

Annual Report 2016 Highlights



METTLER TOLEDO

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METTLER TOLEDO 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 a majority of them. Specifically, we are the largest provider of weighing instruments for use in laboratory, industrial and food retailing applications. We are also a leader in analytical instruments, reaction engineering and real-time analytic systems, process analytics instruments and end-of-line product inspection systems. Our solutions are critical in key R&D, quality control and manufacturing processes for customers in a wide range of industries. Our global sales and service network is one of the most extensive in the industry. We have subsidiaries and sales and service operations in 39 countries, with principal manufacturing sites located in Switzerland, the United States, China, Germany and the United Kingdom.

\$2.508 billion
Sales

57.2 %
Gross Margin

\$14.80
Adjusted Earnings per Share

\$347 million
Free Cash Flow

14,200
Workforce

On the cover: Our new DSC 3+ Thermal Analysis instrument features premium furnace technology combined with cutting-edge sensor technology to provide long-term stability and durability in the most demanding application environments. METTLER TOLEDO is a global leader in analytical instruments for laboratory applications.

Portions of this report may contain "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. Forward-looking statements are subject to risks and uncertainties that could cause actual events or results to differ materially from those expressed in or implied by the statements. Further information concerning issues that could materially affect financial performance is contained in the "Forward-Looking Statements Disclaimer" and "Factors Affecting Our Future Operating Results" sections of the 10-K.

Financial Highlights

2016 At-a-Glance

+7%
Local currency sales growth

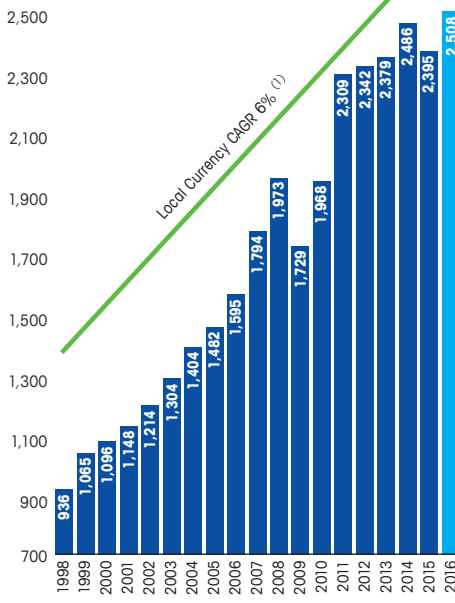
+80 basis points
Gross margins

+15%
Adjusted EPS growth

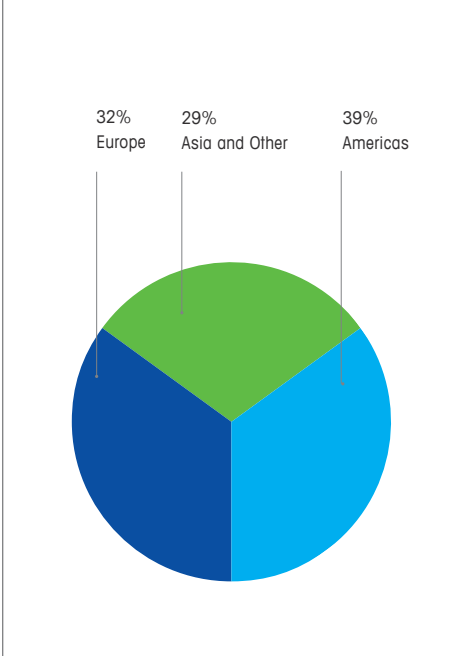
(4%)
Reduction in outstanding shares

Sales

(\$ in millions)

