

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 3, 2018**

Mettler-Toledo International Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

File No. 001-13595

(Commission File Number)

13-3668641

(IRS Employer Identification No.)

1900 Polaris Parkway

Columbus, OH

and

Im Langacher, P.O. Box MT-100

CH Greifensee, Switzerland

(Address of principal executive offices)

43240 and 8606

(Zip Code)

Registrant's telephone number, including area code: 1-614-438-4511 and +41-44-944-22-11

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13 (a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition

The following information is furnished pursuant to Item 2.02, “Results of Operations and Financial Condition.” The information furnished in this Form 8-K and the Exhibit attached hereto shall not be treated as filed for purposes of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, except as shall be expressly set forth by specific reference in such filing.

On May 3, 2018, Mettler-Toledo International Inc. (“Mettler-Toledo”) issued a press release (the “Release”) setting forth its financial results for the three months ended March 31, 2018. A copy of the Release is furnished hereto as Exhibit 99.1 to this report.

Non-GAAP Financial Measures

Mettler-Toledo supplements its U.S. GAAP results with non-GAAP financial measures. The principal non-GAAP financial measures Mettler-Toledo uses are Adjusted Earnings per Share, Adjusted Operating Income, Free Cash Flow and Local Currency Sales Growth.

Adjusted Earnings per Share

Mettler-Toledo defines Adjusted Earnings per Share as diluted earnings per common share excluding certain non-recurring discrete tax items, amortization of purchased intangible assets, net of tax, restructuring charges, net of tax and certain other one-time charges, net of tax. The most directly comparable U.S. GAAP financial measure is diluted earnings per common share.

Mettler-Toledo believes that Adjusted Earnings per Share is important supplemental information for investors. Mettler-Toledo uses this measure because it excludes certain non-recurring discrete tax items, amortization of purchased intangibles, net of tax, restructuring charges, net of tax and certain other one-time charges, net of tax, which management believes are not directly related to current and ongoing operations thereby providing investors with information that helps to compare ongoing operating performance.

Adjusted Earnings per Share is used in addition to and in conjunction with results presented in accordance with U.S. GAAP. Adjusted Earnings per Share is not intended to represent diluted earnings per common share under U.S. GAAP and should not be considered as an alternative to diluted earnings per common share as an indicator of Mettler-Toledo’s performance because of the following limitations.

Limitations of Mettler-Toledo’s non-GAAP measure, Adjusted Earnings per Share

Mettler-Toledo’s non-GAAP measure, Adjusted Earnings per Share, has certain material limitations as follows:

It does not include certain non-recurring discrete tax items, amortization expense of purchased intangibles, net of tax, restructuring charges, net of tax and certain other one-time charges, net of tax. Because non-recurring discrete tax items, amortization of purchased intangibles, restructuring charges and certain other one-time charges are components of diluted earnings per share under U.S. GAAP, any measure that excludes non-recurring discrete tax items, amortization of purchased intangibles, restructuring charges and certain other one-time charges, has material limitations.

Adjusted Operating Income

Mettler-Toledo defines Adjusted Operating Income as gross profit less research and development and selling, general and administrative expenses before amortization, interest, restructuring charges and other charges (income), net and taxes. The most directly comparable U.S. GAAP financial measure is earnings before taxes.

Mettler-Toledo believes that Adjusted Operating Income is important supplemental information for investors. Adjusted Operating Income is used internally as the principal profit measurement by its segments in their reporting to management. Mettler-Toledo uses this measure because it excludes amortization, interest, restructuring charges and other charges (income), net and taxes, which are not allocated to the segments.

On a consolidated basis, Mettler-Toledo also believes Adjusted Operating Income is an important supplemental method of measuring profitability. It is used internally by senior management for measuring profitability and setting performance targets for managers, and has historically been used as one of the means of publicly providing guidance on possible future results. Mettler-Toledo also believes that Adjusted Operating Income is an important performance measure because it provides a measure of comparability to other companies with different capital or legal structures, which accordingly may be subject to disparate interest rates and effective tax rates, and to companies which may incur different amortization expenses or impairment charges related to intangible assets.

Adjusted Operating Income is used in addition to and in conjunction with results presented in accordance with U.S. GAAP. Adjusted Operating Income is not intended to represent operating income under U.S. GAAP and should not be considered as an alternative to earnings before taxes as an indicator of Mettler-Toledo's performance because of the following limitations.

