
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): November 18, 2010

BRADY CORPORATION

(Exact name of registrant as specified in its charter)

Wisconsin

(State or other jurisdiction
of incorporation)

1-14959

(Commission File Number)

39-0971239

(IRS Employer Identification No.)

6555 West Good Hope Road
Milwaukee, Wisconsin

(Address of principal executive offices)

53223

(Zip Code)

Registrant's telephone number, including area code: (414) 358-6600

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))
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Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 18, 2010, Brady Corporation (the “Corporation”) issued a press release announcing its fiscal 2011 first quarter financial results. A copy of the press release is being furnished to the Securities and Exchange Commission as Exhibit 99.1 attached hereto and is incorporated herein by reference.

Item 5.02 DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

(b) Effective November 18, 2010, in connection with the Corporation’s Annual Shareholders’ Meeting, Director Robert C. Buchanan retired from the Corporation’s Board of Directors.

Item 5.03 AMENDMENTS TO ARTICLES OF INCORPORATION OR BYLAWS; CHANGE IN FISCAL YEAR

On November 18, 2010, the Corporation’s Board of Directors approved an amendment to the Corporation’s Bylaws. Section 3.04 of Article III of the Bylaws was amended to provide that special meetings of the Board of Directors may be called by or at the request of the Lead Independent Director in addition to the Chairman of the Board, the President, or any two directors. The Bylaws, as amended, became effective immediately upon approval by the Board of Directors. The foregoing description of the Bylaws, as amended, is qualified in its entirety by reference to the full text of the Bylaws, a copy of which is filed herewith as Exhibit 3.2 and is incorporated herein by reference.

Item 5.07 SUBMISSIONS OF MATTERS TO A VOTE OF SECURITY HOLDERS

On November 18, 2010, at the Corporation’s Annual Shareholders’ Meeting, the holders of all of the 3,538,628 shares of the Corporation’s Class B Common Stock voted unanimously in favor of electing the following persons to serve as the Corporation’s directors until the next annual meeting of shareholders and until their successors have been elected:

Patrick W. Allender
Gary S. Balkema
Chan W. Galbato
Conrad G. Goodkind
Frank W. Harris
Frank M. Jaehnert
Elizabeth P. Pungello
Bradley C. Richardson

Item 8.01 OTHER EVENTS

On November 18, 2010, the Corporation’s Board of Directors approved an increase in the annual retainer of the Lead Independent Director from \$10,000 to \$15,000, effective immediately.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits.

The following are filed as Exhibits to this Report.

Exhibit No.	Description of Exhibit
3.2	Bylaws of Brady Corporation, as amended.
99.1	Press Release of Brady Corporation, dated November 18, 2010, relating to first quarter fiscal 2011 financial results.

SIGNATURE

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.

BRADY CORPORATION

Date: November 23, 2010

/s/ THOMAS J. FELMER

Thomas J. Felmer
Senior Vice President &
Chief Financial Officer

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION
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99.1	Press Release of Brady Corporation, dated November 18, 2010, relating to first quarter fiscal 2011 financial results.

BY-LAWS

of

BRADY CORPORATION
(formerly W. H. Brady Co.)

As Amended November 18, 2010

ARTICLE I. OFFICES

1.01 Principal and Business Offices. The corporation may have such principal and other business offices either within or without the State of Wisconsin as the Board of Directors, may designate or as the business of the corporation may require from time to time.

1.02 Registered Office. The registered office of the corporation required by the Wisconsin Business Corporation Law to be maintained in the State of Wisconsin may be, but need not be, identical with the principal office in the State of Wisconsin and the address of the registered office may be changed from time to time by any officer or by the registered agent. The business office of the registered agent of the corporation shall be identical to such registered office.

ARTICLE II. SHAREHOLDERS

2.01 Annual Meeting. The annual meeting of the shareholders shall be held on the third Wednesday of November each year at 9:00 a.m., or at such other time and date within 30 days before or after said date as may be fixed by or under the authority of the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Wisconsin, such meeting shall be held on the next succeeding business day. If the election of directors shall not be held on the day designated herein, or fixed as herein provided, for any annual meeting of the shareholders, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the shareholders as soon thereafter as conveniently may be.

2.02 Special Meeting. Special meetings of the shareholders for any purpose or purposes unless otherwise prescribed by statute, may be called by the Chairman of the Board or the President or the Board of Directors or by the person designated in the written request of the holders of not less than one-tenth of all shares of the corporation entitled to vote at the meeting. The purpose or purposes of any special meeting shall be described in the notice required by Section 2.04 of these By-Laws.

2.03 Place of Meeting. The Board of Directors may designate any place, either within or without the State of Wisconsin, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. A waiver of notice signed by all shareholders entitled to vote at a meeting may designate any place, whether within or without the State of Wisconsin, as the place for the holding of such meeting. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal business office of the corporation in the State of Wisconsin, but any meeting may be adjourned to reconvene at any place designated by vote or a majority of the shares represented thereat.

2.04 Notice of Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than 10 days (unless a longer period is required by law or the articles of incorporation) nor more than 50 days before the date of the meeting, either personally or by mail, by or at the direction of the Chairman of the Board or the President, the Secretary, or persons calling the meeting, to each shareholder of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the shareholder at his address as it appears on the stock record books of the corporation, with postage thereon prepaid.

