UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter ended June 30, 1998   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

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 .

On June 30, 1998, there were 403,878,085 shares of the Registrant's common stock outstanding.

This document contains 26 pages.
The exhibit index is set forth on page 23.

<TABLE>

Minnesota Mining and Manufacturing Company and Subsidiaries

PART I. Financial Information

Consolidated Statement of Income
(Amounts in millions, except per-share amounts)
(Unaudited)

<CAPTION>

	Three months ended June 30		Six months ended June 30	
	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
Net sales	$3,770	$3,817	$7,470	$7,531
Operating expenses				
Cost of goods sold	2,162	2,156	4,258	4,245
Selling, general and administrative expenses	967	972	1,891	1,909
Total	3,129	3,128	6,149	6,154
Operating income	641	689	1,321	1,377
Other income and expense				
Interest expense	35	28	69	51
Investment and other income - net	(11)	(19)	(22)	(31)
Total	24	9	47	20

Income before income taxes and minority interest	617	680	1,274	1,357
Provision for income taxes	219	242	456	486
Minority interest	12	20	32	43
Net income	$ 386	$ 418	$ 786	$ 828
Weighted average common shares outstanding	404.3	415.5	404.3	416.1
Earnings per share - basic	$ 0.95	$ 1.01	$ 1.94	$ 1.99
Weighted average common and common equivalent shares outstanding	410.0	421.9	409.8	422.2
Earnings per share - diluted	$ 0.94	$ 0.99	$1.92	$1.96

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

<TABLE>

Minnesota Mining and Manufacturing Company and Subsidiaries

Consolidated Balance Sheet
(Dollars in millions)

<CAPTION>

<S>	June 30, 1998 (Unaudited) <C>	December 31, 1997 <C>
Assets		
Current assets		
Cash and cash equivalents	$ 219	$ 230
Other securities	185	247
Accounts receivable - net	2,612	2,434
Inventories		
Finished goods	1,331	1,293
Work in process	647	605
Raw materials and supplies	489	501
Total inventories	2,467	2,399
Other current assets	883	858
Total current assets	6,366	6,168
Investments	605	613
Property, plant and equipment	12,552	12,098
Less accumulated depreciation	(7,286)	(7,064)
Property, plant and equipment - net	5,266	5,034
Other assets	1,641	1,423
Total	$13,878	$13,238
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 901	$ 898
Payroll	327	306
Income taxes	334	238
Short-term debt	1,787	1,499
Other current liabilities	1,034	1,042
Total current liabilities	4,383	3,983
Other liabilities	2,230	2,314
Long-term debt	1,221	1,015
Stockholders' equity - net	6,044	5,926
Shares outstanding		
June 30, 1998, 403,878,085		
December 31, 1997, 404,724,947		
Total	$13,878	$13,238

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

</TABLE>

<TABLE>

Minnesota Mining and Manufacturing Company and Subsidiaries

Consolidated Statement of Changes in Stockholders' Equity
(Dollars and shares in millions, except per-share amounts)
(Unaudited)

<CAPTION>

	Three months ended June 30		Six months ended June 30	
	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
Common stock and capital in excess of par value at beginning and end of period	$ 296	$ 296	$ 296	$ 296
Retained earnings				
Balance at beginning of period	9,970	8,921	9,848	8,756
Net income (A)	386	418	786	828
Dividends paid (per share: $0.55, $0.53, $1.10, $1.06)	(223)	(220)	(445)	(441)
Stock option plans and other	(52)	(58)	(108)	(82)
Balance at end of period	10,081	9,061	10,081	9,061
Accumulated other comprehensive income - net				
Balance at beginning of period				
Cumulative foreign currency translation adjustments	(589)	(334)	(547)	(178)
Unrealized gain on securities - net	7	8	8	15
Other comprehensive income				
Foreign currency translation and other adjustments (B)	(35)	32	(77)	(124)
Unrealized gain (loss) on securities - net (C)	1	(3)	--	(10)
Balance at end of period				
Cumulative foreign currency translation adjustments	(624)	(302)	(624)	(302)
Unrealized gain on securities - net	8	5	8	5
Balance at end of period	(616)	(297)	(616)	(297)
Unearned compensation - ESOP				
Balance at beginning of period	(370)	(405)	(379)	(412)
Amortization	10	9	19	16
Balance at end of period	(360)	(396)	(360)	(396)
Treasury stock, at cost				
Balance at beginning of period (shares: 67.5, 55.8, 67.3, 55.2)	(3,301)	(2,250)	(3,300)	(2,193)
Reacquired stock (shares: 2.0, 2.9, 4.2, 5.8)	(190)	(252)	(377)	(501)
Issuances pursuant to stock option plans (shares: 1.4, 2.1, 3.4, 4.4)	134	187	320	379
Balance at end of period (shares: 68.1, 56.5, 68.1, 56.5)	(3,357)	(2,315)	(3,357)	(2,315)
Stockholders' equity - net	$ 6,044	$ 6,349	$ 6,044	$ 6,349
Total comprehensive income (A + B + C)	$ 352	$ 447	$ 709	$ 694

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

<TABLE>

Minnesota Mining and Manufacturing Company and Subsidiaries

Consolidated Statement of Cash Flows
(Dollars in millions)
(Unaudited)

<CAPTION>

	Six months ended June 30	
	1998	1997
<S>	<C>	<C>
Cash Flows from Operating Activities		
Net income	$ 786	$ 828