Limitations of Mettler-Toledo's non-GAAP measure, Adjusted Operating Income

Mettler-Toledo's non-GAAP measure, Adjusted Operating Income, has certain material limitations as follows:

- It does not include interest expense. Because Mettler-Toledo has borrowed money to finance some of its operations, interest is a necessary and ongoing part of its costs and has assisted Mettler-Toledo in generating revenue. Therefore any measure that excludes interest expense has material limitations.
- It excludes amortization expense. Because this item is recurring, any measure that excludes amortization expense has material limitations.
- It excludes other charges (income), net. Because other charges (income), net is a component of operating income under U.S. GAAP, any measure that excludes other charges (income), net, has material limitations.
- It excludes restructuring charges. Because restructuring charges are a component of operating income under U.S. GAAP, any measure that excludes restructuring charges, has material limitations.

Free Cash Flow

Mettler-Toledo defines Free Cash Flow as net cash provided by operating activities including proceeds from the sale of property, plant and equipment, less capital expenditures, and before restructuring payments. The most directly comparable U.S. GAAP financial measure is net cash provided by operating activities.

Mettler-Toledo believes Free Cash Flow is important supplemental information for investors. It is used internally by senior management for measuring operating cash flow generation and setting performance targets for managers, and has historically been used as one of the means of providing guidance on possible future cash flows.

Free Cash Flow is used in addition to and in conjunction with results presented in accordance with U.S. GAAP. Free Cash Flow is not intended to represent net cash provided by operating activities recorded under U.S. GAAP and should not be considered as an alternative to net cash provided by operating activities as an indicator of Mettler-Toledo's performance because of the following limitations.

Limitations of Mettler-Toledo's non-GAAP measure, Free Cash Flow

Mettler-Toledo's non-GAAP measure, Free Cash Flow, has certain material limitations as follows:

- It includes proceeds from the sale of property, plant and equipment and purchases of property, plant and equipment, which are not considered to be components of net cash provided by operating activities under U.S. GAAP. Therefore any measure that includes proceeds from the sale of property, plant and equipment and purchases of property, plant and equipment has material limitations.
- It excludes restructuring payments which are considered to be components of net cash provided by operating activities under U.S. GAAP. Therefore any measure that excludes these items has material limitations.

Local Currency Sales Growth

Mettler-Toledo defines Local Currency Sales Growth as sales growth excluding the effect of currency exchange rate fluctuations that result from translating activity outside of the United States into U.S. dollars. The most directly comparable U.S. GAAP financial measure is U.S. dollar sales growth.

Mettler-Toledo believes that Local Currency Sales Growth is important supplemental information for investors. Mettler-Toledo believes local currency information provides a helpful assessment of business performance and a useful measure of results between periods.

Local Currency Sales Growth is used in addition to and in conjunction with results presented in accordance with U.S. GAAP. Local Currency Sales Growth is not intended to represent U.S. dollar sales growth under U.S. GAAP and should not be considered as an alternative to U.S. dollar sales growth as an indicator of Mettler-Toledo's performance because of the following limitations.

Limitations of Mettler-Toledo's non-GAAP measure, Local Currency Sales Growth

Mettler-Toledo's non-GAAP measure, Local Currency Sales Growth, has certain material limitations as follows:

It does not include the effect of currency exchange rate fluctuations that result from translating activity outside of the United States into U.S. dollars. Because the effect of changes in foreign currency exchange rates is a component of U.S. dollar sales growth under U.S. GAAP, any measure that excludes the effect of changes in foreign currency exchange rates, has material limitations.

Adjusted Earnings per Share, Adjusted Operating Income, Free Cash Flow and Local Currency Sales Growth should not be relied upon to the exclusion of U.S. GAAP financial measures, but reflect additional measures of comparability and means of viewing aspects of Mettler-Toledo's operations that, when viewed together with its U.S. GAAP results and the accompanying reconciliations to net earnings, net cash provided by operating activities and diluted earnings per share, provide a more complete understanding of factors and trends affecting its business.

Because Adjusted Earnings per Share, Adjusted Operating Income, Free Cash Flow and Local Currency Sales Growth are not standardized, it may not be possible to compare with other companies' non-GAAP financial measures having the same or similar names. We strongly encourage investors to review our financial statements and publicly filed reports in their entirety and not to rely on any single financial measure.

