

METTLER TOLEDO is a global leader in precision instruments and services. They have significant leadership positions in all of the companies and feel they have worldwide number-one market positions in the majority of them. They are recognized as an innovator and a firm devoted to sustainability. Their solutions are crucial in key research and development, quality control, and production processes for clients in a variety of sectors, including life sciences, food, and chemicals.

Their sales and service network are one of the most extensive in the business. Their products are offered in over 140 countries, and they have a direct presence in around 40 of them.

They have a lengthy track record of good financial success and sustained growth due to proven growth methods and a focus on execution.

Mettler-Toledo International Inc. went public in 1997 with an initial public offering. METTLER TOLEDO's shares are traded on the New York Stock Exchange under the symbol MID (NYSE: MTD).

Their headquarters are in Columbus, Ohio, and Greifensee, Switzerland. Their subsidiaries are included in Exhibit 21 of their Annual Report on Form 10-K, which is available at [www.mt.com/investor](http://www.mt.com/investor)

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**\$3.920** billion

Sales

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**30.4%**

Adjusted Operating Profit Margin

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**\$39.65**

Adjusted Earnings Per Share

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**\$781** million

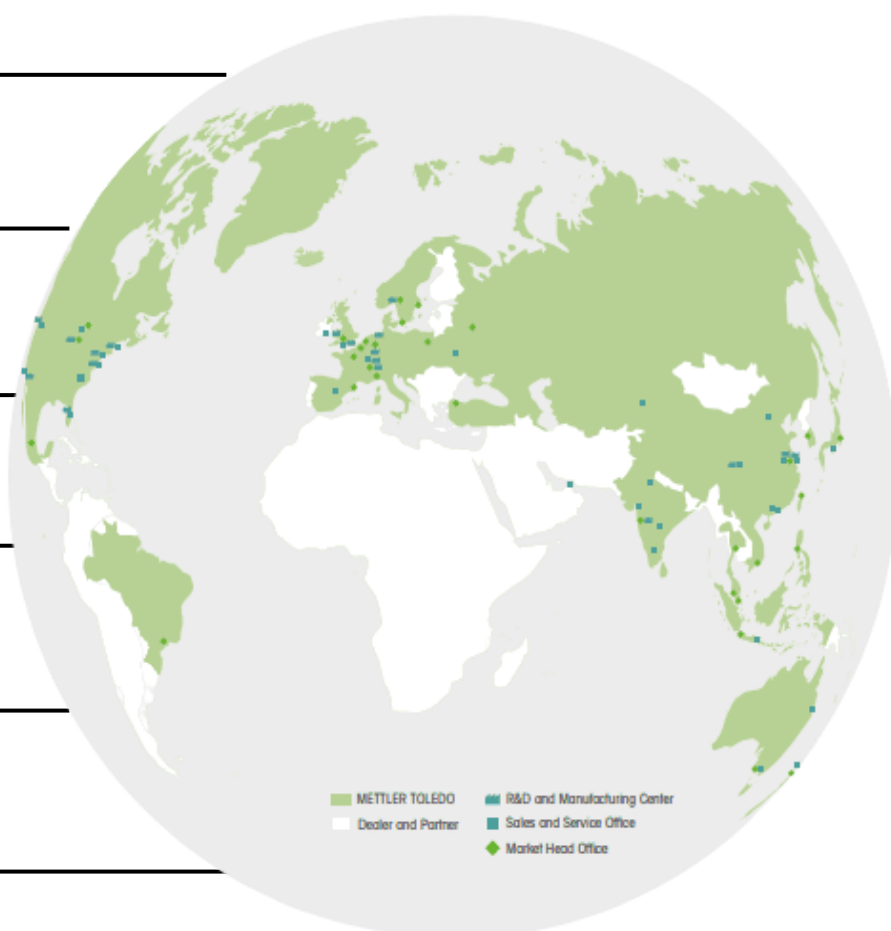
Free Cash Flow

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**≈18,000**

Workplace

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Source: MTD Annual Report 2022

## **Economic Performance**

They are a worldwide company with revenues that vary by geographic location, product line, and client. They hold global leadership positions in all of their markets, which they attribute to several factors, including the strength of their branding and reputation, their comprehensive offering of innovative instruments and solutions, and the breadth and quality of their global sales and service network.

Their net sales for the fiscal year ending December 31, 2022, were \$3.9 billion, up from \$3.7 billion in 2021. They benefited from good market circumstances and favorable global

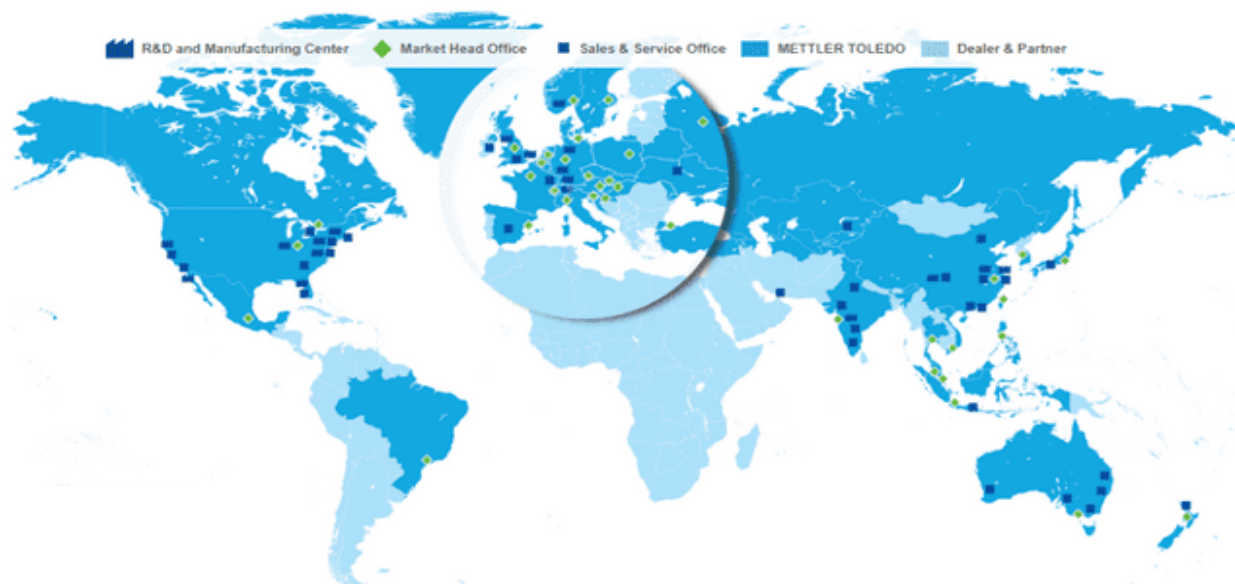
economic trends in 2022, but the actual differentiator of their performance was their execution culture and agility in capitalizing on quickly shifting market conditions.

Their company is regionally diverse, with net sales in 2021 drawn from 26% of Europe, 40% of the Americas, and 34% of Asia and other nations. Their customer base is similarly diverse by industry and individual end-user. They are a global manufacturer with key operations in the United States, Switzerland, China, Germany, the United Kingdom, and Mexico.

## **Global Presence**

Their global sales and service organizations guarantee that their clients are served by trained, experienced, and devoted professionals. Their production sites are in the United States, Germany, the United Kingdom,

Switzerland, and the People's Republic of China. This keeps them close to their consumers, not only in terms of logistics, but also in terms of responding fast and adapting to local demands.



Source: MTD Annual Report 2022

## Financial Highlights

### 2022 At-a-Glance

**+11%**

Local currency sales growth

**+190 basis points**

Adjusted operating profit margin expansion

**+17%**

Adjusted EPS growth

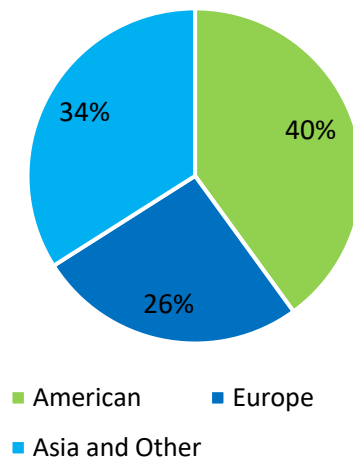
**-5%**

Free Cash Flow

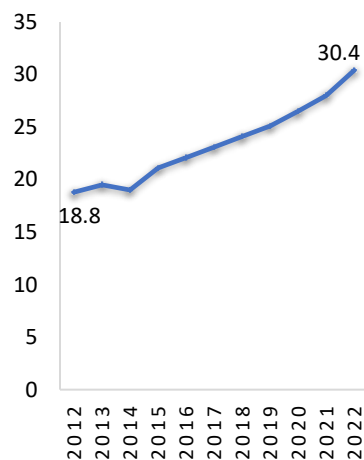
Sales  
(\$ in million)



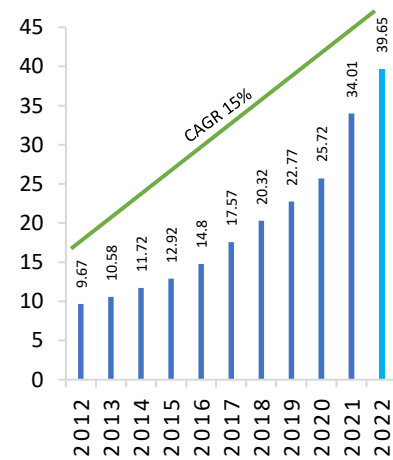
Sales by Customer Destination



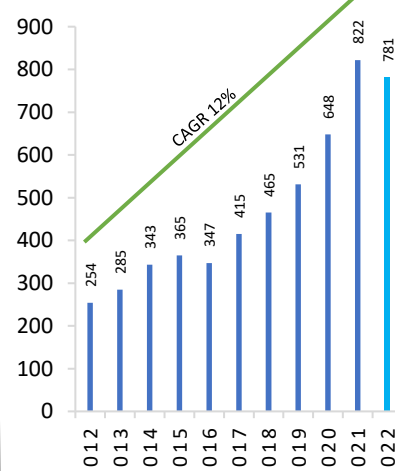
Adjusted Operating Profit Margin <sup>(2)</sup>  
(in %)



