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 20, 2013

BRADY CORPORATION
(Exact name of registrant as specified in its charter)

Commission File Number 1-14959

Wisconsin	39-0971239
(State of Incorporation)	(IRS Employer Identification No.)

**6555 West Good Hope Road
Milwaukee, Wisconsin 53223**
(Address of Principal Executive Offices and Zip Code)

(414) 358-6600
(Registrant's Telephone Number)

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))

Item 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On November 21, 2013, Brady Corporation (the “Company”) issued a press release announcing its fiscal 2014 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 CERTAN OFFICERS; COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

(b) On July 11, 2013, the Company disclosed on a Current Report on Form 8-K that on July 10, 2013, Allan J. Klotsche, Senior Vice President - Human Resources of the Company, announced his intent to resign his employment upon the hiring of his successor and after a transition period following such hire. On November 20, 2013, the Board of Directors elected Helena Nelligan to serve as Senior Vice President - Human Resources. Mr. Klotsche will remain employed by the Company in a transition role until the effective date of his resignation of employment on January 7, 2014.

(d) On November 20, 2013, the holders of all of the shares of the Company’s Class B Common Stock elected Nancy L. Gioia to the Company’s Board of Directors. Ms. Gioia had been nominated for election to the Board of Directors through a process conducted by the Corporate Governance Committee of the Board.

Ms. Gioia has been appointed to the Technology Committee of the Board of Directors. She is eligible to participate in the Company’s equity incentive and other benefit plans on a basis similar to other non-employee directors and, as such, will receive an award of 4,250 time-based stock options and 1,450 shares of unrestricted stock with a grant date of December 4, 2013.

(e) On November 20, 2013, the Company and Allan J. Klotsche, Senior Vice President - Human Resources, entered into a Complete and Permanent Release and Resignation Agreement (the “Separation Agreement”) in connection with his resignation of employment from the Company as disclosed in Item 5.02 (b) hereto. Under the Separation Agreement, Mr. Klotsche will receive $321,500 to be paid in equal installments in the 12 month period following his resignation of employment on January 7, 2014. The Separation Agreement also contains 12 month non-competition and non-solicitation provisions, as well as standard confidentiality, waiver and non-disparagement provisions. The Separation Agreement is also subject to legal revocation rights. The foregoing description of the Separation Agreement is qualified in its entirety by reference to the full text of such agreement, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Item 5.07 SUBMISSIONS OF MATTERS TO A VOTE OF SECURITY HOLDERS

On November 20, 2013, at the Company’s Annual Shareholders’ Meeting, the holders of all of the 3,538,628 shares of the Company’s Class B Common Stock voted unanimously in favor of electing the following persons to serve as the Company’s directors until the next annual meeting of shareholders and until their successors have been elected:

Patrick W. Allender
Gary S. Balkema
Nancy L. Gioia
Conrad G. Goodkind
Frank W. Harris
Elizabeth P. Pungello
Bradley C. Richardson

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

The following are filed as Exhibits to this Report.

Exhibit No.	Description of Exhibit
10.1	Separation Agreement between the Company and Allan J. Klotsche dated as of November 20, 2013.
99.1	Press Release of Brady Corporation, dated November 21, 2013, relating to first quarter fiscal 2014 financial results.
99.2	Informational slides provided by Brady Corporation, dated November 21, 2013, relating to first quarter fiscal 2014 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 21, 2013

/s/ Thomas J. Felmer

Thomas J. Felmer

Interim President & Chief Executive Officer and Chief Financial Officer

EXHIBIT INDEX

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EXHIBIT 10.1

COMPLETE AND PERMANENT RELEASE AND RESIGNATION AGREEMENT

Allan J. Klotsche ("Mr. Klotsche") and Brady Corporation ("the Company") hereby enter into this Complete and Permanent Release and Resignation Agreement to resolve all matters relating to Mr. Klotsche's employment with and resignation from the Company. Mr. Klotsche and the Company hereby agree as follows:

1. Resignation.

Effective November 20, 2013, pursuant to the action of the Board of Directors of the Company, Mr. Klotsche's term as Senior Vice President--Human Resources of the Company expired and Mr. Klotsche resigned from any and all officer and director positions which he held with subsidiaries or affiliates of the Company (the "Effective Date"). Effective 12:01 a.m. on January 7, 2014 (CDT) (the "Separation Date"), Mr. Klotsche hereby agrees to resign from employment with the Company. From the Effective Date to the Separation Date, Mr. Klotsche will remain employed by the Company and receive his current salary and fringe benefits. During that time, Mr. Klotsche will be available to consult with respect to human resource and other issues as requested by the Company. The Separation Date shall be deemed to be the "Qualifying Event" for insurance continuation and benefit plan purposes under state and federal law. As of the Effective Date, Mr. Klotsche shall no longer be entitled to participate in any and all Equity Agreements with Brady Corporation, except as described in this Agreement.

2. Retirement Plan; Equity Agreements.

All of Mr. Klotsche's balances, including Company stock, within any Company retirement plan will be paid out in accordance with the provisions of each plan and Mr. Klotsche's instructions under such plans. In addition, Mr. Klotsche shall have all of his preexisting rights with respect to stock options and restricted stock in accordance with the equity plans and granting agreements governing such equity. Following the Effective Date, Mr. Klotsche will be provided with a summary of outstanding grants and post-termination exercise periods under those equity agreements.

3. Severance Pay.

In addition to the foregoing, and assuming Mr. Klotsche accepts and does not revoke this Agreement, Mr. Klotsche will be provided severance payments in the gross amount of $321,500, less required withholding, payable over the one year period following the Separation Date in accordance with the Company's normal payroll practices, with the first such payment to be made on the first pay date occurring after the Separation Date or, only to the extent required by Section 409A, on the six-month anniversary of the Separation Date. Each severance installment payable under this Section 3 shall constitute a separate "payment" within the meaning of Treasury Regulation Section 1.409A-2(b)(2).

Mr. Klotsche will also be provided health insurance benefits from the Effective Date to the Separation Date. Mr. Klotsche's resignation is a qualifying event under the provisions of the Consolidated Reconciliation Act of 1985 (COBRA), and Mr. Klotsche will have the right to continue his group medical, dental or vision coverage for up to 18 months. The Company will continue to pay the Company portion of Mr. Klotsche's premium for 6 months following the Separation Date, provided that Mr. Klotsche continues his medical coverage by paying the employee portion of the medical premium Mr. Klotsche will also be provided prorated Company retirement plan contributions from the Effective Date to the Separation Date, the option to purchase his Company vehicle for 80% of its assessed value as of the Separation Date, and the right to retain his Company computer/cell phone/iPad fully wiped of all Company-related data and information.