2.05 Closing of Transfer Books or Fixing of Record Date. For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or shareholders entitled to receive payment of any dividend, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may provide that the stock transfer books shall be closed for a stated period, but not to exceed 50 days. If the stock transfer books shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such books shall be closed for at least ten days immediately preceding such meeting. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders, such date in any case to be not more than 50 days and, in case of a meeting of shareholders, not less than ten days prior to the date on which the particular action, requiring such determination of shareholders is to be taken. If the stock transfer books are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the close of business on the date on which notice of the meeting is mailed or on the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall be applied to any adjournment thereof except where the determination has been made through the closing of the stock transfer books and the stated period of closing has expired.

2.06 Voting Records. The officer or agent having charge of the stock transfer books for shares of the corporation shall, before each meeting of shareholders, make a complete record of the shareholders entitled to vote at such meeting, or any adjournment thereof, with the address of and the number of shares held by each. Such record shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting for the purposes of the meeting. The original stock transfer books shall be prima facie evidence as to who are the shareholders entitled to examine such record or transfer books or to vote at any meeting of shareholders. Failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

2.07 Quorum. Except as otherwise provided in the articles of incorporation, a majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of shareholders. If a quorum is present, the affirmative vote of the majority of the shares represented at the meeting and entitled to vote on the subject matter shall be the act of the shareholders unless the vote of a greater number or voting by classes is required by the Wisconsin Business Corporation Law or the articles of incorporation. If less than a quorum is represented at a meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

2.08 Conduct of Meetings. The President and in his absence a Vice-President in the order provided under Article IV and in their absence any person chosen by the shareholders present, shall call the meeting of the shareholders to order and shall act as chairman of the meeting, and the Secretary shall act as secretary of all meetings of the shareholders, but, in the absence of the secretary, the presiding officer may appoint any other person to act as secretary of the meeting.

2.09 Proxies. At all meetings of shareholders, a shareholder entitled to vote may vote in person or by proxy appointed in writing by the shareholder or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary before or at the time of the meeting. Unless otherwise provided in the proxy, a proxy may be revoked at any time before it is voted, either by written notice filed with the Secretary or the acting secretary of the meeting or by oral notice given by the shareholder to the presiding officer during the meeting. The presence of a shareholder who has filed his proxy shall not of itself constitute a revocation. No proxy shall be valid after 11 months from the date of its execution, unless otherwise provided in the proxy. The Board of Directors shall have the power and authority to make rules as to the validity and sufficiency of proxies.

2.10 Voting of Shares. Each outstanding share shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders, except to the extent that the voting rights of the shares of any class or classes are enlarged, limited or denied by the articles of incorporation.

2.11 Voting of Shares by Certain Holders.

(a) *Other Corporations.* Shares standing in the name of another corporation may be voted either in person or by proxy, by the president of such corporation or any other officer appointed by such president. A proxy executed by any principal officer of such other corporation or assistant thereto shall be conclusive evidence of the signer's authority to act, in the absence of express notice to this corporation, given in writing to the Secretary of this corporation, of the designation of some other person by the board of directors or the by-laws of such other corporation.

(b) *Legal Representatives and Fiduciaries.* Shares held by a personal representative, an administrator, executor, guardian, conservator, trustee in bankruptcy, receiver, or assignee for creditors may be voted by him, either in person or by proxy, without a transfer of such shares into his name, provided that there is filed with the Secretary before or at the time of meeting proper evidence of his incumbency and the number of shares held. Shares standing in the name of a fiduciary may be voted by him, either in person or by proxy. A proxy executed by a fiduciary, shall be conclusive evidence of the signer's authority to act, in the absence of express notice, given in writing to the Secretary, that such manner of voting is prohibited or otherwise directed by the document creating the fiduciary relationship.

(c) *Pledgees.* A shareholder whose shares are pledged shall be entitled to vote such shares in person or by proxy until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred.

(d) *Treasury Stock and Subsidiaries.* Neither treasury shares, nor shares held by another corporation if a majority of the shares entitled to vote for the election of directors of such other corporation is held by this corporation, shall be voted at any meeting or counted in determining the total number of outstanding shares entitled to vote, but shares of its own issue held by this corporation in a fiduciary capacity, or held by such other corporation in a fiduciary capacity, may be voted and shall be counted in determining the total number of outstanding shares entitled to vote.

(e) *Minors.* Shares held by a minor may be voted by such minor in person or by proxy and no such vote shall be subject to disaffirmance or avoidance, unless prior to such vote the Secretary of the corporation has received written notice or has actual knowledge that such shareholder is a minor.

(f) *Incompetents and Spendthrifts.* Shares held by incompetent or spendthrift may be voted by such incompetent or spendthrift in person or by proxy and no such vote shall be subject to disaffirmance or avoidance, unless prior to such vote the Secretary of the corporation has actual knowledge that such shareholder has been adjudicated an incompetent or spendthrift or actual knowledge of filing of judicial proceedings for appointment of a guardian.

(g) *Joint Tenants.* Shares registered in the names of two or more individuals who are named in the registration as joint tenants may be voted in person or by proxy signed by any one or more of such individuals if either (i) no other such individual or his legal representative is present and claims the right to participate in voting of such shares or prior to the vote files with the Secretary of the corporation a contrary written voting authorization or direction or written denial of authority of the individual present or signing the proxy proposed to be voted or (ii) all such other individuals are deceased and the Secretary of the corporation has no actual knowledge that the survivor has been adjudicated not to be the successor to the interests of those deceased.