Adjustments to reconcile net income to net cash provided by operating activities		
Implant litigation - net	(185)	(41)
Depreciation and amortization	427	434
Working capital and other changes - net	(261)	(216)
Net cash provided by continuing operations	767	1,005
Net cash used by discontinued operations	--	(82)
Net cash provided by operating activities	767	923
Cash Flows from Investing Activities		
Capital expenditures	(712)	(656)
Other changes - net	(56)	33
Net cash used in investing activities	(768)	(623)
Cash Flows from Financing Activities		
Change in short-term debt - net	269	441
Repayment of long-term debt	(22)	(540)
Proceeds from long-term debt	336	298
Purchases of treasury stock	(377)	(501)
Reissuances of treasury stock	213	225
Payment of dividends	(445)	(441)
Other	(19)	--
Net cash used in financing activities	(45)	(518)
Effect of exchange rate changes on cash	35	26
Net decrease in cash and cash equivalents	(11)	(192)
Cash and cash equivalents at beginning of year	230	583
Cash and cash equivalents at end of period	$ 219	$ 391

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

Minnesota Mining and Manufacturing Company and Subsidiaries
Notes to Consolidated Financial Statements
(Unaudited)

The interim financial statements are unaudited but, in the opinion of management, reflect all adjustments necessary for a fair presentation of financial position, results of operations and cash flows for the periods presented. These adjustments consist of normal, recurring items. The results of operations for any interim period are not necessarily indicative of results for the full year. The condensed consolidated financial statements and notes are presented as permitted by the requirements for Form 10-Q and do not contain certain information included in the company's annual consolidated financial statements and notes. This Form 10-Q should be read in conjunction with the company's consolidated financial statements and notes included in its 1997 Annual Report on Form 10-K.

Derivatives and Hedging Activities:
In June 1998, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities." The company must adopt this standard no later than January 1, 2000. The company is reviewing the requirements of this standard which are quite complex. Although the company expects that this standard will not materially affect its financial position and results of operations, it has not yet determined the impact of this standard on the financial statements of the company.

Debt issuance:
In July 1998, 3M Germany completed a 3-year, $200 million, 5.75 percent Eurobond offering. After giving effect to an interest rate swap, the company will have an interest obligation based on a floating LIBOR index.

Comprehensive income:
Effective January 1, 1998, the company adopted Statement of Financial Accounting Standards No. 130, "Reporting Comprehensive Income." Total comprehensive income and the components of accumulated other comprehensive income are presented in the Consolidated Statement of Changes in Stockholders' Equity.

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 the Management Stock Ownership Program stock options for the three-month and six-month periods ended June 30, 1998

and 1997, and also includes the effect of the assumed exercise of General Employees' Stock Purchase Plan (GESPP) options for the three-month and six-month periods ended June 30, 1997. Effective July 1997, all GESPP options are exercised on the last business day of each month of grant, resulting in no dilutive effect.

Other:
Discussion of legal matters is cross-referenced to this Form 10-Q, Part II, Item 1, Legal Proceedings, and should be considered an integral part of the Consolidated Financial Statements and Notes.

PricewaterhouseCoopers LLP, the company's independent auditors, have performed a review of the unaudited interim financial statements included herein and their review report thereon accompanies this filing.

Review Report of Independent Auditors

To the Stockholders of Minnesota Mining and Manufacturing Company:

We have reviewed the accompanying condensed consolidated balance sheet of Minnesota Mining and Manufacturing Company and Subsidiaries as of June 30, 1998, and the related condensed consolidated statements of income and changes in stockholders' equity for the three-month and six-month periods ended June 30, 1998 and 1997, and cash flows for the six-month periods ended June 30, 1998 and 1997. These financial statements are the responsibility of the Company's management.

We conducted our reviews in accordance with standards established by the American Institute of Certified Public Accountants. A review of interim financial information consists principally of applying analytical procedures to financial data and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the condensed consolidated financial statements referred to above for them to be in conformity with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated balance sheet as of December 31, 1997, and the related consolidated statements of income, changes in stockholders' equity and cash flows for the year then ended (not presented herein); and in our report dated February 9, 1998, except for the last paragraph under Debt in the Notes to Consolidated Financial Statements, as to which the date is February 18, 1998, we expressed an unqualified opinion on those consolidated financial statements. In our opinion, the information set forth in the accompanying condensed consolidated balance sheet as of December 31, 1997, is fairly stated in all material respects in relation to the consolidated balance sheet from which it has been derived.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

St. Paul, Minnesota
July 23, 1998

Minnesota Mining and Manufacturing Company and Subsidiaries

Management's Discussion and Analysis of Financial Condition and Results of Operations

RESULTS OF OPERATIONS

Second Quarter
Worldwide sales for the second quarter totaled $3.770 billion, down

about 1 percent from the second quarter last year. Excluding changes in currency exchange rates, sales rose about 4 percent. Worldwide volume and selling prices were both up about 2 percent.

In the United States, sales increased about 1 percent to $1.826 billion. Adjusting for the third-quarter 1997 sale of the outdoor advertising business, sales rose about 4 percent. A number of U.S. businesses posted solid growth, with particularly good gains in pharmaceuticals, automotive body repair, home improvement, commercial graphics, and occupational health and safety businesses. The company experienced soft demand in businesses serving the electronics, transportation safety and industrial tape markets. In the electronics area, U.S. sales were affected by a slowdown in industry growth, particularly in the semiconductor and disk drive segments. 3M's connector and chemical businesses both were affected by this slowdown. In transportation safety, demand for 3M reflective sheetings was affected by the expiration of the bill providing federal funding of highway projects. A multi-year bill was recently enacted which should be a significant plus for 3M in the months and years ahead.

