METTLER TOLEDO INTERNATIONAL INC/
Form 11-K
June 21, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 11-K

(Mark One)

x ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017, OR

.. TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM ____________ TO ________________

Commission File Number: 001-13595

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

METTLER-TOLEDO, LLC
ENHANCED RETIREMENT SAVINGS PLAN
1900 POLARIS PARKWAY
COLUMBUS, OHIO 43240-4035

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

METTLER-TOLEDO INTERNATIONAL INC.
IM LANGACHER
P.O. BOX MT-100
CH8606 GREIFENSEE, SWITZERLAND

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Financial Statements and Supplemental Schedule
December 31, 2017 and 2016
with Report of Independent Registered Public Accounting Firm

METTLER-TOLEDO, LLC
ENHANCED RETIREMENT SAVINGS PLAN
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Report of Independent Registered Public Accounting Firm

To the Pension Committee and Participants of
Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Columbus, Ohio

Opinion on the Financial Statements

We have audited the accompanying statements of net assets available for benefits (modified cash basis) of the Mettler-Toledo, LLC Enhanced Retirement Savings Plan (the Plan) as of December 31, 2017 and 2016, and the related statements of changes in net assets available for benefits (modified cash basis) for the years ended December 31, 2017 and 2016, and the related notes and schedule (collectively referred to as the financial statements). In our opinion, the financial statements present fairly, in all material respects, the net assets available for benefits (modified cash basis) of the Plan as of December 31, 2017 and 2016, and the changes in net assets available for benefits (modified cash basis) for the years ended December 31, 2017 and 2016, in conformity with the modified cash basis of accounting.

As described in Note 2, the accompany financial statements and supplemental schedule were prepared on a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on the Plan's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Plan in accordance with the U.S. federal securities laws and applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Supplemental Information

The supplemental schedule of assets held at end of year has been subjected to audit procedures performed in conjunction with the audit of the Plan's financial statements. The supplemental information is the responsibility of the Plan's management. Our audit procedures included determining whether the supplemental information reconciles to the financial statements or the underlying accounting and other records, as applicable, and performing procedures to test the completeness and accuracy of the information presented in the supplemental information. In forming our opinion on the supplemental information, we evaluated whether the supplemental information, including its form and content, is presented in

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conformity with the Department of Labor’s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the financial statements as a whole.

/s/ Clark, Schaefer, Hackett & Co.
We have served as the Plan’s auditor since December 31, 2003.

Columbus, Ohio
June 21, 2018

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Statements of Net Assets Available for Benefits (Modified Cash Basis)
As of December 31, 2017 and 2016

	2017	2016
Assets		
Investments at fair value	$460,736,197	$387,245,608
Participant loan receivables	5,449,231	5,485,492
Net assets available for benefits	$466,185,428	$392,731,100

See accompanying notes to the financial statements.

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Statements of Changes in Net Assets Available for Benefits (Modified Cash Basis)
For the Years Ended December 31, 2017 and 2016

	2017	2016
Additions		
Investment Activity		
Dividends and interest	$10,819,569	$9,150,667
Net appreciation in fair value of investments	57,401,792	20,431,651
	68,221,361	29,582,318
Participant Loan Receivable Activity		
Interest	171,019	166,117
Contributions		
Employer	11,169,429	9,499,401
Participants' deferrals	17,419,697	15,913,412
Participants' rollovers	2,627,404	2,274,032
	31,216,530	27,686,845
Assets transfered in	1,058,701	—
	100,667,611	57,435,280
Deductions		
Benefits paid to participants or beneficiaries	27,138,566	21,928,595
Administrative expenses	74,717	67,269
	27,213,283	21,995,864
Net increase in net assets	73,454,328	35,439,416
Net assets available for benefits, beginning of year	392,731,100	357,291,684
Net assets available for benefits, end of year	$466,185,428	$392,731,100

See accompanying notes to the financial statements.

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

1. Description of Plan

The following description of the Mettler-Toledo, LLC Enhanced Retirement Savings Plan (the Plan) provides only general information. Participants should refer to the Plan Agreement for a more complete description of the Plan's provisions.

General

The Plan is a qualified defined contribution plan covering eligible employees of adopting units (wholly-owned subsidiaries) and a safe harbor 401(k)/401(m) plan under IRC 401(k)(12) and 401(m)(11). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Employees become eligible to participate in the Plan on the first day of a payroll period following the date the employee meets the eligibility requirements, as defined.