4. Adequate Consideration.

Mr. Klotsche acknowledges that the Company is under no pre-existing obligation to pay him any of the severance payments or benefits described in paragraph 3 above, that no amounts are due and owing Mr. Klotsche other than vested benefits to which he is otherwise entitled ("vested benefits"), and that the foregoing benefits are adequate consideration for Mr. Klotsche's commitments in this Agreement. The parties agree that the foregoing constitute all of the payments and benefits to be provided to Mr. Klotsche under this Agreement, and that they are in full settlement of all payments and benefits, including but not limited to, claims for wages, vacation pay, sick pay, bonuses, commissions, relocation costs, severance payments, stock options, or any other compensation.

5. Release Of All Claims.

In consideration of the payments and benefits described above, and to the fullest extent allowed by law, Mr. Klotsche, for himself, his spouse, heirs, successors and assigns, hereby releases and forever discharges the Company, its owners, parents, successors, affiliates, directors, officers, employees and all other representatives, from any and all charges, claims, suits and expenses (including attorneys' fees and costs), whether known or unknown, including, but not limited to, claims of age or other discrimination, breach of contract, wrongful discharge, constructive discharge, claims under the Wisconsin Fair Employment Act, § 111.31, et seq. Wis. Stats.; Title VII of The Civil Rights Act of 1964, as amended, 42 U.S.C. § 2000e, et seq.; the Age Discrimination in Employment Act, 29 U.S.C. § 621 et. seq.; the common law of Wisconsin, or any other federal, state or local law relating to employment. This release includes any and all matters in connection with or relating in any way to Mr. Klotsche's employment with the Company and his resignation from the Company, provided, however, that nothing herein shall release, diminish, or otherwise affect Mr. Klotsche's vested benefits. Notwithstanding the foregoing, this release excludes any claims: (a) to enforce the terms of this Agreement; (b) arising from facts, circumstances or events occurring after the Separation Date; or (c) for rights to indemnification Mr. Klotsche may have pursuant to the Company's Bylaws, Articles of Incorporation or applicable laws.

6. Non-Admission.

Mr. Klotsche and the Company agree that this Complete and Permanent Release and Resignation Agreement shall not constitute an admission by the Company that it has acted wrongfully with respect to Mr. Klotsche or that it has discriminated against him or against any other individual.

7. Confidential Agreement.

Except as permitted below, Mr. Klotsche hereby agrees to keep the terms of this Complete and Permanent Release and Resignation Agreement confidential, and he agrees that he shall neither directly nor indirectly disclose the terms of this Agreement to any other person or entity except to his attorneys, tax preparers or financial advisors, and immediate family members, but only on the condition that they agree to abide by the terms of this confidentiality clause, unless compelled by law or until such time as it has been publicly disclosed by the Company.

8. Mutual Non-Disparagement.

Mr. Klotsche agrees that at no time will he make disparaging remarks about the Company, its officers, directors, or employees, its products or practices including, but not limited to, its personnel practices. For its part, the Company agrees that its Officers and Directors shall not make disparaging remarks about Mr. Klotsche.

9. Confidentiality, Non-Solicitation and Non-Compete.

Mr. Klotsche and the Company specifically agree that the payments under paragraph 3 above shall be deemed to fully satisfy any obligation the Company may have to provide salary payments to Mr. Klotsche under any Confidential Information or Non-Compete Agreement he may have signed. All Confidentiality, Non-Solicitation and Non-Compete restrictions and responsibilities to which Mr. Klotsche will be subject after execution of this Agreement are set forth in this Paragraph 9. In addition, and as further consideration for this Agreement, Mr. Klotsche agrees to, understands and acknowledges the following:

(a) During Mr. Klotsche's employment with the Company, he was provided with Confidential Information relating to the Company, its business and clients, the disclosure or misuse of which would cause severe and irreparable harm to the Company. Mr. Klotsche agrees that all Confidential Information is and shall remain the sole and absolute property of the Company. Upon the Separation Date, Mr. Klotsche shall immediately return to the Company all documents and materials that contain or constitute Confidential Information, in any form whatsoever, including but not limited to, all copies, abstracts, electronic versions, and summaries thereof. Mr. Klotsche further agrees that, without the written approval of the Board of Directors of the Company, he will not disclose, use, copy or duplicate, or otherwise permit the use, disclosure, copying or duplication of any Confidential Information of the Company. Mr. Klotsche agrees to take all reasonable steps and precautions to prevent any unauthorized disclosure, use, copying or duplication of Confidential Information. For purposes of this Agreement, Confidential Information means any and all financial, technical, commercial or other information concerning the business and affairs of the Company that is confidential and proprietary to the Company, including without limitation,

(i) information relating to the Company’s past and existing customers and vendors and development of prospective customers and vendors, including specific customer product requirements, pricing arrangements, payments terms, customer lists and other similar information;

(ii) inventions, designs, methods, discoveries, works of authorship, creations, improvements or ideas developed or otherwise produced, acquired or used by the Company;

(iii) the Company’s proprietary programs, processes or software, consisting of but not limited to, computer programs in source or object code and all related documentation and training materials, including all upgrades, updates, improvements, derivatives and modifications thereof and including programs and documentation in incomplete stages of design or research and development;

(iv) the subject matter of the Company’s patents, design patents, copyrights, trade secrets, trademarks, service marks, trade names, trade dress, manuals, operating instructions, training materials, and other industrial property, including such information in incomplete stages of design or research and development; and

(v) other confidential and proprietary information or documents relating to the Company’s products, business and marketing plans and techniques, sales and distribution networks and any other information or documents which the Company protects as being confidential.

(b) Mr. Klotsche further agrees that, without the written approval of the Board of Directors of the Company, he shall not engage in any of the conduct described in subsection (i) below, either directly or indirectly, or as an employee, contractor, consultant, partner, officer, director or stockholder, other than a stockholder of less than 5% of the equities of a publicly traded corporation, or in any other capacity for any person, firm, partnership or corporation:

(i) For a period of 12 months following the Separation Date, Mr. Klotsche will not:

(A) perform duties as or for a Competitor that are the same as or similar to the duties performed by him for the Company at any time during his employment with Company; or

(B) participate in the inducement of or otherwise encourage Company employees, clients, or vendors to currently and/or prospectively breach, modify, or terminate any agreement or relationship they have or had with Company during any part of the 24 month period preceding the Separation Date.