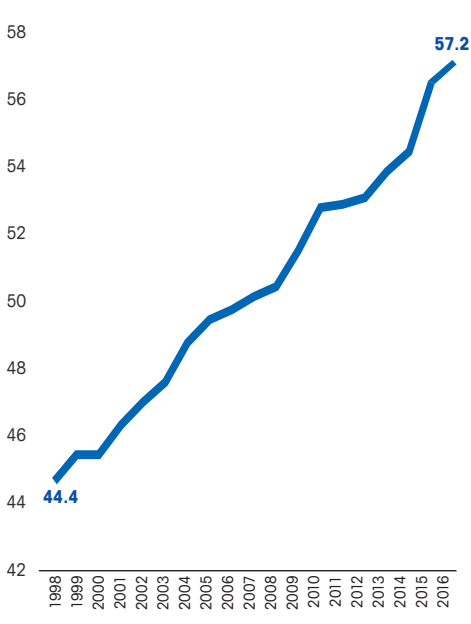


Sales by Customer Destination



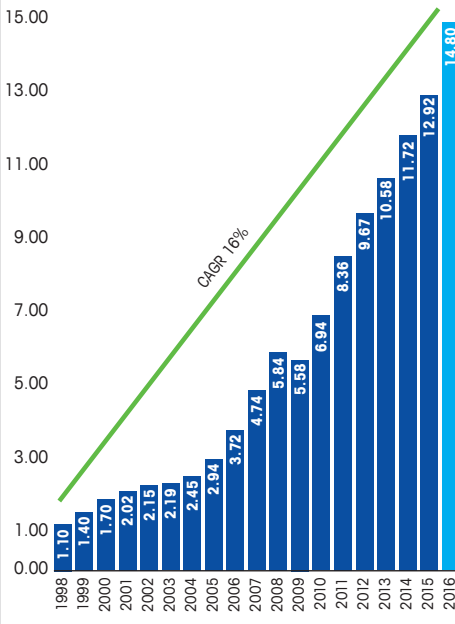
Gross Margin

(in %)



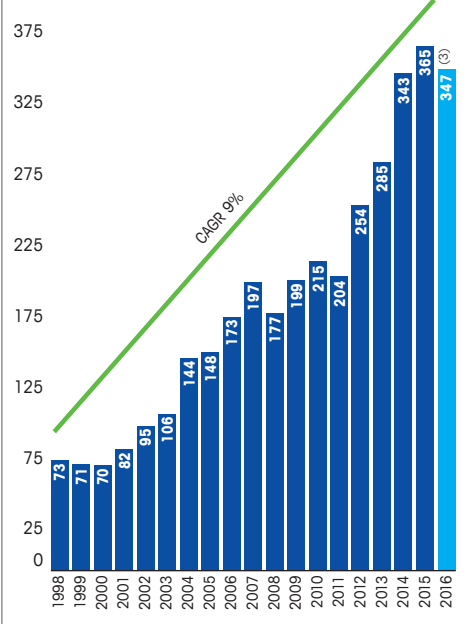
Adjusted Earnings per Share ⁽²⁾

(in dollars)



Free Cash Flow ⁽²⁾

(\$ in millions)