Mettler-Toledo, LLC (a wholly-owned subsidiary of Mettler-Toledo International Inc.) is both the Plan Sponsor and Administrator and is responsible for keeping accurate and complete records with regard to the Plan, informing participants of changes or amendments to the Plan, and ensuring that the Plan conforms to applicable laws and regulations. Vanguard Fiduciary Trust Company (VFTC) is the trustee and maintains the Plan assets.

Contributions

Each year, participants may contribute up to 60% of pretax annual compensation, as defined by the Plan. Participants who reach age 50 may elect to make catch-up contributions. Participants may also contribute rollover contributions representing distributions from other qualified plans. Forfeitures may be used by the Plan Sponsor to reduce future contributions and/or to pay reasonable Plan expenses.

The Plan Sponsor contributes:

Safe Harbor Matching Contributions - 100% of the first 3% of each participant's deferred compensation and 50% of the next 3% of each participant's deferred compensation. All participants who make pre-tax contributions are eligible for the matching contributions. There is no match for the participants' catch-up contributions.

Discretionary Contributions - Employees become eligible on their one-year anniversary of employment. Participants must be employed on the last day of the Plan year to receive this discretionary contribution, with the exceptions of death, retirement, disability, or authorized leave.

Special Contributions - The amount was determined by a participant's eligible pay as of December 31, 2001, the number of years of service until the participant's normal retirement, as defined by the Plan, the number of years the participant worked with the Plan Sponsor and the level of the participant's benefits in the Mettler Toledo Retirement Plan. Employees became eligible if they were at least 45 years old and achieved 15 years of service with the Plan Sponsor as of December 31, 2001.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Plan Sponsor's contribution and plan earnings, and is charged with an allocation of certain administrative expenses. Allocations are based on participant earnings or account balances, as defined. An annual loan maintenance fee is deducted from the respective accounts of those participants with outstanding loans. The investment funds' net investment earnings and changes in fair value are allocated to each participant's account on a daily basis. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

Vesting

Effective July 1, 2002, some units became immediately vested in the Plan. All other units continue to vest under the original vesting provisions. Participants are immediately vested in the Plan Sponsor's Safe Harbor Matching Contributions. Vesting in the Plan Sponsor's Discretionary Contributions and Special Contributions plus actual earnings thereon is based on whether the participant is employed at the end of the plan year.

Investment Options

Upon enrollment in the Plan, a participant can direct employee and employer contributions in 5% increments among the various investment options offered through VFTC, or into a Vanguard Brokerage Option Account (VBO). The VBO is a self-directed program that allows participants to invest their account balances in mutual funds that are outside the current plan options. A participant may elect to transfer amounts between investment options as of any business day. Certain investment options offered within the VFTC may not be directly transferred to a VBO for a period of 90 days.

Company Stock Fund

The Plan invests in an employer stock fund consisting of Mettler-Toledo International Inc. Common Stock (Company Stock). The fund may also hold cash or cash equivalents as necessary to satisfy obligations of the fund.

Payment of Benefits

A participant's vested account may be distributed upon retirement, termination, disability or death. Distributions are made in lump-sum or equal annual installments not to exceed the employee's life expectancy. Upon death, the remaining balance shall be distributed in a lump sum within five years. Forfeitures, if any, are used to reduce the Plan Sponsor's contributions or pay Plan expenses. Participants may make a withdrawal during employment due to hardship as well as other allowable situations defined in the Plan document. Hardship withdrawals are subject to approval by the Pension Committee and must meet the criteria for hardship under Section 401(k) of the Internal Revenue Code (IRC).

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Plan.

Basis of Presentation

The accompanying financial statements of the Plan have been prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). The difference between the modified cash basis and accounting principles generally accepted in the United States of America is that contributions and interest and dividend income are recognized when received and administrative expenses are recognized when paid.