ARTICLE III. BOARD OF DIRECTORS

3.01 General Powers and Number. The business and affairs of the corporation shall be managed by its Board of Directors. The number of Directors of the corporation shall be established from time to time by the Board of Directors, but shall be not less than five or more than 15. The number of directors may be increased or decreased from time to time by amendment to this Section adopted by the shareholders or the Board of Directors, but no decrease shall have the effect of shortening the term of an incumbent director.

3.02 Tenure and Qualifications. Each director shall hold office until the next annual meeting of shareholders and until his successor shall have been elected, or until his prior death, resignation or removal. Any director or the entire Board of Directors may be removed from office, with or without cause, by affirmative vote of a majority of the outstanding shares entitled to vote for the election of such director, taken at a meeting of shareholders called for that purpose. A director may resign at any time by filing his written resignation with the Secretary of the corporation. Directors need not be residents of the State of Wisconsin or shareholders of the corporation. No director shall be eligible to be elected or re-elected a director after he attains age 70. A director in office when he attains age 70 shall be eligible to be elected an advisory director from year to year for a maximum period of three years. Advisory directors shall be entitled to all the rights and privileges of a director, except the right to vote and shall be paid such fees and compensation as shall be fixed by the Board of Directors from time to time.

3.03 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this by-law immediately after the annual meeting of shareholders and each adjourned session thereof. The place of such regular meeting shall be the same as the place of the meeting of shareholders that precedes it or such other suitable place as may be announced at such meeting of shareholders. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Wisconsin, for the holding of additional regular meetings without other notice than such resolution.

3.04 Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman of the Board, the Lead Independent Director, the President, or any two directors. The persons calling any special meeting of the Board of Directors may fix any place, either within or without the State of Wisconsin, as the place for holding any special meeting of the Board of Directors called by them, and if no other place is fixed the place of meeting shall be the principal business office of the corporation in the State of Wisconsin.

3.05 Meetings By Telephone or Other Communication Technology.

(a) Any or all directors may participate in a regular or special meeting or in a committee meeting of the Board of Directors by, or conduct the meeting through the use of, telephone or any other means of communication by which either: (i) all participating directors may simultaneously hear each other during the meeting or (ii) all communication during the meeting is immediately transmitted to each participating director, and each participating director is able to immediately send messages to all other participating directors.

(b) If a meeting will be conducted through the use of any means described in paragraph (a), all participating directors shall be informed that a meeting is taking place at which official business may be transacted. A director participating in a meeting by any means described in paragraph (a) is deemed to be present in person at the meeting.

3.06 Notice of Meetings. Notice of each meeting of the Board of Directors (unless otherwise provided in or pursuant to Section 3.03) shall be given by written notice delivered personally or mailed or given by telephone, telegram, or other means of electronic delivery such as facsimile or e-mail to each director at his business or home address or at such other address as such director shall have designated in writing filed with the Secretary, in each case not less than that 48 hours prior thereto. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company; if by telephone, at the time the call is completed; or if by other forms of electronic delivery, at the time the transmission is completed. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting and objects thereat to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

3.07 Quorum. Except as otherwise provided by the Wisconsin Business Corporation Law or by the articles of incorporation or these by-laws, a majority of the number of directors as provided in Section 3.01 shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the directors present (though less than such quorum) may adjourn the meeting from time to time without further notice.

3.08 Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors unless the act of a greater number is required by the Wisconsin Business Corporation Law or by the articles of incorporation or these by-laws.

3.09 Conduct of Meetings. Any director chosen by the directors present, shall call meetings of the Board of Directors to order and shall act as chairman of the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any Assistant Secretary or any director or other person present to act as secretary of the meeting.

3.10 Vacancies. Any vacancy occurring in the Board of Directors, including a vacancy created by an increase in the number of directors, may be filled until the next succeeding annual election by the affirmative vote of a majority of the directors then in office, though less than a quorum of the Board of Directors; provided, that in case of a vacancy created by the removal of a director(s) by vote of the shareholders, the shareholders shall have the right to fill such vacancy at the same meeting or any adjournment thereof.

3.11 Compensation. The Board of Directors, by affirmative vote of a majority of the directors then in office and irrespective of any personal interest of any of its members, may establish reasonable compensation of all directors for services to the corporation as directors, officers or otherwise, and the manner and time and payment thereof, or may delegate such authority to an appropriate committee. The Board of Directors also shall have authority to provide for or to delegate authority to an appropriate committee to provide for reasonable pensions, disability or death benefits, and other benefits or payments, to directors, officers and employees and to their estates, families, dependents or beneficiaries on account of prior services rendered by such directors, officers and employees to the corporation.

3.12 Presumption of Assent. A director who is present at a meeting of the Board of Directors or a committee thereof of which he is a member at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

3.13 Committees. The Board of Directors by resolution adopted by the affirmative vote of a majority of the number of directors as provided in Section 3.01 may designate one or more committees, each committee to consist of one or more directors elected by the Board of Directors, which, to the extent provided in said resolution as initially adopted, and as thereafter supplemented or amended by further resolution adopted by a like vote, shall have and may exercise when the Board of Directors is not in session, the powers of the Board of Directors in the management of the business and affairs of the corporation, except that no committee may: (a) approve or recommend for approval to shareholders for approval any action or matter that the Wisconsin Business Corporation Law requires be approved by shareholders; or (b) adopt, amend or repeal By-Laws. A majority of the members of a committee shall constitute a quorum. The Board of Directors may elect one or more of its members as alternate members of any such committee who may take the place of any absent member or members at any meeting of such committee upon request by the President or upon request by the chairman of such meeting. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of Directors of its activities as the Board of Directors may request.

