive Compensation.

Item 12. Security Ownership of Certain Beneficial Owners and Management.

Item 13. Certain Relationships and Related Transactions.

The information required by Items 10 through 13 are incorporated by reference from the registrant's definitive proxy statement pursuant to general instruction G(3), with the exception of the executive officers section of Item 10, which is included in Item 1 of this Form 10-K. The registrant will file with the Commission a definitive proxy statement pursuant to Regulation 14A by April 30, 2001.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K.

(a) The financial statements filed as part of this report are listed in the index to financial statements on page 26.

All financial statement schedules are omitted because of the absence of the conditions under which they are required or because the required information is included in the financial statements or the notes thereto.

(b) Reports on Form 8-K:
3M filed three Form 8-K's in January 2001 and four Form 8-K's for the quarter ended December 31, 2000.

The Form 8-K dated January 24, 2001, contained unaudited consolidated financial information for the quarters and years 2000 and 1999. This filing did not contain certain information included in the company's 2000 Annual Report on Form 10-K.

The Form 8-K dated January 17, 2001, reported 3M's unaudited consolidated financial results for the fourth quarter of 2000.

The Form 8-K dated January 11, 2001, announced completion of the MicroTouch Systems, Inc. tender offer.

The Form 8-K dated December 7, 2000, contains the indenture dated November 17, 2000, concerning senior debt securities.

The Form 8-K dated December 6, 2000, announced W. James McNerney, Jr. has been elected chairman and chief executive officer, effective January 1, 2001, succeeding L. D. DeSimone.

The Form 8-K dated November 20, 2000, announced that the 3M Board of Directors authorized the repurchase of up to 10 million shares of the company's stock, effective January 1, 2001 to December 31, 2001.

The Form 8-K dated October 23, 2000, announced 3M's unaudited quarterly consolidated sales and earnings for the third quarter of 2000.

(c) Exhibits:
<TABLE>
<CAPTION>

Incorporated by Reference:

<S>	Incorporated by Reference in the Report From <C>
(3.1) Certificate of incorporation, as amended as of May 9, 2000.	Form 8-K dated July 27, 2000.
(3.2) Bylaws, as amended as of November 11, 1996.	Form 8-K dated November 20, 1996.

</TABLE>

(c) Exhibits (continued):
<TABLE>
<CAPTION>
Incorporated by Reference:

<S>	Incorporated by Reference in the Report From <C>
(4) Instruments defining the rights of security holders, including debentures:	
(4.1) common stock.	Registration No. 333-49830 on Form S-4/A filed on January 11, 2001. Registration No. 333-42660 on Form S-3/A filed on August 18, 2000.
(4.2) debt securities.	Form 8-K dated December 7, 2000 and Registration No. 333-48922 on Form S-3/A filed on January 12, 2001.
(10) Material contracts, management remuneration:	
(10.1) management stock ownership program.	Exhibit 4 of Registration No. 333-30689 on Form S-8.
(10.2) profit sharing plan, performance unit plan and other compensation arrangements.	Written description contained in issuer's proxy statement for the 2001 annual shareholders' meeting.
(10.3) director stock ownership program	Exhibit 4 of Registration Statement No. 333-44692 on Form S-8 filed on August 29, 2000.

</TABLE>

<TABLE>
<CAPTION>

<S>	Reference (pages) Form 10-K <C>
Submitted herewith:	
(10) Employment agreement dated December 4, 2000 between Registrant and W. James McNerney, Jr.	57 - 76
(12) Calculation of ratio of earnings to fixed charges.	77
(21) Subsidiaries of the registrant.	78
(23) Consent of independent auditors.	79
(24.1) Power of attorney.	80
(24.2) Power of attorney.	81
(24.3) Power of attorney.	82
(Exhibits 24.2 and 24.3 both supplement the Power of Attorney filed as Exhibit 24 on October 30, 2000 as part of the Registration Statement on Form S-3 (File Number 333-48922).	
(27) Financial data schedule for the year ended December 31, 2000 (EDGAR filing only).	

</TABLE>

SIGNATURES

Pursuant to the requirements of Section 13 of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MINNESOTA MINING AND MANUFACTURING COMPANY

By /s/ Robert J. Burgstahler
Robert J. Burgstahler, Vice President
Principal Financial and Accounting Officer
February 20, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated on February 20, 2001.

Signature	Title
W. James McNerney, Jr.	Chairman of the Board and Chief Executive Officer, Director
Linda G. Alvarado	Director
Ronald O. Baukol	Director
Edward A. Brennan	Director
Livio D. DeSimone	Director
Edward M. Liddy	Director
Aulana L. Peters	Director
Rozanne L. Ridgway	Director
Frank Shrontz	Director
Louis W. Sullivan	Director

Roger P. Smith, by signing his name hereto, does hereby sign this document pursuant to powers of attorney duly executed by the other persons named, filed with the Securities and Exchange Commission on behalf of such other persons, all in the capacities and on the date stated, such persons constituting a majority of the directors of the company.

By /s/ Roger P. Smith
Roger P. Smith, Attorney-in-Fact

EXHIBIT 10

EMPLOYMENT AGREEMENT
between
Minnesota Mining and Manufacturing Company
and
W. James McNerney, Jr.

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (the "Agreement") dated as of December 4, 2000 (the "Agreement Date") between Minnesota Mining and Manufacturing Company, a corporation incorporated under the laws of Delaware, with its corporate headquarters in St. Paul, Minnesota (the "Company"), and W. James McNerney, Jr. ("Executive").

WHEREAS, the Company desires to employ Executive to serve as its Chief Executive Officer and Chairman of its Board, upon the terms and subject to the conditions set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein, the Company and Executive hereby agree as follows:

Article I.

DEFINITIONS

The terms set forth below have the following meanings (such meanings to be applicable to both the singular and plural forms, except where otherwise expressly indicated):

1.1 "Accrued Annual Bonus" means the amount of any Annual Bonus earned but not yet paid with respect to the Fiscal Year ended prior to the Date of Termination.

1.2 "Accrued Base Salary" means the amount of Executive's Base Salary which is accrued but not yet paid as of the Date of Termination.

1.3 "Actual Company Pension Benefits" means a single life annuity amount commencing at age 62 and payable in monthly installments to Executive for his life of the Actuarial Equivalent of the amounts that the Executive has actually received, or is entitled to receive, from the Company's Pension Plans.

1.4 "Actual Prior Employer Pension Benefits" means a single life annuity amount commencing at age 62 and payable in monthly installments to Executive for his life of the Actuarial Equivalent of the amounts that the Executive has actually received, or is entitled to receive, from the Prior Employer's Pension Plans.

1.5 "Actuarial Equivalent" of any amount shall be determined in accordance with generally accepted actuarial principles using interest rate, mortality and other methods and assumptions that the Pension Benefit Guaranty Corporation ("PBGC") would use in determining the value of an immediate annuity payment of benefits, or if such interest rate and mortality assumptions are no longer published by the PBGC, interest rate and mortality assumptions determined in a manner as similar as practicable to the manner by

which the PBGC's interest rate and mortality assumptions were determined immediately prior to the PBGC's cessation of publication of such assumptions.

1.6 "Affiliate" means any Person directly or indirectly controlling, controlled by, or under direct or indirect common control with, Company. For the purposes of this definition, the term "control" when used with respect to any Person means the power to direct or cause the direction of management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

1.7 "Agreement" -- see the recitals to this Agreement.

1.8 "Agreement Date" means the date specified in the recitals to this Agreement.

1.9 "Anniversary Date" means any annual anniversary of the Commencement Date.

1.10 "Annual Bonus" -- see Section 4.2(a).

1.11 "Annualized Total Compensation" means, as of any date, the sum of

Executive's Base Salary as of such date and the Target Annual Bonus applicable to the year that includes such date.

1.12 "Base Salary" -- see Section 4.1.

1.13 "Beneficiary" -- see Section 10.5.

1.14 "Board" means the Company's Board of Directors.