For purposes of this Agreement, a Competitor shall mean any corporation, person, firm or organization (or division or part thereof) engaged in or about to become engaged in research and development work on, or the production and/or sale of, any product or service anywhere in the world which is directly competitive with a product or service of the Company.

(c) Mr. Klotsche acknowledges and agrees that compliance with this paragraph 9 is necessary to protect the Company, and that a breach of any portion of this paragraph 9 will result in irreparable and continuing damage to the Company for which there will be no adequate remedy at law. In the event of a breach of this paragraph 9, or any part thereof, the Company, and its successors and assigns, shall be entitled to injunctive relief and to such other and further relief as is proper under the circumstances. The Company shall institute and prosecute proceedings in any Court of competent jurisdiction either in law or in equity to obtain damages for any such breach of this paragraph 9, or to enjoin Mr. Klotsche from performing services in breach of paragraph 9(b) during the term of employment and for a period of 12 months following the Separation Date. Mr. Klotsche hereby agrees to submit to the jurisdiction of any Court of competent jurisdiction in any disputes that arise under this Agreement.

(d) Mr. Klotsche further agrees that, in the event of a breach of this paragraph 9, the Company shall also be entitled to recover the value of any amounts previously paid or payable under this Agreement.

(e) MR. KLOTSCHE HAS READ THIS PARAGRAPH 9 AND AGREES THAT THE CONSIDERATION PROVIDED BY THE COMPANY IS FAIR AND REASONABLE AND FURTHER AGREES THAT GIVEN THE IMPORTANCE TO THE COMPANY OF ITS

CONFIDENTIAL AND PROPRIETARY INFORMATION, THE FOREGOING RESTRICTIONS ON HIS ACTIVITIES ARE LIKEWISE FAIR AND REASONABLE.

10. Assignment

If Mr. Klotsche should die while any amounts are still payable to him pursuant to this Agreement, all such amounts, unless otherwise provided herein, shall be paid in accordance with the terms of this Agreement to Mr. Klotsche's devisee, legatee, or other designee, or if there be no such designee, to his estate.

11. Section 409A

The intent of the parties is that the payments and benefits under this Agreement comply with or be exempt from Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations and guidance promulgated thereunder (collectively, "Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted to be in compliance therewith. If Mr. Klotsche or the Company believes, at any time, that any payment pursuant to this Agreement is subject to taxation under Section 409A of the Code, then (i) it shall advise the other and (ii) to the extent such correction is possible to avoid taxation under Section 409A without any material diminution in the value of the payments or benefits to Mr. Klotsche, the Company and Mr. Klotsche shall reasonably cooperate in good faith to take such steps as necessary, including amending (and, as required, consenting to the amendment of) the terms of any plan or program under which such payments are to be made, in the least restrictive manner necessary in order to comply with the provisions of Section 409A and the Section 409A Regulations in order to avoid taxation under Section 409A.

Notwithstanding anything contained herein to the contrary, if at Mr. Klotsche's separation from service, (a) he is a specified employee as defined in Section 409A and (b) any of the payments or benefits provided hereunder constitute deferred compensation under Section 409A, then, and only to the extent required by such provisions, the date of payment of such payments or benefits otherwise provided shall be delayed for a period of six months following the separation from service.

12. Entire Agreement.

This Complete and Permanent Release and Resignation Agreement sets forth the entire agreement between the parties and fully supersedes any and all prior agreements or understandings between Mr. Klotsche and the Company. Mr. Klotsche acknowledges that he is hereby advised to seek legal counsel before signing this Agreement, that he has twenty-one (21) days to consider this Agreement, that upon his acceptance he has seven (7) days to revoke his acceptance, and that this Agreement will not become effective until that seven (7) day period has expired. Mr. Klotsche agrees that he has read, understands and voluntarily accepts its terms.

November 20, 2013	/s/ Allan J. Klotsche
Date	Allan J. Klotsche

BRADY CORPORATION

November 20, 2013	By: /s/ Thomas J. Felmer
Date	Its Authorized Representative

EXHIBIT 99.1

For More Information:
Investor contact: Aaron Pearce 414-438-6895
Media contact: Carole Herbstreit 414-438-6882

For Immediate Release

Brady Corporation Reports Fiscal 2014 First Quarter Results

MILWAUKEE (November 21, 2013)--Brady Corporation (NYSE: BRC) (“Brady” or “Company”), a world leader in identification solutions, today reported its financial results for the fiscal 2014 first quarter ended October 31, 2013.

Quarter Ended October 31, 2013 Financial Results:

Sales from continuing operations for the quarter ended October 31, 2013 were up 13.0 percent to $306.0 million compared to $270.9 million in the first quarter of fiscal 2013. Organic sales were down 2.2 percent, the acquisition of Precision Dynamics Corporation (“PDC”) added 15.6 percent to sales, and the impact of foreign currency translation decreased sales by 0.4 percent. By segment, organic sales were up 3.0 percent in Identification Solutions and down 10.0 percent in Workplace Safety.

Net earnings for the quarter ended October 31, 2013 were $23.9 million compared to $27.2 million in the same quarter last year. Net earnings from continuing operations for the quarter ended October 31, 2013, were $17.4 million compared to $25.8 million in the same quarter last year. Non-GAAP net earnings from continuing operations* for the fiscal first quarter ended October 31, 2013, were $22.1 million compared to $25.8 million in the same quarter last year.

Net earnings per Class A Nonvoting Common Share were $0.46 for the first quarter ended October 31, 2013 compared to $0.53 in the same quarter last year. Earnings from continuing operations per diluted Class A Nonvoting Common Share were $0.33 for the first quarter of fiscal 2014 compared to $0.50 in the same quarter last year. Non-GAAP earnings from continuing operations per diluted Class A Nonvoting Common Share* were $0.42 in the first quarter of fiscal 2014 and $0.50 per share in the first quarter of fiscal 2013.