ARTICLE IV. OFFICERS

4.01 Number. The principal officers shall be a President, one or more Vice-Presidents (the number and designations to be determined by the Board of Directors), a Secretary, and a Treasurer, each of whom shall be elected by the Board of Directors. The Board of Directors may also elect a Chief Executive Officer and may designate one of the Vice Presidents as the Executive Vice President. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors or the President. Any two or more offices may be held by the same person.

4.02 Election and Term of Office. The officers to be elected by the Board of Directors shall be elected annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected or until his prior death, resignation or removal.

4.03 Removal. Any officer or agent may be removed by the Board of Directors whenever in its judgment the best interests of the corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

4.04 Vacancies. A vacancy in any principal office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

4.05 Chairman of the Board. The Board of Directors may elect one of its members the Chairman of the Board. The Chairman of the Board shall preside at all meetings of the shareholders and directors at which he is present. He shall be ex officio a member of all standing committees and shall be Chairman of such committees as is determined by the Board of Directors. He shall have such other powers and duties as may from time to time be prescribed by the by-laws or by resolution of the Board of Directors.

4.06 President. The President shall be the principal executive officer and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. He shall, in the absence of the Chairman, preside at all meetings of the shareholders and of the Board of Directors. He shall have authority, subject to such rules as may be prescribed by the Board of Directors, to appoint such agents and employees of the corporation as he shall deem necessary, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. He shall have authority to sign, execute and acknowledge, on behalf of the corporation, all deeds, mortgages, bonds, stock certificates, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the corporation's regular business, or which shall be authorized by resolution of the Board of Directors; and, except as otherwise provided by law or the Board of Directors, he may authorize any Vice President or other officer or agent of the corporation to sign, execute and acknowledge such documents or instruments in his place and stead. In general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

4.07 Executive Vice President. The Executive Vice President, if one be designated, shall assist the President in the discharge of supervisory, managerial and executive duties and functions. In the absence of the President or in the event of his death, inability or refusal to act, the Executive Vice President shall perform the duties of the President and when so acting shall have all the powers and duties of the President, and shall perform such other duties as from time to time may be assigned to him by the Board of Directors or the President.

4.08 Vice Presidents. In the absence of the President and the Executive Vice President, or in the event of his death, inability or refusal to act, or in the event for any reason it shall be impracticable for them to act personally, the Vice President (or in the event there be more than one Vice President, the Vice Presidents in the order designated by the Board of Directors, or in the absence of any designation, then in the order of their election) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President may sign, with the Secretary or Assistant Secretary, certificates for shares of the corporation and shall perform such other duties and have such authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors. The execution of any instrument of the corporation by any Vice President shall be conclusive evidence, as to third parties, of his authority to act in the stead of the President.

4.09 Secretary. The Secretary shall: (a) keep the minutes of the meetings of the shareholders and of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep or arrange for the keeping of a register of the post office address of each shareholder which shall be furnished to the Secretary by such shareholder; (e) sign with the President, or a Vice President, certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the Board of Directors; (f) have general charge of the stock transfer books of the corporation; and (g) in general perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors.

4.10 Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for moneys, due and payable to the corporation from any source whatsoever, and deposit all such moneys in the, name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Section 5.04; and (c) in general perform, all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors.

4.11 Assistant Secretaries and Assistant Treasurers. There shall be such number of Assistant Secretaries and Assistant Treasurers as the Board of Directors or President from time to time authorize. The Assistant Secretaries may sign with the President or a Vice President certificates for shares of the corporation the issuance of which shall have been authorized by a resolution of the Board of Directors. The Assistant Secretaries and Assistant Treasurers, in general, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or the Treasurer, respectively, or by the President or the Board of Directors.

4.12 Other Assistants and Acting Officers. The Board of Directors and the President shall have the power to appoint any person to act as assistant to any officer, or as agent for the corporation in his stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officers or other agent so appointed by the Board of Directors or President shall have the power to perform all the duties of the office to which he is so appointed to be assistant, or as to which he is so appointed to act, except as such power may be otherwise defined or restricted by the Board of Directors or President.

4.13 Salaries. The salaries of the principal officers shall be fixed from time to time by the Board of Directors or by a duly authorized committee thereof, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a director of the corporation.

**ARTICLE V. CONTRACTS, LOANS, CHECKS
AND DEPOSITS. SPECIAL CORPORATE ACTS**

5.01 Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the corporation, and such authorization may be general or confined to specific instances. No contract or other transaction between the corporation and one or more of its directors or any other corporation, firm, association, or entity in which one or more of its directors are directors or officers or are financially interested, shall be either void or voidable because of such relationship or interest or because such director or directors are present at the meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if 1) the fact of such relationship or interest is disclosed or known to the Board of Directors or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested directors; or 2) the fact of such relationship or interest is disclosed or known to the shareholders entitled to vote and they authorize, approve or ratify such contract or transaction by vote or written consent.; or 3) the contract or transaction is fair and reasonable to the corporation. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or a committee thereof which authorizes, approves or ratifies such contract or transaction.

5.02 Loans. No indebtedness for borrowed money shall be contracted on behalf of the corporation and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

5.03 Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer(s), employee(s) or agents of the corporation and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board of Directors.

5.04 Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board of Directors.

