

3M 2Q Profit Slips As Economy Lags

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ST. PAUL, Minn. (AP) — Manufacturing conglomerate 3M Co. said Thursday its second-quarter profit fell 17 percent as the global recession cut sales to car makers, but results still beat analysts' expectations.

The Dow Jones industrial average component, which makes products including Scotch tape and Post-it notes, also raised its full-year sales and earnings forecasts, and shares rose in premarket trading.

Net income attributable to common shareholders for the three months ended in June slipped to \$783 million, or \$1.12 per share, from \$945 million, or \$1.33 per share, in the same period a year earlier. Excluding special items, the company recorded profit of \$1.20 per share.

Revenue fell 15 percent to \$5.72 billion.

Analysts expected profit of 94 cents per share on revenue of \$5.41 billion, according to a survey by Thomson Reuters. Such estimates typically exclude special items.

3M increased its 2009 profit outlook to a range of \$4.10 to \$4.30 per share, excluding special items, from a previous range of \$3.90 to \$4.30.

The company now expects revenue to decline 10 percent to 13 percent from last year, compared with its previous forecast for a decline of 11 percent to 15 percent. The company's new guidance implies revenue of \$22.52 billion to \$22.77 billion.

Analysts project 2009 income of \$3.97 per share on revenue of \$21.75 billion.

Sales to car makers suffered a double-digit decline, but sales of respiratory products used to prevent the spread of swine flu increased.

During the second quarter 3M eliminated about 1,000 jobs, reducing its total headcount to about 76,000 employees worldwide.

In premarket trading, the stock rose \$1.68, or 2.6 percent, to \$66.35. In the last 52 weeks, shares have ranged from \$40.87 to \$74.71.

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