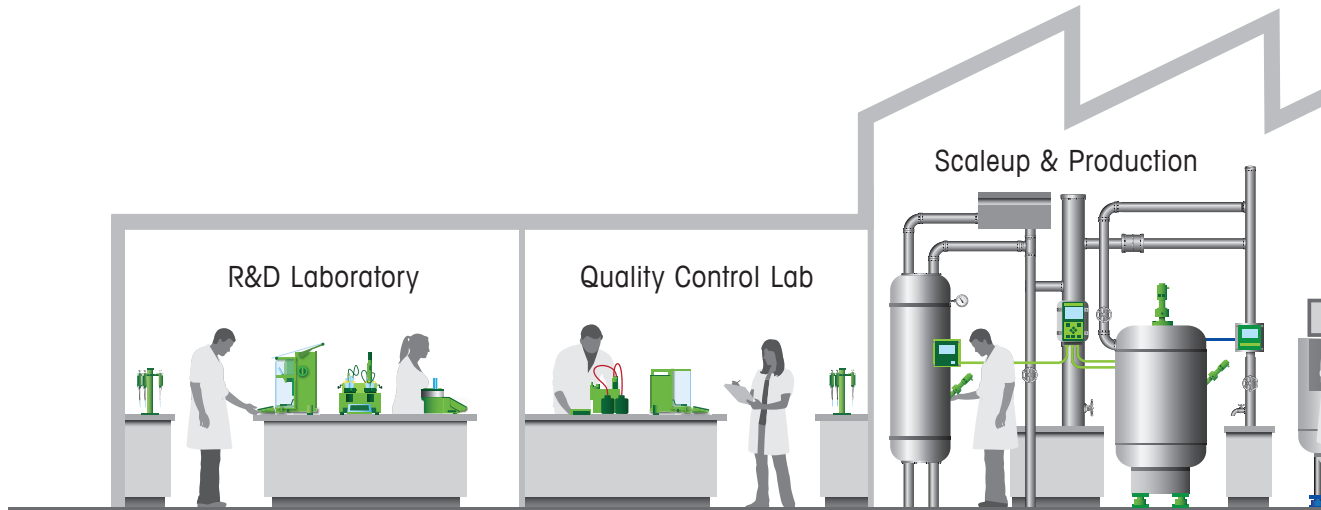
⁽¹⁾ CAGR in USD for the period 1998 - 2016 is 6%.

⁽²⁾ Non-GAAP measure. More information with respect to the use of and differences between the non-GAAP financial measures and the most directly comparable GAAP measures is provided in our 8-K filings.

⁽³⁾ Includes the purchase of our previously leased U.S. pipette manufacturing facility for \$37 million.

Providing Solutions

Across Our Customer's Value Chain



R&D Laboratory

Our precise instruments are the foundation of research and quality control labs all over the world. High-performance weighing solutions offer a basis for solid R&D results. Pipettes are an essential tool for life science research. Thermal analysis instruments help to improve materials and their thermal behavior. Automated chemistry solutions accelerate the development of new chemicals.