1.15 "Cause" means any of the following:

(a) Executive's conviction of:

(i) a felony, or

(ii) a misdemeanor excluding a petty misdemeanor (as defined in Minnesota or a comparable misdemeanor under the laws of another state) involving fraud, dishonesty or moral turpitude,

other than Limited Vicarious Liability or a routine traffic violation,

(b) Executive's material breach of this Agreement, provided that such breach is not cured within 10 days after delivery to Executive of a notice from the Board requesting cure,

(c) the willful or intentional material misconduct by Executive in the performance of his duties under this Agreement, or

(d) the willful or intentional failure by Executive to materially comply (to the best of his ability) with a specific, written direction of the Board that is consistent with normal business practice and not inconsistent with this Agreement and Executive's responsibilities hereunder, provided that such refusal or failure (i) is not cured to the best of Executive's ability within 10 days after the delivery thereof to Executive and (ii) is not based on Executive's good faith belief, as expressed by written notice to the Board given within such 10-day period, that the implementation of such direction of the Board would be unlawful or unethical.

For purposes of the preceding sentence, "Limited Vicarious Liability" shall mean any liability which is (i) based on acts of the Company for which

Executive is responsible solely as a result of his office(s) with the Company and (ii) provided that (x) he was not directly involved in such acts and either had no prior knowledge of such intended actions or promptly acted reasonably and in good faith to attempt to prevent the acts causing such liability or (y) he did not have a reasonable basis to believe that a law was being violated by such acts.

For purposes of clause (b) and (c) above, Cause shall not include any one or more of the following:

(i) bad judgment,

(ii) negligence,

(iii) any act or omission that Executive believed in good faith to have been in or not opposed to the interest of the Company (without intent of Executive to gain therefrom, directly or indirectly, a profit to which he was not legally entitled), or

(iv) any act or omission of which any member of the Board who is not a party to such act or omission has had actual knowledge for at least six months.

1.16 "Change of Control" means any of the following events:

(a) any person (as such term is used in Rule 13d-5 under the Exchange Act) or group (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), other than a Subsidiary or any employee benefit plan (or any related trust) of Company or a Subsidiary, becomes the beneficial owner of 20% or more of the Common Shares or of securities of Company that are entitled to vote generally in the election of directors of Company ("Voting Securities") representing 20% or more of the combined voting power of all Voting Securities of Company;

(b) individuals who, as of the Agreement Date, constitute the Board (the "Incumbent Directors") cease for any reason to constitute at least 50% of the members of the Board; provided that any individual who becomes a director after the Agreement Date whose election or nomination for election by Company's shareholders was approved by a majority of the members of the Incumbent Board (other than an election or nomination of

an individual whose initial assumption of office is in connection with an actual or threatened "election contest" relating to the election of the directors of Company (as such terms are used in Rule 14a-11 under the Exchange Act), "tender offer" (as such term is used in Section 14(d) of the Exchange Act) or a proposed Merger (as defined below)) shall be deemed to be members of the Incumbent Board;

(c) approval by the stockholders of Company of either of the following:

(i) a merger, reorganization, consolidation or similar transaction (any of the foregoing, a "Merger") as a result of which the individuals and entities who were the respective beneficial owners of Common Shares and Voting Securities of Company immediately before such Merger are not expected to beneficially own, immediately after such Merger, directly or indirectly, more than 50% of, respectively, the common stock and the combined voting power of the Voting Securities of the corporation resulting from such Merger in substantially the same proportions as immediately before such Merger, or

(ii) a plan of liquidation of Company or a plan or agreement for the sale or other disposition of all or substantially all of the assets of Company, other than such a sale or disposition to an entity which is, directly or indirectly more than 50% owned by the Company or an entity of which the individuals and entities who were the respective beneficial owners of Common

Shares and Voting Securities of Company immediately before such sale or other disposition beneficially owned immediately after such sale or other disposition directly or indirectly more than 50% of, respectively, the common stock and the combined voting power of the Voting Securities of the corporation to which such sale or other disposition was made.

Notwithstanding the foregoing, there shall not be a Change in Control if, in advance of such event, Executive agrees in writing that such event shall not constitute a Change in Control.

1.17 "Code" means the Internal Revenue Code of 1986, as amended from time to time.

1.18 "Commencement Date" means January 1, 2001.

1.19 "Committee" means the Compensation Committee of the Board.

1.20 "Common Shares" means the common shares, par value $0.01 per share, of Company.

1.21 "Company" -- see the recitals to this Agreement.

1.22 "Competitor" -- see Section 9.1(b).

1.23 "Confidential Information" -- see Section 9.1(d).

1.24 "Date of Termination" means the effective date of a Termination of Employment for any reason, including death or Disability, whether by the Company or by Executive.

1.25 "Disability" means a mental or physical condition which, in the good faith opinion of the Board, renders Executive, with reasonable accommodation, unable or incompetent to carry out the material job responsibilities which Executive held or the material duties to which Executive was assigned at the time the disability was incurred, which has existed for at least three months and which in the opinion of a physician mutually agreed upon by Company and Executive (provided that neither party shall unreasonably withhold such agreement) is expected to be permanent or to last for an indefinite duration or a duration in excess of six months.

1.26 "Employment Period" -- see Section 3.1.

1.27 "Exchange Act" means the United States Securities Exchange Act of 1934.

1.28 "Executive" -- see the recitals to this Agreement.

1.29 "Expiration Date" -- see Section 3.1.

1.30 "Expiration Notice" -- see Section 3.1.

1.31 "Fair Market Value" of a Common Share means, as of any date, the average of the high and low prices of such security on such date reported on the New York Stock Exchange Composite Transactions, rounded upwards to the nearest $0.05, or if not so reported for the specified date, the immediately preceding date for which the average is reported.

1.32 "Fiscal Year" means the calendar year period ending each December 31.
"Good Reason" means the occurrence of any one of the following events unless Executive specifically agrees in writing that such event shall not be Good Reason:

(a) any material breach of the Agreement by the Company, including:

(i) the material failure of the Company to comply with the provisions of Articles II, III, IV, V, VI or VII of this Agreement;

(ii) any material adverse change in the status, responsibilities or perquisites of Executive;

(iii) any failure to nominate or elect Executive as Chief Executive Officer of the Company or as Chairman of the Company's Board;

(iv) causing or requiring Executive to report to anyone other than the Board;

(v) assignment of duties materially inconsistent with his positions and duties described in this Agreement; or

(vi) the Company giving an Expiration Notice pursuant to Section 3.1,

provided, however, that no act or omission described in Subsection 1.33(a) shall constitute Good Reason unless Executive gives Company 30 days' prior written notice of such act or omission and the Company fails to cure such act or omission within the 30-day period (except that Executive shall not be required to provide such notice in case of intentional acts or omissions by the Company),

(b) the failure of the Company to assign this Agreement to a successor to the Company or failure of a successor to the Company to explicitly assume and agree to be bound by the Agreement, or

(c) the requiring of Executive to be principally based at any office or location more than 30 miles from the current corporate offices of Company in St. Paul, Minnesota.

1.34 "Hypothetical Prior Employer Pension Benefits" means a benefit payable in the form of a single life annuity amount commencing at age 62 and payable in monthly installments to Executive for his life equal to one-twelfth (1/12th) multiplied by 50% of the Executive's highest average annual compensation, where "highest average annual compensation" is the annual average of the Executive's compensation for the three consecutive calendar years out of the last ten calendar years preceding Termination of Employment during which such average is the highest. For purposes of determining Executive's highest average annual compensation, compensation paid to Executive by the Company or the Prior Employer shall be taken into account to the same extent such compensation would have been taken into account for purposes of such determination under the Prior Employer's Pension Plans if such compensation were with or paid by the Prior Employer. In addition, solely for purposes of calculating the Executive's compensation for this purpose, in the event of a Termination Without Cause or a Termination for Good Reason, Executive shall be treated as having earned the Severance Payment ratably over the course of the Severance Period.

1.35 "Including" means including without limitation.

1.36 "Incumbent Directors" -- see Section 1.16(b).

1.37 "Initial Option" -- see Section 5.1.

1.38 "Initial Performance Units" -- see Section 5.5.

1.39 "Limited Vicarious Liability" -- see Section 1.15.