Adjusted Earnings per share <sup>(2)</sup>  
(in dollars)



Free Cash Flow <sup>(2)</sup>  
(\$ in million)



<sup>(1)</sup> CAGR in USD for the period 2012 – 2022 is 5%

<sup>(2)</sup> Represents non-GAAP financial measure; a reconciliation to U.S. GAAP metrics is provided in the appendix

Source: MTD Annual Report 2022

# INTRODUCTION

## **1.1 Company Description**

Mettler Toledo (NYSE: MTD) is a multinational manufacturer of scales and analytical instruments. It is the biggest supplier of weighing equipment for use in scientific, industrial, and food retailing applications. The business also offers a range of analytical tools, process analytics tools, and end-of-line inspection systems. The corporation has operations all over the world, and 70% of its net sales come from Europe and the Americas, split equally. The final 30% includes business from Asia. With its headquarters in Switzerland and its incorporation in the US, Mettler Toledo operates internationally.

Laboratory balances, liquid pipetting solutions, automated laboratory reactors, titrators, pH meters, process analytics sensors and analyzer technologies, physical value analyzers, density and refractometry, thermal analysis systems, and other analytical instruments are just a few of the



company's lab equipment offerings. LabX, a platform for managing and analyzing lab data generated by the company's equipment, is also available. Industrial software, vehicle scale systems, metal detection equipment, x-ray systems, check weighing equipment, camera-based imaging equipment, track-and-trace solutions, and product inspection systems are some of the industrial instruments it offers. It also offers industrial weighing instruments and related terminals, automatic dimensional measurement and data capture solutions, and

vehicle scale systems.

## **1.2 Company Profile**

**Ticker** - NYSE: MTD (S&P 500 Component)

**Company Type** - Public

**Industry Classification** - Health Care (Analytical Laboratory Instrument Manufacturing)

**Founded** - 1945

**Founder** - Erhard Mettler

**Headquarter** - Greifensee, Switzerland

**Equity Security Feature** - Active; Primary Listing

**Equity Security Type** – Common Stock

## **1.3 Products & Services**

Mettler Toledo is a leading global producer of precision equipment and services for use in manufacturing and laboratories.

1. Along the value chain of their clients, they provide solutions for weighing, analysis, and inspection.
2. They produce high-end items like process analytics machinery, Rainin pipettes, lab balances, and industrial scales.
3. They offer Process Analytical Technology to enhance other processes, such as polymerization, catalyzed reactions, and crystallization.

## 1.4 Mettler Toledo's Business Model

Mettler-Toledo International Inc. (MTD) is a global leader in precision equipment and services. Their value offer is based on their ability to supply high-quality goods and services that help their clients to achieve higher efficiency, productivity, and profitability while decreasing their environmental impact.

### Revenue Streams:

**1. Sales of Products:** Mettler-Toledo International Inc makes money by offering customers in a variety of industries, including chemicals, food and beverage, and pharmaceuticals, high-end precision instruments and equipment, such as analytical balances, pipettes, pH meters, and process analytics equipment.

**2. After-sales services:** By providing its clients with post-purchase services including installation, calibration, training, and technical support, the business generates money. These services make sure that clients can use their tools and equipment efficiently, reducing the need for further repairs and replacements.

**3. Repair and maintenance services:** MTD provides customers with repair and maintenance services to guarantee that their tools and equipment are operating at peak efficiency. These services bring in money for the business by raising the cost of parts and labour. Contracts for software and services. The business provides software solutions that streamline operations, keep an eye on output, and guarantee legal compliance. The business also provides service agreements that give clients access to technical support, software updates, and training. For the business, these contracts produce recurrent income.

**4. Leasing:** The way that Mettler-Toledo International Inc makes money is through leasing goods to its clients. Customers can avoid significant upfront fees with this arrangement, which also provides the business with consistent recurring revenue streams over a lengthy period.

**5. Custom- made solutions:** Customers can purchase precision tools and equipment from the company that are created to order. The business creates, develops, and produces customized solutions in partnership with customers. These initiatives bring in income over and above that of the standard product range. In conclusion, MTD receives income through the sale of goods, after-sale services, repairs, and maintenance, software, service agreements, product leasing, and the provision of specialized solutions.



Figure 1: Customer's Value Chain

Source: MTD Annual Report 2022

## 1.5 Key Attributes

Significance Competitive Differentiators:

1. Global leader in fragmented market
2. Innovative Product Portfolio
3. Largest direct sales network with excellent application knowledge
4. Strong culture of execution and continuous improvement

Well Developed and Ingrained Growth Strategies:

1. Sophisticated Go-To Market strategy and processes

2. Fully committed to capitalize on faster growing markets
3. Constant innovation to drive technology leadership

Solid Financial and Operational Model Supports Efficient Capital Allocation:

1. Sophisticated programs to support margin expansion
2. Select acquisitions to enhance leadership and expand offering
3. Return capital via daily share repurchases

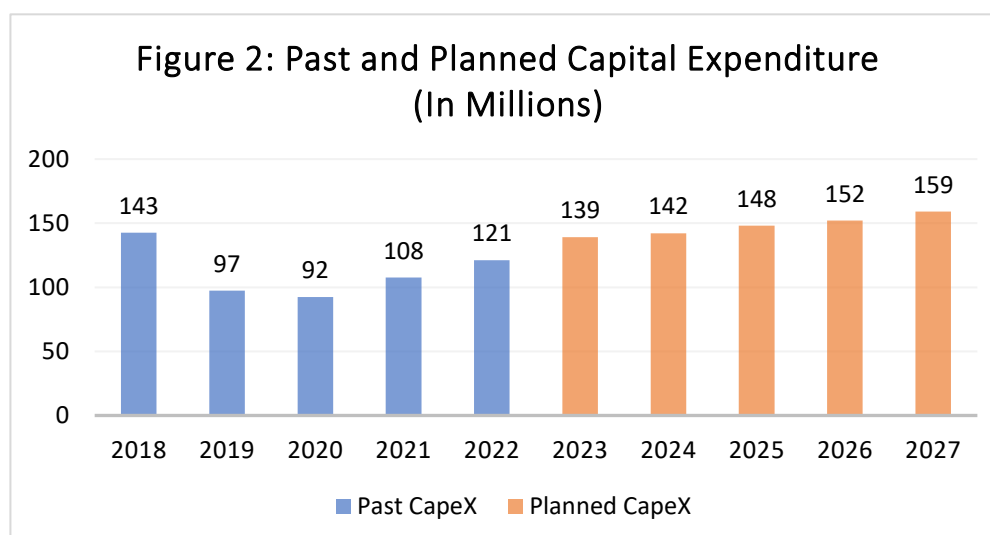
## 1.6 Past and Planned Capital Expenditures

The "Investing Activities" element of a company's cash flow statement will show capital expenditures. This component grows the balance sheet's fixed assets. In its most recent financial year that ended on March 31, 2023, Mettler-Toledo International reported capital expenditures of 125.3 M.

The following tables provide a five-year summary of capital expenditures and average size at Mettler-Toledo International:

Fiscal year	Past CAPEX	Revenue	% Revenue
Dec 2018	143 M	2.936 B	4.9%
Dec 2019	97 M	3.009 B	3.2%
Dec 2020	92 M	3.085 B	3.0%
Dec 2021	108 M	3.1718 B	2.9%
Dec 2022	121 M	3.92 B	3.1%

Fiscal year	Planned CAPEX
Dec 2023	139 M
Dec 2024	142 M
Dec 2025	148 M
Dec 2026	152 M
Dec 2027	159 M



Source: Finbox.com

The following table illustrates the common size and capital expenditures for Mettler-Toledo International over the previous four quarters:

Fiscal year	CAPEX	Revenue	% Revenue
Jun 2022	43.24 M	978.4 M	4.4%
Sep 2022	26.822 M	958.8 M	2.7%
Dec 2022	32.028 M	1058 M	3.0%
Mar 2023	23.196 M	928.7 M	2.5%