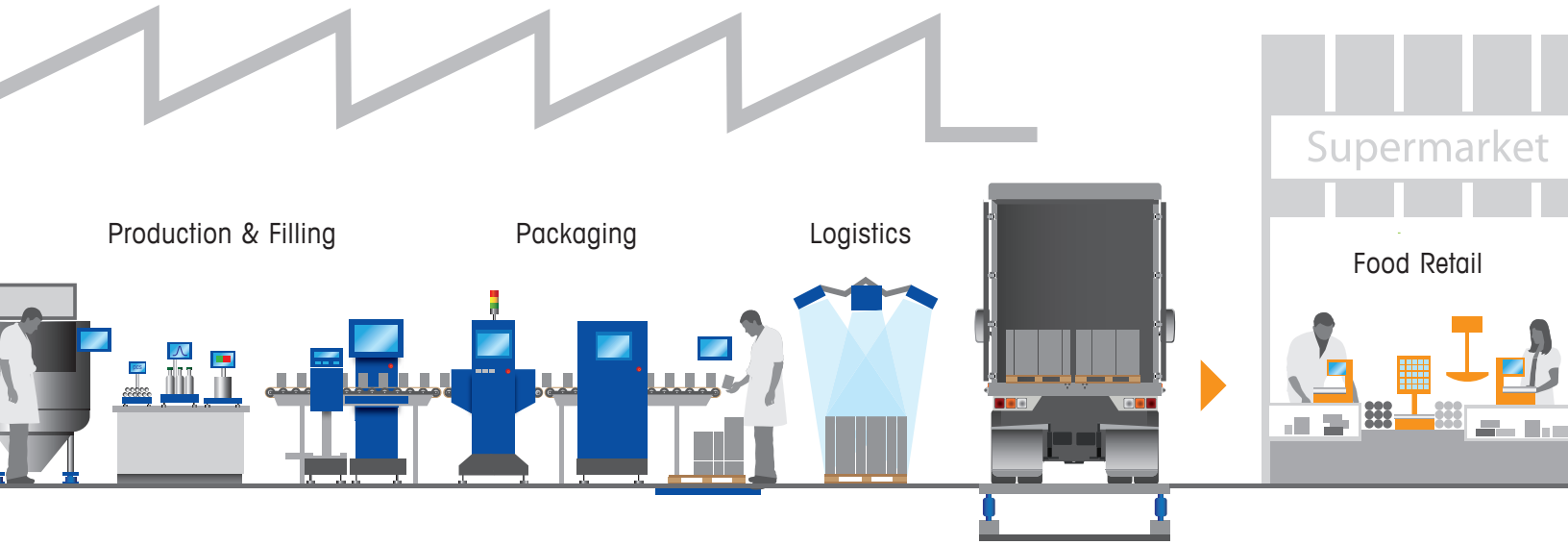
Quality Control Lab

Quality control relies on fast and precise analytical measurement as well as good data management. Our analytical balances, titrators, pH meters, density meters, refractometers, melting point meters and pipettes can be tailored to each customer's application and provide a fully documented workflow for every quality control lab.

Scaleup & Production

Our sensors for measuring critical liquid analytical parameters, such as pH and oxygen levels and water conductivity and resistivity as well as total organic carbon, enable pharmaceutical, biotech and other companies to continuously ensure product quality and meet regulatory standards. Our transmitters and connectivity solutions make data collection and integration into control systems efficient and flexible.





Production & Filling

Packaging

Logistics

Supermarket

Food Retail

Production & Filling

We offer industrial scales in all sizes and formats, terminals and software to control and monitor manufacturing processes. Specialized solutions for formulation, piece-counting and many other applications help to improve productivity and reduce errors.

Packaging

Product inspection solutions help to safeguard product quality, safety and integrity, inside and out. Our systems for metal detection, check-weighing, x-ray and vision inspection provide confidence that product quality is maintained, compliance with industry standards is achieved, and consumers and brands are protected.

Logistics

Our vehicle scale systems offer the highest level of accuracy and can prevent unexpected downtime thanks to a unique design and remote diagnostics capabilities. For express carriers, in-motion weighing, dimensioning and identification software solutions increase throughput and provide revenue recovery opportunities.

Food Retail

From retailers' receiving docks to their checkout counters, we enhance efficient handling of fresh goods with weighing, packaging, pricing, wrap-ping and labeling solutions. Internet-enabled scales greatly facilitate in-store marketing, fresh item management, promotions and more.





Olivier A. Filliol
President and
Chief Executive Officer

Dear Fellow Investors

We performed very well in 2016, despite a global economy which lacked significant growth drivers. Our end markets were generally stable and good enough for our customers to maintain their normal replacement cycles. We believe that in 2016 we again gained market share and delivered strong financial results by focusing on the details of our business and the factors we could control.

Our various growth strategies – including Field Turbo investments in our sales force, creative Spinnaker sales and marketing initiatives, a strong product pipeline and the use of Big Data Analytics to target new growth opportunities – all gained traction and provided momentum to our sales efforts. These strategies, combined with achievements in our productivity programs, were also effective in setting the stage to fund future growth initiatives.

We also made an excellent addition to our franchise with the acquisition of Troemner. This acquisition propels us to a leadership position in the global weights and weight calibration market and expands our offering of basic lab equipment for our secondary brand, Ohaus.

Our culture of continuous improvement, at the core of all we do, helped us further strengthen our business in 2016. Assuming market demand remains stable, we believe we are well positioned for sales and earnings growth, as well as share gains, in 2017 and beyond.

Strong Performance in 2016

The highlights of our strong performance are:

- Sales were \$2.5 billion, representing growth in local currency of 7 percent.
- Gross margins were 57.2 percent, an improvement of 80 basis points.
- Adjusted net earnings per diluted share were \$14.80, an increase of 15 percent.
- Free cash flow was \$347 million. We are pleased with this level, which included the \$37 million purchase of our previously leased U.S. pipette manufacturing facility. We repurchased \$500 million or 1.3 million shares, which reduced our weighted shares outstanding by 4 percent.