1.40 "Make Whole Option" -- see Section 5.1.

1.41 "Make Whole Restricted Stock" -- see Section 5.8.

1.42 "Maximum Annual Bonus" -- see Section 4.2(b).

1.43 "Maximum Annual Goals" -- see Section 4.2(b).

1.44 "Merger" -- see Section 1.16(c).

1.45 "Notice of Consideration" -- see Section 8.1(b).

1.46 "Option" means an option to purchase Common Shares.

1.47 "Option Term" -- see Section 5.3(b).

1.48 "Other Accrued Benefit" means any right to benefits or payments not expressly provided herein under the terms of the governing policy or program which has irrevocably accrued as of the Date of Termination.

1.49 "PBGC" -- see Section 1.5.

1.50 "Pension Plan" means a defined benefit plan which is a qualified retirement plan under Code Section 401(a) or a nonqualified retirement plan or arrangement.

1.51 "Person" means any individual, sole proprietorship, partnership, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, entity or government instrumentality, division, agency, body or department.

1.52 "Prior Employer" means General Electric Company.

1.53 "Pro Rata Annual Bonus" means an amount payable in cash equal to the product of (a) the amount of the Target Annual Bonus to which Executive would have been entitled if he had been employed by the Company on the last day of the Fiscal Year that includes the Date of Termination and if Executive had achieved his Target Annual Goals for such Fiscal Year, multiplied by (b) a fraction of which the numerator is the numbers of days which have elapsed in such Fiscal Year through the Date of Termination and the denominator is 365.

1.54 "Pro Rata Retirement Benefit" -- see Section 7.1(b).

1.55 "Severance Multiple" means, if Executive receives a Severance Payment under Section 8.3, the number by which Executive's Annualized Total Compensation is multiplied under Section 8.3(b).

1.56 "Severance Payment" means the payment of a multiple of Executive's Annualized Total Compensation pursuant to Section 8.3(b).

1.57 "Severance Period" means the number of years equal to the Severance Multiple.

1.58 "Stock Ownership Program" -- see Section 5.1.

1.59 "Subsequent Options" -- see Section 5.2.

1.60 "Subsequent Performance Units" -- see Section 5.7.

1.61 "Subsidiary" means, with respect to any Person, (a) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by such Person, and (b) any partnership in which such Person has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%.

1.62 "Supplemental Retirement Benefit" -- see Section 7.1.

1.63 "Target Annual Bonus" -- see Section 4.2(b).

1.64 "Target Annual Goals" -- see Section 4.2(b).

1.65 "Taxes" means the incremental United States federal, state and local income, excise and other taxes (including interest and penalties) payable by Executive with respect to any applicable item of income.

1.66 "Tax Gross-Up Payment" means an amount payable to Executive such that after payment of Taxes on such amount there remains a balance sufficient to pay the Taxes being reimbursed.

1.67 "Termination For Good Reason" means a Termination of Employment by Executive for a Good Reason, whether during or after the Employment Period.

1.68 "Termination of Employment" means a termination by the Company or by Executive of Executive's employment by the Company.

1.69 "Termination Without Cause" means a Termination of Employment by Company for any reason other than Cause or Executive's death or Disability, whether during or after the Employment Period.

1.70 "2001 Option" -- see Section 5.2.

1.71 "Voting Securities" -- see Section 1.16(a).

1.72 "Withholding Taxes" means any federal, state, provincial, local or foreign withholding taxes and other deductions required to be paid in accordance with applicable law by reason of compensation received pursuant to this Agreement.

1.73 "Year of Service" shall mean the 12-month period beginning on the Commencement Date and each 12-month period beginning on each Anniversary Date thereafter in which Executive remains continuously employed by the Company. In the event of a Termination Without Cause or a Termination for Good Reason (whether during or after the Employment Period), Executive shall also be credited with the number of Years of Service equal to the Severance Period.

Article II.

DUTIES

2.1 Duties. The Company shall employ Executive during the Employment Period as its Chief Executive Officer. Executive shall also be nominated for election as a director of the Company at the earliest opportunity, and upon such election the Board shall elect Executive to serve as its Chairman effective January 1, 2001. During the Employment Period, excluding any periods of disability, vacation, or sick leave to which Executive is entitled,

Executive shall perform the duties properly
assigned to him hereunder, shall devote substantially all of his business time, attention and effort to the affairs of the Company and shall use his reasonable best efforts to promote the interests of the Company.

2.2 Other Activities. Executive may serve on corporate, civic or charitable boards or committees, deliver lectures, fulfill speaking engagements or teach at educational institutions, or manage personal investments, provided that such activities do not individually or in the aggregate materially interfere with the performance of Executive's duties under this Agreement.

Article III.

EMPLOYMENT PERIOD

3.1 Employment Period. Subject to the termination provisions hereinafter provided, the term of Executive's employment under this Agreement (the "Employment Period") shall begin on the Commencement Date and end on the Anniversary Date which is three years after such date, provided that for the period from the Agreement Date until the Commencement Date, Executive shall be a part-time employee of the Company providing the Company with such services as Executive determines he can provide consistent with Executive's obligations to the Prior Employer. Notwithstanding the preceding sentence, commencing on the first Anniversary Date the Employment Period shall be extended each day by one day to create a new two year term until, at any time at or after the first Anniversary Date, the Company or the Executive delivers a written notice (an "Expiration Notice") to the other party that the Agreement shall expire on a date specified in the Expiration Notice (the "Expiration Date") that is not less than 24 months after the date the Expiration Notice is delivered by one party to the other party. The employment of Executive by the Company shall not be terminated other than in accordance with Article VIII.

Article 4.

COMPENSATION

4.1 Salary. The Company shall pay Executive in accordance with the normal payroll practices of the Company (but not less frequently than monthly) an annual salary at a rate of $1,300,000 per year ("Base Salary") beginning on the Commencement Date. During the Employment Period, the Base Salary shall be reviewed at least annually and may be increased from time to time as shall be determined by the Committee, after consultation with Executive. Any increase in Base Salary shall not limit or reduce any other obligation of the Company to Executive under this Agreement. Base Salary shall not be reduced at any time without the express written consent of Executive.

4.2 Annual Bonus.

(a) The Company shall pay to Executive an annual bonus ("Annual

Bonus") for each Fiscal Year which begins during the Employment Period. Executive shall be eligible for an Annual Bonus ranging from zero to the Maximum Annual Bonus. Except as noted below, the Annual Bonus shall be paid and otherwise subject to the terms of the Company's Executive Profit Sharing Plan, as may be amended, and any successor to such plan.

(b) If Executive achieves his target performance goals (the "Target Annual Goals"), as determined by the Committee on an annual basis after consulting with Executive, such Annual Bonus shall be designed to realize $2,200,000 (the "Target Annual Bonus"). Such performance goals shall be set by the Committee

within 90 days after the first day of the applicable Fiscal Year. The actual amount of any Annual Bonus may fluctuate with the Company's performance.

(c) The Company shall pay the Annual Bonus in a payment of cash, Common Shares (including restricted shares), or a combination thereof determined by the Committee at such times and in such manner as is consistent with the treatment of other senior executives of the Company and with the provisions of the Company's Executive Profit Sharing Plan or its successor plan.

(d) Notwithstanding the above provisions of this Section 4.2, the minimum Annual Bonus for the 2001 Fiscal Year shall be $2,400,000 of which amount $1,440,000 shall be paid in cash and $960,000 shall be paid in nonforfeitable unrestricted or restricted Common Shares.

Article V.

STOCK GRANTS AND PERFORMANCE UNITS GRANTS

5.1 Initial and Make Whole Option Grants. Company has granted to Executive, effective as of the Agreement Date, an Option to purchase 400,000 Common Shares (the "Initial Option") and an option to purchase 200,000 Common Shares ("Make Whole Option"), subject to the terms of the Company's 1997 Management Stock Ownership Program ("Stock Ownership Program").