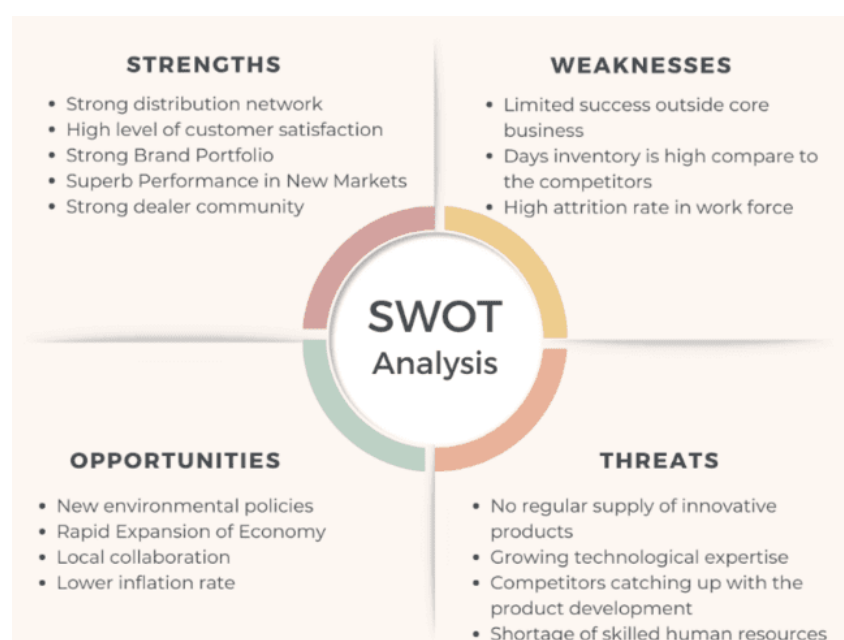
### **2023 Performance Summary:**

1. The most recent capital expenditure for Mettler-Toledo International for the entire year was 125.3 million.
2. For the fiscal years ending in December 2018 through 2022, Mettler-Toledo International spent an average of 112.3 million on capital expenditures.
3. Between the fiscal years ending in December 2018 and 2022, Mettler-Toledo International's capital expenditures averaged 107.6 million.
4. Looking back over the previous five years, December 2018 saw a 142.7 million peak in Mettler-Toledo International's capital expenditures.
5. The capital expenditures at Mettler-Toledo International fell to a 5-year low of 92.494 million in December 2020.
6. The capital expenditures of Mettler-Toledo International declined in 2019 (97.341 million, -31.8%) and in 2020 (92.494 million, -5.0%), but grew in 2018 (142.7 million, +12.0%), 2021 (107.6 million, +16.3%), and 2022 (121.2 million, +12.7%).

## **1.7 SWOT Analysis**

Mettler-Toledo International is one of the industry's largest companies. Mettler-Toledo International maintains its market dominance by doing a comprehensive study and assessment of the SWOT analysis. SWOT analysis is a highly interactive process that necessitates excellent coordination across several firm departments such as marketing, finance, operations, management information systems, and strategic planning.

The Strengths-Weaknesses-Opportunities-Threats (SWOT) Analysis / Matrix assists Mettler-Toledo International management in developing four types of strategies:



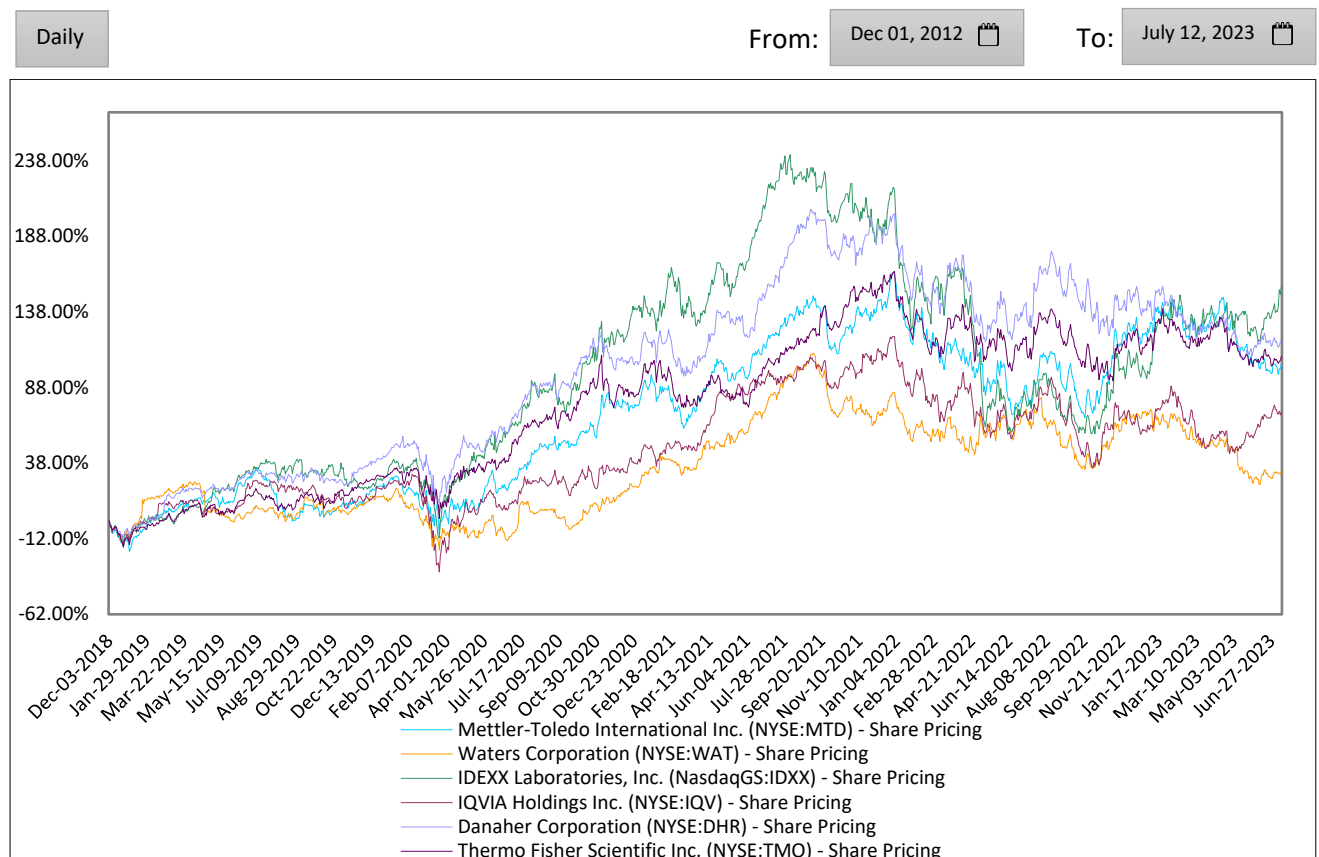


## 1.8 Peers Analysis

Company (5 years)	EV/EBITDA	P/E	P/B	P/S	PEG
Mettler Toledo International Inc. (MTD)	25.81	33.97	138.93	8.53	2.73
Waters Corporation (WAT)	18.20	23.56	24.82	6.16	2.21
IDEXX Laboratories Inc. (IDXX)	46.67	69.09	75.52	10.04	4.02
Danaher Corporation (DHR)	19.46	27.54	3.76	5.94	2.90
Thermo Fisher Scientific Inc. (TMO)	21.45	36.62	4.86	5.07	2.00
IQVIA Holdings Inc. (IQV)	19.29	40.98	7.01	2.55	1.54

Source: CNBC.com

### Peers Comparison Chart



Source: Capital IQ

In addition to a few other companies, Mettler-Toledo is in competition with Waters Corporations, IDEXX Laboratories Inc., IQVIA Holdings Inc., Thermo Fisher Scientific Inc., and Danaher Corporation. The business manages the Health Care industry's Life Sciences Tools & Services division. Analyzing the competition from Mettler Toledo enables them to increase the diversification potential of their current portfolios and gain greater insight into locking in new investments. Because they compare their rivals on a relative basis, investors occasionally prefer comparative analysis of Mettler Toledo to its intrinsic value.

The average P/E ratio for the peer group is approximately 38.63x. The average P/B ratio for the peer group is approximately 42.48x. The average P/E ratio for the peer group is approximately 6.38x. The average P/E ratio for the peer group is approximately 2.5x. Price-to-Book (P/B) Ratio is the highest for Mettler-Toledo International Inc. at 138.93x when compared to the industry ratio.



# FINANCIAL ANALYSIS

## 2.1 Corporate Overview

METTLER TOLEDO is a global manufacturer and marketer of precision instruments for laboratory, industrial, and food retailing applications. The company holds significant global leading positions. The vast bulk of our instrument sales are in sectors where they are the worldwide leader. They have one of the largest global sales and service organizations among precision instrument makers, in addition to a comprehensive product portfolio.

NYSE: MTD

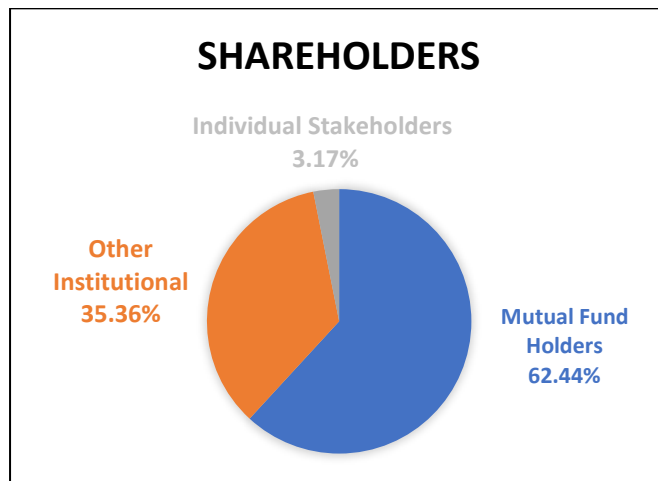
\$ 1,319.69

▲ +27.26 (+2.11%)

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Last updated July 12, 2023 4:00 PM

They concentrate on high-value-added parts of our markets by offering novel instruments that frequently integrate several technologies, including application-specific solutions for clients. They build their devices not only to collect useful data, but also to simplify the processing, analysis, and transfer of that data into their clients' management information systems.