Internationally, sales totaled $1.944 billion. Overall, local-currency sales gains were more than offset by currency translation. Expressed in dollars, international sales declined 3 percent. Volume increased about 4 percent and selling prices were up 2 percent. The company increased selling prices in all major geographic areas, helping to offset part of the currency devaluation. Currency translation reduced international sales by about 9 percent. In Europe, sales in local currencies were up more than 6 percent, with good contributions from Germany, France, Italy and Spain. 3M's growth in Europe also continued to be helped by strong volume gains in developing economies, including Turkey, Poland and Hungary. In the Asia Pacific area, volume decreased about 2 percent. In Japan, volume growth this quarter was up less than 2 percent, due to continued economic softness there. In Asia outside Japan, volume declined more than 6 percent. Overall volume growth in the region was negatively affected by the economic turmoil in Korea, Thailand, Malaysia and Indonesia. In Latin America, volume increased 9 percent, with double-digit gains in several countries. In Brazil, volume increased only 5 percent, affected by economic softness there. In Canada, volume increased about 5 percent.

Cost of goods sold, which includes manufacturing, research and development, and engineering, was 57.4 percent of sales, up nearly one point from the second quarter last year. Gross margins benefited from higher selling prices and lower raw material costs. However, the effects of currency exchange rates and low volume growth more than offset these benefits. Currency reduced gross margins by nearly one percentage point. The currency effect relates to the impact of currency fluctuations on the transfer of goods between 3M operations in the United States and abroad.

Selling, general and administrative spending was 25.6 percent of sales, up slightly from the same quarter last year.

Worldwide operating income was 17.0 percent of sales, down one percentage point from the second quarter last year. Margins were down about a point both in the United States and internationally. Operating income was $641 million, down 6.8 percent from the year-earlier quarter. Currency reduced operating income by about $70 million, or 10 percent.

Second quarter interest expense of $35 million was up $7 million from the same quarter last year, reflecting a moderate increase in the company's financial leverage. Net investment and other income was $11 million, in line with the level averaged in each of the past three quarters.

The worldwide effective income tax rate for the quarter was 35.5 percent, the same as in the second quarter last year.

Net income totaled $386 million, or $0.94 per diluted share, compared with $418 million, or $0.99 per diluted share, in the second quarter of 1997. The company estimates that changes in the value of the U.S. dollar decreased earnings for the quarter by about 12 cents per share compared with the second quarter of 1997. This estimate includes the effect of translating profits from local currencies into U.S. dollars; the impact of currency fluctuations on the transfer of goods between 3M operations in the United States and abroad; and transaction gains and losses in countries not considered to be highly inflationary.

Year-to-date

On a year-to-date basis, worldwide sales totaled $7.470 billion, down about 1 percent from the same period last year. Excluding changes in currency exchange rates, sales rose about 4 percent. Unit sales increased about 3 percent, while selling prices were up about 1 percent.

In the United States, sales decreased slightly to $3.565 billion. Adjusting for the third-quarter 1997 sale of the outdoor advertising business, sales rose about 3 percent. Internationally, sales totaled $3.905 billion. Overall, local-currency sales gains were more than offset by currency translation. Expressed in dollars, international sales declined 1 percent. Volume increased about 6 percent and selling prices were up 2 percent. Currency translation reduced international sales by about 9 percent.

Cost of goods sold, which includes manufacturing, research and development,and engineering, was 57.0 percent of sales, up six-tenths of a percentage point from the same period last year. The factors

that influenced gross margins for the second quarter were the same factors that affected the year-to-date results.

Selling, general and administrative spending was 25.3 percent of sales, unchanged from the same period last year.

Worldwide operating income was 17.7 percent of sales, down six-tenths of a percentage point from the same period last year. Margins were down about a point in the United States and down slightly internationally. Operating income was $1.321 billion, down 4.1 percent from the year-earlier period. Currency reduced operating income by almost $145 million, or 10 percent.

Interest expense of $69 million was up $18 million from the first six months of last year, reflecting the company's strategy to lower its cost of capital by moderately increasing its financial leverage. This strategy may increase interest expense by about $45 million for total year 1998 when compared to 1997. Net investment and other income was $22 million, in line with recent trends.

The worldwide effective income tax rate for the first six months was 35.8 percent, essentially the same as in the first half last year.

Net income totaled $786 million, or $1.92 per diluted share, compared with $828 million, or $1.96 per diluted share, in the first half of 1997. The company estimates that changes in the value of the U.S. dollar decreased earnings for the first six months by about 22 cents per share compared with the first half of 1997. This estimate includes the effect of translating profits from local currencies into U.S. dollars; the impact of currency fluctuations on the transfer of goods between 3M operations in the United States and abroad; and transaction gains and losses in countries not considered to be highly inflationary.

FUTURE OUTLOOK

3M expects higher second-half 1998 earnings per diluted share, with full-year 1998 earnings per diluted share similar to last year, excluding the 1997 gain on the sale of the company's outdoor advertising business, and also excluding one-time charges, if any, in the second-half of 1998. 3M expects the economic troubles in the Asia Pacific area to persist, that the growth of the U.S. economy will continue to moderate, and that the strong U.S. dollar will continue to negatively affect the company. Based on exchange rates as of July 23, 1998, currency effects could reduce earnings in the second half of 1998 by about 15 cents per share. Results are expected to benefit from somewhat better local-currency sales growth, further spending adjustments and improved productivity.

3M has an 8 percent annual productivity improvement objective, as measured by sales growth per employee in local currencies. Due to the turmoil in Asia and Japan and softness in certain businesses in the United States, 1998 productivity will not meet the 8 percent target for the first time in 4 years. The company expects to reduce about 1,500 positions by the end of 1998, primarily through attrition, and

continue at that rate until the company regains and sustains the 8 percent productivity-improvement target.