The Release provides a reconciliation of Adjusted Earnings per Share, Adjusted Operating Income and Free Cash Flow to the most comparable financial measures recorded under U.S. GAAP. The Release also presents Local Currency Sales Growth in conjunction with its most comparable financial measure recorded under U.S. GAAP.

Item 9.01 Financial Statements and Exhibits

Exhibit No.	Description
99.1	Press release, dated May 3, 2018, issued by Mettler-Toledo International Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: May 3, 2018

METTLER-TOLEDO INTERNATIONAL INC.

By: /s/ Shawn P. Vadala

Shawn P. Vadala

Chief Financial Officer

**METTLER-TOLEDO INTERNATIONAL INC. REPORTS
FIRST QUARTER 2018 RESULTS**

-- Strong Adjusted EPS Growth --

COLUMBUS, Ohio, USA - May 3, 2018 - Mettler-Toledo International Inc. (NYSE: MTD) today announced first quarter results for 2018. Provided below are the highlights:

- Sales in local currency increased 5% in the quarter compared with the prior year. Reported sales increased 11% as currency increased sales growth by 6% in the quarter.
- Net earnings per diluted share as reported (EPS) were \$3.58, compared with \$3.48 in the prior-year period. Adjusted EPS was \$3.74, an increase of 12% over the prior-year amount of \$3.34. Adjusted EPS is a non-GAAP measure, and we have included a reconciliation to EPS on the last page of the attached schedules.

First Quarter Results

Olivier Filliol, President and Chief Executive Officer, stated, "Sales growth in the quarter came in as expected, and was impacted by the excellent sales growth in the prior-year period. China, in particular, had very strong broad-based sales growth in the quarter. This solid sales growth drove another quarter of strong Adjusted EPS growth."

EPS in the quarter was \$3.58, compared with the prior-year amount of \$3.48. Adjusted EPS was \$3.74, an increase of 12% over the prior-year amount of \$3.34.

Sales were \$660.8 million, a 5% increase in local currency sales, compared with \$594.6 million in the prior-year quarter. Reported sales increased 11% as currency increased sales growth by 6% in the quarter. Compared with the prior year, local currency sales increased 5% in the Americas and 10% in Asia/Rest of World. Sales declined 1% in local currency in Europe. Adjusted operating income amounted to \$139.5 million, a 10% increase from the prior-year amount of \$126.5 million. Adjusted operating income is a non-GAAP measure, and a reconciliation to earnings before taxes is provided in the attached schedules.

Outlook

The Company said that, based on its assessment of market conditions today, management anticipates local currency sales growth in 2018 will be approximately 6%. This sales growth is expected to result in Adjusted EPS in the range of \$20.10 to \$20.25, which reflects growth of 14% to 15%. This compares with previous guidance of Adjusted EPS in the range of \$19.95 to \$20.15.

Management anticipates that local currency sales growth in the second quarter 2018 will be approximately 6%, and Adjusted EPS is forecasted to be in the range of \$4.55 to \$4.60, an increase of 16% to 17%.

While the Company has provided an outlook for Adjusted EPS, it has not provided an outlook for EPS as it would require an estimate of non-recurring items, which are not yet known. The Company noted in making its outlook that economic uncertainty remains in certain regions of the world and market conditions are subject to change.

Conclusion

Filliol concluded, "Our outlook for 2018 remains promising despite facing difficult comparisons given our very strong performance last year. We acknowledge there is more uncertainty in the global economy compared with a few months ago but overall demand remains solid. We believe we are well positioned for continued share gains. Our Spinnaker sales and marketing programs, new product launches and continued investments in sales activities

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are generating returns. Our margin and productivity programs complement our sales growth initiatives and will yield continued earnings growth and funds for additional investments for growth.”

Other Matters

The Company will host a conference call to discuss its quarterly results today (Thursday, May 3) at 5:00 p.m. Eastern Time. To hear a live webcast or replay of the call, visit the investor relations page on the Company’s website at www.mt.com/investors. The presentation referenced in the conference call will be located on the website prior to the call.