### KEY STATISTICS

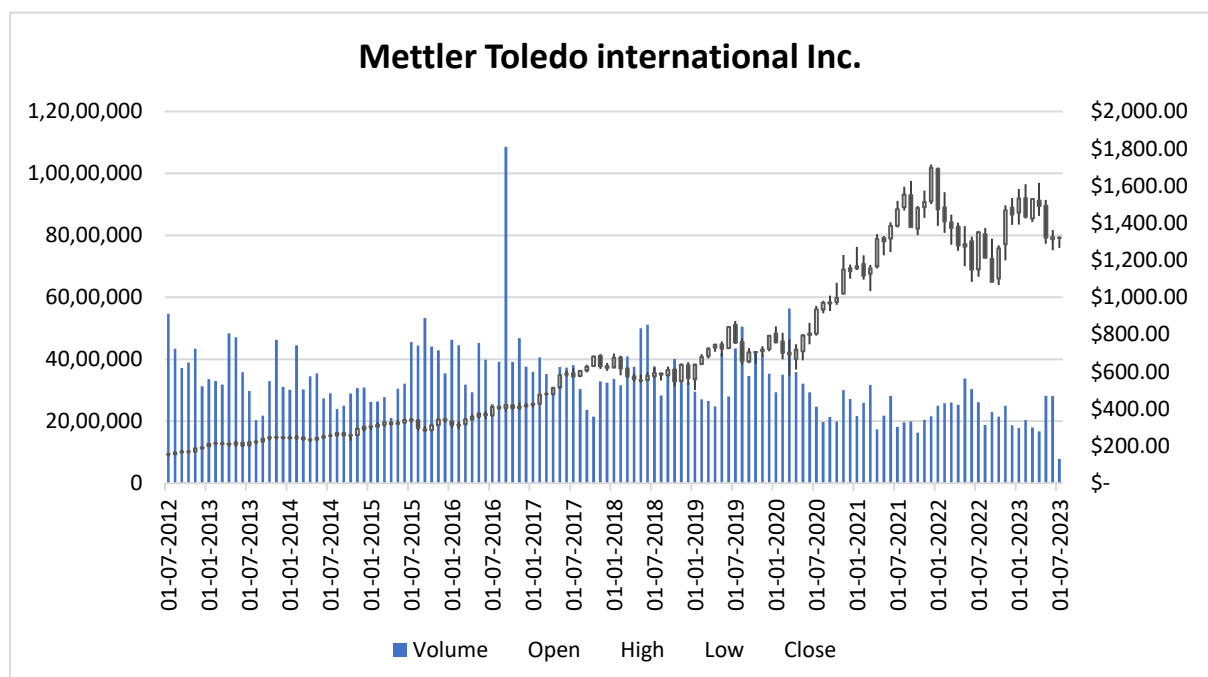
Exchange	New York Stock Exchange
Market Capex	\$29.06B
Shares Outstanding	22.02M
Beta (5Y Monthly)	1.15
P/E	32.82 X

## Stock Chart

Monthly

From: July 12, 2012

To: July 12, 2023



Source: Yahoo Finance

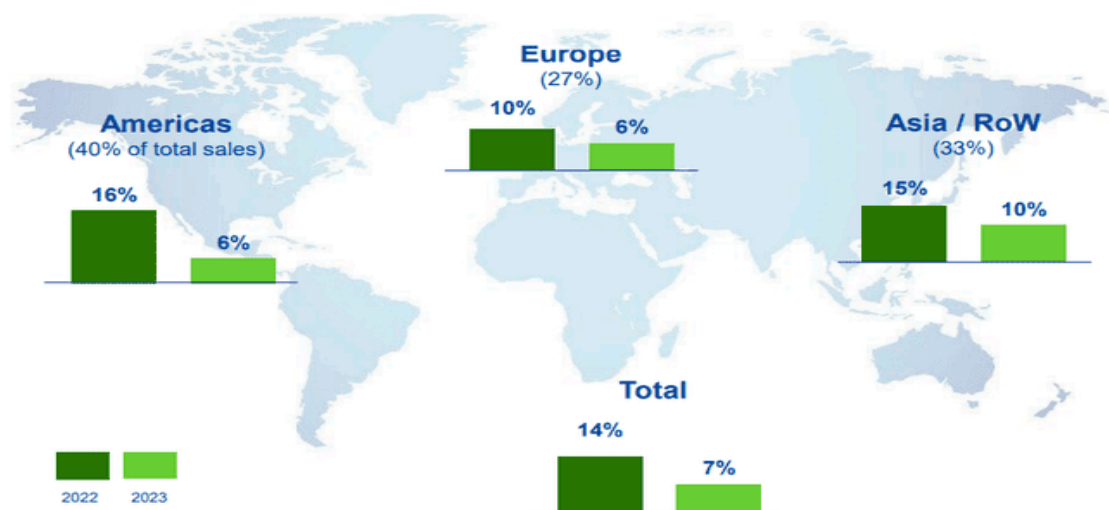
## 2.2 Q1 2023 Financial Highlights

Mettler-Toledo International Inc. (NYSE: MTD) reported first-quarter 2023 earnings on May 5th, 2023. The highlights are as follows:

1. Sales increased by 3% over the previous year. In local currency, sales climbed 7% in the quarter, as currency lowered sales growth by 4%.
2. Net earnings per diluted share as reported (EPS) were \$8.47, up from \$7.55 in the previous year. Adjusted EPS was \$8.69, a 10% improvement over the prior-year figure of \$7.87. Adjusted EPS is a non-GAAP metric, and a conversion to EPS is provided on the final page of the attached schedules.
3. They had a solid start to the year, with broad-based growth across geographic areas and product categories, including extremely strong momentum in our service sector.
4. They were particularly delighted with their strong performance on margin strategies and expense discipline, which resulted in a solid increase in Adjusted EPS despite a considerable currency disadvantage.

### Segments by Geography

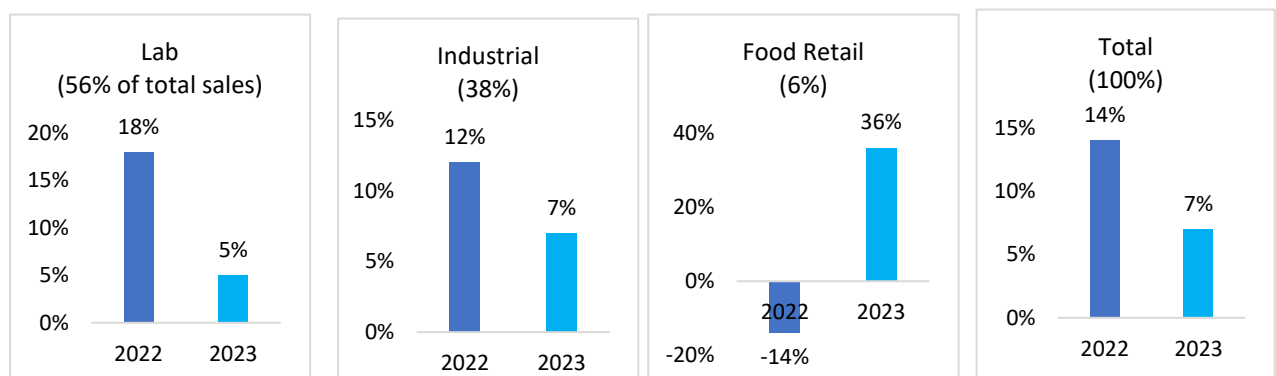
Q1 Local Cuurrency Sales Growth



Source: MTD Earning Conference Call Presentation 1Q 2023

### Segments by Product Area

Q1 Local Cuurrency Sales



Source: MTD Annual Report

## 2.4 Key Forecast

(USD in millions)			Projections				
	Dec-21	Dec-22	Dec-23	Dec-24	Dec-25	Dec-26	Dec-27
<b>Revenue</b>	<b>37,17,930</b>	<b>39,19,709</b>	<b>40,37,300</b>	<b>41,58,419</b>	<b>43,24,756</b>	<b>44,11,251</b>	<b>46,31,814</b>
<b>% Growth</b>	<b>20.51%</b>	<b>5.43%</b>	<b>3%</b>	<b>3%</b>	<b>4%</b>	<b>2%</b>	<b>5%</b>
Cost of goods sold	(15,46,377.00)	(16,11,667)	(16,73,226)	(17,23,422)	(17,92,359)	(18,28,207)	(19,19,617)
<b>% of Revenue</b>	<b>42%</b>	<b>41%</b>	<b>41%</b>	<b>41%</b>	<b>41%</b>	<b>41%</b>	<b>41%</b>
Selling, G&A expenses	(9,43,976.00)	(9,38,461)	(10,21,677)	(10,52,327)	(10,94,420)	(11,16,308)	(11,72,124)
<b>% of Revenue</b>	<b>25%</b>	<b>24%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>	<b>25%</b>
Other incomes/expenses	(1,08,450.00)	(1,21,867)	(1,21,212)	(1,24,848)	(1,29,842)	(1,32,439)	(1,39,061)
<b>% of Revenue</b>	<b>(2.9%)</b>	<b>(3.1%)</b>	<b>(3.0%)</b>	<b>(3.0%)</b>	<b>(3.0%)</b>	<b>(3.0%)</b>	<b>(3.0%)</b>
Non-Operating Income/ Expenses	(1,40,102.00)	(1,43,950.00)	(1,74,187.71)	(1,79,413.34)	(1,86,589.87)	(1,90,321.67)	(1,99,837.75)
<b>% of Revenue</b>	<b>3.8%</b>	<b>3.7%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>	<b>4.3%</b>
Tax expense	(1,46,004.00)	(1,20,285.00)	(1,98,938)	(2,04,906)	(2,13,103)	(2,17,365)	(2,28,233)
<b>Tax rate</b>	<b>19.00%</b>	<b>18.50%</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>	<b>19%</b>
<b>Net profit</b>	<b>8,33,021</b>	<b>9,83,479</b>	<b>8,48,060</b>	<b>8,73,502</b>	<b>9,08,442</b>	<b>9,26,611</b>	<b>9,72,942</b>
<b>% Margin</b>	<b>22%</b>	<b>25%</b>	<b>21.7%</b>	<b>21.7%</b>	<b>21.7%</b>	<b>21.7%</b>	<b>21.7%</b>