5.05 Voting of Securities Owned by this Corporation. Subject always to the specific directions of the Board of Directors, (a) any shares or other securities issued by any other corporation and owned or controlled by this corporation may be voted at any meeting of security holders of such other corporation by the President of this corporation if he be present, or in his absence by any Vice President of this corporation who may be present, and (b) whenever, in the judgment of the President, or in his absence, of any Vice President, it is desirable for this corporation to execute a proxy or written consent in respect to any shares or other securities issued by any other corporation and owned by this corporation, such proxy or consent shall be executed in the name of this corporation by the President or one of the Vice Presidents of this corporation, without necessity of any authorization by the Board of Directors, affixation of corporate seal or countersignature or attestation by another officer. Any person or persons designated in the manner above stated as the proxy or proxies of this corporation shall have full right, power and authority to vote the shares or other securities issued by such other corporation and owned by this corporation the same as such shares or other securities might be voted by this corporation.

ARTICLE VI. CERTIFICATES FOR SHARES AND THEIR TRANSFER

6.01 Certificated and Uncertificated Shares. Shares of the corporation's stock may be certificated or uncertificated as provided under Wisconsin law. Certificates representing shares of the corporation shall be in such form, consistent with law, as shall be determined by the Board of Directors. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except as provided in Section 6.05.

6.02 Facsimile Signatures and Seal. The seal of the corporation on any certificates for shares may be a facsimile. The signatures of the President or Vice President and the Secretary or Assistant Secretary upon a certificate may be facsimiles if the certificate is manually signed on behalf of a transfer agent or a registrar, other than the corporation itself or an employee of the corporation.

6.03 Signature by Former Officers. In case any officer who has signed or whose facsimile signature has been placed upon any certificate for shares and who shall have ceased to be such officer before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer at the date of its issue.

6.04 Transfer of Shares. Transfers of stock shall be made on the books of the corporation only by the record holder of such stock, or by attorney lawfully constituted in writing, and, in the case of stock represented by a certificate, upon surrender of the certificate. All certificates surrendered to the corporation for transfer shall be cancelled and no new certificate shall be issued until the former certificate for a like number of shares shall have been surrendered and cancelled, except as provided in Section 6.05. Prior to due presentment of a certificate for shares for registration or transfer, and unless the corporation has established a procedure by which a beneficial owner of shares held by a nominee is to be recognized by the corporation as the shareholder, the corporation may treat the registered owner of such shares as the person exclusively entitled to vote, to receive notifications and otherwise to have and exercise all the rights and power of an owner. The corporation may require reasonable assurance that all transfer endorsements are genuine and effective and in compliance with all regulations prescribed by or under the authority of the Board of Directors.

6.05 Lost Destroyed or Stolen Certificates. Where the owner claims that his certificate for shares has been lost destroyed or wrongfully taken, a new certificate shall be issued in place thereof if the owner (a) so requests before the corporation has notice that such shares have been acquired by a bona fide purchase, and (b) files with the corporation a sufficient indemnity bond, and (c) satisfies such other reasonable requirements as may be prescribed by or under the authority of the Board of Directors.

6.06 Stock Regulations. The Board of Directors shall have the power and authority to make all such rules and regulations not inconsistent with the statutes of the State of Wisconsin as it may deem expedient concerning the issue, transfer and registration of certificates representing shares of the corporation.

ARTICLE VII. WAIVER OF NOTICE

7.01 Written Waiver. Whenever any notice whatever is required to be given under the provisions of the Wisconsin Business Corporation Law or under the provisions of the Articles of Incorporation or By-Laws, a waiver thereof in writing signed at any time, whether before or after the time of the meeting, by the person or persons entitled to such notice shall be deemed equivalent to the giving of such notice. Such waiver by a shareholder in respect of any matter of which notice is required under any provision of The Wisconsin Business Corporation Law shall contain the same information as would have been required to be included in such notice under any applicable provisions of said law, except that the time and place of meeting need not be stated.

7.02 Shareholder Waiver by Attendance. A shareholder's attendance at a meeting, in person or by proxy, waives objection to both of the following:

(a) Lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting or promptly upon arrival objects to holding the meeting or transacting business at the meeting.

(b) Consideration of a particular matter at the meeting that is not within the purpose described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

7.03 Director Waiver by Attendance. A director's attendance at or participation in a meeting of the Board of Directors or any committee thereof waives any required notice to him or her of the meeting unless the director at the beginning of the meeting or promptly upon his or her arrival objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

ARTICLE VIII. UNANIMOUS CONSENT WITHOUT A MEETING

Any action required by the Articles of Incorporation or By-Laws or any provision of the Wisconsin Business Corporation Law to be taken at a meeting or any other action which may be taken at a meeting may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the shareholders, directors or members of a committee thereof entitled to vote with respect to the subject matter thereof and such consent shall have the same force and effect as a unanimous vote.

ARTICLE IX. INDEMNIFICATION

9.01 Extent of Indemnification. The company shall indemnify any person who was or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (except such as relate to personal injury or death as provided in Section 9.02), by reason of the fact that he is or was a director, officer, employee or agent of the company, or is or was serving at the request of the company as a director, officer, employee or agent of another company, partnership, joint venture, trust or other enterprise, against expenses (including attorney's fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, to the extent and under the circumstances permitted by the Wisconsin Business Corporation Law.

