

3M Health Care Profile and History

3M is a diversified technology company known worldwide for innovative and reliable products. With annual sales of more than \$4 billion dollars, 3M Health Care is the company's largest major business segment. We're committed to providing healthcare professionals and patients innovative solutions that help make people's lives better. The 3M Health Care family of businesses serves the medical, dental, pharmaceutical, animal health and health information markets. The extended 3M Health Care family also serves the personal care and food quality assurance testing markets.

3M Health Care Philosophy

3M Health Care is committed to providing the health care community with innovative solutions, based on 3M diversified technologies, that help improve the quality of life.

HISTORY AND MILESTONES

- 3M was founded in 1902.
- All of the original 3M products were abrasives. The first diversification came with 3M's introduction of masking tape in 1925. Scotch™ cellophane tape was introduced in 1929 and was an immediate success.
- 3M's first health care product was a surgical drape, introduced in 1948. Autoclave tape, the second product, was introduced in 1950 and marked 3M's first entry into the sterilization assurance business.
- World's first Metered-Dose Inhaler was developed by Riker Laboratories (now 3M) in 1956.
- Medical Products Division, the first 3M division devoted solely to health care, was formed in 1961.
- 3M launched its dental products business in 1964 with the introduction of Addent™ Anterior Restorative, the first tooth-colored filling material.
- Cardiosonics Inc. was added in 1967 bringing Littmann® stethoscopes into 3M Health Care.
- Riker Laboratories, now known as 3M Pharmaceuticals was acquired in 1970.
- The 3M Health Care Group was formed in 1972.
- Ion-Corporation, a leader in temporary and permanent crowns, was acquired by 3M Dental in 1972.
- 3M introduces a closure tape system for disposable diapers in the US market in 1972.
- Ferris Medical Corporation was acquired in 1973 bringing what are now 3M™ Red Dot™ electrodes.
- 3M Health Information Systems formed in 1983.
- Unitek Corporation, leading supplier of orthodontic products, was acquired in 1987.
- PyMaH Corporation with sterilization monitoring, vital signs and industrial monitoring products was added in 1996.
- Significant expansion of Health Information Systems through acquisitions:
 - 1987 Medlab Company
 - 1990 Health Systems International
 - 1996 Solon Consulting
 - 1999 Hyatt, Imler, Ott and Blount (HIOB) Consulting Group and Home Health Systems
 - 2004 Info-X, Inc. (medical necessity and compliance solutions)
- Metro-Gel Vaginal® (metronidazole) prescription pharmaceutical acquired in 1997.
- Aldara™ (imiquimod) Cream, 5% prescription pharmaceutical launched in 1997.
- ESPE Dental AG, a German-based dental supplies company, combined with 3M Dental Products Division in 2001.
- Viscoplast, S.A., leading Polish manufacturer of medical tapes and dressings, acquired by 3M Medical in 2001.
- Aldara Cream FDA approved for two additional dermatological conditions in 2004.
- OMNII Oral Pharmaceuticals acquired by 3M ESPE in 2005
- Today, 3M Health Care successfully competes in multiple segments including medical and dental supplies, pharmaceuticals, animal health and health information systems.

RECENT RECOGNITION

- 3M Dental Products was a 1997 Winner of Malcolm Baldrige National Quality Award.
- 3M Health Care received The Frank M. Rhatigan “Honorable Mention” for Bar Coding Initiative on the 1997 Health Industry Distributors Association (HIDA) show.
- Kaiser Permanente awarded 3M Health Care “Supplier of the Year” Honorable Mention in the Medical Supplies Category in 1997.
- The 3M Consumer & Professional Health Care business was awarded “Supplier of the Year” in 1997 by Bergen Brunswig Corporation in the category for Over The Counter/Health & Beauty Care.”
- 3M Pharmaceuticals won 2001 “Supplier of the Year” Branded Pharmaceuticals Award from McKesson HBOC.
- 3M Pharmaceuticals was awarded a Golden Triangle Award from the American Academy of Dermatology in 2002 for their Aldara™ Cream Direct-to-Consumer advertising campaign, “I’m a Statistic.”
- 3M Medical receives Operational Excellence and World Class Supply Chain Partner Gold Level awards in 2002 from Allegiance Healthcare.
- 3M Health Information Systems (HIS) won the 2002 American Health Information Management Association (AHIMA) Champion Triumph Award. for significant support of the association and the health information management profession.
- In 2003, 3M Medical again receives the Operational Excellence and Supply Chain Partner awards from Allegiance, now part of Cardinal Health.