Commentary and Guidance:

“We completed the reorganization of our company to focus on two business platforms, Identification Solutions and Workplace Safety that will provide long-term growth for Brady. Although total sales increased 13.0 percent in our first quarter, our Workplace Safety business experienced an organic sales decline of 10.0 percent. In the fourth quarter of last year, we accelerated our investment in our Workplace Safety business to drive organic sales growth and we will be investing another $14 million in fiscal 2014 as we improve our e-commerce capabilities, expand our product offerings and enhance our pricing capabilities. We are starting to see positive signs from this accelerated investment and expect to return to organic sales growth in the second half of the year,” said

Brady's Chief Financial Officer and Interim President and Chief Executive Officer, Thomas J. Felmer. "Our Identification Solutions business remains strong as we see improvements in our Asian and European results and continue to see growth opportunities driven by our new product pipeline and increased focus on industries such as healthcare; food and beverage; chemical, oil and gas; and aerospace and mass transit."

The Company anticipates organic sales from continuing operations in fiscal 2014 to range from a slight contraction to low single-digit growth, with organic sales down in the first half of the year and returning to growth in the second half of fiscal 2014. Guidance for earnings from continuing operations per diluted Class A Nonvoting Common Share remains unchanged at $1.80 to $2.00, exclusive of restructuring charges. This guidance is based on current exchange rates, a full-year income tax rate in the mid-to-upper 20 percent range, depreciation and amortization of approximately $45 to $50 million, and approximately $30 million of restructuring charges in fiscal 2014, the timing of which is subject to change as we execute our restructuring plan. Our guidance also includes capital expenditures of approximately $40 million in fiscal 2014.

A webcast regarding Brady's fiscal 2014 first quarter financial results will be available at www.bradycorp.com beginning at 9:30 a.m. Central Time today.

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, signs, safety devices, printing systems and software, and precision die-cut materials. Founded in 1914, the company has a diverse customer base in electronics, telecommunications, manufacturing, electrical, construction, education, medical and a variety of other industries. Brady is headquartered in Milwaukee, Wisconsin and as of July 31, 2013, employed approximately 7,400 people in its worldwide businesses. Brady's fiscal 2013 sales were approximately $1.15 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.

* See accompanying notes for non-GAAP measures.

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In this news release, statements that are not reported financial results or other historic information are “forward-looking statements.” These forward-looking statements relate to, among other things, the Company'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.

The use of 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: Implementation of the Workplace Safety strategy; 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, hard disk drive, manufacturing, electrical, construction, laboratory, education, governmental, public utility, computer, healthcare and transportation; future competition; changes in the supply of, or price for, parts and components; increased price pressure from suppliers and customers; Brady's ability to retain significant contracts and customers; fluctuations in currency rates versus the U.S. dollar; risks associated with international operations; difficulties associated with exports; risks associated with obtaining governmental approvals and maintaining regulatory compliance; Brady's ability to develop and successfully market new products; risks associated with identifying, completing, and integrating acquisitions; risks associated with divestitures and businesses held for sale; risks associated with restructuring plans; environmental, health and safety compliance costs and liabilities; risk associated with loss of key talent; risk associated with product liability claims; technology changes and potential security violations to the Company's information technology systems; Brady's ability to maintain compliance with its debt covenants; increase in our level of debt; potential write-offs of Brady's substantial intangible assets; unforeseen tax consequences; risk, associated with our ownership structure; 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 within Item 1A of Part I of Brady’s Form 10-K for the year ended July 31, 2013.

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 except as required by law.

BRADY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS
(Dollars in thousands, except per share data)

	(Unaudited)	
	Three months ended October 31,	
	2013	2012
Net sales	$ 305,974	$ 270,866
Cost of products sold	149,029	121,342
Gross margin	156,945	149,524
Operating expenses:		
Research and development	8,587	7,887
Selling, general and administrative	112,687	99,009
Restructuring charges	6,840	—
Total operating expenses	128,114	106,896
Operating income	28,831	42,628
Other income and (expense):		
Investment and other income	762	397
Interest expense	(3,721)	(4,163)
Earnings from continuing operations before income taxes	25,872	38,862
Income tax expense	8,449	13,077
Earnings from continuing operations	$ 17,423	$ 25,785
Earnings from discontinued operations, net of income taxes	6,505	1,403
Net earnings	$ 23,928	$ 27,188
Earnings from continuing operations per Class A Nonvoting Commons Share:		
Basic	$ 0.33	$ 0.50
Diluted	$ 0.33	$ 0.50
Earnings from continuing operations per Class B Voting Common Share:		
Basic	$ 0.32	$ 0.49
Diluted	$ 0.32	$ 0.49
Earnings from discontinued operations per Class A Nonvoting Common Share:		
Basic	$ 0.13	$ 0.03
Diluted	$ 0.13	$ 0.03
Earnings from discontinued operations per Class B Voting Common Share:		
Basic	$ 0.12	$ 0.03
Diluted	$ 0.12	$ 0.02
Net Earnings per Class A Nonvoting Common Share:		
Basic	$ 0.46	$ 0.53
Diluted	$ 0.46	$ 0.53
Dividends	$ 0.195	$ 0.19
Net Earnings per Class B Voting Common Share:		
Basic	$ 0.44	$ 0.52
Diluted	$ 0.44	$ 0.51
Dividends	$ 0.178	$ 0.173
Weighted average common shares outstanding (in thousands):		
Basic	52,071	51,039
Diluted	52,419	51,312

BRADY CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	(Unaudited) October 31, 2013	July 31, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	$ 81,869	$ 91,058
Accounts receivable—net	184,099	169,261
Inventories:		
Finished products	69,085	64,544
Work-in-process	17,757	14,776
Raw materials and supplies	18,102	15,387
Total inventories	104,944	94,707
Assets held for sale	132,616	119,864
Prepaid expenses and other current assets	46,671	37,600
Total current assets	550,199	512,490
Other assets:		
Goodwill	624,165	617,236
Other intangible assets	152,812	156,851
Deferred income taxes	10,469	8,623
Other	21,821	21,325
Property, plant and equipment:		
Cost:		
Land	7,978	7,861
Buildings and improvements	94,545	91,471
Machinery and equipment	270,371	266,787
Construction in progress	15,112	11,842
	388,006	377,961
Less accumulated depreciation	263,112	255,803
Property, plant and equipment—net	124,894	122,158
Total	$ 1,484,360	$ 1,438,683
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Notes payable	$ 26,442	$ 50,613
Accounts payable	92,044	82,519
Wages and amounts withheld from employees	47,968	42,413
Liabilities held for sale	43,976	34,583
Taxes, other than income taxes	8,968	8,243
Accrued income taxes	8,996	7,056
Other current liabilities	39,531	36,806
Current maturities on long-term debt	61,264	61,264
Total current liabilities	329,189	323,497
Long-term obligations, less current maturities	204,413	201,150
Other liabilities	84,784	83,239
Total liabilities	618,386	607,886
Stockholders' investment:		
Common stock:		
Class A nonvoting common stock—Issued 51,261,487 and 51,261,487 shares, respectively and outstanding 48,594,617 and 48,408,544 shares, respectively	513	513
Class B voting common stock—Issued and outstanding, 3,538,628 shares	35	35
Additional paid-in capital	308,835	306,191
Earnings retained in the business	552,291	538,512
Treasury stock—2,435,203 and 2,626,276 shares, respectively of Class A nonvoting	(65,255)	(69,797)
Accumulated other comprehensive income	70,132	56,063
Other	(577)	(720)
Total stockholders' investment	865,974	830,797
Total	$ 1,484,360	$ 1,438,683