Figure 5: Revenue

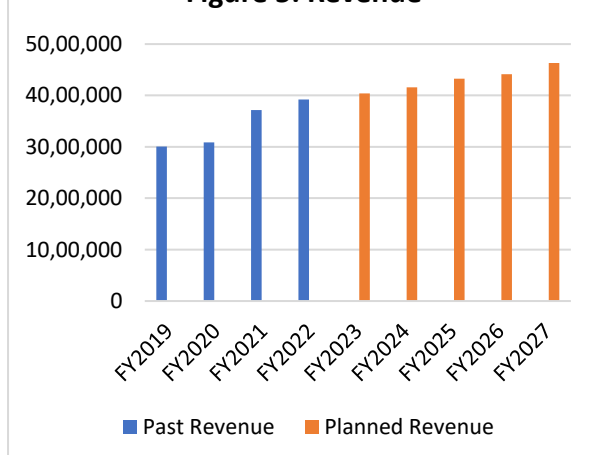
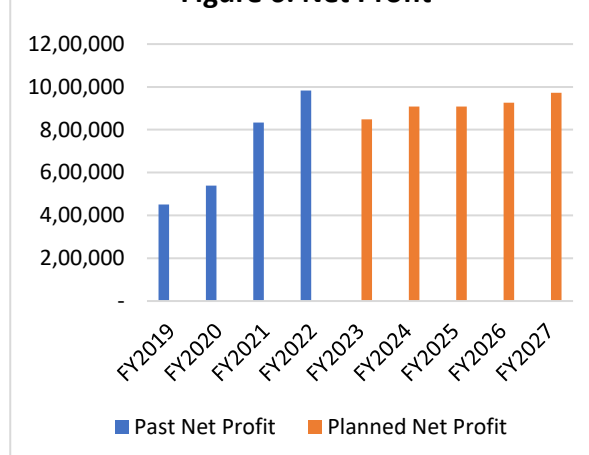


Figure 6: Net Profit



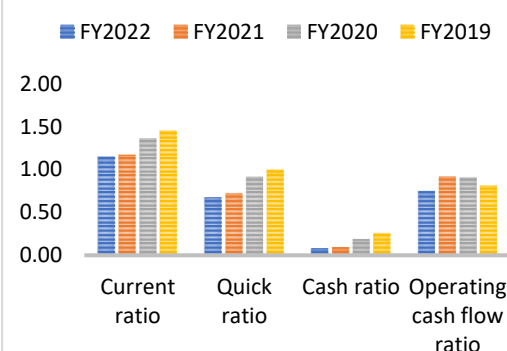
Source: MTD Valuation Excel

## 2.5 Ratios Analysis

The Liquidity ratios of the company signifies the availability of sufficient resources to manage and repay short term liabilities and debt, further the company also has bank deposits and assets which can be converted to cash for contingent liabilities to be paid if any.

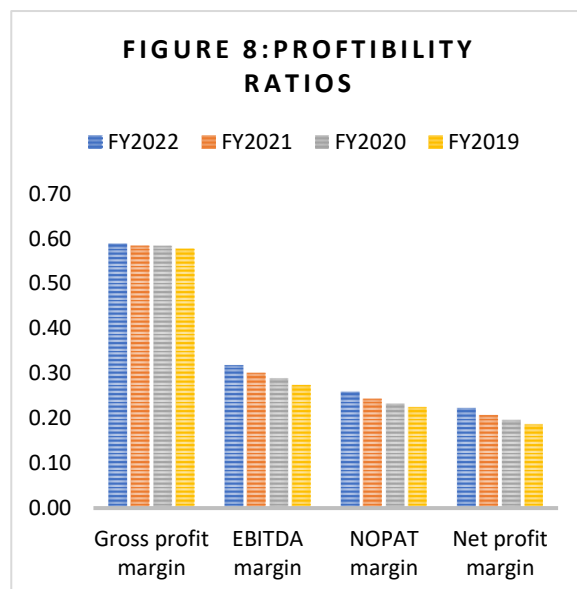
The company's cash conversion cycle has slightly decreased compared to the previous year, signifying less liquidity, and reduced advance payments by customers. Quick ratio is substantially lower, proving a little higher chance of cash being tied up in the inventories.

FIGURE 7: LIQUIDITY RATIOS

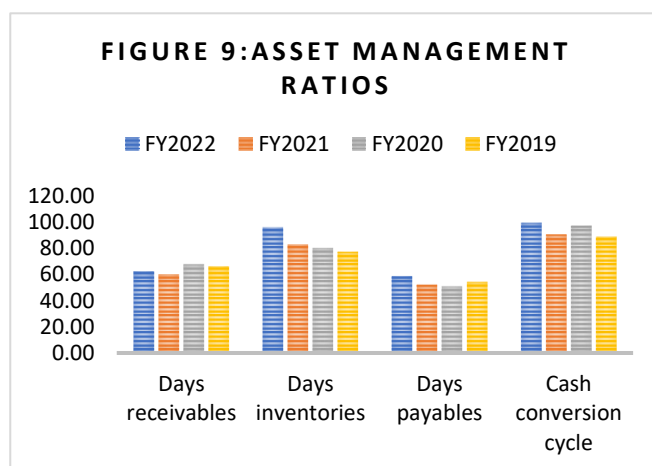


Profitability measures are financial measures that provide insight into a company's ability to generate profits compared to sales, assets, capital, or other financial factors. These metrics are important in evaluating a company's financial health and performance and are used by investors, creditors, and management to assess a company's profitability and efficiency.

The gross profit margin has a negligible increase to 58.88% from 58.41%. The Net Profit margin has increased by 1.58% from the previous year benefited from broad-based growth across geographic regions and product categories, including service business. The EBITDA has gone up by 1.73% from the previous year.



The Inventory days have gone up from 82.90 to 95.63 days, which is much longer than the previous year, proving that the company is less efficient in managing their inventory to turn it into sales. The Cash Conversion Cycle has gone up compared to last year signifies that the company efficiently manages its working capital and generates cash from its core operations.



Source: MTD Valuation Excel

## VALUATION

### 4.1 Valuation Assumptions

In order to match the historical cash flow data, an exponential growth model has been used, which has been prioritized in more recent years. An estimated growth rate of 5.43% was calculated using this approach.

Two underlying assumptions are crucial to the calculation. The discount rate comes first; the cash flows come second. A complete picture of a company's potential performance cannot be obtained from the DCF since it does not consider future capital requirements or the probable cyclical nature of an industry. Because Mettler-Toledo International is a prospective shareholder, the cost of equity is utilized as the discount rate rather than the cost of capital (or weighted average cost of capital, or WACC), which takes debt into consideration. 5.55%, based on a levered beta of 1.15, was the number we utilized in our computation. In comparison to the overall market, a stock's beta indicates how volatile it is. The cost of equity is 9.97% based on the risk-free rate (4.22%) and equity market premium (5%) and beta of 1.15 and the cost of debt is 1.10% based on the tax shield (81%) and average yield on the debt (1.36%).

## 4.2 Discounted Cash Flows Valuation

Free Cash Flow is anticipated to reach 573.8 M as of July 12, 2023. Additionally, it is anticipated that Enterprise Value would decrease to roughly 28.4 B. At the last minute, Mettler-Toledo Inter gets a Real Value of \$920.08 per share. The company's current pricing is \$1319.69. The company now seems to be overpriced. The DCF model predicts Mettler-Toledo Inter's value by evaluating the company's fundamentals, including its Profit Margin of 21.7%, its present valuation of 39.7 million, and its Return on Equity of 8.89, as well as its technical indicators and Probability of Bankruptcy. Generally speaking, it is advised to buy inexpensive stocks and sell overpriced stocks since asset prices and their ongoing real values will eventually converge.

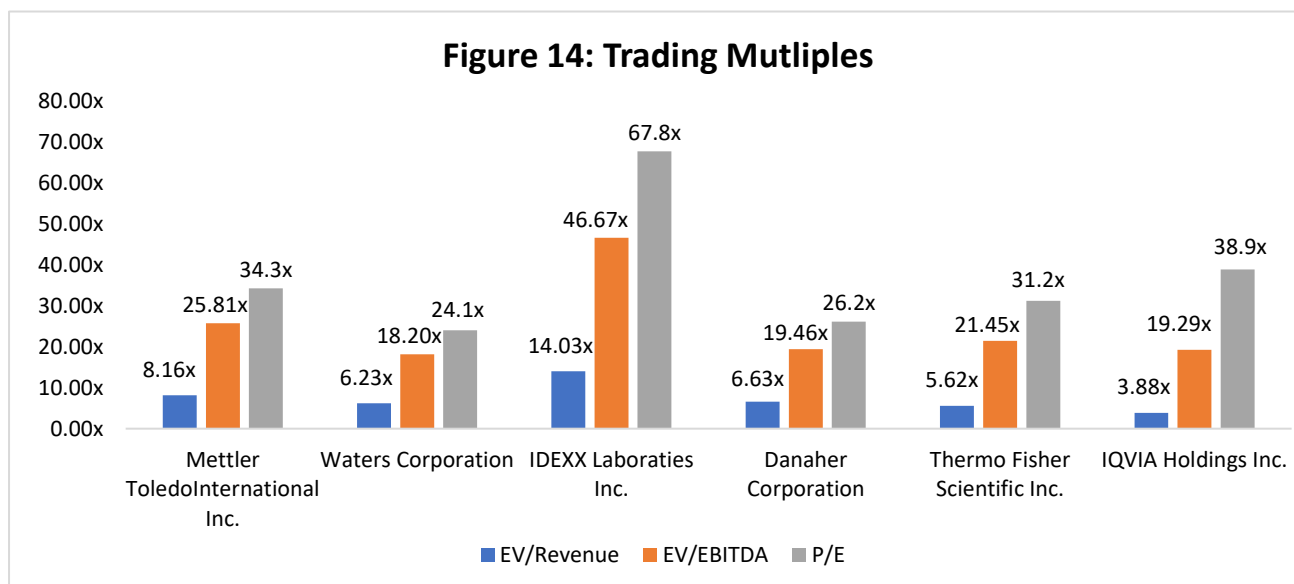
The expected cash flows for the following five years use an assumed growth rate of 5.43%. The discount rate is used to convert the flow of each year's cash to the present value.