METTLER TOLEDO (NYSE: MTD) is a leading global supplier of precision instruments and services. We have strong leadership positions in all of our businesses and believe we hold global number-one market positions in most of them. We are recognized as an innovation leader and our solutions are critical in key R&D, quality control, and manufacturing processes for customers in a wide range of industries including life sciences, food, and chemicals. Our sales and service network is one of the most extensive in the industry. Our products are sold in more than 140 countries and we have a direct presence in approximately 40 countries. With proven growth strategies and a focus on execution, we have achieved a long-term track record of strong financial performance. For more information, please visit www.mt.com.

Statements in this press release which are not historical facts constitute “forward-looking statements” within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. These statements involve known and unknown risks, uncertainties and other factors that may cause our or our businesses’ actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “could,” “would,” “should,” “expect,” “plan,” “anticipate,” “intend,” “believe,” “estimate,” “predict,” “potential” or “continue” or the negative of those terms or other comparable terminology. For a discussion of these risks and uncertainties, please see the discussion on forward-looking statements in our current report on Form 10-K. All of the forward-looking statements are qualified in their entirety by reference to the factors discussed under the captions “Factors affecting our future operating results” and in the “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of our annual report on Form 10-K for the most recently completed fiscal year, which describe risks and factors that could cause results to differ materially from those projected in those forward-looking statements.

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METTLER-TOLEDO INTERNATIONAL INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(amounts in thousands except share data)
(unaudited)

	Three months ended March 31, 2018	% of sales	Three months ended March 31, 2017	% of sales
Net sales	\$ 660,821 (a)	100.0	\$ 594,567 (a)	100.0
Cost of sales	285,888	43.3	251,178 (b)	42.2
Gross profit	374,933	56.7	343,389	57.8
Research and development	34,713	5.3	31,200 (b)	5.3
Selling, general and administrative	200,674	30.4	185,656 (b)	31.2
Amortization	11,735	1.8	10,045	1.7
Interest expense	8,359	1.2	7,741	1.3
Restructuring charges	4,413	0.6	1,432	0.2
Other charges (income), net	(2,400)	(0.4)	(6,533) (b)(c)	(1.0)
Earnings before taxes	117,439	17.8	113,848	19.1
Provision for taxes	24,135	3.7	21,382	3.5
Net earnings	\$ 93,304	14.1	\$ 92,466	15.6
Basic earnings per common share:				
Net earnings	\$ 3.66		\$ 3.57	
Weighted average number of common shares	25,468,323		25,932,112	
Diluted earnings per common share:				
Net earnings	\$ 3.58		\$ 3.48	
Weighted average number of common and common equivalent shares	26,095,647		26,586,061	

Note:

(a) Local currency sales increased 5% as compared to the same period in 2017.

(b) In accordance with the new accounting rules that went into effect on January 1, 2018, the Company reclassified a net pension benefit of \$0.8 million into other charges (income) from other income statement categories for the three months ended March 31, 2017 to be consistent with the 2018 presentation.

(c) Other charges (income), net for three months ended March 31, 2017 also includes a one-time gain of \$3.4 million relating to the sale of a facility in Switzerland in connection with our initiative to consolidate certain Swiss operations into a new facility.

RECONCILIATION OF EARNINGS BEFORE TAXES TO ADJUSTED OPERATING INCOME

	Three months ended March 31, 2018	% of sales	Three months ended March 31, 2017	% of sales
Earnings before taxes	\$ 117,439		\$ 113,848	
Amortization	11,735		10,045	
Interest expense	8,359		7,741	
Restructuring charges	4,413		1,432	
Other charges (income), net	(2,400)		(6,533) (b)(c)	
Adjusted operating income	\$ 139,546 (d)	21.1	\$ 126,533	21.3

Note:

(d) Adjusted operating income increased 10% as compared to the same period in 2017.

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METTLER-TOLEDO INTERNATIONAL INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(amounts in thousands)
(unaudited)

	March 31, 2018	December 31, 2017
Cash and cash equivalents	\$ 98,949	\$ 148,687
Accounts receivable, net	483,919	528,615
Inventories	278,318	255,390
Other current assets and prepaid expenses	66,186	74,031
Total current assets	927,372	1,006,723
Property, plant and equipment, net	696,890	668,271
Goodwill and other intangible assets, net	769,511	766,556
Other non-current assets	118,134	108,255
Total assets	\$ 2,511,907	\$ 2,549,805
Short-term borrowings and maturities of long-term debt	\$ 14,883	\$ 19,677
Trade accounts payable	164,639	167,627
Accrued and other current liabilities	457,360	502,369
Total current liabilities	636,882	689,673
Long-term debt	978,715	960,170
Other non-current liabilities	335,563	352,682
Total liabilities	1,951,160	2,002,525
Shareholders' equity	560,747	547,280
Total liabilities and shareholders' equity	\$ 2,511,907	\$ 2,549,805

