

METTLER TOLEDO INTERNATIONAL INC/
Form 11-K
June 27, 2007
Table of Contents

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2006

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, INC.

DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

1900 POLARIS PARKWAY

COLUMBUS, OH 43240-4035

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

Edgar Filing: METTLER TOLEDO INTERNATIONAL INC/ - Form 11-K

METTLER-TOLEDO INTERNATIONAL INC.

IM LANGACHER

P.O. BOX MT-100

CH8606 GREIFENSEE, SWITZERLAND

Table of Contents

METTLER-TOLEDO, INC.

DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

Financial Statements

and

Supplemental Schedule

December 31, 2006 and 2005

with

Report of Independent Registered Public Accounting Firm

Table of Contents

METTLER-TOLEDO, INC.

DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

Table of Contents

	Page
<u>Report of Independent Registered Public Accounting Firm</u>	1-2
Financial Statements:	
<u>Statements of Net Assets Available for Benefits (Modified Cash Basis)</u> <u>As of December 31, 2006 and 2005</u>	3
<u>Statements of Changes in Net Assets Available for Benefits (Modified Cash Basis)</u> <u>For the Years Ended December 31, 2006 and 2005</u>	4
<u>Notes to Financial Statements</u>	5-10
Supplemental Schedule -	
<u>Schedule of Assets (Held at End of Year) (Modified Cash Basis)</u> <u>As of December 31, 2006</u>	11
<u>Signatures</u>	12
<u>Index to Exhibits</u>	13
<u>Exhibit 1a Consent of Independent Registered Public Accounting Firm</u>	14

Table of Contents

Report of Independent Registered Public Accounting Firm

To the Participants and Plan Administrator of

Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan

We have audited the accompanying statements of net assets available for benefits (modified cash basis) of Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan (the Plan) as of December 31, 2006 and 2005 and the related statements of changes in net assets available for benefits (modified cash basis) for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan has determined that it is not required, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements and assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described in Note 2, the accompanying 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan as of December 31, 2006 and 2005, and the changes in net assets available for benefits for the years then ended, on a basis of accounting described in Note 2.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedule of assets held at end of year (modified cash basis) is presented for the purpose of additional analysis and is not a required part of the basic financial statements, but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan's management. The

Table of Contents

supplemental schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ Clark, Schaefer, Hackett & Co.
Columbus, Ohio
June 19, 2007

Table of Contents

Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan

Statements of Net Assets Available for Benefits (Modified Cash Basis)

As of December 31, 2006 and 2005

Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan:

Plan: 092821

	2006	2005
Assets		
Investments (Note 2)	\$ 14,800,411	\$ 11,312,240
Loans to participants	155,622	160,323
Net assets available for benefits at fair value	14,956,033	11,472,563
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts	10,459	9,881
Net assets available for benefits	\$ 14,966,492	\$ 11,482,444

See accompanying notes to financial statements.

Table of Contents**Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan****Statements of Changes in Net Assets Available for Benefits (Modified Cash Basis)****For the Years Ended December 31, 2006 and 2005**

	2006	2005
Investment activity		
Dividends and interest	\$ 607,076	\$ 401,147
Net appreciation in fair value of investments	1,136,769	480,432
	1,743,845	881,579
Contributions		
Employer	401,823	387,807
Participants' deferrals	1,622,593	1,549,173
Participants' rollovers	193,901	190,375
	2,218,317	2,127,355
	3,962,162	3,008,934
Deductions		
Benefits paid to participants or beneficiaries	456,259	1,116,721
Administrative expense	21,855	14,853
Asset transfer out		2,242,099
	478,114	3,373,673
Net increase (decrease) in net assets	3,484,048	(364,739)
Net assets available for benefits, beginning of year	11,482,444	11,847,183
Net assets available for benefits, end of year	\$ 14,966,492	\$ 11,482,444

See accompanying notes to financial statements.

Table of Contents

Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan

Notes to Financial Statements

1. Description of Plan

The following description of the Mettler-Toledo, Inc. Defined Contribution 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

Effective January 1, 2003, Mettler-Toledo, Inc. (the Company) adopted the Plan as a continuation of the Mettler-Toledo, Inc. Enhanced Retirement Savings Plan.

The Plan is a qualified defined contribution plan covering eligible employees of adopting units (wholly-owned subsidiaries) of the Company. 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 the calendar month following the date the employee meets the eligibility requirements, as defined.

Contributions

Each year, participants may contribute up to 50% of pretax annual compensation, as defined by the Plan. The Company contributes matching contributions ranging from 0% to 50% of each participant's contribution that does not exceed 6% of compensation, based upon the applicable unit. Certain units may also contribute a discretionary contribution annually.

Participants who reach age 50 may elect to make catch-up contributions.

Forfeitures may be used by the Company to reduce future contributions and/or to pay reasonable Plan expenses.

Participant Accounts

Each participant's account is credited with the participant's contribution and allocations of the Company'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 fund's 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.