The company is aggressively exploring cost reduction and portfolio management opportunities around the world in addition to its continuing emphasis on management of selling, general and administrative spending. The company uses return on capital, return on sales, cash flows, competitive assessments and other tools to evaluate the financial performance and business symmetry of its

various product lines. While no decisions have been reached, any future decisions based on these evaluations could have an adverse effect on the short-term results of the company's operations.

The company is not able to project what all the consequences of the turmoil in Asia and Japan may be. The company is monitoring business conditions closely and will implement adjustments in pricing, costs and investments as appropriate. Overall, the company has experienced earnings declines of about 20 percent for both Asia and Japan in the first half of 1998. The company does not expect a significant change in this situation in the second half of 1998.

For total year 1998, the company expects to buy back about 9 million shares. This is expected to result in shares outstanding, net of issuances, of about one percent less when comparing year-end 1998 to year-end 1997.

IMPACT OF THE YEAR 2000 ISSUE

The Year 2000 issue is the result of computer programs using only the last two digits to indicate the year. If uncorrected, such computer programs will be unable to interpret dates beyond the year 1999, which could cause computer system failure or other computer errors disrupting operations. The company recognizes the importance of the Year 2000 issue and has been giving it high priority. In November 1996, the company created a corporate-wide Year 2000 project team representing all company business and staff units. The team's objective is to ensure an uninterrupted transition into the Year 2000. The scope of the Year 2000 readiness effort includes (i) information technology ("IT") such as software and hardware; (ii) non-IT systems or embedded technology such as microcontrollers contained in various manufacturing and lab equipment, environmental and safety systems, facilities and utilities, and 3M products with date-sensitivity; and (iii) readiness of key third parties, including suppliers and customers, and the electronic data interchange (EDI) with those key third parties. If needed modifications and conversions are not made on a timely basis, the Year 2000 issue could have a material adverse effect on the company operations.

The company is using both internal and external resources to remediate and test millions of lines of application software code. The majority of the most vital information systems located in the United States are now Year 2000 compliant. The company expects that the remainder of the information systems located in the United States and in subsidiaries outside the United States will be Year 2000 compliant by December 1998. The company expects to complete compliancy testing on any unplanned components and finalize contingency plans in 1999.

In addition to internal Year 2000 IT and non-IT remediation activities, the company is in contact with key suppliers and electronic commerce customers to assure no interruption in the relationship between the company and these important third parties from the year 2000 issue. If third parties do not convert their systems in a timely manner and in a way that is compatible with the company's systems, the Year 2000 issue could have a material adverse effect on company operations. The company believes that its diligent actions with key suppliers and customers will minimize these risks.

The vast majority of the company's products are not date-sensitive. The company has collected information on current and discontinued date-sensitive products. This information is available to customers as of the date of this filing.

The company's primary focus has been directed at solving the Year 2000 problem. While 3M expects its internal IT and non-IT systems to be Year 2000 compliant by the dates specified, the company is working on a contingency plan specifying what the company will do if it or important third parties are not Year 2000 compliant by the required dates. The company expects to have such a contingency plan finalized by March 31, 1999.

Through June 1998, the company had expensed incremental costs of $30 million related to the Year 2000 issue. The total remaining incremental cost is estimated to be $45 million. The company is expensing as incurred all costs related to the assessment and remediation of the Year 2000 issue. These costs are being funded through operating cash flows. The company's total cost for the Year 2000 issue includes estimated costs and time associated with interfacing with third parties' Year 2000 issues. These estimates are based on currently available information.

The company's current estimates of the amount of time and costs necessary to remediate and test its computer systems are based on the

facts and circumstances existing at this time. The estimates were made using assumptions of future events including the continued availability of certain resources, Year 2000 modification plans, implementation success by key third-parties, and other factors. New developments may occur that could affect the company's estimates of the amount of time and costs necessary to modify and test its IT and non-IT systems for Year 2000 compliance. These developments include, but are not limited to: (i) the availability and cost of personnel trained in this area; (ii) the ability to locate and correct all relevant computer codes and equipment, and (iii) the planning and Year 2000 compliance success that key customers and suppliers attain.

FORWARD-LOOKING STATEMENTS

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for certain forward-looking statements. This Quarterly Report on Form 10-Q contains forward-looking statements, which reflect the Company's current views with respect to future events and financial performance.

These forward-looking statements are subject to certain risks and uncertainties, including those identified below, which could cause actual results to differ materially from historical results or those anticipated. The words "aim," "believe," "expect," "anticipate," "intend," "estimate," "will," "should," "could" and other expressions which indicate future events and trends identify forward-looking statements.

Actual future results and trends may differ materially from historical results or those anticipated depending on a variety of factors, including, but not limited to: foreign exchange rates and fluctuations in those rates; the effects of, and changes in, worldwide economic conditions, particularly in Japan, the Asia region and the United States; raw materials, including shortages and increases in the costs of key raw materials; the impact of the Year 2000 issue; and legal proceedings (see discussion of Legal Proceedings in Part II, Item 1 of this Form 10-Q).

FINANCIAL CONDITION AND LIQUIDITY

The company's financial condition and liquidity remain strong.

Working capital decreased $202 million to $1.983 billion at June 30, 1998, compared to $2.185 billion at year-end 1997. The accounts receivable average days' sales outstanding was 58 days, unchanged from year-end. The company's key inventory index was 3.9 months, compared to 3.8 months at year-end. The company's current ratio was 1.5, unchanged from year-end.

Total debt increased $494 million from year-end 1997 to $3.008 billion. In line with the company's strategy to lower its cost of capital, total debt increased from an average of about $2 billion in 1997 to $3.008 billion as of June 30, 1998. As of June 30, 1998, total debt was 33 percent of total capital.