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

	(Unaudited)	
	Three months ended October 31,	
	2013	2012
Operating activities:		
Net earnings	$ 23,928	$ 27,188
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	10,878	10,675
Non-cash portion of stock-based compensation expense	2,600	4,399
Loss (gain) on sales of businesses	—	3,138
Deferred income taxes	(2,421)	(109)
Changes in operating assets and liabilities (net of effects of business acquisitions/divestitures):		
Accounts receivable	(18,551)	(18,426)
Inventories	(12,461)	(8,141)
Prepaid expenses and other assets	(5,372)	(2,710)
Accounts payable and accrued liabilities	25,903	6,752
Income taxes	1,089	(2,548)
Net cash provided by operating activities	25,593	20,218
Investing Activities:		
Purchases of property, plant and equipment	(9,086)	(6,177)
Sales of businesses, net of cash retained	—	10,178
Other	(70)	(70)
Net cash (used in) provided by investing activities	(9,156)	3,931
Financing Activities:		
Payment of dividends	(10,149)	(9,705)
Proceeds from issuance of common stock	5,209	1,684
Purchase of treasury stock	—	(5,121)
Repayment of borrowing on notes payable	(24,000)	—
Income tax on the exercise of stock options and deferred comp distributions, and other	(719)	401
Net cash used in financing activities	(29,659)	(12,741)
Effect of exchange rate changes on cash	4,033	4,001
Net (decrease) increase in cash and cash equivalents	(9,189)	15,409
Cash and cash equivalents, beginning of period	91,058	305,900
Cash and cash equivalents, end of period	$ 81,869	$ 321,309
Supplemental disclosures:		
Cash paid during the period for:		
Interest, net of capitalized interest	$ 4,151	$ 4,953
Income taxes, net of refunds	10,006	12,199

BRADY CORPORATION AND SUBSIDIARIES
SEGMENT INFORMATION
(Dollars in thousands)

	Three months ended October 31,	
	2013	2012
SALES TO EXTERNAL CUSTOMERS		
ID Solutions	$ 207,990	$ 161,244
Workplace Safety	97,984	109,622
Total Company	$ 305,974	$ 270,866
SALES INFORMATION		
ID Solutions		
Organic	3.0 %	0.4 %
Currency	(0.2)%	(2.5)%
Acquisitions	26.2 %	0.4 %
Total	29.0 %	(1.7)%
Workplace Safety		
Organic	(10.0)%	(3.3)%
Currency	(0.6)%	(2.3)%
Acquisitions	—%	5.8 %
Total	(10.6)%	0.2 %
Total Company		
Organic	(2.2)%	(1.1)%
Currency	(0.4)%	(2.4)%
Acquisitions	15.6 %	2.6 %
Total	13.0 %	(0.9)%
SEGMENT PROFIT		
ID Solutions	$ 50,110	$ 43,973
Workplace Safety	18,374	27,829
Total Company	$ 68,484	$ 71,802
SEGMENT PROFIT AS PERCENT OF SALES		
ID Solutions	24.1 %	27.3 %
Workplace Safety	18.8 %	25.4 %
Total Company	22.4 %	26.5 %

	Three months ended October 31,	
(Dollars in Thousands)	2013	2012
Total segment profit	$ 68,484	$ 71,802
Unallocated Amounts:		
Administrative costs	(32,813)	(29,174)
Restructuring charges	(6,840)	—
Investment and other income	762	397
Interest expense	(3,721)	(4,163)
Earnings from continuing operations before income taxes	$ 25,872	$ 38,862

NON-GAAP MEASURES
(Dollars in Thousands, Except Per Share Amounts)

In accordance with the U.S. Securities and Exchange Commission's Regulation G, the following provides definitions of the non-GAAP measures used in the earnings release and the reconciliation to the most closely related GAAP measure.

EBITDA from Continuing Operations

Brady is presenting EBITDA from Continuing Operations because it is used by many of our investors and lenders, and is presented as a convenience to them. EBITDA from Continuing Operations represents earnings (loss) from continuing operations before interest expense, income taxes, depreciation, amortization and impairment charges. EBITDA from Continuing Operations is not a calculation based on generally accepted accounting principles ("GAAP"). The amounts included in the EBITDA from Continuing Operations calculation, however, are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. EBITDA from Continuing Operations should not be considered as an alternative to net earnings or operating income as an indicator of the Company's operating performance, or as an alternative to net cash provided by operating activities as a measure of liquidity. The EBITDA from Continuing Operations measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

	Fiscal 2014				
	Q1	Q2	Q3	Q4	Total
EBITDA from Continuing Operations:					
Earnings from continuing operations	$ 17,423				$ 17,423
Interest expense	3,721				3,721
Income taxes	8,449				8,449
Depreciation and amortization	10,878				10,878
EBITDA from Continuing Operations (non-GAAP measure)	$ 40,471				$ 40,471

	Fiscal 2013				
	Q1	Q2	Q3	Q4	Total
EBITDA from Continuing Operations:					
Earnings (loss) from continuing operations	$ 25,785	$ (11,365)	$ 20,998	$ (176,234)	$ (140,816)
Interest expense	4,163	4,406	4,186	3,886	16,641
Income taxes	13,077	28,823	6,065	(5,895)	42,070
Depreciation and amortization	7,684	8,490	11,065	12,688	39,927
Intangible asset write-down in restructuring charges	—	—	3,207	—	3,207
Impairment charges	—	—	—	204,448	204,448
EBITDA from Continuing Operations (non-GAAP measure)	$ 50,709	$ 30,354	$ 45,521	$ 38,893	$ 165,477