Investment Valuation and Income Recognition

Under the terms of a trust agreement between the Plan Sponsor and VFTC, the trustee invests trust assets at the direction of the plan participants. The trustee has reported to the Plan Sponsor the trust fund investments and the trust transactions at fair value. Shares of registered investment companies are valued at quoted market prices, which represent the net asset value of shares held by the Plan at year-end. The Plan's interest in the units of a common collective trust are based on information reported by VFTC using audited financial statements of the collective trust at the end of 2017 and 2016. The Company stock fund is valued at its year-end unit closing price (comprised of year-end market price plus uninvested cash position). Realized and unrealized gains and losses are reflected as net appreciation (depreciation) in fair value of investments in the statements of changes in net assets available for benefits.

Purchases and sales of securities are recorded on a trade-date basis. Interest and dividend income is recognized when received. Capital gain distributions are included in dividend income.

Participant Loan Receivables

Participant loan receivables are measured at their unpaid principal balance plus any accrued but unpaid interest. Interest income is recognized when received. Interest charged to participants for participant loans is reviewed annually by the Plan Administrator and is to be comparable to commercial lending rates on bank loans secured by certificates of deposit in the area at the time the loan is made. Loans may not exceed the lesser of 50% of a participant's vested account balance or $50,000. The repayment period may not exceed five years. Each loan is secured by the remaining balance in the participant's account. A loan is considered delinquent after 60 days of not receiving a payment. The Plan reviews delinquent loans on a quarterly basis. As of December 31, 2017 and 2016, no loans were considered delinquent.

Contributions

Participant and Plan Sponsor contributions are recognized when received by the trustee.

Payment of Benefits

Benefits are recognized when paid.

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Mettler-Toledo, LLC Enhanced Retirement Savings Plan
Notes to the Financial Statements
For the Years Ended December 31, 2017 and 2016

Forfeitures

The portion of a participant's account which is forfeited due to termination of employment for reasons other than retirement, disability or death is used to reduce the Plan Sponsor's future contributions or pay Plan expenses. No forfeitures were used to pay Plan expenses in 2017 and 2016. At December 31, 2017 and 2016, forfeited nonvested accounts totaled $16,703 and $10,974, respectively. Forfeitures used to pay employer contributions were $37,529 for 2017 and $43,098 for 2016.

Administrative Expenses

Fees for portfolio management of VFTC funds are paid directly from fund earnings. Recordkeeping fees and fees related to the administration of participant loan receivables are charged to the participant's account. Audit fees are either paid by the Plan Sponsor or from the forfeiture account. Should the Plan Sponsor elect not to pay all or part of such expenses, the trustee then pays these expenses from the Plan assets. Expenses are recognized when paid.

Use of Estimates

The preparation of the Plan's financial statements in conformity with a modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America, requires the Plan Administrator to make certain estimates and assumptions that affect the reported amounts of net assets available for benefits and, when applicable, disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of changes in net assets available for benefits during the reporting period. Actual results could differ significantly from those estimates.

Risk and Uncertainties

The Plan provides various investment options in any combination of stocks, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statements of net assets available for benefits.

3. Fair Value Measurements

Under U.S. GAAP, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement consists of observable and unobservable inputs that reflect the assumptions that a market participant would use in pricing an asset or liability.

A fair value hierarchy has been established that categorizes these inputs into three levels:

Level 1: Quoted prices in active markets for identical assets and liabilities

Level 2: Observable inputs other than quoted prices in active markets for identical assets and liabilities

Level 3: Unobservable inputs

Investments consist of various mutual funds, a common collective trust and a Company stock fund. The plan invests in shares of open-ended mutual funds that trade in active markets and produce a daily net asset value, equal to the fair value of the shares at year-end. Units of the common collective trust are valued at net asset value at the end of the year. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient would not be used if it is determined to be probable that the fund will sell the investment for an amount different from the reported NAV. Participant transactions (purchases and sales) may occur daily. If the Plan were to initiate a full redemption of the collective trust, the investment advisor reserves the right to temporarily delay withdrawal from the trust in order to ensure the securities liquidations will be carried out in an orderly business manner. There are no unfunded commitments related to the common collective trust and units of the common collective trust are redeemable at net asset value. Company stock is valued at its year-end unit closing price (comprised of year-end market price plus uninvested cash position).

The following tables present for each of these hierarchy levels, the Plan assets that are measured at fair value on a recurring basis at December 31, 2017 and 2016:

	December 31, 2017			
	Total	Level 1	Level 2	Level 3
Assets:				
Company stock fund	$17,889,174			