The company's strong credit rating provides ready and ample access to funds in global capital markets. In February 1998, the parent company issued $330 million of 30-year, 6.375 percent debentures. In July 1998, 3M Germany completed a 3-year, $200 million, 5.75 percent Eurobond offering. At June 30, 1998, the company had available short-term lines of credit totaling about $600 million.

Net cash provided by operating activities from continuing operations totaled $767 million in the first six months of the year, down $238 million from the same period last year. Net cash outflows from mammary implant litigation were $144 million higher than in the same period last year.

Timing differences between payment of implant liabilities and receipt of related insurance recoveries could affect the cash flows of future periods. This is discussed in Part II, Item 1, Legal Proceedings, of this Form 10-Q.

Net cash used by operating activities from discontinued operations was $82 million in the first six months of 1997. Payments made in 1997 were primarily severance payments related to discontinued operations.

Cash used in investing activities was $768 million in the first six months of the year, compared to $623 million in the same period last year. Capital expenditures for the first six months of 1998 were $712 million, an increase of 8.5 percent compared with the same period last year.

Treasury stock repurchases for the first six months of 1998 were $377

million, compared with repurchases in the same period last year of $501 million. Financing activities for both short-term and long-term debt provided net cash inflows of $583 million, compared with net cash inflows of $199 million in the first six months last year.

The company repurchased about 4.2 million shares of common stock in the first six months of 1998, compared with 5.8 million shares in the same period last year. In November 1997, the Board of Directors authorized the repurchase of up to 25 million shares of 3M common stock through December 31, 1998. As of June 30, 1998, 18.3 million shares remained authorized for repurchase. Stock repurchases are made to support employee stock purchase plans and for other corporate purposes.

Cash dividends paid to shareholders totaled $445 million in the first half of this year, compared with $441 million in the same period last year. In February 1998, the quarterly dividend was increased to 55 cents a share.

Legal proceedings are discussed in the Legal Proceedings section in Part II, Item 1, of this Form 10-Q. There can be no certainty that the company may not ultimately incur charges, whether for governmental proceedings and claims, products liability claims, environmental proceedings or other actions, in excess of presently established accruals. While such future charges could have a material adverse impact on the company's net income in the quarterly period in which they are recorded, the company believes that such additional charges, if any, would not have a material adverse effect on the consolidated financial position or annual results of operations of the company. (NOTE: The preceding sentence applies to all legal proceedings involving the company except the breast implant litigation. See discussion of breast implant litigation in Legal Proceedings, Part II, Item 1.)

Minnesota Mining and Manufacturing Company and Subsidiaries

PART II. Other Information

Item 1. Legal Proceedings

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 accrued 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.

There can be no certainty that the company may not ultimately incur charges, whether for governmental proceedings and claims, products liability claims, environmental proceedings or other actions, in excess of presently established accruals. While such future charges could have a material adverse impact on the company's net income in the quarterly period in which they are recorded, the company believes that such additional charges, if any, would not have a material adverse effect on the consolidated financial position or annual results of operations of the company. (NOTE: The preceding sentence applies to all legal proceedings involving the company except the breast implant litigation, which is discussed separately in the next section).

Breast Implant Litigation

As of June 30, 1998, the company had been named as a defendant, often with multiple co-defendants, in 7,420 lawsuits and 132 claims in various courts, all seeking damages for personal injuries from allegedly defective breast implants. These claims and lawsuits purport to represent 23,242 individual claimants. It is not yet certain how many of these lawsuits and claims involve products manufactured and sold by the company, as opposed to other manufacturers. 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.

The typical claim or lawsuit alleges the individual's breast implants caused one or more of a wide variety of ailments and local complications, including, but not limited to, non-specific autoimmune disease, scleroderma, lupus, rheumatoid arthritis, fibromyalgia, mixed connective tissue disease, Sjogren's Syndrome, dermatomyositis, polymyositis and chronic fatigue.

Plaintiffs in these cases typically seek monetary damages, often in unspecified amounts, and also may seek certain types of equitable relief, including requiring the company to fund the costs associated with removal of the breast implants.

A number of breast implant claims and lawsuits seek to impose liability on the company under various theories for personal injuries allegedly caused by breast implants manufactured and sold by manufacturers other than the company. These manufacturers include, but are not limited to, McGhan Medical Corporation and manufacturers that are no longer in business or that are insolvent, whose breast implants may or may not have been used in conjunction with implants manufactured and sold by the company. These claims raise many difficult and complex factual and legal issues that are subject to many uncertainties, including the facts and circumstances of each particular claim, the jurisdiction in which each suit is brought, and differences in applicable law and insurance coverage.

A number of breast implant lawsuits seek to recover punitive damages. Any punitive damages that may be awarded against the company may or may not be covered by certain insurance policies depending on the language of the insurance policy, applicable law and agreements with insurers.

In addition to individual suits against the company, a class action on behalf of all women with breast implants filed against all manufacturers of such implants has been conditionally certified and is pending in the United States District Court for the Northern District of Alabama (the "Court")(DANTE, ET AL., V. DOW CORNING, ET AL., U.S.D.C., N. Dist., Ala., 92-2589; part of IN RE: SILICONE GEL BREAST IMPLANT PRODUCT LIABILITY LITIGATION, U.S.D.C., N. Dist. Ala., MDL 926, U.S.D.C., N. Dist. Ala., CV 92-P-10000-S; now held in abeyance pending settlement proceedings in the settlement class action LINDSEY, ET AL., V. DOW CORNING CORPORATION, ET AL., U.S.D.C., N. Dist., Ala., CV 94-P-11558-S). Class actions, some of which have been certified, are pending in various state courts, including, among others, Louisiana, Florida and Illinois, and in the British Columbia courts in Canada. The Louisiana state court action (SPITZFADEN, ET AL., v. DOW CORNING CORPORATION, ET AL., Dist. Ct., Parish of Orleans, 92-2589) has been decertified by the trial court. Plaintiffs' writ for an emergency appeal from the decertification has been denied by the Louisiana Supreme Court. A normal appeal remains pending.