ALL DIVISIONS

Educational Programs

3M sponsors various global inservice programs to help ensure correct utilization of 3M products and offers CME-credit programs that enhance clinical skills and knowledge.

Industry Support

Each year 3M also sponsors over a thousand presentations and conferences. 3M is a key supporter of the National Patient Safety Foundation and Women’s Health Initiative, and the American Academy of Dermatology.

MEDICAL

Supplies and Devices

3M is a leading global supplier of single-use medical supplies including tapes, dressings, surgical drapes, masks, electrodes and other products used by health care practitioners. With specific expertise in infection prevention and skin and wound care, 3M Medical offers products, services and solutions for professionals in hospitals and alternate care settings.

– **Key Brands:**

- 3M™ Avagard™ Hand Antiseptic
- 3M™ Micropore™ tape
- 3M™ DuraPrep™ skin prep
- 3M™ Littmann® Stethoscopes
- 3M™ Tegaderm™ dressings
- 3M™ Steri-Drape™ surgical drapes
- 3M™ Red Dot™ electrodes
- 3M™ Attest™ sterilization indicators

Medical Specialties and OEM Products

From component selection to market introduction, 3M Medical Specialties and OEM Products offers innovative solutions, technologies and services for the Medical/Surgical, Ostomy, Electrodes, Optical, Retail and Diagnostic markets. With over 50 years of experience in developing medical grade tapes and films, we are *The Trusted Source* for medical device components.

Animal Care

For over 35 years 3M has been serving the animal health industry by providing high quality products and services to veterinary professionals, trainers and pet owners in the companion animal and equine marketplace.

– **Key Brands:**

- 3M™ Vetrap™ bandaging tape

Microbiology

3M designs, manufactures and markets a full line of testing and monitoring products that assist food processors globally manage their quality and safety risk in providing healthy, wholesome and safe food.

– **Key Brands:**

- 3M™ Petrifilm™ Plates
- 3M™ Quick Swabs
- 3M™ Electronic Pipettors and Tips
- 3M™ Petrifilm™ Plate Reader
- 3M™ MonitorMark™ Time Temperature Indicator
- 3M™ Freeze Watch™ Indicator

HEALTH INFORMATION SYSTEMS

A worldwide leader in coding, grouping, and classification systems, 3M Health Information Systems' core products are delivered to the medical records department, but the division also provides tools and services for improving a hospital's performance in revenue cycle management, quality, regulatory compliance, and billing. The division is charting the course for the future adoption of ICD-10 coding system in the United States, allowing the industry to improve coding quality with an unprecedented level of accuracy. The 3M™ APR™ DRG Classification System is the most widely used severity of illness and risk of mortality adjustment methodology in hospitals today, helping ensure that patients receive the highest quality of care and that providers are appropriately reimbursed and publicly recognized for the care they deliver.

– Key Brands:

- 3M™ Coding and Reimbursement System, featuring the 3M™ Codefinder™ Software
- 3M™ Medical Necessity Dictionaries and 3M™ Medical Necessity Online
- 3M™ Chargemaster Online and Chargemaster Services
- 3M™ Ambulatory Revenue Management Software
- 3M™ APR™ DRG Classification System, 3M™ APR™ DRG Software, and 3M™ APR™ DRG Benchmarking Software
- 3M Consulting Services, including DRG Assurance™, APC Assurance™, and Strategic Pricing.