The terminal value of the corporation would be 39.70 million dollars if growth continued at the projected pace of 2.0%. The present value is \$1.14 million. A total present value of \$23.20 million is obtained by including the terminal value. The intrinsic value per share is \$920.08 at the current moment when there are 22.02 million outstanding shares.

In order to do the sensitivity analysis, three scenarios have been taken Terminal value Scenario 1 (22,545.24), Terminal value Scenario 2 (10,687,417.30), Terminal value scenario 3 (14,582,357.52).

## 4.3 Multiples Valuation

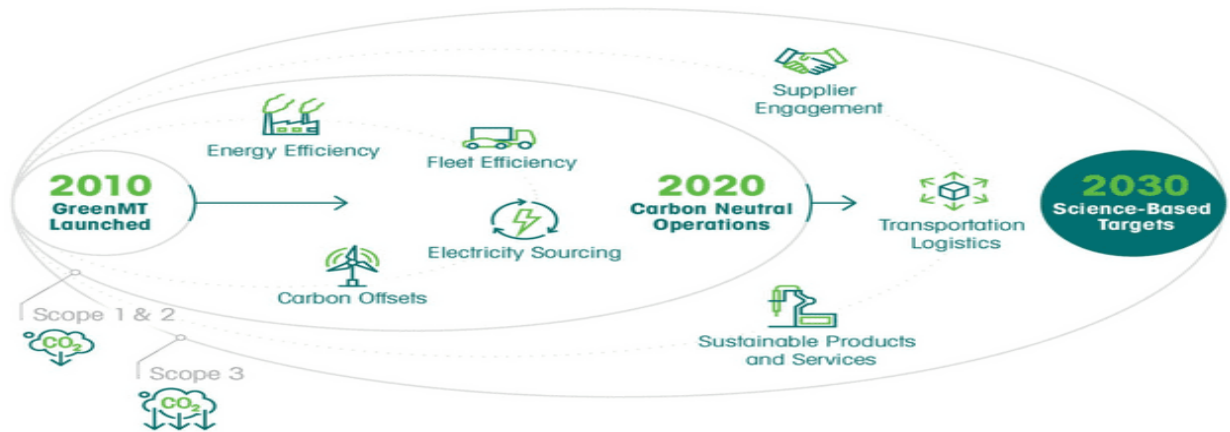
According to multiple models that compare the company's price-to-earnings ratio to the industry standard, Mettler-Toledo International appears to be expensive to operate. Since it is difficult to predict the company's cash flows in this situation, the price-to-earnings ratio has been applied. The stock's current ratio of 34.3x is much higher than the industry average of 22.8x, indicating that it is now selling at a higher price compared to its competitors.



Source: MTD Valuation Excel

## 4.4 ESG Analysis

METTLER TOLEDO is a global market leader known for its innovation, quality, and emphasis on sustainability. In addition to their continued commitment to environmental, social, and governance (ESG) goals inside their Company, they are becoming increasingly involved with ESG concerns throughout their supply chain, from ethical material sourcing to the environmental effect of our goods in use.



Source: MTD Corporate Responsibility Report 2022

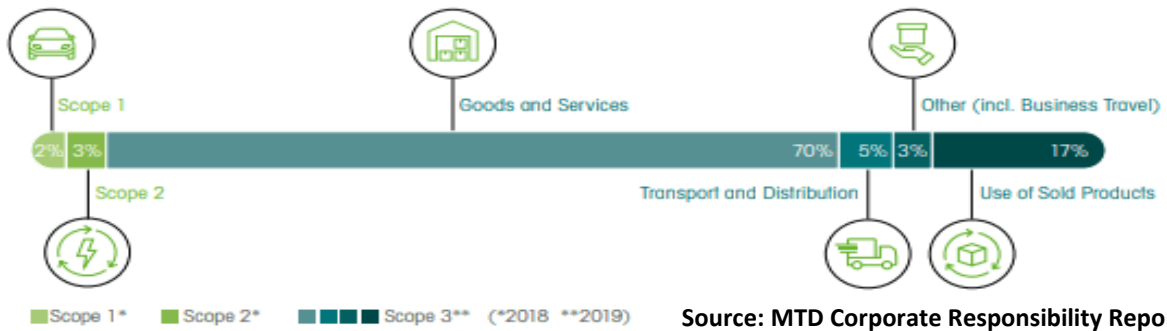
### Reducing their carbon footprint

As part of their efforts to minimize energy and emissions, they initially pledged to decrease their carbon intensity by 20% by 2020 compared to 2010. They surpassed and met this objective ahead of schedule in 2018, and they established a new goal of becoming carbon neutral in 2020 for Scope 1 and 2 emissions. This was accomplished in 2020, and they intend to keep it that way in the future. In parallel, they have increased their aspirations and committed to science-based targets for 2021. Their goals are compatible with the reductions needed to keep global warming to 1.5 degrees Celsius.

They have committed to reducing Scope 1 and 2 emissions by 70% by 2030 from a 2018 baseline, and Scope 3 emissions by 30% by 2030 from a 2019 baseline. They have also committed to long-term scientific goals, with the goal of reaching net zero by 2050. Their strategy to lowering their carbon footprint is guided by the following principles:

1. Electrifying their fleet of automobiles (Scope 1)
2. Continuing to cut emissions from their activities through energy efficiency initiatives and procuring or creating renewable electricity for their manufacturing facilities and offices (Scope 2)
3. Investing in carbon offset projects to compensate for remaining Scope 1 and 2 emissions
4. Decarbonizing their value chain by concentrating on high-emission categories (Scope 3)
5. Continuing to lower the power consumption of our goods when in use (Scope 3)

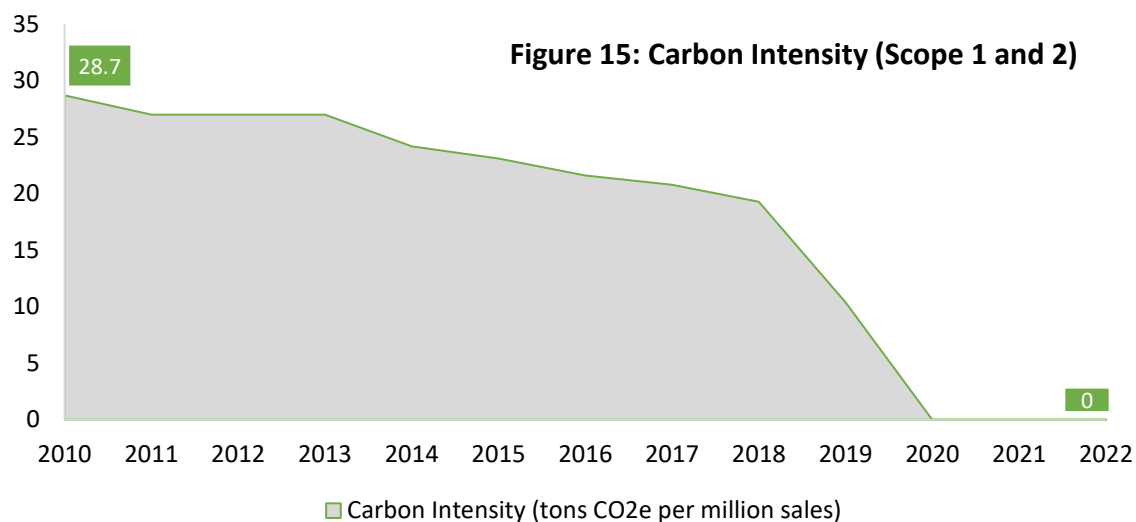
**METTLER TOLEDO Greenhouse Gas Emission Baseline**  
Scope 1, Scope 2, and Scope 3 (100% = 1,200 kt CO<sub>2</sub>e)



### Energy Consumption, Efficiency and Sourcing

In 2022, they were able to significantly decrease their energy intensity (MWh per million sales). The reduction was generated by a mix of energy saving initiatives, which were aided by 11% revenue increase in local currency.