The company also has been served with a purported class action brought on behalf of children allegedly exposed to silicone in utero

and through breast milk. (FEUER, ET AL., V. MCGHAN, ET AL., U.S.D.C., E. Dist. NY, 93-0146.) The suit names all breast implant manufacturers as defendants and seeks to establish a medical-monitoring fund.

On December 22, 1995, the Court 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 Revised Settlement Program is a revision of a previous settlement pursuant to a Breast Implant Litigation Settlement Agreement (the "Settlement Agreement") reached on April 8, 1994, and approved by the Court on September 1, 1994.

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 products liability actions.

The Revised Settlement Program as supplemented now includes both foreign and domestic class members with implants manufactured by certain manufacturer defendants, including Baxter International, Bristol Meyers-Squibb, the company and McGhan Medical Corporation. The company's obligations under the Revised Settlement Program are limited to eligible claimants with implants manufactured by the company or its predecessors ("3M implants") or manufactured only by McGhan Medical Corporation after its divestiture from the company on August 3, 1984 ("Post 8/84 McGhan implants"). With respect to foreign claimants and claimants with only Post 8/84 McGhan implants

(or only Post 8/84 McGhan implants plus certain other manufacturers' implants), the benefits are more limited than for domestic claimants with 3M implants. Post 8/84 McGhan implant benefits are payable by the company, Union Carbide Corporation and McGhan Medical Corporation.

In general, the amounts payable to individual current claimants (as defined in the Court's order) under the Revised Settlement Program, and the company's obligations to make those payments, will not be affected by the number of class members electing to opt out of the Revised Settlement Program or the number of class members making claims under the Revised Settlement Program. In addition to certain miscellaneous benefits, the Revised Settlement Program provides for two compensation options for current claimants with 3M implants.

Under the first option, denominated as Fixed Amount Benefits, current claimants with 3M implants who satisfy disease criteria established in the prior Settlement Agreement will receive amounts ranging from $5,000 to $100,000, depending on disease severity or disability level; whether the claimant can establish that her implants have ruptured; and whether the claimant also has had implants manufactured by Dow Corning. Under the second option, denominated as Long-Term Benefits, current claimants with 3M implants who satisfy more restrictive disease and severity criteria specified under the Revised Settlement Program can receive benefits ranging from $37,500 to $250,000.

In addition, current claimants with 3M implants are eligible for (a) a one-time payment of $3,000 upon removal of 3M implants during the course of the class settlement, and (b) an advance payment of $5,000 against the above referenced benefits upon proof of having 3M implants and upon waiving or not timely exercising the right to opt out of the Revised Settlement Program. Current claimants with only Post 8/84 McGhan implants (or only Post 8/84 McGhan implants plus certain other manufacturers' implants) are eligible only for benefits ranging from $10,000 to $50,000.

Eligible participants with 3M implants who did not file current claims but are able to satisfy the more restrictive disease and severity criteria during an ongoing period of 15 years will be eligible for the Long-Term Benefits, subject to certain funding limitations. Such participants also will be eligible for an advance payment of $1,000 upon proof of having 3M implants and upon waiving or not timely exercising the right to opt out of the Revised Settlement Program or, as an elective option expiring on June 15, 1999, a payment of $3,500 in full settlement of all breast implant claims including any claim for Long-Term Benefits under the Revised Settlement Program. Benefit levels for eligible participants who are not current claimants and have only Post 8/84 McGhan implants (or only Post 8/84 McGhan implants plus certain other manufacturers' implants) or who are current foreign claimants will range from $10,000 to $50,000. A benefit payment of $3,500 for foreign registrants other than current foreign claimants, so called Other Registrants, has been agreed to by the Company and the Foreign Claimants Committee. This benefit thus completes the foreign claimant aspects of the Revised Settlement Program. A notice to foreign registrants has been approved by the Court.

As of the date of this filing, the company believes that approximately 90% 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 June 30, 1998 the company has paid $230 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 these claims.

In the first quarter of 1994, the company took a pre-tax charge of $35 million ($22 million after tax) in recognition of its then best estimate of its probable liabilities and associated expenses, net of the probable amount of insurance recoverable from its carriers. In the second quarter of 1998, the company increased its estimate of the minimum probable liabilities and associated expenses by $109 million to approximately $1.1 billion. This amount represents the

company's best estimate of the cost and expense of the Revised Settlement Program and the cost and expense of resolving opt-out

claims and recovering insurance proceeds. After subtracting payments of $886 million as of June 30, 1998, for defense and other costs and settlements with litigants and claimants, the company had accrued liabilities of $214 million.

The company has substantial primary and excess products liability occurrence insurance coverage and claims-made products liability insurance coverage, which it believes provide coverage for substantially all of its current exposure for breast implant claims and defense costs. Most insurers have alleged reservations of rights to deny all or part of the coverage for differing reasons, including each insurer's obligations in relation to the other insurers (i.e. allocation) and which claims trigger both the various occurrence and claims-made insurance policies. Some insurers have resolved and paid, or committed to, their policy obligations. The company believes the failure of many insurers to voluntarily perform as promised subjects them to the company's claims for excess liability and damages for breach of the insurers' obligation of good faith.

