

3M to Sell Identity Management Business

3M announced today that it has entered into agreements to sell the identity management business within its Traffic Safety and Security Division, to Gemalto, the world leader in digital security, for \$850 million, subject to closing and other adjustments.

3M's identity management business is a leader in identity management solutions providing biometric hardware and software that enable identity verification and authentication, as well as secure materials and document readers. The business includes 3M Cogent, Inc., a wholly owned subsidiary of 3M, which provides a full spectrum of biometric solutions with a focus in law enforcement, border control and civil identification. 3M's identity management business has annual global sales of approximately \$215 million.

"After completing a thorough strategic review, we believe that the identity management business will be better positioned with a company that is primarily focused on security solutions," said John Riccardi, vice president and general manager, Traffic Safety and Security Division, which is part of 3M's Safety & Graphics Business. "I want to thank our employees for their outstanding contributions to our business."

The transaction is expected to close during the first half of 2017 and is subject to customary closing conditions, regulatory approvals and consultation or information requirements with relevant works councils. Approximately 450 3M employees are expected to transfer to Gemalto with the acquisition.

Upon completion of the sale, 3M will record a gain related to the transaction, and in addition, will incur various charges as it continues to make investments to drive growth and improve productivity.

Goldman, Sachs & Co. acted as the exclusive financial advisor to 3M.

About 3M

At 3M, we apply science in collaborative ways to improve lives daily. With \$30 billion in sales, our 90,000 employees connect with customers all around the world. Learn more about 3M's creative solutions to the world's problems at www.3M.com or on Twitter @3M or @3MNewsroom.

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