NON-GAAP MEASURES
(Dollars in Thousands, Except Per Share Amounts)

EBITDA from Discontinued Operations

Brady is presenting EBITDA from Discontinued Operations because it is used by many of our investors and lenders, and is presented as a convenience to them. EBITDA from Discontinued Operations represents earnings (loss) from discontinued operations before interest expense, income taxes, depreciation, amortization, and impairment charges. EBITDA from Discontinued Operations is not a calculation based on generally accepted accounting principles ("GAAP"). The amounts included in the EBITDA from Discontinued Operations calculation, however, are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. EBITDA from Discontinued Operations should not be considered as an alternative to net earnings or operating income as an indicator of the Company's operating performance, or as an alternative to net cash provided by operating activities as a measure of liquidity. The EBITDA from Discontinued Operations measure presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

	Fiscal 2014				
	Q1	Q2	Q3	Q4	Total
EBITDA from Discontinued Operations:					
Earnings from discontinued operations	$ 6,505				$ 6,505
Interest expense	—				—
Income taxes	2,680				2,680
Depreciation and amortization	—				—
EBITDA from Discontinued Operations (non-GAAP measure)	$ 9,185				$ 9,185

	Fiscal 2013				
	Q1	Q2	Q3	Q4	Total
EBITDA from Discontinued Operations:					
Earnings (loss) from discontinued operations	$ 1,403	$ 2,680	$ (16,765)	$ (1,037)	$ (13,719)
Interest expense	—	—	—	—	—
Income taxes	404	1,802	1,530	1,478	5,214
Depreciation and amortization	2,991	2,881	2,926	—	8,798
Loss on write-down of assets held for sale	—	—	15,658	—	15,658
EBITDA from Discontinued Operations (non-GAAP measure)	$ 4,798	$ 7,363	$ 3,349	$ 441	$ 15,951

NON-GAAP MEASURES
(Dollars in Thousands, Except Per Share Amounts)

EBITDA:

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 earnings (loss) before interest expense, income taxes, depreciation, amortization and impairment charges. 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 Consolidated Financial Statements and supporting footnote disclosures. EBITDA should not be considered as an alternative to net earnings or operating income as an indicator of the Company's operating performance, or as an alternative to net cash provided by operating activities 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.

	Fiscal 2014				
	Q1	Q2	Q3	Q4	Total
EBITDA:					
Net earnings	$ 23,928				$ 23,928
Interest expense	3,721				3,721
Income taxes	11,129				11,129
Depreciation and amortization	10,878				10,878
EBITDA (non-GAAP measure)	$ 49,656				$ 49,656

	Fiscal 2013				
	Q1	Q2	Q3	Q4	Total
EBITDA:					
Net earnings (loss)	$ 27,188	$ (8,685)	$ 4,233	$ (177,271)	$ (154,535)
Interest expense	4,163	4,406	4,186	3,886	16,641
Income taxes	13,481	30,625	7,595	(4,417)	47,284
Depreciation and amortization	10,675	11,371	13,991	12,688	48,725
Intangible asset write-down in restructuring charges	—	—	3,207	—	3,207
Loss on write-down of assets held for sale	—	—	15,658	—	15,658
Impairment charges	—	—	—	204,448	204,448
EBITDA (non-GAAP measure)	$ 55,507	$ 37,717	$ 48,870	$ 39,334	$ 181,428

NON-GAAP MEASURES
(Dollars in Thousands, Except Per Share Amounts)

Earnings from Continuing Operations Before Income Taxes Excluding Certain Items:

Brady is presenting the Non-GAAP measure "Earnings from Continuing Operations Before Income Taxes Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our sustainable results. We believe this profit measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Earnings from Continuing Operations Before Income Taxes to Earnings from Continuing Operations Before Income Taxes Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Earnings from Continuing Operations Before Income Taxes (GAAP measure)	$ 25,872	$ 38,862
Restructuring charges	6,840	—
Earnings from Continuing Operations Before Income Taxes Excluding Certain Items (non-GAAP measure)	**$ 32,712**	**$ 38,862**

Income Taxes on Continuing Operations Excluding Certain Items:

Brady is presenting the Non-GAAP measure "Income Taxes on Continuing Operations Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our sustainable results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Income Taxes on Continuing Operations to Income Taxes on Continuing Operations Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Income Taxes on Continuing Operations (GAAP measure)	$ 8,449	$ 13,077
Restructuring charges	2,205	—
Income Taxes on Continuing Operations Excluding Certain Items (non-GAAP measure)	**$ 10,654**	**$ 13,077**

Net Earnings from Continuing Operations Excluding Certain Items:

Brady is presenting the Non-GAAP measure "Net Earnings from Continuing Operations Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our sustainable results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Net Earnings from Continuing Operations to Net Earnings from Continuing Operations Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Net Earnings from Continuing Operations (GAAP measure)	$ 17,423	$ 25,785
Restructuring charges	4,635	—
Net Earnings from Continuing Operations Excluding Certain Items (non-GAAP measure)	**$ 22,058**	**$ 25,785**

NON-GAAP MEASURES
(Dollars in Thousands, Except Per Share Amounts)

Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items:

Brady is presenting the Non-GAAP measure "Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Financial Statements and supporting footnote disclosures. We do not view these items to be part of our sustainable results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share to Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Share (GAAP measure)	$ 0.33	$ 0.50
Restructuring charges	0.09	—
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Share Excluding Certain Items (non-GAAP measure)	**$ 0.42**	**$ 0.50**

F'14 Q1 Financial Results

November 21, 2013

BRADY
WHEN PERFORMANCE MATTERS MOST™

FORWARD-LOOKING STATEMENTS

In this presentation, statements that are not reported financial results or other historic information are "forward-looking statements." These forward-looking statements relate to, among other things, the Company'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.

The use of 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: Implementation of the Workplace Safety strategy; 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, hard disk drive, manufacturing, electrical, construction, laboratory, education, governmental, public utility, computer, healthcare and transportation; future competition; changes in the supply of, or price for, parts and components; increased price pressure from suppliers and customers; Brady's ability to retain significant contracts and customers; fluctuations in currency rates versus the U.S. dollar; risks associated with international operations; difficulties associated with exports; risks associated with obtaining governmental approvals and maintaining regulatory compliance; Brady's ability to develop and successfully market new products; risks associated with identifying, completing, and integrating acquisitions; risks associated with divestitures and businesses held for sale; risks associated with restructuring plans; environmental, health and safety compliance costs and liabilities; risk associated with loss of key talent; risk associated with product liability claims; technology changes and potential security violations to the Company's information technology systems; Brady's ability to maintain compliance with its debt covenants; increase in our level of debt; potential write-offs of Brady's substantial intangible assets; unforeseen tax consequences; risk, associated with our ownership structure; 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 within Item 1A of Part I of Brady's Form 10-K for the year ended July 31, 2013.