9.02 Specific Exceptions to Indemnification. The indemnification provided by this By-Law shall not create any duty or obligation of the company to indemnify any party in connection with any action, suit, proceeding or claim arising out of or based upon personal injury or death for which any such director, officer, employee or agent is alleged to have legal responsibility; nor shall such indemnification in any manner extend any liability or obligation of the company with respect to any such matter involving personal injury or death beyond that which may otherwise exist by reason of any provision of law. The company may elect to grant such indemnification in such matters if it is deemed to be in the company's best interest, to the same extent as is provided in Section 9.03 for other actions, suits, proceedings or claims.

9.03 Manner of Authorization. Indemnification under this Article IX (unless ordered by a court) shall be made as authorized in a specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standards of conduct set forth in the Wisconsin Business Corporation Law or that he acted in the best interests of the company. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by shareholders. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any by-law agreement, insurance, vote of shareholders or disinterested directors or otherwise, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE X.

SEAL

The Board of Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the words, "Corporate Seal".

ARTICLE XI
AMENDMENTS

11.01 By Shareholders. These by-laws may be altered, amended or repealed and new by-laws may be adopted by the shareholders by affirmative vote of not less than a majority of the shares present or represented at an annual or special meeting of the shareholders at which a quorum is in attendance.

11.02 By Directors. These by-laws may also be altered, amended or repealed and new by-laws may be adopted by the Board of Directors by affirmative vote of a majority of the number of directors present at any meeting at which a quorum is in attendance, but no by-law adopted by the shareholders shall be amended or repealed by the Board of Directors if the by-law so adopted so provides.

11.03 Implied Amendments. Any action taken or authorized by the shareholders or Board of Directors, which would be inconsistent with the By-laws then in effect, but is taken or authorized by a vote that would be sufficient to amend the By-laws so that the By-laws would be consistent with such action, shall be given the same effect as though the By-laws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

For more information:

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Brady Corporation reports financial results for fiscal 2011 first quarter

MILWAUKEE (November 18, 2010)—Brady Corporation (NYSE:BRC) today reported financial results for its fiscal 2011 first quarter ended October 31, 2010.

Net income in the fiscal 2011 first quarter increased 21.3 percent to \$26.3 million compared to \$21.7 million in the first quarter of fiscal 2010. Excluding \$2.6 million in after-tax restructuring charges, net income was up 18.9 percent to \$28.9 million compared to \$24.3 million in the same quarter last year.

Earnings per diluted Class A Common Share were \$0.50 in the first quarter of 2011 compared to \$0.41 in the prior year quarter. Excluding after-tax restructuring charges, earnings per diluted Class A Common Share increased 19.6 percent to \$0.55 in the first quarter of fiscal 2011, compared to \$0.46 per diluted share in the prior year's first quarter.

Sales for the quarter were up 3.5 percent to \$329.6 million compared to \$318.5 million in the first quarter of fiscal 2010. Organic sales increased 2.0 percent in the quarter and acquisitions added another 2.0 percent to sales. Currency exchange reduced sales by 0.5 percent in the quarter.

"I'm pleased with the continued improvement in our profitability and gross profit margin as a direct result of our on-going initiatives to streamline our processes and improve our profitability through various activities including those stemming from the Brady Business Performance System (BBPS)," said Frank M. Jaehnert, Brady's president and chief executive officer. "We also continue to invest in growth initiatives, especially our investment in developing new, proprietary products as well as growth through business acquisitions, both within our core markets and near-in adjacencies."

"We are encouraged by the traction we have seen in our productivity and cost saving initiatives. As a result of this and the strengthening of certain foreign currencies versus the U.S. dollar, we are increasing our full year fiscal 2011 earnings per diluted Class A Common share guidance from between \$1.95 and \$2.15 to between \$2.05 and \$2.25 per share, excluding pretax restructuring charges of \$12 to \$15 million or \$0.17 to \$0.21 per share," said Brady Chief Financial Officer Thomas J. Felmer. "We maintain our mid-single digit sales growth outlook for the balance of fiscal 2011. Our guidance reflects all cost savings we expect to realize this year from these restructuring activities as well as from our BBPS initiatives for operational improvements."

A Web cast regarding fiscal 2011 first quarter results will be available at www.investor.bradycorp.com beginning at 7:00 a.m. Central time on November 18, 2010.

Brady Corporation is an international manufacturer and marketer of complete solutions that identify and protect premises, products and people. Brady's products help customers increase safety, security, productivity and performance and include high-performance labels and signs, safety devices, printing systems and software, and precision die-cut materials. Founded in 1914, the company has more than 1 million customers in electronics, telecommunications, manufacturing, electrical, construction, education, medical and a variety of other industries. Brady is headquartered in Milwaukee, Wisconsin and employs approximately 6,600 people at operations in the Americas, Europe and Asia-Pacific. Brady's fiscal 2010 sales were approximately \$1.26 billion. Brady stock trades on the New York Stock Exchange under the symbol BRC. More information is available on the Internet at www.bradycorp.com.