5.2 Subsequent Option Grants. In May 2001 the Committee shall grant Executive an Option ("2001 Option") to purchase such number of Common Shares as shall result in the 2001 Option having a Black-Scholes value of $7,000,000 as of the date of grant, subject to the terms and conditions of the Stock Ownership Program. The Committee shall in its discretion consider Executive for possible future annual or other grants of Options ("Subsequent Options") for Fiscal Year 2002 and each Fiscal Year thereafter during the Employment Period, as determined by the Committee in its discretion based on Executive's performance and consistent with the treatment of other senior executives of the Company. Such Subsequent Options shall be subject to the terms of the Stock Ownership Program or applicable successor program.

5.3 Terms and Conditions of Options.

(a) The exercise price of each Initial Option, Make Whole Option and 2001 Option, respectively, shall be the Fair Market Value of a Common Share as of the Agreement Date (in the case of the Initial Option and Make Whole Option) and as of the date of grant (in the case of the 2001 Option).

(b) Each Initial Option, Make Whole Option and 2001 Option (i) shall have a term (the "Option Term") equal to 10 years commencing on its grant date, and (ii) shall not be transferable by Executive during his lifetime, except as permitted by the Stock Ownership Program.

(c) The Initial Option shall become exercisable in increments of 20% on each of the first five Anniversary Dates, and the Make Whole Option shall become exercisable in increments of one-third on each of the first three Anniversary Dates, if Executive remains continuously employed by the Company from the Commencement Date to each such applicable Anniversary Date; provided that such Options shall each become exercisable in full before such applicable Anniversary Dates, immediately upon a Termination of Employment by reason of the death or Disability of Executive, a Termination Without Cause, a Termination for Good Reason, or a Change of Control. The 2001 Option shall become exercisable at the time or times specified by the Committee at the date of grant in accordance with the terms and conditions of the Stock Ownership Program and consistent with the treatment of other senior executives of the Company.

(d) Each Initial Option, Make Whole Option and 2001 Option may be exercised after a Termination of Employment, to the extent exercisable as of the Date of Termination (whether by reason of the proviso to the preceding sentence or otherwise), as follows:

(i) in the event of a Termination of Employment by reason of death or Disability of Executive, until two years after the Date of Termination,

(ii) in the event of a Termination Without Cause or a Termination for Good Reason, until two years after the Date of Termination,

(iii) in the event of a Termination for Cause, such Option shall expire on the Date of Termination, and

(iv) in the event of a Termination of Employment by Executive without Good Reason (other than as a result of death or Disability), until 90 days after the Date of Termination,

provided, however, that in no event shall any Option be exercisable after the expiration of the applicable Option Term.

(e) Each Subsequent Option (other than the 2001 Option) shall be exercisable at times and on terms and conditions established by the Committee in the grant of such Subsequent Option under the Stock Ownership Program or applicable successor program.

5.4 Manner of Exercise of Options. An Option or any part thereof shall be exercised by Executive or, if after his death, a Beneficiary, by a written notice to Company stating the number of Common Shares with respect to which the Option is being exercised and payment of the exercise price of the Option and any Withholding Taxes in connection with such exercise in accordance with the Stock Ownership Program or applicable successor program. Company shall deliver the purchased Common Shares promptly after its receipt of notice of exercise and payment.

5.5 Initial Performance Units. Company has granted to Executive with respect to the performance period commencing January 1, 2001 and ending December 31, 2003, ten thousand (10,000) performance units ("Initial Performance Units"), subject to the terms of the Company's Performance Unit Plan. The Initial Performance Units shall have a payment value per unit at target equal to $100 per unit, a guaranteed minimum of $100.00 per unit and a maximum of $200.00 per unit. The unit value (subject to the minimum guaranteed value) shall depend upon the degree to which performance goals are achieved over the performance period.

5.6 Terms and Conditions of Initial Performance Units.

(a) Except as provided in (b) below, the Initial Performance Units shall be subject in all respects to the terms and conditions of the Company's Performance Unit Plan, as amended from time to time.

(b) The Executive shall vest in the Initial Performance Units at the end of the initial performance period (December 31, 2003) if Executive remains continuously employed by the Company from the Commencement Date to the end of the initial performance period; provided, however, Executive shall immediately become vested in the Initial Performance Units in the event of Executive's Termination of Employment by reason of death or Disability, a Termination Without Cause, a Termination for Good Reason, or a Change of Control prior to the end of the initial performance period. In the event of such accelerated vesting, the value of the Initial Performance Units shall be an amount equal

to the number
of Initial Performance Units, valued at target, multiplied by a fraction, the numerator of which is the number of days which have elapsed commencing January 1, 2001 and ending on the Date of Termination or Change of Control and the denominator of which is the total number of days from January 1, 2001 through December 31, 2003.

5.7 Subsequent Performance Units. The Committee shall in its discretion consider Executive for possible future annual or other grants of performance units ("Subsequent Performance Units") during the Employment Period, as determined by the Committee in its discretion based upon Executive's performance and consistent with the treatment of other senior executives of the Company. Such Subsequent Performance Units shall be subject to the terms of the Performance Unit Plan, as may be amended, or applicable successor plan.

5.8 Make Whole Restricted Stock. The Company has granted to Executive 110,000 shares of Restricted Stock ("Make Whole Restricted Stock") subject to the terms of the Stock Ownership Program. The Make Whole Restricted Stock grant shall become vested in increments of 10% on each of the first ten Anniversary Dates if the Executive remains continuously employed by the Company from the Commencement Date to each such Anniversary Date; provided, however, that upon a Termination Without Cause or a Termination for Good Reason on or after the third Anniversary Date, the vesting percentage determined under the preceding clause of

this sentence shall be increased by 30 percentage points (but not in excess of 100%); provided, further, that upon a Termination Without Cause or a Termination for Good Reason prior to the third Anniversary Date, the aggregate vesting percentage for the Make Whole Restricted Stock shall be 50%; and provided, further, that Executive shall immediately become vested in all of the Make Whole Restricted Stock in the event of Executive's Termination of Employment by reason of death or Disability, or a Change of Control. Executive shall be paid in cash an amount equal to the dividends payable in respect of the Make Whole Restricted Stock (whether or not vested) as and when dividends are paid on Common Shares generally. If Executive has a Termination of Employment (other than by reason of death or Disability) prior to vesting in all of the Make Whole Restricted Stock, the shares of Make Whole Restricted Stock which are not vested as of the Date of Termination shall be forfeited (and the payment of dividends in respect of such shares shall cease) unless the Committee in its sole discretion determines to vest all or any portion of the unvested shares.

Article VI.

OTHER BENEFITS

6.1 Incentive, Savings and Retirement Plans. In addition to Base Salary and an Annual Bonus, Executive shall be entitled to participate during the Employment Period in all incentive, savings and retirement plans, practices, policies and programs that are from time to time applicable to other senior executives of the Company in accordance with their terms as in effect from time to time.

6.2 Welfare Benefits. During the Employment Period, Executive and/or his family, as the case may be, shall be eligible for participation in and shall receive all benefits under welfare benefit plans, practices, policies and programs provided by the Company (including medical, prescription, dental, disability, salary continuance, employee life, group life, dependent life, accidental death and travel accident insurance plans and programs) applicable to other senior executives of the Company in accordance with their terms as in effect from time to time.

6.3 Fringe Benefits. During the Employment Period, Executive shall be entitled to fringe benefits applicable to other senior executives of the Company.

6.4 Vacation. During the Employment Period, Executive shall be entitled to paid vacation time in accordance with the plans, practices, policies, and programs applicable to other senior executives of the Company, but in no event shall such vacation time be less than four weeks per calendar year.

6.5 Expenses. During the Employment Period, Executive shall be entitled to receive prompt reimbursement for all reasonable employment-related expenses incurred by Executive upon the receipt by the Company of an accounting in accordance with practices, policies and procedures applicable to other senior executives of the Company.

6.6 Office; Support Staff. During the Employment Period, Executive shall be entitled to an office or offices of a size and with furnishings and other appointments, and to personal secretarial and other assistance, appropriate to his position and duties under this Agreement.

6.7 Tax Gross-Up Payment. If it shall be determined that any payment to Executive pursuant to this Agreement or any other payment or benefit from the Company, any Affiliate, or any other person would be subject to the excise tax imposed by Section 4999 of the Code or any similar tax payable under any United States federal, state, local or other law, then Executive shall receive a Tax Gross-Up Payment with respect to all such excise taxes and similar taxes.