On September 22, 1994, three excess coverage occurrence insurers initiated in the courts of the State of Minnesota a declaratory judgment action against the company and numerous insurance carriers seeking adjudication of certain coverage issues and allocation among insurers. On December 9, 1994, the company initiated an action against its occurrence insurers in the Texas State Court in and for Harrison County, seeking a determination of responsibility among the company's various occurrence insurers with applicable coverages. The state of Texas has the most implant claims. This action has since been removed to the U.S. District Court, Eastern District of Texas, and stayed pending resolution of the litigation in the Minnesota courts.

The insurers that are parties to these actions generally acknowledge that they issued products liability insurance to the company and that breast implant claims are products liability claims. The trial in Minnesota to resolve the company's insurance coverage and the financial responsibility of occurrence insurers for breast implant claims and defense costs began on June 4, 1996, and is continuing in phases with the next trial phase scheduled for January 4, 1999.

In mid-October 1995, the occurrence insurers that are parties to the litigation in Minnesota filed more than 30 motions for summary judgment or partial summary judgment. The insurers, through these motions, attempted to shift all or a portion of the responsibility for those claims the company believes fall within the period of occurrence-based coverage (before 1986) into the period of claims-made coverage (from and after 1986). The trial court denied the insurers' motions, ruling that the key issues of trigger and allocation raised in these motions would be resolved at trial. In the trial's first phase in 1996, the court granted 3M partial declaratory judgment on the question of when insurance coverage is

"triggered." The court also granted the insurers' motion for partial declaratory judgment on the question of the allocation method to be applied in the case. In July 1997 the trial court ruled further on the trigger issue and on the general allocation method. That ruling was consistent with and further supported the company's opinion as stated in the following paragraph. In November 1997, upon reconsideration, the court reversed a portion of its July ruling and reinstated a portion of its previous ruling. The company believes that conflicting rulings now exist that need to be clarified by the court and reconciled with applicable law. Motions to clarify the allocation methodology of triggered policies under these rulings are pending. Court options include clarification, further trial followed by additional rulings or certification for interlocutory (while the case is still pending) appeal.

The company believes it ultimately will prevail in this insurance litigation. The company's belief is based on an analysis of its insurance policies; court decisions on these and similar issues; reimbursement by insurers for these types of claims; and consultation with outside counsel who are experts in insurance coverage matters. If, however, the occurrence insurers ultimately prevail in this insurance litigation, the company could be effectively deprived of significant and potentially material insurance coverage for breast implant claims. (See discussion of the accrued receivables for insurance recoveries below.)

As of June 30, 1998, the company increased its accrued receivables for insurance recoveries by $109 million (corresponding to the same increase in the minimum probable liabilities and associated expenses) to $773 million, substantially all of which is contested by the insurance 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 accrued as being probable of recovery from its insurers.

The company's current estimate of the probable liabilities, associated expenses and probable insurance recoveries related to the breast implant claims is based on the facts and circumstances existing at this time. New developments may occur that could affect the company's estimates of probable liabilities (including associated expenses) and the probable amount of insurance recoveries. These developments include, but are not limited to, (i) the ultimate Fixed Amount Benefit distribution of claimants in the Revised Settlement Program; (ii) the success of and costs to the company in defending opt-out claims, including claims involving breast implants not manufactured or sold by the company; (iii) the outcome of the occurrence insurance litigation in the courts of Minnesota and Texas; and (iv) the outcome of potential arbitration with claims-made insurers.

The company cannot determine the impact of these potential developments on the current estimate of probable liabilities (including associated expenses) and the probable amount of insurance recoveries. Accordingly, the company is not able to estimate its possible future liabilities and recoveries beyond the current estimates of probable amounts. As new developments occur, these estimates may be revised, or additional charges may be necessary to reflect the impact of these developments on the costs to the company of resolving breast implant litigation, claims and insurance recoveries. Such revisions or additional future charges could have a material adverse impact on the company's net income in the quarterly period in which they are recorded. Although the company considers it unlikely, such revisions or additional future charges could also have a material adverse effect on the consolidated financial position or annual results of operations of the company.

The company conducts ongoing reviews, assisted by outside counsel, to determine the adequacy and extent of insurance coverage provided by its occurrence and claims-made insurers. The company believes, based on these ongoing reviews and the bases described in the fourth preceding paragraph, it is probable that the collectible coverage provided by its applicable insurance policies is sufficient to cover substantially all of its current exposure for breast implant claims and defense costs. Based on the availability of this insurance coverage, the company believes that its uninsured financial exposure has not materially changed since the first quarter of 1994. Therefore, no recognition of additional charges has been made.

Environmental Matters

The company also is involved in a number of environmental proceedings by governmental agencies and by private parties asserting liability for past waste disposal and other alleged environmental damage. The company conducts ongoing investigations, assisted by environmental consultants, to determine accruals for the probable, estimable costs of remediation. The remediation accruals are reviewed each quarter and changes are made as appropriate.

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

(a) The registrant held its Annual Meeting of Stockholders on May 12, 1998.

(b) Proxies for the meeting were solicited pursuant to Regulation 14; there was no solicitation in opposition to management's nominees as listed in the Proxy Statement and all such nominees were elected.

Three directors were elected to the year 2001 Class (Edward A. Brennan, Livio D. DeSimone and F. Alan Smith) and one director to the year 1999 Class (Allen E. Murray).

Directors whose terms continue after the meeting were Ronald O. Baukol, Edward R. McCracken, W. George Meredith, Ronald A. Mitsch, Aulana L. Peters, Rozanne L. Ridgway, Frank Shrontz and Louis W. Sullivan.