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 except as required by law.

OVERVIEW COMMENTS

F'14 – Priorities:

1. Return WPS business to organic sales growth
2. Drive organic sales growth initiatives in IDS
3. Complete the sale of Die-Cut
4. Reduce cost structure through consolidation of manufacturing facilities
5. Focus on our customers and convert sales opportunities into sales wins.

Q1 F'14 - FINANCIAL SUMMARY

- **Sales up 13.0% to $306.0M vs. $270.9M in Q1 of F'13.**
  - Organic sales down 2.2%, PDC acquisition increased sales by 15.6%, and foreign currency decreased sales by 0.4%.
- **Gross profit margin of 51.3% in Q1 of F'14 compared with 55.2% in Q1 of F'13.**
- **SG&A expense of $112.7M (36.8% of sales) in Q1 of F'14 vs. $99.0M (36.6% of sales) in Q1 of F'13.**
- **Net earnings from continuing operations of $17.4M in Q1 of F'14 vs. $25.8M in Q1 of F'13.**
  - Net Earnings from Continuing Operations, Excluding Certain Items* was $22.1M in Q1 of F'14 vs. $25.8M in Q1 of F'13.
- **Net earnings from continuing operations per Class A Diluted Nonvoting Share was $0.33 in Q1 of F'14 vs. $0.50 in Q1 of F'13.**
  - Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share, Excluding Certain Items* was $0.42 in Q1 of F'14 vs. $0.50 in Q1 of F'13.

* Net Earnings from Continuing Operations, Excluding Certain Items and Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share Excluding Certain Items, are non-GAAP measures. See slides #19 and #20.

F’14 GUIDANCE UNCHANGED

F’14 Diluted EPS from Continuing Operations **$1.80 to $2.00**

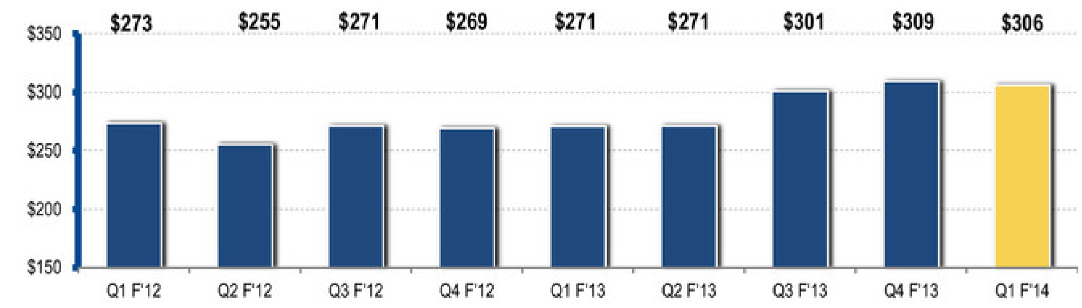
(excluding restructuring charges).

Guidance Assumptions – Continuing Operations:

- Organic sales ranging from a slight contraction to slight growth.
- Full-year income tax rate in the mid-to-upper 20% range.
- Full-year capital expenditures of approx. $40M ($10 million related to facility consolidation activities).
- Full-year depreciation and amortization expense of approximately $45M to $50M.
- Full-year restructuring charges of approximately $30M.
- Free cash flow of approximately 110 - 120% of net income.

SALES OVERVIEW

SALES (Millions of USD)



	Q1 F'12	Q2 F'12	Q3 F'12	Q4 F'12	Q1 F'13	Q2 F'13	Q3 F'13	Q4 F'13	Q1 F'14
Organic Sales	5.1%	(0.9%)	0.6%	1.5%	(1.1%)	(2.2%)	(5.0%)	(2.3%)	(2.2%)

Q1 F'14 SALES:

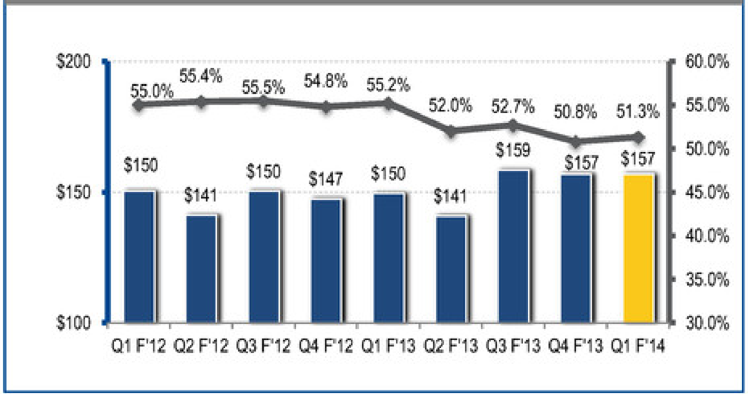
- (2.2%) organic sales decline.
- 15.6% growth from the acquisition of PDC.
- (0.4%) decline due to currency translation.

Q1 F'14 SALES COMMENTARY:

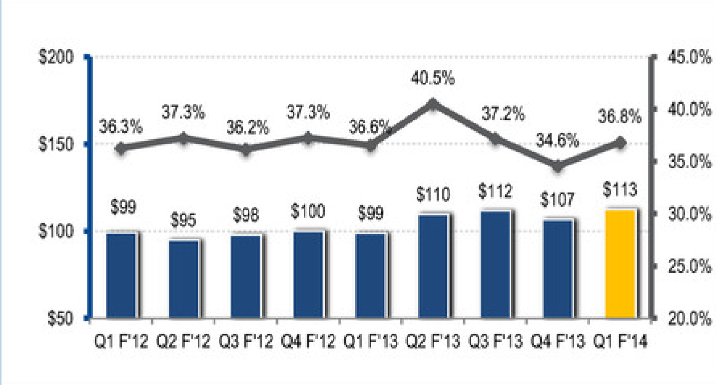
- ID Solutions – Organic growth of 3.0%.
- Workplace Safety – Organic decline of 10.0%.
- Die-Cut – Business is all in discontinued operations and excluded from reported sales amounts.