Table of Contents

Vesting

Participants are immediately vested in their contributions plus actual earnings. Vesting in the Company's matching portion of their accounts plus actual earnings is based on years of continuous service. A participant is 100% vested after 3 years of credited service, as defined. Vesting in the discretionary portion of their accounts plus actual earnings is based on years of continuous service. A participant is 100% vested after five years of credited service, as defined. Certain units continue to vest under the original vesting provisions. Participants are 100% vested upon retirement, Plan termination, disability or death.

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 Vanguard Fiduciary Trust Company (VFTC), the plan trustee. A participant may transfer amounts between investment options as of any business day.

Payment of Benefits

A participant's vested account will 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 employer contributions or pay Plan expenses. Participants may make a withdrawal due to hardship. Such 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).

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. 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.

Investment Valuation and Income Recognition

As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Investment Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined Contribution Health and Welfare and Pension Plan* (the FSP), investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because

Table of Contents

contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in investment contracts through a common collective trust. As required by the FSP, the statements of net assets available for benefits presents the fair value of the investment in the common collective trust as well as the adjustment of the investment in the common collective trust from fair value to contract value relating to the investment contracts. The statements of changes in net assets available for benefits is prepared on a contract value basis.

Under the terms of a trust agreement between the Company and VFTC, the trustee invests trust assets at the direction of the plan participants. The trustee has reported to the Company the trust fund investments and the trust transactions at both cost and 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 the Retirement Savings Trust, a common collective trust, is based on information reported by VFTC using unaudited financial statements of the collective trust at the end of the year (The collective trust does have an audit as of September 30 each year). The Company stock fund is valued at its year-end unit closing price (comprised of year-end market price plus uninvested cash position). Loans to participants are stated at unpaid principal, which approximates fair value. Realized and unrealized gains and losses are reflected as net appreciation (depreciation) in fair value of investments in the statement of changes in net assets available for benefits.

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.

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.

Contributions

Participant and employer contributions are recognized when received by the trustee.

Payment of Benefits

Benefits are recognized when paid.

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 Company's future contributions or pay Plan expenses. Forfeited nonvested accounts totaled \$10,527 and \$9,534 at December 31, 2006 and 2005, respectively. Forfeited nonvested accounts of \$20,915 and \$14,633 were used to pay Plan expenses during the year ended December 31, 2006 and 2005, respectively.

Table of Contents**Administrative Expenses**

Fees for portfolio management of VFTC funds are paid directly from fund earnings. Recordkeeping fees are paid by the Company. Audit fees are either paid by the Company or from the forfeiture account. Should the Company elect not to pay all or part of such expenses, the trustee then pays these expenses from the Plan assets.

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 statement of net assets available for plan benefits.

3. Investments

The following investments represent 5% or more of net assets available for benefits at December 31, 2006 and 2005:

	2006	2005
Investments at fair value		
Vanguard 500 Index Fund	\$ 1,544,195	\$ 1,296,266
Vanguard Health Care Fund	1,005,648	819,950
Vanguard International Growth Fund	903,030	639,709
Vanguard Small-Cap Index Fund	818,013	602,610
Investment at contract value		
Vanguard Retirement Savings Trust	1,097,327	759,137

Table of Contents

4. Transactions with Parties-in-Interest

The Plan invests in shares of mutual funds managed by an affiliate of VFTC. VFTC acts as trustee for only those investments as defined by the Plan. Transactions in such investments qualify as party-in-interest transactions, which are exempt from the prohibited transaction rules.

Participants may select Company stock as an investment option. The amount held at December 31, 2006 and 2005 totaled \$212,309 and \$105,548, respectively. The Company's stock appreciated \$54,886 and \$10,391 in 2006 and 2005, respectively.

5. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of plan termination, participants will immediately become 100% vested in their accounts.

6. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated April 5, 2005, that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since receiving the determination letter. However, the plan administrator and the Plan's tax counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC.

7. Asset Transfer Out

Effective July 1, 2005, all employees of Exact Equipment Corporation, wholly-owned subsidiary of the Company, became employees of Mettler-Toledo, Inc. and began participating in the Mettler-Toledo, Inc. Enhanced Retirement Savings Plan. Assets were transferred from the Plan into the Mettler-Toledo, Inc. Enhanced Retirement Savings Plan on August 1, 2005 in the amount of \$2,242,099.