6.8 Relocation Expenses. Company shall pay Executive's reasonable expenses related to the relocation of his primary residence to the Minneapolis - St. Paul, Minnesota area, in accordance with Company's relocation policy applicable to senior executives, including expenses of periodic travel between Executive's current primary residence and Minneapolis-St. Paul and reasonable temporary living expenses for the Executive and his family for a period not to exceed one year from the Agreement Date. The relocation payments shall also include provision for the Company to purchase Executive's current principal residence as provided below. If any payment of relocation expenses (other than payments with respect to the purchase of Executive's principal residence) is subject to Taxes, the Company shall pay Executive a Tax Gross-Up Payment with respect to such Taxes. From the Commencement Date through March 31, 2001, the Company shall have no obligation to purchase Executive's current principal residence. During such period, the

Executive shall take such steps as are practicable to sell such residence at then-prevailing value. In the event Executive does not sell his current principal residence on or prior to March 31, 2001, as soon as practicable after such date the Company shall purchase, or cause Executive's current principal residence to be purchased, at the then-prevailing value as determined by an appraiser mutually agreed upon by the Company and the Executive for this purpose. The purchase shall be on such terms and conditions as are generally contained in transactions of such nature.

Article VII.

SUPPLEMENTAL RETIREMENT BENEFIT

7.1 Supplemental Retirement Benefit. Executive shall be entitled to the following supplemental retirement benefit (the "Supplemental Retirement Benefit") in accordance with the terms of this Article VII:

(a) Upon Completion of 10 Years of Service. Upon the completion of at least 10 Years of Service, Executive shall receive a Supplemental Retirement Benefit equal to:

(i) the Hypothetical Prior Employer Pension Benefits,

minus

(ii) the sum of the Actual Prior Employer Pension Benefits, Actual Company Pension Benefits, and benefits paid or payable to Executive under any other employer's Pension Plan with respect to service prior to the Commencement Date.

If the remainder is zero or less, no amount shall be payable by Company hereunder.

(b) Upon Completion of Less Than 10 Years of Service. Upon completion of less than 10 Years of Service, Executive shall receive a prorated Supplemental Retirement Benefit (the "Pro Rata Retirement Benefit") determined by multiplying the Supplemental Retirement Benefit described in Section 7.1(a) above by a fraction (not to exceed 1.0), the numerator of which is the number of Executive's whole and partial Years of Service as of the date of the Termination of Employment and the denominator of which is 10.

7.2 Payment. Any benefits payable under this Article VII shall be paid as of the Date of Termination or, if earlier, the first date of a Change of Control in a lump sum equal to the Actuarial Equivalent present value of an annuity described in Subsection 7.1(a) or (b) above. In the event of a Termination of Employment by reason of Executive's death, the amount of such lump sum payment to the Beneficiary shall equal the lump sum payment that would have been payable to Executive if he had been alive on the Date of Termination and had been fully vested as to the Supplemental Retirement Benefit or, if applicable, Pro Rata Retirement Benefit. The benefit may also be paid in the form of a commercially available annuity or life insurance contract that is mutually agreeable to the parties.

7.3 Vesting. Executive shall become fully vested in the benefits under this Article VII on the fifth Anniversary Date provided the Executive remains continuously employed by the Company from the Commencement Date to such fifth Anniversary Date, except that, in the event of Executive's Termination of Employment by reason of death or Disability, a Termination Without Cause, a Termination for Good Reason, or a Change of Control, Executive shall immediately be vested as to such benefits. If Executive shall have a Termination of Employment for any other reason prior to completion of five Years of Service or prior to the first date of a Change of Control, Executive shall forfeit and shall not receive any portion of the Supplemental Retirement Benefit.

7.4 Other Retirement Benefits. Executive shall participate in, and be entitled to benefits under, any other retirement plans of the Company which are not qualified under Section 401(a) of the Code, to the extent provided in such plan or arrangement.

Article VIII.

TERMINATION BENEFITS

8.1 Termination for Cause or Other Than for Good Reason, etc.

(a) If Company terminates Executive's employment for Cause or Executive terminates his employment other than for Good Reason, death or Disability,

Company shall pay to Executive immediately after the Date of Termination an amount equal to the sum of Executive's Accrued Base Salary, Accrued Annual Bonus, and Other Accrued Benefits and Executive shall not be entitled to receive any Severance Payment.

(b) Company may not terminate Executive's employment for Cause unless:

(i) no fewer than 30 days prior to the Date of Termination, Company provides Executive with written notice (the "Notice of Consideration") of its intent to consider termination of Executive's employment for Cause, including a detailed description of the specific reasons which form the basis for such consideration;

(ii) after providing Notice of Consideration, the Board may, by the affirmative vote of a majority of its members (excluding for this purpose Executive if he is a member of the Board, any other management member of the Board and any other member of the Board reasonably believed by the Board to be involved in the events leading to the Notice of Consideration), suspend Executive with pay until a final determination pursuant to this Section has been made;

(iii) on a date designated in the Notice of Consideration, which date shall be at least 30 days following the date the Notice of Consideration is provided, Executive shall have the opportunity to appear before the Board, with or without legal representation, at Executive's election, to present arguments and evidence on his own behalf; and

(iv) following the presentation to the Board as provided in (iii) above or Executive's failure to appear before the Board at the date and time specified in the Notice of Consideration, Executive may be terminated for Cause only if the Board, by the two-thirds vote of its members (excluding Executive if he is a member of the Board, any other management member of the Board and any other member of the Board reasonably believed by the Board to be involved in the events leading the Board to consider terminating Executive for Cause), determines that the actions or inactions of Executive specified in the Notice of Termination occurred, that such actions or inactions constitute Cause, and that Executive's employment should accordingly be terminated for Cause.

8.2 Termination for Death or Disability. If, before the end of the Employment Period, Executive's employment terminates due to his death or Disability, Company shall pay to Executive or his Beneficiaries, as the case may be, immediately after the Date of Termination an amount which is equal to the sum of Executive's Accrued Base Salary, Accrued Annual Bonus, Pro Rata Annual Bonus, and Other Accrued Benefits.

8.3 Termination Without Cause or for Good Reason. In the event of a Termination Without Cause or a Termination for Good Reason (whether during or after the Employment Period), subject to Section 8.5 Executive shall receive the following:

(a) immediately after the Date of Termination, a lump sum cash amount in immediately available funds equal to the sum of Executive's Accrued Base Salary, Accrued Annual Bonus, Pro Rata Annual Bonus, and Other Accrued Benefits;

(b) immediately after the Date of Termination, a lump sum cash amount in immediately available funds equal to three (3) times Executive's Annualized Total Compensation;

(c) the benefits (or, if such benefits are not available, the value thereof) specified in Section 6.2 to which Executive is entitled as of the Date of

Termination for the Severance Period, provided that such benefits shall be reduced by any similar benefits provided by a subsequent employer; provided further that (i) with respect to any benefit to be provided on an insured basis, such value shall be the present value of the premiums expected to be paid for such coverage, and with respect to other benefits, such value shall be the present value of the expected net cost to Company of providing such benefits and (ii) from and after the Date of Termination, Executive shall not become entitled to any additional awards under Section 6.1 or any plans, practices, policies or programs of the Company; and

(d) immediately after the Date of Termination, a lump-sum amount in immediately available funds of any amount then payable to Executive pursuant to Section 6.7.

8.4 Other Termination Benefits or Remedies. The amounts payable hereunder are in lieu of any other termination or severance payments or benefits entitlement of Executive, including under any other programs of the Company, any Subsidiary or their Affiliates. The amounts payable hereunder shall reduce and be in full satisfaction of any statutory

entitlement (including notice of termination, termination pay and severance pay) of Executive upon a Termination of Employment, and shall constitute Executive's exclusive remedy for any damages relating to a Termination of Employment for any reason.

