

## **3M to Sell Its Electronic Monitoring Business; Transportation Safety Division to Focus on Connected Roadways of the Future**

3M announced today that it has entered into an agreement to sell its electronic monitoring business to an affiliate of Apax Partners, a leading global private equity advisory firm, for \$200 million, subject to closing and other adjustments.

3M's business, with annual sales of approximately \$95 million, is a provider of electronic monitoring technologies, serving hundreds of correctional and law enforcement agencies around the world.

"This divestiture is one of several actions we have taken to improve our portfolio," said John Riccardi, vice president and general manager, Transportation Safety Division. "We are focusing on the rapidly changing trends in transportation safety and mobility, which include the connected roadways of the future."

For almost 80 years, 3M has pioneered industry-leading solutions to improve road safety and mobility. The Transportation Safety Division, formerly known as the Traffic Safety and Security Division, supplies materials and solutions including retroreflective sign sheeting, pavement marking, temporary traffic control, vehicle registration and conspicuity.

Approximately 265 3M employees who support the electronic monitoring business are expected to transfer in connection with the sale.

The transaction is expected to close in the third quarter of 2017, subject to customary closing conditions, regulatory approvals and consultation or information requirements with relevant works councils.

Upon completion of this transaction, 3M expects to record a gain of approximately \$0.15 per share from this divestiture.

Wells Fargo Securities, LLC, acted as the exclusive financial adviser to 3M on the sale.

### **Forward-Looking Statements**

This news release contains forward-looking information about 3M's financial results and estimates and business prospects that involve substantial risks and uncertainties. You can identify these statements by the use of words such as "anticipate," "estimate," "expect," "aim," "project," "intend," "plan," "believe," "will," "should," "could," "target," "forecast" and other words and terms of similar meaning in connection with any discussion of future operating or financial performance or business plans or prospects. Among the factors that could cause actual results to differ materially are the following: (1) worldwide economic, political, and capital markets conditions and other factors beyond the Company's control, including natural and other disasters or climate change affecting the operations of the Company or its customers and suppliers; (2) the Company's credit ratings and its cost of capital; (3) competitive conditions and customer preferences; (4) foreign currency exchange rates and fluctuations in those rates; (5) the timing and market acceptance of new product offerings; (6) the availability and cost of purchased components, compounds, raw materials and energy (including oil and natural gas and their derivatives) due to shortages, increased demand or supply interruptions (including those caused by natural and other disasters and other events); (7) the impact of acquisitions, strategic alliances, divestitures, and other unusual events resulting from portfolio management actions and other evolving business strategies, and possible organizational restructuring; (8) generating fewer productivity improvements than estimated; (9) unanticipated problems or delays with the phased implementation of a global enterprise resource planning

(ERP) system, or security breaches and other disruptions to the Company's information technology infrastructure; (10) financial market risks that may affect the Company's funding obligations under defined benefit pension and postretirement plans; and (11) legal proceedings, including significant developments that could occur in the legal and regulatory proceedings described in the Company's Annual Report on Form 10-K for the year ended Dec. 31, 2016, and any subsequent quarterly reports on Form 10-Q (the "Reports"). Changes in such assumptions or factors could produce significantly different results. A further description of these factors is located in the Reports under "Cautionary Note Concerning Factors That May Affect Future Results" and "Risk Factors" in Part I, Items 1 and 1A (Annual Report) and in Part I, Item 2 and Part II, Item 1A (Quarterly Reports). The information contained in this news release is as of the date indicated. The Company assumes no obligation to update any forward-looking statements contained in this news release as a result of new information or future events or developments.

#### 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](http://www.3M.com) or on Twitter @3M or @3MNewsroom.

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