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Brady believes that certain statements in this news release are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements related to future, not past, events included in this news release, including, without limitation, statements regarding Brady's future financial position, business strategy, targets, projected sales, costs, earnings, capital expenditures, debt levels and cash flows, and plans and objectives of management for future operations are forward-looking statements. When used in this news release, words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "project" or "plan" or similar terminology are generally intended to identify forward-looking statements. These forward-looking statements by their nature address matters that are, to different degrees, uncertain and are subject to risks, assumptions and other factors, some of which are beyond Brady's control, that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. For Brady, uncertainties arise from the length or severity of the current worldwide economic downturn or timing or strength of a subsequent recovery; future financial performance of major markets Brady serves, which include, without limitation, telecommunications, manufacturing, electrical, construction, laboratory, education, governmental, public utility, computer, transportation; difficulties in making and integrating acquisitions; risks associated with newly acquired businesses; Brady's ability to develop and successfully market new products; changes in the supply of, or price for, parts and components; increased price pressure from suppliers and customers; fluctuations in currency rates versus the US dollar; unforeseen tax consequences; potential write-offs of Brady's substantial intangible assets; Brady's ability to retain significant contracts and customers; risks associated with international operations; Brady's ability to maintain compliance with its debt covenants; technology changes; business interruptions due to implementing business systems; environmental, health and safety compliance costs and liabilities; future competition; interruptions to sources of supply; Brady's ability to realize cost savings from operating initiatives; difficulties associated with exports; risks associated with restructuring plans; risks associated with obtaining governmental approvals and maintaining regulatory compliance; and numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive and regulatory nature contained from time to time in Brady's U.S. Securities and Exchange Commission filings, including, but not limited to, those factors listed in the "Risk Factors" section located in Item 1A of Part I of Brady's Form 10-K for the year ended July 31, 2010. These uncertainties may cause Brady's actual future results to be materially different than those expressed in its forward-looking statements. Brady does not undertake to update its forward-looking statements.

BRADY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Dollars in Thousands)

	(Unaudited)		
	Three Months Ended October 31,		
	2010	2009	Percentage Change
Net sales	\$ 329,588	\$ 318,486	3.5%
Cost of products sold	165,076	161,043	2.5%
Gross margin	164,512	157,443	4.5%
Operating expenses:			
Research and development	9,944	9,609	3.5%
Selling, general and administrative	109,324	108,676	0.6%
Restructuring charge	3,641	3,601	1.1%
Total operating expenses	122,909	121,886	0.8%
Operating income	41,603	35,557	17.0%
Other income and (expense):			
Investment and other income	290	48	504.2%
Interest expense	(5,687)	(5,162)	10.2%
Income before income taxes	36,206	30,443	18.9%
Income taxes	9,925	8,775	13.1%
Net income	\$ 26,281	\$ 21,668	21.3%
Per Class A Nonvoting Common Share:			
Basic net income	\$ 0.50	\$ 0.41	22.0%
Diluted net income	\$ 0.50	\$ 0.41	22.0%
Dividends	\$ 0.18	\$ 0.175	2.9%
Per Class B Voting Common Share:			
Basic net income	\$ 0.48	\$ 0.40	20.0%
Diluted net income	\$ 0.48	\$ 0.39	23.1%
Dividends	\$ 0.163	\$ 0.158	3.2%
Weighted average common shares outstanding (in thousands):			
Basic	52,448	52,337	
Diluted	52,810	52,943	

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(IN THOUSANDS)

	(Unaudited)	
	October 31, 2010	July 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 326,100	\$ 314,840
Accounts receivable — Net	242,207	221,621
Inventories:		
Finished products	53,935	52,906
Work-in-process	15,781	13,146
Raw materials and supplies	31,479	28,620
Total inventories	101,195	94,672
Prepaid expenses and other current assets	38,017	37,839
Total current assets	707,519	668,972
Other assets:		
Goodwill	786,203	768,600
Other intangible assets, net	101,070	103,546
Deferred income taxes	46,874	39,103
Other	21,261	20,808
Property, plant and equipment:		
Cost:		
Land	6,346	6,265
Buildings and improvements	102,781	101,138
Machinery and equipment	295,605	289,727
Construction in progress	11,026	9,873
	415,758	407,003
Less accumulated depreciation	273,437	261,501
Property, plant and equipment — net	142,321	145,502
Total	\$ 1,805,248	\$ 1,746,531
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Accounts payable	\$ 95,513	\$ 96,702
Wages and amounts withheld from employees	51,577	67,285
Taxes, other than income taxes	7,993	7,537
Accrued income taxes	19,975	10,138
Other current liabilities	54,804	50,862
Current maturities on long-term debt	61,264	61,264
Total current liabilities	291,126	293,788
Long-term obligations, less current maturities	389,660	382,940
Other liabilities	67,243	64,776
Total liabilities	748,029	741,504
Stockholders' investment:		
Common stock:		
Class A nonvoting common stock — Issued 51,261,487 and 51,261,487 shares, respectively and outstanding 48,981,331 and 48,875,716 shares, respectively	513	513
Class B voting common stock — Issued and outstanding, 3,538,628 shares	35	35
Additional paid-in capital	306,474	304,205
Income retained in the business	735,368	718,512
Treasury stock — 1,970,156 and 2,175,771 shares, respectively of Class A nonvoting common stock, at cost	(60,208)	(66,314)
Accumulated other comprehensive income	80,212	50,905
Other	(5,175)	(2,829)
Total stockholders' investment	1,057,219	1,005,027
Total	\$ 1,805,248	\$ 1,746,531

BRADY CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in Thousands)