8.5 General Release. Executive's rights to payment under Section 8.3 shall be contingent upon the Executive's execution of a general release of any and all claims Executive may have, whether known or not known, against Company, the Subsidiaries, Affiliates and their past and present directors, officers, and employees and agents, for events or causes of action occurring through the date of the release, including those arising from Executive's employment or Termination of Employment hereunder. The release shall be substantially the form attached hereto as Attachment A as may be required by Company.

Article IX

RESTRICTIVE COVENANTS

9.1 Non-Solicitation of Employees; Confidentiality; Non-Competition.

(a) Executive covenants and agrees that, during the Employment Period and during the one-year period immediately following any Termination of Employment, Executive will not:

(i) directly or indirectly employ or seek to employ any person employed at that time by Company or any of its Subsidiaries or otherwise encourage or entice any such person to leave such employment;

(ii) become employed by, enter into a consulting arrangement with or otherwise agree to perform personal services for a Competitor (as defined in Section 9.1(b));

(iii) acquire an ownership interest in a Competitor, other than not more than a 2% equity interest in a publicly-traded Competitor; or

(iv) solicit any customers or vendors of Company or its Subsidiaries on behalf of or for the benefit of a Competitor.

(b) For purposes of this Section, "Competitor" means any Person which sells goods or services in the geographic area described below, which goods or services are the same or similar to (or may be used as a substitute therefore) those sold by a business that (i) is being conducted by Company or any

Subsidiary in the geographic area at the time
in question and (ii) was being conducted by Company or any Subsidiary in the geographic area on the date of Executive's Termination of Employment.

(c) Executive covenants and agrees that at no time during the Employment Period nor at any time following any Termination of Employment will Executive communicate, furnish, divulge or disclose in any manner to any Person any Confidential Information (as defined in Section 9.1(d)) without the prior express written consent of Company. After a Termination of Employment, Executive shall not, without the prior written consent of the Company, or as may otherwise be required by law or legal process, communicate or divulge such Confidential Information to anyone other than the Company and those designated by it.

(d) For purposes of this Section, "Confidential Information" shall mean financial information about the Company, contract terms with vendors and suppliers, customer and supplier lists and data, trade secrets and such other competitively-sensitive information to which Executive has access as a result of his positions with the Company, except that Confidential Information shall not include any information which was or becomes generally available to the public (i) other than as a result of a wrongful disclosure by Executive, (ii) as a result of disclosure by Executive during the Employment Period which he reasonably and in good faith believes is required by the performance of his duties under this Agreement, or (iii) any information compelled to be disclosed by applicable law or administrative regulation; provided that Executive, to the extent not prohibited from doing so by applicable law or administrative regulation, shall give Company written notice of the information to be so disclosed pursuant to clause (iii) of this sentence as far in advance of its disclosure as is practicable.

9.2 Injunction. Executive acknowledges that monetary damages will not be an adequate remedy for Company in the event of a breach of this Article IX, and that it would be impossible for Company to measure damages in the event of such a breach. Therefore, Executive agrees that, in addition to other rights that Company may have, Company is entitled to an injunction preventing Executive from any breach of this Article IX.

Article X.

MISCELLANEOUS

10.1 Public Announcement. The Company shall give Executive a reasonable opportunity to review and comment on any public announcement (including any filing with a governmental agency or stock exchange) relating to this Agreement or Executive's employment by the Company.

10.2 Approvals. The Company represents and warrants to Executive it has taken all corporate action necessary to authorize this Agreement.

10.3 No Mitigation. In no event shall Executive be obligated to seek other employment or take any other action to mitigate the amounts payable to Executive under any of the provisions of this Agreement, nor shall the amount of any payment hereunder be reduced by any compensation earned as result of Executive's employment by another employer, except that any continued welfare benefits provided for by Section 6.2 and 8.3 shall not duplicate any benefits that are provided to Executive and his family by such other employer and shall be secondary to any coverage provided by such other employer to the extent permitted by law.

10.4 Enforcement. If Executive and the Company have a dispute regarding Executive's entitlement to compensation and benefits under this Agreement, and if Executive shall prevail in such dispute, the Company shall reimburse Executive's reasonable legal fees and other expenses incurred in such effort.

10.5 Beneficiary. If Executive dies prior to receiving all of the amounts payable to him in accordance with the terms and conditions of this Agreement, such amounts shall be paid to the beneficiary ("Beneficiary") designated by Executive in writing to Company during his lifetime, or if no such Beneficiary is designated, to Executive's estate. Such payments shall be made in a lump sum to the extent so payable and, to the extent not payable in a lump sum, in accordance with the terms of this Agreement. Executive, without the consent of any prior Beneficiary, may change his designation of Beneficiary or Beneficiaries at any time or from time to time by a submitting to Company a new designation in writing. Notwithstanding the preceding provisions of this Section 10.5, with respect to the Stock Ownership Program, the Company's Executive Profit Sharing Plan or Performance Unit Plan, the term "Beneficiary" shall have the meanings set forth therein.

10.6 Assignment; Successors. Company may not assign its rights and obligations under this Agreement without the prior written consent of Executive except to a successor of Company's business. This Agreement shall be binding upon and inure to the benefit of Executive, his estate and Beneficiaries, the Company and the successors and permitted assigns of the Company.

10.7 Nonalienation. Except as is otherwise expressly provided herein, benefits payable under this Agreement shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, prior to actually being received by Executive, and any such attempt to dispose of any right to benefits payable hereunder shall be void.

10.8 Severability. If all or any part of this Agreement is declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any portion of this Agreement not declared to be unlawful or invalid. Any provision so declared to be unlawful or invalid shall, if possible, be construed in a manner which will give effect to the terms of such provision to the fullest extent possible while remaining lawful and valid.

10.9 Amendment; Waiver. This Agreement shall not be amended or modified except by written instrument executed by the parties. A waiver of any term, covenant or condition contained in this Agreement shall not be deemed a waiver of any other term, covenant or condition, and any waiver of any default in any such term, covenant or condition shall not be deemed a waiver of any later default thereof or of any other term, covenant or condition.

10.10 Notices. All notices hereunder shall be in writing and delivered by hand, by nationally-recognized delivery service that guarantees overnight delivery, or by first-class, registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Company, to: Minnesota Mining and Manufacturing Company
3M Center
St. Paul, MN 55144
Attention: General Counsel

With copy to: Roger C. Siske
Sonnenschein Nath & Rosenthal
8000 Sears Tower
Chicago, IL 60606

If to Executive, to: James McNerney
At the most recent home address on file with
the Company

With copy to: Robert Stucker
Vedder Price Kaufman & Kammholz
222 North La Salle Street
Chicago, Illinois 60601-1003

Either party may from time to time designate a new address by notice given in accordance with this Section. Notice shall be effective when actually received by the addressee.

10.11 Currency. All monetary amounts stated in this Agreement are expressed in, and shall be payable in, United States dollars.

10.12 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original but all of which together will constitute one and the same instrument.

10.13 Entire Agreement. This Agreement forms the entire agreement between the parties hereto with respect to any severance payment and with respect to the subject matter contained in the Agreement and shall supersede all prior agreements, promises and representations regarding employment, compensation, severance or other payments contingent upon termination of employment, whether in writing or otherwise.

10.14 Applicable Law. This Agreement shall be interpreted and construed in accordance with the laws of the State of Delaware, without regard to its choice of law principles.

10.15 Survival of Executive's Rights and Obligations. All of Executive's rights hereunder, including his rights to compensation and benefits, and his obligations under Article IX hereof, shall survive the termination of Executive's employment and/or the termination of this Agreement.

10.16 Indemnification. Executive shall be indemnified by the Company against liability as an officer and director of the Company and any Subsidiary or Affiliate of the Company to the maximum extent permitted by applicable law. The Executive's rights under this Section 10.16 shall continue so long as Executive may be subject to such liability, whether or not this Agreement may have terminated prior thereto.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates written below.

Minnesota Mining and Manufacturing Company

By: /s/ Edward A. Brennan
Its: Director
Date: _____________________________

EXECUTIVE
/s/ W. James McNerney, Jr.
W. James McNerney, Jr.
Date: _____________________________

ATTACHMENT A

RELEASE

This RELEASE ("Release") dated as of this ____________________ day between Minnesota Mining and Manufacturing Company, a corporation incorporated under the laws of Delaware ("Company"), and W. James McNerney, Jr. ("Executive").