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METTLER-TOLEDO INTERNATIONAL INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(amounts in thousands)
(unaudited)

	Three months ended	
	March 31,	
	2018	2017
Cash flow from operating activities:		
Net earnings	\$ 93,304	\$ 92,466
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Depreciation	9,157	7,966
Amortization	11,735	10,045
Deferred tax benefit	(6,416)	(1,470)
Gain on facility sale	—	(3,394)
Other	3,085	3,812
Decrease in cash resulting from changes in operating assets and liabilities	(34,301)	(41,826)
Net cash provided by operating activities	76,564	67,599
Cash flows from investing activities:		
Proceeds from sale of property, plant and equipment	4,507	10,003
Purchase of property, plant and equipment	(29,774)	(21,015)
Acquisition	(500)	—
Net hedging settlement on intercompany loans	3,304	312
Net cash used in investing activities	(22,463)	(10,700)
Cash flows from financing activities:		
Proceeds from borrowings	336,512	472,732
Repayments of borrowings	(331,114)	(409,881)
Proceeds from exercise of stock options	5,669	8,201
Repurchases of common stock	(118,750)	(124,997)
Net cash used in financing activities	(107,683)	(53,945)
Effect of exchange rate changes on cash and cash equivalents	3,844	3,265
Net increase (decrease) in cash and cash equivalents	(49,738)	6,219
Cash and cash equivalents:		
Beginning of period	148,687	158,674
End of period	\$ 98,949	\$ 164,893

RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO FREE CASH FLOW

Net cash provided by operating activities	\$ 76,564	\$ 67,599
Payments in respect of restructuring activities	5,242	2,578
Proceeds from sale of property, plant and equipment	4,507	10,003
Purchase of property, plant and equipment	(29,774)	(21,015)
Free cash flow	\$ 56,539	\$ 59,165

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**METTLER-TOLEDO INTERNATIONAL INC.
OTHER OPERATING STATISTICS**

**SALES GROWTH BY DESTINATION
(unaudited)**

	<u>Europe</u>	<u>Americas</u>	<u>Asia/RoW</u>	<u>Total</u>
U.S. Dollar Sales Growth				
Three Months Ended March 31, 2018	12%	6%	18%	11%
Local Currency Sales Growth				
Three Months Ended March 31, 2018	(1%)	5%	10%	5%

**RECONCILIATION OF DILUTED EPS AS REPORTED TO ADJUSTED DILUTED EPS
(unaudited)**

	Three months ended		
	March 31,		
	<u>2018</u>	<u>2017</u>	<u>% Growth</u>
EPS as reported, diluted	\$ 3.58	\$ 3.48	3%
Restructuring charges, net of tax	0.13 (a)	0.04 (a)	
Purchased intangible amortization, net of tax	0.10 (b)	0.06 (b)	
Income tax expense	(0.07) (c)	(0.14) (c)	
Gain on facility sale	— (d)	(0.10) (d)	
Adjusted EPS, diluted	<u>\$ 3.74</u>	<u>\$ 3.34</u>	12%

Notes:

- (a) Represents the EPS impact of restructuring charges of \$4.4 million (\$3.4 million after tax) and \$1.4 million (\$1.1 million after tax) for both the three months ended March 31, 2018 and 2017, respectively, which primarily include employee related costs.
- (b) Represents the EPS impact of purchased intangibles amortization, net of tax, of \$2.5 million and \$1.5 million for the three month periods ended March 31, 2018 and 2017, respectively.
- (c) Represents the EPS impact of the difference between our reported tax rate of 21% and 19% during the three months ending March 31, 2018 and 2017, respectively, and our annual income tax rate of 22%, due to excess tax benefits associated with stock option exercises.
- (d) Represents the EPS impact of a one-time gain of \$3.4 million (\$2.7 million after tax) for the three months ended March 31, 2017 relating to the sale of a facility in Switzerland in connection with our initiative to consolidate certain Swiss operations into a new facility.

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