Our growth was broad-based in 2016. In particular, we had good growth in emerging markets. We were especially pleased with the improvement in China, particularly in laboratory products. Strong demand in certain sectors such as biopharma more than offset reduced demand in sectors related to industries with excess capacity.

Growth Strategies Drive Share Gains

We believe our major growth strategies continue to be effective in helping us gain share.

Our Field Turbo program is a high-leverage investment for us and especially important given our focus on organic growth. In the past two years, we added more than 450 positions to our sales organization, including additions in telesales, key account management and underpenetrated or new territories. In 2017, we expect to make further additions to our front-end personnel.

We are devising new ways to grow share through our use of Big Data Analytics, where we analyze specific data from internal and external sources to better focus our sales efforts and generate leads. We are becoming increasingly sophisticated in using this information to identify and target new sources of growth and sales productivity. For example, we are harnessing data to give us alerts when our top key accounts undertake significant projects and to pinpoint large accounts where we may have new penetration or cross-selling opportunities.

The fifth wave of our Spinnaker initiative for sales and marketing excellence is centered on increasing our sales productivity. Workshops and new tools are aimed at helping us take another step forward in areas such as refining channel strategies, balancing field and inside sales resources and achieving better results in account penetration and cross-selling.

An important part of Spinnaker 5 is value selling. Here we help customers understand how our solutions can improve their processes and increase their success and in so doing demonstrate the higher financial benefit of our offering versus the competition. We will reinforce effective value-selling techniques and tools in 2017 with a new global training program.

We are also implementing new technologies and tools to improve customer service. In 2016, we piloted new software which helps us better manage a customer's interactions across different functions in our organization. This technology will allow us to track their interactions globally and better anticipate their needs. Through this process, we will be able to provide customers with a higher level of support globally – and do it more efficiently.

Service Provides New Growth Opportunities

With a service force far larger than those of our direct competitors, service is a key competitive advantage and strategic priority for us. Service and consumables represent about 30 percent of our total sales and are an important source of sales and profit growth.

Big Data Analytics are helping us better penetrate our installed base and increase the percentage of it under service contracts. The intelligence gained from the analytics is helping us to refine our service-selling strategies and, when combined with additional sales resources, is allowing us to deliver strong growth. We are also seeking to improve the efficiency with which we deliver service to our customers. For example, we have invested significant resources to improve how our technicians are scheduled, as well as to automate their activities. With our continued efforts to grow our service business and to improve its delivery, we expect this competitive advantage to further expand.

Customer-Focused Marketing

We have one of the industry's most sophisticated approaches to sales and marketing. We continue to find ways to turn our wealth of contacts and data into new sales opportunities, as we better anticipate and address customer needs for new or upgraded solutions.



New Products Reinforce Technology Leadership

We continue to lead the market in technologically advanced solutions. Our many product launches in 2016 demonstrate how our innovations provide superior value for our customers' processes.

Two compelling examples come from our Lab and Process Analytics businesses.

Our SmartStand holds multiple pipettes and reads their embedded RFID chips to immediately show whether the pipettes are within required calibration specifications, dramatically reducing the time-consuming process of verifying that data manually.

Our 3000CS Analyzer for the power industry is the first true online method for monitoring chloride and sulfate, key culprits which can lead to corrosion of expensive equipment such as turbines. Online monitoring enables plants to observe systems in real time, schedule preventative maintenance and avoid unplanned shutdowns.