WHEREAS, the Company and the Executive previously entered into an Employment Agreement dated December 4, 2000 under which Executive was employed to serve as the Company's Chief Executive Officer;

WHEREAS, the Executive's employment with the Company (has been) (will be) terminated effective __________________; and

WHEREAS, pursuant to Section 8.3 of the Employment Agreement, Executive is entitled to certain compensation and benefits upon such termination, contingent upon the execution of this Release.

NOW, THEREFORE, in consideration of the premises and mutual agreements contained herein and in the Employment Agreement, the Company and Executive agree as follows:

1. Executive, on his own behalf and on behalf of his heirs, estate and beneficiaries, does hereby release the Company, and any of its Subsidiaries or Affiliates (as such terms are defined in the Employment Agreement), and each past or present officer, director, agent, employee, shareholder, and insurer of any such entities, from any and all claims made, to be made, or which might have been made of whatever nature, whether known or unknown, from the beginning of time, including those that arose as a consequence of his employment by Company, or arising out of the severance of such employment relationship, or arising out of any act committed or omitted during or after the existence of such employment relationship, all up through and including the date on which this Release is executed, including, but not limited to, those which were, could have been or could be the subject of an administrative or judicial proceeding filed by Executive or on his behalf under federal, state or local law, whether by statute, regulation, in contract or tort, and including, but not limited to, every claim for front pay, back pay, wages, bonus, fringe benefit, any form of discrimination (including but not limited to, every claim of race, color, sex, religion, national origin, disability or age discrimination), wrongful termination, emotional distress, pain and suffering, breach of contract, compensatory or punitive damages, interest, attorney's fees, reinstatement or reemployment. If any court rules that such waiver of rights to file, or have filed on his behalf, any administrative or judicial charges or complaints is ineffective, Executive agrees not to seek or accept any money damages or any other relief upon the filing of any such administrative or judicial charges or complaints. Executive relinquishes any right to future employment by Company and Company shall have the right to refuse to re-employ Executive without liability. Executive acknowledges and agrees that even though claims and facts in addition to those now known or believed by him to exist may subsequently be discovered, it is his intention to fully settle and release all claims he may have against the Company and the persons and entities described above, whether known, unknown or suspected.

2. The Company and Executive acknowledge and agree that the release contained in Paragraph 1 does not, and shall not be construed to, release or limit the scope of any existing obligation of Company (i) to indemnify Executive for his acts as an officer or director of Company in accordance with the bylaws of Company and the policies and procedures of Company that are presently in effect including Section 10.16 of the Employment Agreement, or (ii) to Executive and his eligible, participating dependents or beneficiaries under any existing group welfare or retirement plan of Company in which Executive and/or such dependents are participants.

[Applicable Required ADEA waiver provisions to be inserted]

IN WITNESS WHEREOF, the parties have executed this Release on the date first above written.

EXECUTIVE

____
W. James McNerney, Jr.

Minnesota Mining and Manufacturing Company
By:
Its:

<TABLE>

EXHIBIT 12

MINNESOTA MINING AND MANUFACTURING COMPANY
AND SUBSIDIARIES

CALCULATION OF RATIO OF EARNINGS TO FIXED CHARGES
(Dollars in millions)

<CAPTION>

<S>	2000 <C>	1999 <C>	1998 <C>	1997 <C>	1996 <C>
EARNINGS					
Income from continuing operations before income taxes, minority interest, extraordinary loss and cumulative effect of accounting change*	$2,974	$2,880	$1,952	$3,440	$2,479
Add:					
Interest on debt	127	109	139	94	79
Interest component of the ESOP benefit expense	19	21	29	32	34
Portion of rent under operating leases representative of the interest component	39	37	41	41	46
Less:					
Equity in undistributed income of 20-50 percent owned companies	10	4	4	3	-
TOTAL EARNINGS AVAILABLE FOR FIXED CHARGES	$3,149	$3,043	$2,157	$3,604	$2,638
FIXED CHARGES					
Interest on debt	141	109	139	94	79
Interest component of the ESOP benefit expense	19	21	29	32	34
Portion of rent under operating leases representative of the interest component	39	37	41	41	46
TOTAL FIXED CHARGES	$ 199	$ 167	$ 209	$ 167	$ 159
RATIO OF EARNINGS TO FIXED CHARGES	15.8	18.2	10.3	21.6	16.6

<FN>
<F1>
* 2000 includes a non-recurring net pre-tax loss of $23 million. 1999 includes a non-recurring net pre-tax gain of $100 million relating to gains on divestitures, litigation expense, an investment valuation adjustment, and a change in estimate that reduced the 1998 restructuring charge. 1998 includes a pre-tax restructuring charge of $493 million. 1997 includes a pre-tax gain on the sale of National Advertising Company of $803 million.
</FN>
</TABLE>

<TABLE>

EXHIBIT 21

MINNESOTA MINING AND MANUFACTURING COMPANY
AND CONSOLIDATED SUBSIDIARIES
PARENT AND SUBSIDIARIES

<CAPTION>

Name of Company	Organized Under Laws of	Percentage of Voting Securities Beneficially Owned by Registrant
<S>	<C>	<C>
Registrant:		
Minnesota Mining and Manufacturing Company	Delaware	
Consolidated subsidiaries of the registrant:		
Dyneon LLC	Delaware	100
3M Financial Management Company	Delaware	100
3M Innovative Properties Company	Delaware	100
3M Investment Management Corporation	Delaware	100
3M Unitek Corporation	California	100
3M Argentina S.A.C.I.F.I.A.	Argentina	100
3M Australia Pty. Limited	Australia	100
3M Oesterreich GmbH	Austria	100
3M Belgium S.A./N.V.	Belgium	100
Seaside Insurance Limited	Bermuda	100
3M do Brasil Limitada	Brazil	100
3M Canada Inc.	Canada	100
3M China Limited	China	100
3M A/S	Denmark	100
Suomen 3M Oy	Finland	100
3M France, S.A.	France	100
Dyneon GmbH	Germany	100
Quante AG	Germany	100
Quante Holding GmbH	Germany	100
3M Deutschland GmbH	Germany	100
3M German Holdings GmbH	Germany	100
3M Hong Kong Limited	Hong Kong	100
3M Italia Finanziaria S.p.A.	Italy	100
Sumitomo 3M Limited	Japan	50
3M Health Care Limited	Japan	75
3M Korea Limited	Korea	100
3M Mexico, S.A. de C.V.	Mexico	100
Corporate Services B.V.	Netherlands	100
3M Nederland B.V.	Netherlands	100
3M (New Zealand) Limited	New Zealand	100
3M Norge A/S	Norway	100
3M Puerto Rico, Inc.	Puerto Rico	100
3M Singapore Private Limited	Singapore	100
3M South Africa (Proprietary) Limited	South Africa	100
3M Espana, S.A.	Spain	100
3M Svenska AB	Sweden	100
3M (East) A.G.	Switzerland	100
3M (Schweiz) A.G.	Switzerland	100
3M Taiwan Limited	Taiwan	100
3M Thailand Limited	Thailand	100
3M Gulf Ltd.	United Arab Emirates	100
3M United Kingdom Holdings P.L.C.	United Kingdom	100
3M Venezuela, S.A.	Venezuela	100

<FN>
<F1>
NOTE: Subsidiary companies excluded from the above listing, if considered in the aggregate, would not constitute a significant subsidiary.
</FN>
</TABLE>

EXHIBIT 23

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the incorporation by reference in the Registration Statements of Minnesota Mining and Manufacturing Company on Form S-8 (Registration Nos. 33-14791, 33-49842, 33-58767, 333-26957, 333-30689, 333-30691, 333-44760 and 333-44692), Form S-3 (Registration Nos. 33-48089, 333-42660 and 333-48922), and Form S-4 (Registration No. 333-49830), of our report dated February 12, 2001, relating to the consolidated financial statements which appears in this Annual Report on Form 10-K.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
St. Paul, Minnesota
February 19, 2001