Greenhouse Gas Emission (tCO <sub>2</sub> e)	2018	2019	2020	2021	2022
Scope 1	28,814	29,228	26,019	25,736	27,722
Scope 2 (Market-based)	32,010	4,617	426	208	367
Scope 2 (Location-based)	35,250	34,713	35,406	36,184	36,600
Scope 3 (business-based)	9,869	8,410	3,298	3,899	2,553
Scope 1,2,3 (Market-based)	70,693	42,255	29,743	29,843	30,642
<b>Total Scope 1,2 (Market-based)</b>	<b>60,824</b>	<b>33,845</b>	<b>26,445</b>	<b>25,944</b>	<b>28,089</b>
Emissions Neutralized by Carbon Offset Projects	0	0	(26,445)	(25,944)	(28,089)
Net Operational Carbon Emissions	60,824	33,845	0	0	0
<b>Carbon Intensity per Net Sales</b>	<b>19.3</b>	<b>10.4</b>	<b>0</b>	<b>0</b>	<b>0</b>

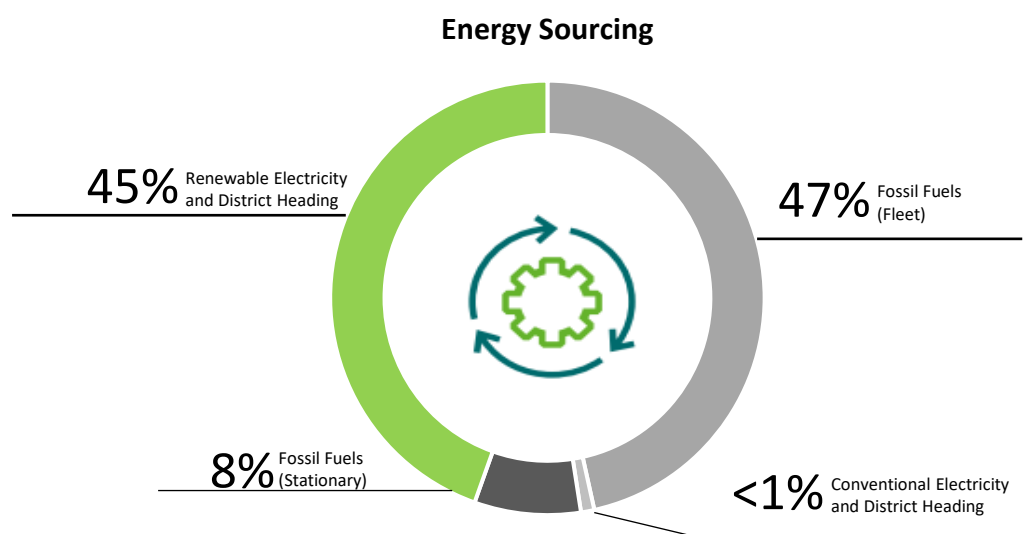
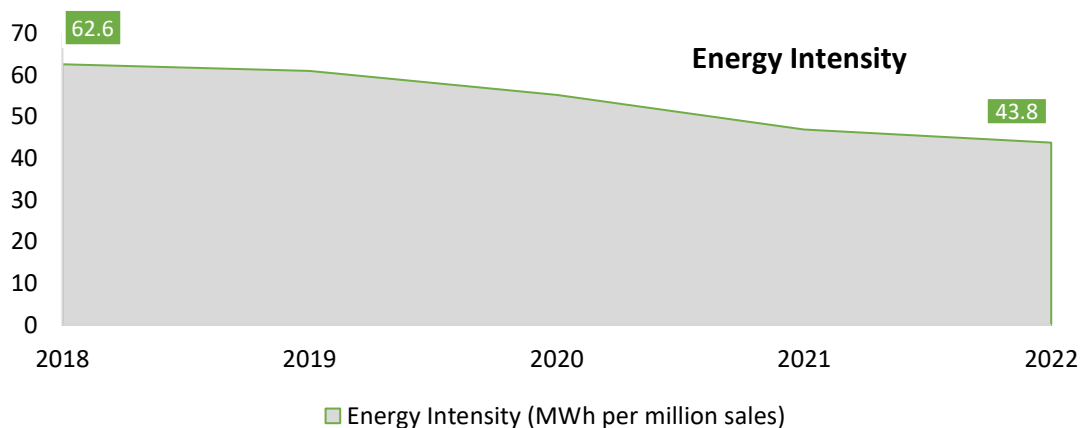


Source: MTD Corporate Responsibility Report 2022



In 2022, their overall energy usage climbed by 3% over the previous year. Increased activity following the worldwide relaxation of COVID-19 limits has resulted in a rise in their fleet's use of fossil fuels, driving the emissions increase recorded for their operations since 2020.

Energy Consumption (MWh)	2018	2019	2020	2021	2022
Stationary Combustion	15,224	13,533	13,093	14,871	13,855
Mobile Combustion	90,128	93,679	79,711	78,452	84,405
Electricity	74,179	72,252	72,860	76,029	76,188
District Heating	4,246	4,030	3,408	3,653	4,246
<b>Total</b>	<b>183,777</b>	<b>183,493</b>	<b>169,072</b>	<b>173,004</b>	<b>178,694</b>
<b>Energy Intensity (MWh per million sales)</b>	<b>62.6</b>	<b>61.0</b>	<b>55.2</b>	<b>46.9</b>	<b>43.8</b>



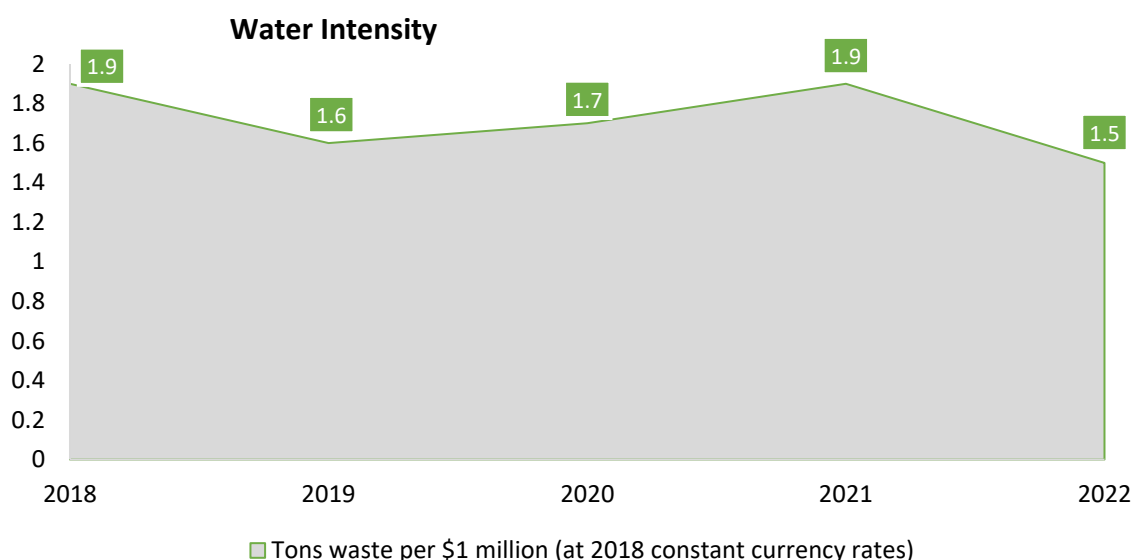
Source: MTD Corporate Responsibility Report 2022

## Water and Waste

The waste management and reduction goals are on pace to be met by 2025. As of 2022, their waste intensity has fallen by 19% compared to the base year of 2018 and by 20% compared to the previous year (7% excluding a significant production site transmit in 2021).

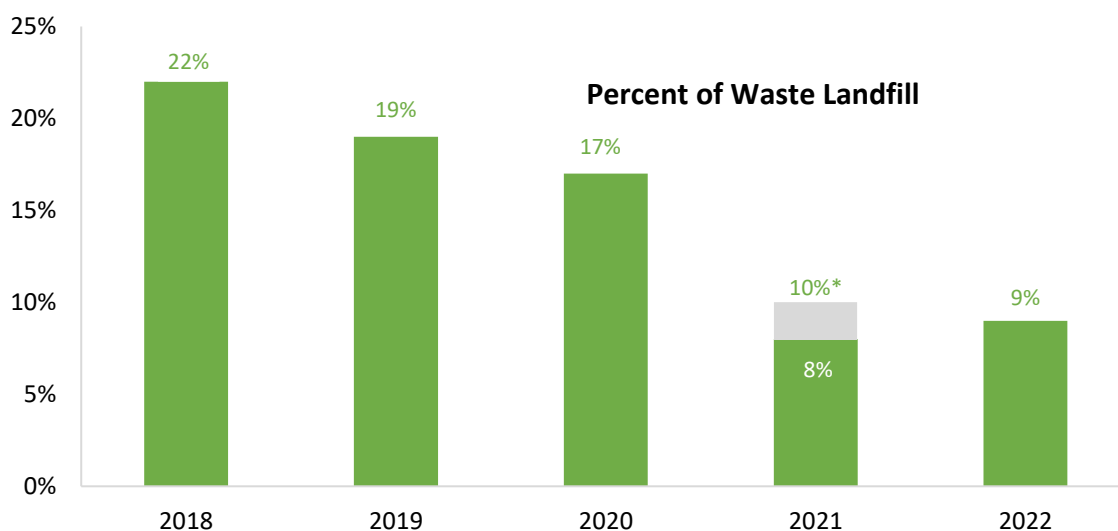
Despite increasing production and revenue growth, their total trash grew by only 2% in 2022 over the previous year (excluding the big manufacturing site transfer mentioned above). This tendency can be ascribed in part to local operational Units' constant waste reduction efforts. In 2022, the absolute amount of garbage transported to landfill decreased by 8% and accounted for little under 9% of total waste.