(c) The ratification of the appointment of Coopers & Lybrand L.L.P. (on July 1, 1998, Coopers & Lybrand L.L.P. merged with Price Waterhouse LLP to form PricewaterhouseCoopers LLP), independent

auditors, to audit 3M's books and accounts for the year 1998.

For	339,624,251
Against	781,109
Abstain	1,280,162

Item 6. Exhibits and Reports on Form 8-K

(a) The following documents are filed as exhibits to this Report.

(12) A statement regarding the calculation of the ratio of earnings to fixed charges. Page 25.

(15) A letter from the company's independent auditors regarding unaudited interim financial statements. Page 26.

(27) Financial data schedule (EDGAR filing only).

(b) Reports on Form 8-K:

The company filed a report on Form 8-K dated June 15, 1998.
In a press release dated June 15, 1998, the company announced that it expected second-quarter earnings to be below those in the same quarter last year. The news release also contained forward-looking statements relating to 1998 and the second-half of 1998. The news release was attached as Exhibit 99 to the Form 8-K.

None of the other item requirements of Part II of Form 10-Q are applicable to the company for the quarter ended June 30, 1998.

SIGNATURE

Pursuant to the requirements 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
(Registrant)

Date: August 4, 1998

/s/ Giulio Agostini

Giulio Agostini, Senior Vice President and
Chief Financial Officer

(Mr. Agostini is the Principal Financial and Accounting Officer and has been duly authorized to sign on behalf of the registrant.)

<TABLE>

EXHIBIT 12

MINNESOTA MINING AND MANUFACTURING COMPANY AND SUBSIDIARIES

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

<CAPTION>

<S>	Six Months Ended June 30, 1998 <C>	Year 1997 <C>	Year 1996 <C>	Year 1995 <C>	Year 1994 <C>	Year 1993 <C>
EARNINGS						
Income from continuing operations before income taxes and minority interest*	$1,274	$3,440	$2,479	$2,168	$2,011	$1,851
Add:						
Interest on debt	69	94	79	102	70	39
Interest component of the ESOP benefit expense	15	32	34	37	39	41
Portion of rent under operating leases representative of the interest component	22	41	46	51	46	44
Less: Equity in undistributed income of 20-50% owned companies	3	3	--	1	2	--
TOTAL EARNINGS AVAILABLE FOR FIXED CHARGES	$1,377	$3,604	$2,638	$2,357	$2,164	$1,975
FIXED CHARGES						
Interest on debt	69	94	79	102	70	39
Interest component of the ESOP benefit expense	15	32	34	37	39	41
Portion of rent under operating leases representative of the interest component	22	41	46	51	46	44
TOTAL FIXED CHARGES	$ 106	$ 167	$ 159	$ 190	$ 155	$ 124
RATIO OF EARNINGS TO FIXED CHARGES	12.99	21.58	16.59	12.41	13.96	15.93

<FN>
<F1>
*1997 includes a pre-tax gain on the sale of National Advertising Company of $803 million; 1995 includes a pre-tax restructuring charge of $79 million.
</FN>
</TABLE>

EXHIBIT 15

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington, D.C. 20549

We are aware that our report dated July 23, 1998 on our reviews of interim condensed consolidated financial information of Minnesota Mining and Manufacturing Company and Subsidiaries (the Company) for the three-month and six-month periods ended June 30, 1998 and 1997, and included in the Company's Form 10-Q for the quarter ended June 30, 1998, is incorporated by reference in the Company's registration statements on Form S-8 (Registration Nos. 33-14791, 33-49842, 33-58767, 333-26957, 333-30689 and 333-30691), and Form S-3 (Registration No. 33-48089). Pursuant to Rule 436(c), under the Securities Act of 1933, this report should not be considered a part of the registration statements prepared or certified by us within the meaning of Sections 7 and 11 of that Act.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP

St. Paul, Minnesota
August 3, 1998

<TABLE> <S> <C>

<ARTICLE> 5
<LEGEND>
THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM
THE CONSOLIDATED FINANCIAL STATEMENTS AND IS QUALIFIED IN ITS ENTIRETY
BY REFERENCE TO SUCH CONSOLIDATED FINANCIAL STATEMENTS AND NOTES.
</LEGEND>
<MULTIPLIER> 1,000,000

<S>	<C>
<PERIOD-TYPE>	6-MOS
<FISCAL-YEAR-END>	DEC-31-1998
<PERIOD-END>	JUN-30-1998
<CASH>	219
<SECURITIES>	185
<RECEIVABLES>	2,612
<ALLOWANCES>	0
<INVENTORY>	2,467
<CURRENT-ASSETS>	6,366
<PP&E>	12,552
<DEPRECIATION>	7,286
<TOTAL-ASSETS>	13,878
<CURRENT-LIABILITIES>	4,383
<BONDS>	1,221
<PREFERRED-MANDATORY>	0
<PREFERRED>	0
<COMMON>	236
<OTHER-SE>	5,808
<TOTAL-LIABILITY-AND-EQUITY>	13,878
<SALES>	7,470
<TOTAL-REVENUES>	7,470
<CGS>	4,258
<TOTAL-COSTS>	4,258
<OTHER-EXPENSES>	0
<LOSS-PROVISION>	0
<INTEREST-EXPENSE>	69
<INCOME-PRETAX>	1,274
<INCOME-TAX>	456
<INCOME-CONTINUING>	786
<DISCONTINUED>	0
<EXTRAORDINARY>	0
<CHANGES>	0
<NET-INCOME>	786
<EPS-PRIMARY>	1.94
<EPS-DILUTED>	1.92

</TABLE>