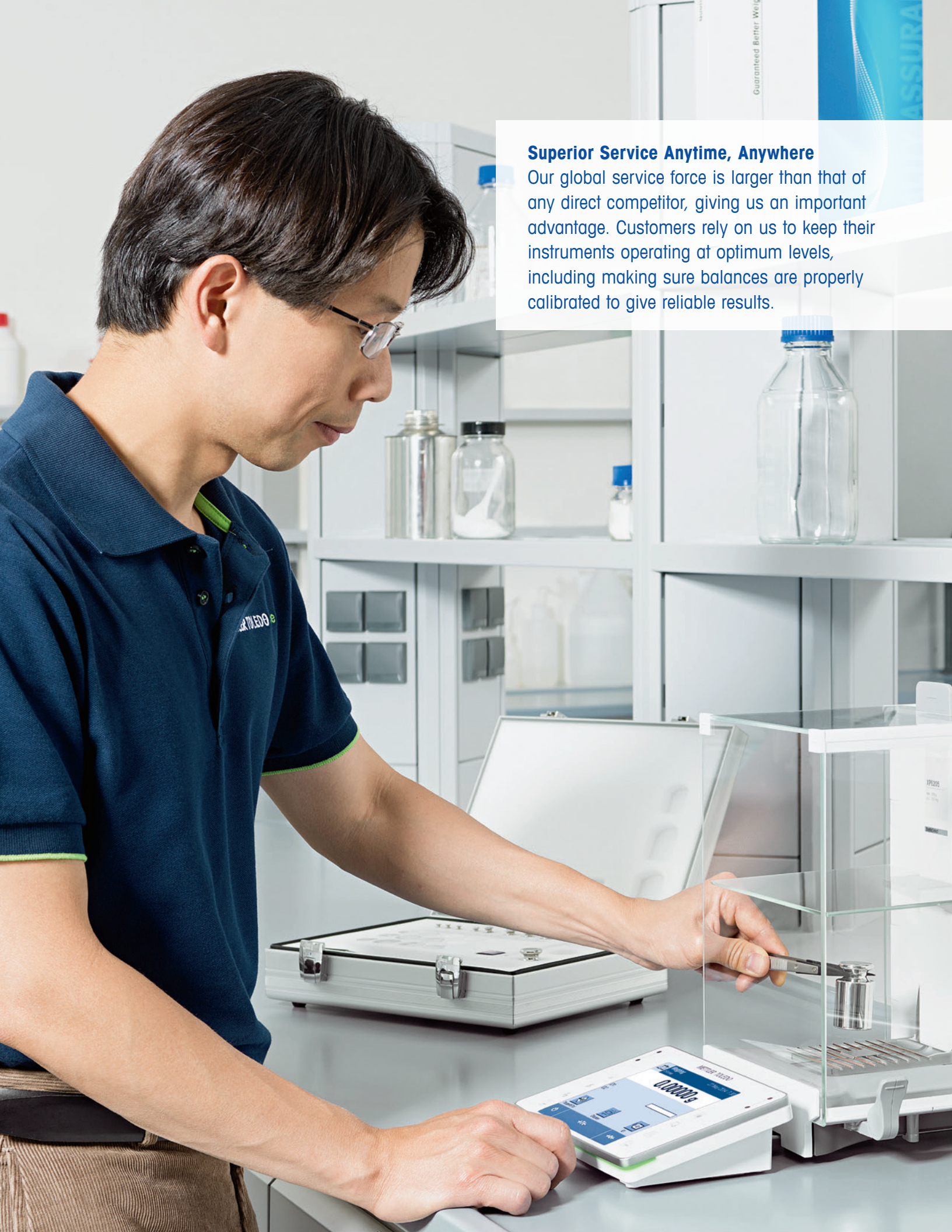
Margin and Productivity Initiatives Boost Profitability

In addition to targeting top-line growth, we are making very good progress on our margin-enhancement initiatives.

We continue to refine our pricing strategies and processes, which contributes nicely to our margins.

Our multi-year Blue Ocean program remains on track to connect our businesses globally through harmonized processes, data and systems. An important effort in recent years has been the creation of shared service centers for various back office functions. Through Blue Ocean, we also have enhanced our e-commerce capabilities. Here we are driving transaction efficiency via integrated end-to-end processing across a variety of different channels and their specific needs.