Water and Waste		2018	2019	2020	2021	2022
<b>Total Water Withdrawal</b>	<b>m<sup>3</sup></b>	<b>238,964</b>	<b>241,140</b>	<b>219,576</b>	<b>186,263</b>	<b>196,629</b>
Hazardous Waste	tons	302	271	270	294	287
Non-Hazardous Waste	tons	5,252	4,799	5,213	6,773	5,958
Recycled	% of total	52	61	67	70	61
Incinerated	% of total	20	15	11	17	26
Landfill	% of total	22	19	17	8	9
<b>Total Waste Disposed</b>	<b>tons</b>	<b>5,554</b>	<b>5,070</b>	<b>5,484</b>	<b>7,067</b>	<b>6,245</b>
<b>Waste Intensity per Net Sales</b>		<b>1.9</b>	<b>1.6</b>	<b>1.7</b>	<b>1.9</b>	<b>1.5</b>



Source: MTD Corporate Responsibility Report 2022

Their operational units and offices will continue to minimize waste intensity as they strive to achieve the zero waste-to-landfill goal by 2025. Actions will be taken to raise awareness in their Units about how to effectively manage trash creation on-site in order to reduce total waste quantities and improve recycling.

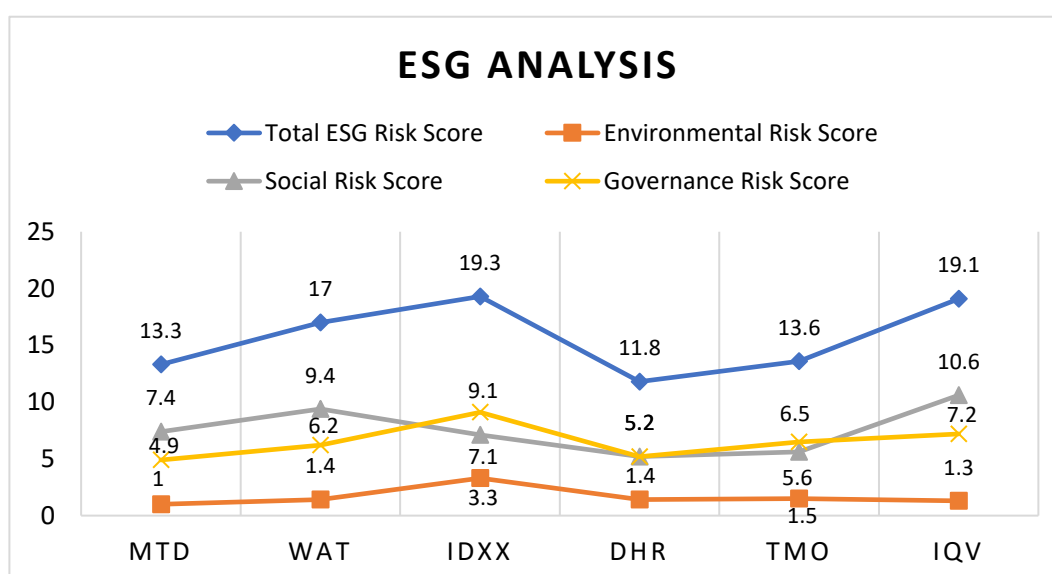
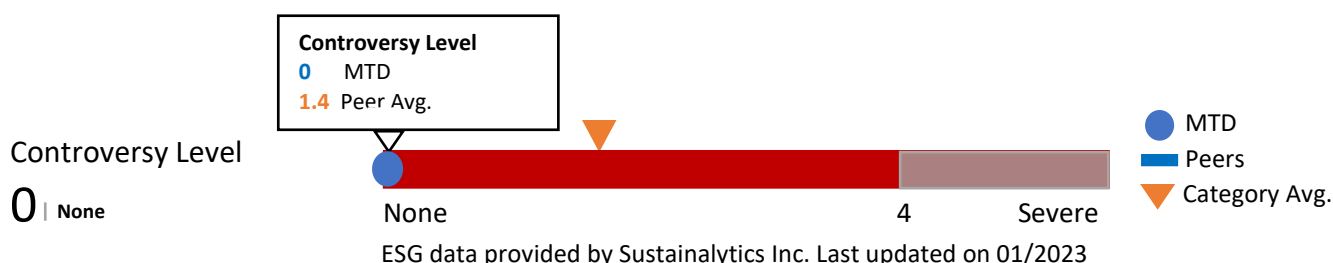


Source: MTD Corporate Responsibility Report 2022

### Environmental, Social and Governance (ESG) Risk Rating

Mettler Toledo's environmental effect and strategy for improvement are measured using environmental standards. Mettler Toledo's relationships with their social environment, such as local communities, workers, and other stakeholders, are examined using social criteria. Governance standards investigate company accountability, which can encompass issues such as business ethics and executive pay.

Total ESG Risk Score	Environmental Risk Score	Social Risk Score	Governance Risk Score
<b>13.3</b>   7 <sup>th</sup> percentile	1.0	7.4	4.9
<b>Low</b>			



Source: Yahoo Finance

Mettler Toledo peer performance insights compare the company's ESG performance to the performance of chosen peers to support internal performance enhancements and provide guidance for future ESG choices.

## **Sustainability**

### **Their Products Improve Sustainability for Their Customers**



Ensure quality and compliance with regulatory requirements



Streamline process, enhance productivity, and optimize costs



Advanced invocations and scientific insights



Help their customers to sustainable in their business

Source: MTD Corporate Responsibility Report 2023

Their products and services contribute to the long-term viability of their consumers. METTLER TOLEDO solutions boost efficiency and productivity, improve yield, and decrease material loss in manufacturing, eliminate waste, and reduce energy usage. And their goods are built to last, saving even more resources.

## **Recommendation**

Mettler-Toledo International Inc. (MTD) has an intrinsic value of 920.08 USD as of July 12th, 2023. The model Discounted Cash Flows (Growth Exit 5Y) provides the foundation for this value. Mettler-Toledo International Inc.'s upside is -30.28% at its current share price of 1,319.69 USD. It is advised to **SELL** the stocks of Mettler Toledo. The Intrinsic Value ranges from 619.86 to 1,657.26 USD.

Mettler-Toledo International Inc. concludes by highlighting the numerous elements needed for the success of the business. The company's value propositions, significant partners, client categories, revenue streams, and channels were identified on the canvas. We were able to comprehend how Mettler-Toledo International Inc. develops and delivers value as well as how it retains a competitive advantage through this canvas.

As it is currently trading at a share price of 1,319.69 on extremely low momentum in trading volume, Mettler Toledo International's recent price decline may prompt shareholders to take a deeper look at the company. The company's board and management did not have much success in June deploying the firm's resources to take advantage of market volatility. Nevertheless, diversifying the holdings with Mettler Toledo or comparable stocks can still shield the portfolio from adverse market conditions that involve significant volatility.

In conclusion, MTD's stock performance on July 12, 2023, showed volatility but remained relatively stable. The company has positive earnings and revenue growth, indicating strong performance.

## Appendix

**Table 1: GAAP to Non-GAAP Measure Reconciliation**

Dollars in Millions	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GAAP consolidated net sales	\$2,342	\$2,379	\$2,486	\$2,395	\$2,508	\$2,725	\$2,936	\$3,009	\$3,085	\$3,718	\$3,920
Local currency (LC) sales growth	4%	1%	5%	3%	7%	8%	6%	5%	2%	18%	11%
Foreign exchange impact	(3%)	1%	(1%)	(7%)	(2%)	1%	2%	(3%)	1%	3%	(6%)
Reported USD Sales Growth	1%	2%	4%	-4%	5%	9%	8%	2%	3%	21%	5%

Operating Margin % Reconciliation	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Earnings before tax (GAAP)	\$383	\$403	\$445	\$463	\$504	\$574	\$652	\$681	\$749	\$949	\$1,071
Amortization	21	25	29	31	36	43	48	50	57	63	66
Interest expense	23	23	25	27	28	33	35	37	39	43	55
Restructuring charges	17	20	6	11	6	13	18	16	11	5	10
Other charges (income), net	1	3	2	(1)	8	(6)	(22)	(6)	(14)	(3)	(9)
Pension reclassification	(4)	(6)	(15)	(13)	(10)	0	0	0	0	0	0
Adjusted Operating Income (non-GAAP)	\$440	\$467	\$492	\$519	\$573	\$657	\$731	\$778	\$841	\$1,058	\$1,192
Adjusted Operating Income % of Sales	18.8%	19.6%	19.8%	21.7%	22.9%	24.1%	24.9%	25.9%	27.2%	28.5%	30.4%

Earnings Per Share (EPS)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GAAP earnings per share (EPS)	\$9.14	\$9.96	\$11.44	\$12.48	\$14.22	\$14.24	\$19.88	\$22.47	\$24.91	\$32.78	\$38.41
Purchased intangible amortization, net of tax	\$0.14	\$0.12	\$0.13	\$0.14	\$0.18	\$0.27	\$0.39	\$0.43	\$0.46	\$0.70	\$0.87
Restructuring charges, net of tax	\$0.39	\$0.49	\$0.15	\$0.30	\$0.18	\$0.38	\$0.56	\$0.50	\$0.35	\$0.18	\$0.34
Acquisition (gain) cost, net of tax					\$0.03	\$0.05	(\$0.74)			\$0.35	\$0.03
Tax items (reform: US '17-'18, Swiss '19)						\$2.73	\$0.14	(\$0.63)			
Other		\$0.01			\$0.19	(\$0.10)	\$0.09				
Adjusted EPS (non-GAAP)	\$9.67	\$10.58	\$11.72	\$12.92	\$14.80	\$17.57	\$20.32	\$22.77	\$25.72	\$34.01	\$39.65