PHARMACEUTICALS

3M develops, manufactures, and sells branded prescription drug products related to dermatology, women's health, sexual health, respiratory medicine and cardiology. 3M is developing immune response modifiers (IRMs), which stimulate the human body's immune system to fight disease.

– Key Brands:

- Aldara™ (imiquimod) Cream 5%
- MetroGel-Vaginal® (metronidazole)

DENTAL AND ORTHODONTIC PRODUCTS

3M ESPE

2001 marked the formation of 3M ESPE, a combination of 3M Dental Products Division with German-based ESPE Dental AG. 3M ESPE is committed to improving oral health around the world by providing products designed to set the standards of success in the industry. 3M ESPE manufactures and markets more than 2,000 products used by dentists to improve oral health around the world. The products are designed to meet your restorative, crown and bridge, preventive, infection control, and cosmetic dentistry needs.

– Key Brands:

- Adper™ Dental Adhesives
- Clinpro™ Preventive Products
- Filtek™ Restorative Materials
- Impregum™ & Imprint™ Impression Materials
- Lava™ Crowns and Bridges System
- RelyX™ Cements
- Sof-Lex™ Finishing & Polishing Systems

3M Unitek

Since its founding in 1948, Unitek has been committed to orthodontics, introducing industry-milestone products such as the first stainless steel brackets, adhesive pre-coated brackets, color-changing bonding adhesive and true self-ligating brackets. Today, 3M Unitek delivers its more than 14,000 products and innovative orthodontic solutions worldwide, and takes a leadership position in the industry based upon its unwavering commitment to superior customer service and the highest quality products and services.

– Key Brands:

- APC™ Adhesive Coated Appliance System
- Clarity™ Metal-Reinforced Ceramic Brackets
- MBT™ Versatile+ Appliance System
- SmartClip™ Self-Ligating Appliance System

DRUG DELIVERY SYSTEMS

3M provides world-class inhalation and transdermal drug delivery product development and manufacturing to pharmaceutical and biotech companies. We combine over 50 years of experience and the agility of a leading drug delivery company with the resources of a major, multinational corporation to enable your success.

CONTACT INFORMATION

3M

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www.3M.com/healthcare

Medical

1-800-228-3957

Littmann Stethoscopes

1-800-228-3957
www.3M.com/littmann

Infection Prevention

1-800-228-3957
www.3m.com/infectionprevention

Skin Health

1-800-228-3957
www.3m.com/skinhealth

Animal Care

1-800-848-0829
www.3m.com/animalcare

Medical Specialities

1-800-228-3957
www.3m.com/us/healthcare/medicalspecialties

Microbiology

1-800-328-6553
www.3m.com/microbiology

Health Information Systems

800-367-2447
www.3m.com/us/healthcare/HIS

Pharmaceuticals

1-888-3M-HELPS (1-888-364-3577)
www.3m.com/us/healthcare/pharma

Drug Delivery Systems

1-800-643-8086
www.3m.com/us/healthcare/manufacturers/dds

Dental and Orthodontics

3M ESPE 800-634-2249
www.3MESPE.com
3M Unitek 800-423-4588
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3M FACTS

Sales (year-end 2005)

Worldwide\$21.167 billion
International\$12.900 billion
(61% of company's total)
Net income – reported\$3.199 billion
Earnings per share – diluted – reported\$4.12
• Up 9.9% vs 2004

Employees

Worldwide69,315
United States33,033
International36,282

R & D and Related Expenditures

For 2005\$1.242 billion
Total for last five years\$5.814 billion

Other 3M Facts

Worldwide headquarters in St. Paul, MN

Founded in Two Harbors, MN in 1902

Organized into six businesses:

- Consumer and Office
- Display and Graphics
- Electro and Communications
- Health Care
- Industrial and Transportation Business
- Safety, Security and Protection Services

Companies in more than 60 countries, 3M products sold in more than 200 countries.

For more information, visit the 3M Health Care website at www.3M.com/healthcare.

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