Table of Contents**8. Reconciliation of Financial Statements to Schedule H of Form 5500**

The following is a reconciliation of net assets available for benefits per Schedule H of Form 5500 to the financial statements as of December 31, 2006 and 2005:

	2006	2005
Net assets available for benefits per Schedule H of Form 5500	\$ 14,956,033	\$ 11,472,563
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts	10,459	9,881
Net assets available for benefits per financial statements	\$ 14,966,492	\$ 11,482,444

The following is a reconciliation of net investment activity per Schedule H of Form 5500 to the financial statements for the years ended December 31, 2006 and 2005:

	2006	2005
Net gain on sale of assets	\$ 440	\$ 2,212
Interest	7,787	6,774
Unrealized appreciation of assets	54,445	8,177
Net investment gain from common/collective trusts	38,043	53,925
Net investment gain on registered investment companies	1,642,552	810,491
Net investment activity per Schedule H of Form 5500	1,743,267	881,579
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts for the current year	10,459	
Adjustment from fair value to contract value for interest in collective trust relating to fully benefit responsive investment contracts for the prior year	(9,881)	
Net investment activity per financial statements	\$ 1,743,845	\$ 881,579

Table of Contents**Mettler-Toledo, Inc. Defined Contribution Retirement Savings Plan**

EIN : 34-1538688; PIN: 061

Schedule of Assets (Held at End of Year) (Modified Cash Basis)

Form 5500, Schedule H, Line 4(i)

December 31, 2006

(b)		(c)	(d)	(e)
Identity of issuer, borrower, lessor, or		Description of investment, including maturity date, rate of	Cost	Fair
(a)	similar party	interest, collateral, par or maturity value	Cost	value
*	Vanguard	500 Index Fund	**	\$ 1,544,195
*	Vanguard	Asset Allocation Fund	**	86,009
*	Vanguard	Balance Index Fund	**	7,221
*	Vanguard	Capital Opportunity Fund	**	601,709
*	Vanguard	Emerging Markets Stock Index Fund	**	32,951
*	Vanguard	Energy Fund	**	32,572
*	Vanguard	Equity Income Fund	**	406,544
*	Vanguard	European Stock Index Fund	**	36,740
*	Vanguard	Explorer Fund	**	439,175
*	Vanguard	GNMA Fund	**	258,992
*	Vanguard	Growth & Income Fund	**	650,639
*	Vanguard	Growth Index Fund	**	187,658
*	Vanguard	Health Care Fund	**	1,005,648
*	Vanguard	High-Yield Corporate Fund	**	168,170
*	Vanguard	Intermediate Term Investment Grade Investor Share	**	106,993
*	Vanguard	International Growth Fund	**	903,030
*	Vanguard	International Value Fund	**	216,207
*	Vanguard	LifeStrategy Conservative Growth Fund	**	144,367
*	Vanguard	LifeStrategy Growth Fund	**	733,125
*	Vanguard	LifeStrategy Income Fund	**	118,899
*	Vanguard	LifeStrategy Moderate Growth Fund	**	326,855
*	Vanguard	Long Term Investment Grade-Invest Share	**	147,064
*	Vanguard	Mid-Cap Index Fund	**	404,972
*	Vanguard	Morgan Growth Fund	**	255,164
*	Vanguard	Pacific Stock Index Fund	**	27,173
*	Vanguard	Prime Money Market Fund	**	37,093
*	Vanguard	PRIMECAP Fund	**	560,888
*	Vanguard	REIT Index Fund	**	428,785
*	Vanguard	Retirement Savings Trust	**	1,086,868
*	Vanguard	Selected Value Fund	**	142,823
*	Vanguard	Short Term Federal Fund	**	420
*	Vanguard	Small-Cap Index Fund	**	818,013
*	Vanguard	Strategic Equity Fund	**	361,580
*	Vanguard	Total Bond Market Index Fund	**	356,103
*	Vanguard	Total International Stock Index Fund	**	269,366
*	Vanguard	Total Stock Market Index Fund	**	166,576
*	Vanguard	U.S. Growth Fund	**	429,903

Edgar Filing: METTLER TOLEDO INTERNATIONAL INC/ - Form 11-K

*	Vanguard	Value Index Fund	**	109,590
*	Vanguard	Wellesley Income Fund	**	284,957
*	Vanguard	Wellington Fund	**	289,560
*	Vanguard	Windsor II Fund	**	403,505
*	Mettler-Toledo, Inc.	Mettler - Toledo Stock - 2,693 shares	**	212,309
	Participant Loans	Various ranging from 4.1 % to 7.25%	-0-	155,622
			Total	\$ 14,956,033

* Denotes party-in-interest

** Cost omitted for participant directed investments

Table of Contents

SIGNATURES

The Plan. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on the Plan's behalf by the undersigned hereunto duly authorized.

Date: June 19, 2007

METTLER TOLEDO, Inc.
DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

/s/ Shawn P. Vadala
Shawn P. Vadala
Plan Administrator

Table of Contents

METTLER-TOLEDO, INC. DEFINED CONTRIBUTION RETIREMENT SAVINGS PLAN

ANNUAL REPORT ON FORM 11-K FOR FISCAL YEAR ENDED DECEMBER 31, 2006

INDEX TO EXHIBITS

Exhibit No.	Description	Page No.
1a	Consent of Independent Registered Public Accounting Firm	Page 14