	(Unaudited) Three Months Ended October 31	
	2010	2009
Operating activities:		
Net income	\$ 26,281	\$ 21,668
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	12,594	13,817
Deferred income taxes	(4,849)	(2,985)
Non-cash portion of stock-based compensation expense	4,069	2,952
Non-cash portion of restructuring	951	288
Other	193	(4)
Changes in operating assets and liabilities (net of effects of business acquisitions):		
Accounts receivable	(13,614)	(28,818)
Inventories	(3,689)	3,144
Prepaid expenses and other assets	1,078	(657)
Accounts payable and accrued liabilities	(18,104)	20,269
Income taxes	10,245	4,626
Other liabilities	1,002	(464)
Net cash provided by operating activities	16,157	33,836
Investing activities:		
Acquisition of business, net of cash acquired	—	(1,840)
Purchases of property, plant and equipment	(2,810)	(9,001)
Other	(908)	80
Net cash used in investing activities	(3,718)	(10,761)
Financing activities:		
Payment of dividends	(9,424)	(8,578)
Proceeds from issuance of common stock	2,105	716
Net income tax benefit from the exercise of stock options and deferred compensation distributions	(146)	173
Net cash used in financing activities	(7,465)	(7,689)
Effect of exchange rate changes on cash	6,286	4,096
Net increase in cash and cash equivalents	11,260	19,482
Cash and cash equivalents, beginning of period	314,840	188,156
Cash and cash equivalents, end of period	<u>\$ 326,100</u>	<u>\$ 207,638</u>
Supplemental disclosures:		
Cash paid during the period for:		
Interest, net of capitalized interest	\$ 7,211	\$ 7,904
Income taxes, net of refunds	5,907	8,393
Acquisitions:		
Fair value of assets acquired, net of cash	\$ —	\$ 1,104
Liabilities assumed	—	(42)
Goodwill	—	778
Net cash paid for acquisitions	<u>\$ —</u>	<u>\$ 1,840</u>

Information by regional segment for the three months ended October 31, 2010 and 2009 is as follows:

(in thousands)	Americas	Europe	Asia-Pacific	Total Region	Corporate and Eliminations	Total
SALES TO EXTERNAL CUSTOMERS						
Three months ended:						
October 31, 2010	\$145,988	\$92,050	\$ 91,550	\$ 329,588	—	\$329,588
October 31, 2009	\$136,239	\$94,335	\$ 87,912	\$ 318,486	—	\$318,486
SALES GROWTH INFORMATION						
Three months ended						
October 31, 2010:						
Base	4.3%	0.7%	-0.3%	2.0%	—	2.0%
Currency	0.7%	-6.9%	4.4%	-0.5%	—	-0.5%
Acquisitions	2.2%	3.8%	0.0%	2.0%	—	2.0%
Total	7.2%	-2.4%	4.1%	3.5%	—	3.5%
Three months ended						
October 31, 2009:						
Base	-15.2%	-12.3%	-20.4%	-15.9%	—	-15.9%
Currency	-0.1%	-0.7%	0.9%	0.0%	—	0.0%
Acquisitions	0.0%	0.2%	0.0%	0.1%	—	0.1%
Total	-15.3%	-12.8%	-19.5%	-15.8%	—	-15.8%
SEGMENT PROFIT (LOSS)						
Three months ended:						
October 31, 2010	\$ 39,359	\$24,061	\$ 16,829	\$ 80,249	\$ (3,436)	\$ 76,813
October 31, 2009	\$ 32,801	\$24,862	\$ 15,127	\$ 72,790	\$ (2,920)	\$ 69,870
Percentage increase (decrease)	20.0%	-3.2%	11.3%	10.2%	17.7%	9.9%

NET INCOME RECONCILIATION (in thousands)

	Three months ended:	
	October 31, 2010	October 31, 2009
Total profit for reportable segments	\$ 80,249	\$ 72,790
Corporate and eliminations	(3,436)	(2,920)
Unallocated amounts:		
Administrative costs	(31,569)	(30,712)
Restructuring charges	(3,641)	(3,601)
Investment and other income	290	48
Interest expense	(5,687)	(5,162)
Income before income taxes	36,206	30,443
Income taxes	(9,925)	(8,775)
Net income	<u>\$ 26,281</u>	<u>\$ 21,668</u>

RECONCILIATION OF GAAP MEASURES TO NON-GAAP MEASURES

(in thousands)

	Fiscal 2011				
	Q1	Q2	Q3	Q4	Total
EBITDA (1)					
Net income	\$ 26,281				\$ 26,281
Interest expense	5,687				5,687
Income taxes	9,925				9,925
Depreciation and amortization	12,594				12,594
EBITDA (non-GAAP measure)	<u>\$ 54,487</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 54,487</u>
	Fiscal 2010				
	Q1	Q2	Q3	Q4	Total
EBITDA (1)					
Net income	\$ 21,668	\$ 15,001	\$ 23,695	\$ 21,592	\$ 81,956
Interest expense	5,162	5,163	5,147	5,750	21,222
Income taxes	8,775	4,842	7,193	6,636	27,446
Depreciation and amortization	13,817	13,549	12,910	12,746	53,022
EBITDA (non-GAAP measure)	<u>\$ 49,422</u>	<u>\$ 38,555</u>	<u>\$ 48,945</u>	<u>\$ 46,724</u>	<u>\$ 183,646</u>

- (1) Brady is presenting EBITDA because it is used by many of our investors and lenders, and is presented as a convenience to them. EBITDA represents net income before interest expense, income taxes and depreciation and amortization. EBITDA is not a calculation based on generally accepted accounting principles (GAAP). The amounts included in the EBITDA calculation, however, are derived from amounts included in the Condensed Consolidated Statements of Income data. EBITDA should not be considered as an alternative to net income or operating income as an indicator of the company's operating performance, or as an alternative to operating cash flows as a measure of liquidity. The EBITDA measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.