SternDrive is our new initiative to improve productivity and efficiency in our producing organizations and supply chain. Named after a form of marine propulsion, SternDrive hones our focus on operations, akin to our Company's engine, and works as a complement to our Spinnaker and Blue Ocean programs aimed at formalizing our continuous improvement efforts in different areas. SternDrive is helping us drive a best-in-class supply chain and will build on the operational improvements we have already achieved. We expect SternDrive to be a source of margin expansion for years to come.



Superior Service Anytime, Anywhere

Our global service force is larger than that of any direct competitor, giving us an important advantage. Customers rely on us to keep their instruments operating at optimum levels, including making sure balances are properly calibrated to give reliable results.

2017: Building on Momentum in Share and Productivity Gains

We remain cautious in our outlook on the global economy. We can point to risks in many geographic regions. For example, in China overcapacity exists in some of our industrial markets, and the market has demonstrated vulnerability to tightening of credit availability. In the United States and many European countries, changing political leadership may lead to uncertainty in general or specifically related to global trade. Uncertainties can cause delays in replacement cycles.

Assuming stable end markets, our momentum from our initiatives positions us well for growth. We continue to focus on the factors within our control and feel confident about them. Our investments in Field Turbos, Big Data Analytics, Spinnaker sales and marketing programs, new products and improved customer service are yielding tangible results and we believe will continue to drive share gains. Equally important, our productivity initiatives should provide us with the capacity to make further investments for growth.

Our discipline in executing our core strategies remains central to our success. We believe our culture of continuous improvement supports our ability to satisfy customers.

When we talk about culture, we are really talking about the people who make up METTLER TOLEDO. We are extraordinarily proud of our talented global family of 14,200 and their commitment to integrity, collaboration and improvement in everything they do.

We appreciate this chance to thank all of our customers and our shareholders. We cannot overstate how much we value your trust and support and hope you feel our appreciation year-round.

Sincerely,



Olivier A. Filliol
President and Chief Executive Officer

February 2, 2017



Innovations That Add Value

We are a technology leader in most of our product categories. Our equipment and software innovations are aimed at helping customers improve their processes in the lab or on the manufacturing floor – in this case, checking package weights without slowing production.

Corporate Information

Corporate Offices

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Transfer Agent and Registrar

Computershare Shareowner Services LLC acts as primary Transfer Agent and Registrar for the Company. Questions should be sent to:

Computershare
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College Station, TX 77845-3170
Phone 866-322-7862
www.computershare.com/investor

Shareholders

The Company estimates it has approximately 52,000 shareholders.

Annual Meeting

The annual meeting of shareholders will be held at 8:00 a.m. on Thursday, May 4, 2017 at the offices of Fried, Frank, Harris, Shriver & Jacobson LLP at 375 Park Avenue, New York, NY. A notice of the meeting, together with a form of proxy and a proxy statement, will be mailed to shareholders on or about March 15, 2017.

Investor Relations

Direct requests for information to:

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Officers

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President and
Chief Executive Officer

Thomas Caratsch
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William P. Donnelly
Executive Vice President

Marc de La Guéronnière
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Michael Heidingsfelder
Industrial

Simon Kirk
Product Inspection

Christian Magloth
Human Resources

Waldemar Rauch
Process Analytics

Shawn P. Vadala
Chief Financial Officer

Oliver Wittorf
Supply Chain and IT

Richard Wong
Asia / Pacific

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Director since 1996

Wah-Hui Chu
Retired Non-Executive
Chairman – Asia,
PepsiCo International
Director since 2007

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Retired Executive Vice President –
Strategic Planning
and Chief Financial Officer,
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Director since 2004

Olivier A. Filliol
President and Chief Executive Officer
Director since 2009

Richard Francis
Chief Executive Officer,
Sandoz, the Generics Division of
Novartis
Director since 2016

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Retired Chief Operating Officer –
Commercial Healthcare,
Xerox Corporation
Director since 2015

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Retired Executive Vice President –
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3M Company
Director since 2008

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Retired Chairman,
IBM Europe / Middle East / Africa
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