EXHIBIT 24.1

POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, That the undersigned directors and the Principal Financial and Accounting Officer of MINNESOTA MINING AND MANUFACTURING COMPANY, a Delaware corporation, hereby constitute and appoint W. James McNerney, Jr., Robert J. Burgstahler, John J. Ursu, Roger P. Smith, Janet L. Yeomans and Gregg M. Larson, or any of them, their true and lawful attorneys-in-fact and agents, and each of them with full power to act without the others, for them and in their name, place, and stead, in any and all capacities, to do any and all acts and things and execute any and all instruments which said attorneys and agents may deem necessary or desirable to enable MINNESOTA MINING AND MANUFACTURING COMPANY to comply with the Securities Exchange Act of 1934, as amended, and any rules, regulations, and requirements of the Securities and Exchange Commission in respect thereof, in connection with the filing with said Commission of its annual report on Form 10-K for the fiscal year ended December 31, 2000, including specifically, but without limiting the generality of the foregoing, power and authority to sign the name of MINNESOTA MINING AND MANUFACTURING COMPANY, and the names of the undersigned directors and Principal Financial and Accounting Officer to the Form 10-K and to any instruments and documents filed as part of or in connection with said Form 10-K or amendments thereto; and the undersigned hereby ratify and confirm all that said attorneys and agents shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned have subscribed these presents this 12th day of February, 2001.

/s/ W. James McNerney, Jr. W. James McNerney, Jr. Chairman of the Board and Chief Executive Officer, Director	/s/ Robert J. Burgstahler Robert J. Burgstahler Vice President Principal Financial Officer Principal Accounting Officer
/s/ Linda G. Alvarado Linda G. Alvarado, Director	/s/ Aulana L. Peters Aulana L. Peters, Director
/s/ Ronald O. Baukol Ronald O. Baukol, Director	/s/ Rozanne L. Ridgway Rozanne L. Ridgway, Director
/s/ Edward A. Brennan Edward A. Brennan, Director	/s/ Frank Shrontz Frank Shrontz, Director
/s/ Livio D. DeSimone Livio D. DeSimone, Director	/s/ Louis W. Sullivan Louis W. Sullivan, Director
/s/ Edward M. Liddy Edward M. Liddy, Director	

Exhibit 24.2
POWER OF ATTORNEY*

KNOW ALL MEN BY THESE PRESENTS, that the undersigned directors and the Principal Financial and Accounting Officer of MINNESOTA MINING AND MANUFACTURING COMPANY, a Delaware corporation, hereby constitute and appoint Livio D. DeSimone, Robert J. Burgstahler, John J. Ursu, Roger P. Smith, Janet L. Yeomans, and Gregg M. Larson, or any of them, their true and lawful attorneys-in-fact and agents, and each of them with full power to act without the others, for them and in their name, place, and stead, in any and all capacities, to do any and all acts and things and execute any and all instruments which said attorneys and agents may deem necessary or desirable to enable MINNESOTA MINING AND MANUFACTURING COMPANY to comply with the Securities Exchange Act of 1933, as amended, and the Trust Indenture Act of 1939, as amended, and any rules, regulations, and requirements of the Securities and Exchange Commission in respect thereof, in connection with the registration under said Acts of bonds, debentures, and notes in the aggregate amount of $4,000,000,000 of this Corporation, and the registration and/or qualification of an indenture or indentures, including specifically, but without limiting the generality of the foregoing, power and authority to sign the name of MINNESOTA MINING AND MANUFACTURING COMPANY, and the names of the undersigned directors and Principal Financial and Accounting Officer to the registration statement and to any instruments and documents filed as part of or in connection with said registration statement or amendments thereto; and the undersigned hereby ratify and confirm all that said attorneys and agents shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned have subscribed these presents this 13th day of November, 2000.

/s/ Livio D. DeSimone
Livio D. DeSimone, Chairman of the Board and Chief Executive Officer, Director

/s/ Robert J. Burgstahler
Robert J. Burgstahler, Vice President
Principal Financial Officer
Principal Accounting Officer

/s/ Linda G. Alvarado
Linda G. Alvarado, Director

/s/ Rozanne L. Ridgway
Rozanne L. Ridgway, Director

/s/ Ronald O. Baukol
Ronald O. Baukol, Director

/s/ Frank Shrontz
Frank Shrontz, Director

/s/ Edward A. Brennan
Edward A. Brennan, Director

/s/ F. Alan Smith
F. Alan Smith, Director

/s/ Edward M. Liddy
Edward M. Liddy, Director

/s/ Louis W. Sullivan
Louis W. Sullivan, Director

/s/ Aulana L. Peters
Aulana L. Peters, Director

* This Power of Attorney supplements the Power of Attorney filed as Exhibit 24 on October 30, 2000 as part of the Registration Statement on Form S-3 (File Number 333-48922).

Exhibit 24.3
POWER OF ATTORNEY*

KNOW ALL MEN BY THESE PRESENTS, that the undersigned directors and the Principal Financial and Accounting Officer of MINNESOTA MINING AND MANUFACTURING COMPANY, a Delaware corporation, hereby constitute and appoint W. James McNerney, Jr., Robert J. Burgstahler, John J. Ursu, Roger P. Smith, Janet L. Yeomans, and Gregg M. Larson, or any of them, their true and lawful attorneys-in-fact and agents, and each of them with full power to act without the others, for them and in their name, place, and stead, in any and all capacities, to do any and all acts and things and execute any and all instruments which said attorneys and agents may deem necessary or desirable to enable MINNESOTA MINING AND MANUFACTURING COMPANY to comply with the Securities Exchange Act of 1933, as amended, and the Trust Indenture Act of 1939, as amended, and any rules, regulations, and requirements of the Securities and Exchange Commission in respect thereof, in connection with the registration under said Acts of bonds, debentures, and notes in the aggregate amount of $4,000,000,000 of this Corporation, and the registration and/or qualification of an indenture or indentures, including specifically, but without limiting the generality of the foregoing, power and authority to sign the name of MINNESOTA MINING AND MANUFACTURING COMPANY, and the names of the undersigned directors and Principal Financial and Accounting Officer to the registration statement and to any instruments and documents filed as part of or in connection with said registration statement or amendments thereto; and the undersigned hereby ratify and confirm all that said attorneys and agents shall do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, the undersigned have subscribed these presents this 10th day of January, 2001.

/s/ W. James McNerney, Jr.
W. James McNerney, Jr., Chairman of
the Board and Chief Executive Officer,
Director

* This Power of Attorney supplements the Power of Attorney filed as Exhibit 24 on October 30, 2000 as part of the Registration Statement on Form S-3 (File Number 333-48922).

<TABLE> <S> <C>

<ARTICLE> 5

<LEGEND>

THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE CONSOLIDATED STATEMENT OF INCOME AND CONSOLIDATED BALANCE SHEET AND RELATED NOTES AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH CONSOLIDATED FINANCIAL STATEMENTS AND NOTES.

</LEGEND>

<MULTIPLIER> 1,000,000

<S>	<C>
<PERIOD-TYPE>	12-MOS
<FISCAL-YEAR-END>	DEC-31-2000
<PERIOD-END>	DEC-31-2000
<CASH>	302
<SECURITIES>	0
<RECEIVABLES>	2,891
<ALLOWANCES>	0
<INVENTORY>	2,312
<CURRENT-ASSETS>	6,379
<PP&E>	14,170
<DEPRECIATION>	8,347
<TOTAL-ASSETS>	14,522
<CURRENT-LIABILITIES>	4,754
<BONDS>	971
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	5
<OTHER-SE>	6,526
<TOTAL-LIABILITY-AND-EQUITY>	14,522
<SALES>	16,724
<TOTAL-REVENUES>	16,724
<CGS>	8,787
<TOTAL-COSTS>	8,787
<OTHER-EXPENSES>	(185)
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	111
<INCOME-PRETAX>	2,974
<INCOME-TAX>	1,025
<INCOME-CONTINUING>	1,857
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	(75)
<NET-INCOME>	1,782
<EPS-BASIC>	4.50
<EPS-DILUTED>	4.45

</TABLE>