GROSS PROFIT MARGIN & SG&A EXPENSE

GROSS PROFIT & GPM% (Millions of USD)



SG&A & SG&A as % of SALES (Millions of USD)



GROSS PROFIT MARGIN:

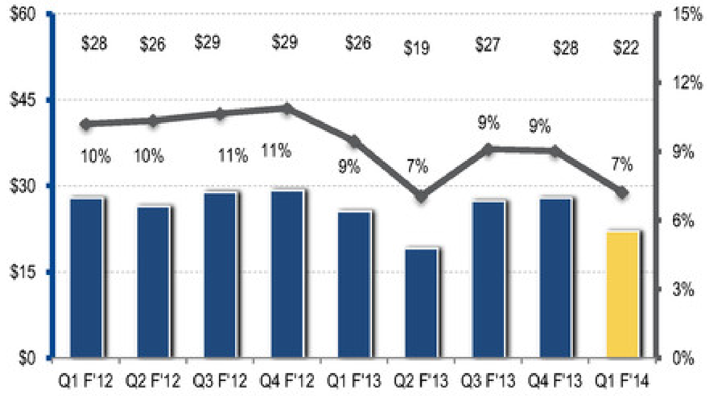
- GPM of 51.3% in Q1 of F'14 compared to 55.2% in Q1 of F'13.
- Excluding PDC, the Q1 F'14 GPM would have been 52.5%.
- Negative mix and pricing pressure in Workplace Safety driving the reduced gross profit margin.

SG&A EXPENSE:

- SG&A up from $99.0M in Q1 of F'13 to $112.7M in Q1 of F'14.
- PDC added approximately $13M of SG&A expense in the first quarter ended October 31, 2013.

NET EARNINGS & EPS FROM CONTINUING OPERATIONS – Non-GAAP*

NET EARNINGS FROM CONTINUING OPERATION,S EXCLUDING CERTAIN ITEMS* & % OF SALES (Millions of USD)



NET EARNINGS FROM CONTINUING OPERATIONS PER CLASS A DILUTED NONVOTING SHARE, EXCLUDING CERTAIN ITEMS*

Q1 F'14 – Non-GAAP Earnings*

- Q1 F'14 net earnings from continuing operations, excluding restructuring charges* of $22.1M compared to $25.8M in Q1 of F'13.

Q1 F'14 – Non-GAAP EPS*

- Q1 F'14 diluted EPS from continuing operations, excluding restructuring charges* of $0.42 compared to $0.50 in Q1 of F'13.

* **Net Earnings from Continuing Operations Excluding Certain Items and Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share Excluding Certain Items, are non-GAAP measures. See slides #19 and #20.**

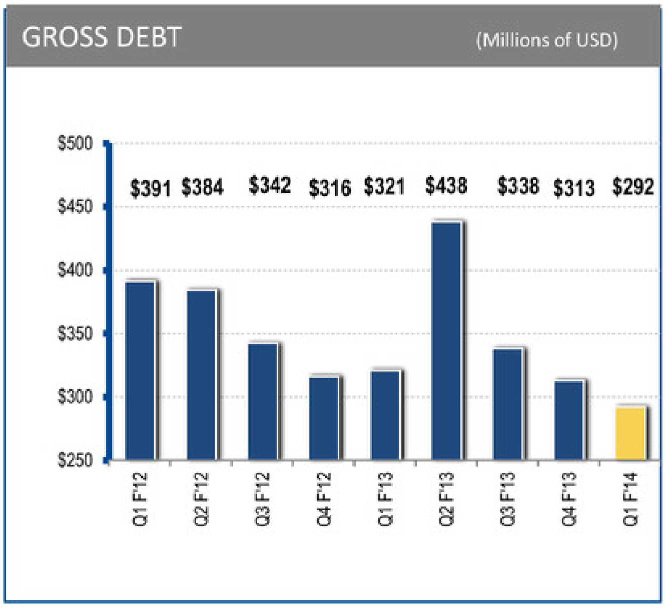
CASH GENERATION

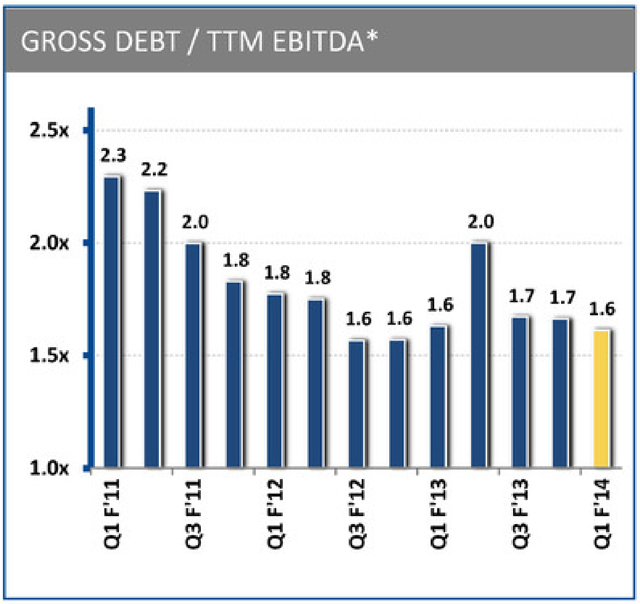
	3 Mos. Ended Oct. 31, 2013	3 Mos. Ended Oct 31, 2012
Cash Balance - Beginning of Period	**$ 91.1**	**$ 305.9**
Cash Flow from Operating Activities	25.6	20.2
Capital Expenditures	(9.1)	(6.2)
Proceeds from Sales of Businesses	-	10.2
Repurchase of Stock	-	(5.1)
Dividends	(10.1)	(9.7)
Debt (Repayments) Borrowings	(24.0)	-
Effect of Exchange Rate on Cash	4.0	4.0
Other	4.4	2.0
Cash Balance - End of Period	**$ 81.9**	**$ 321.3**

SIGNIFICANT CASH MOVEMENTS:

- Cash flow from operating activities of $25.6M in Q1 of F’14 compared to $20.2M in Q1 of F’13.
- Cash used in the current quarter for dividend payments and debt reductions.

DEBT & EBITDA





STRONG BALANCE SHEET:

- October 31, 2013 Cash = $82M and Debt = $292M (net debt = $210M)
- Gross Debt/EBITDA* = 1.6x
- Net Debt/EBITDA* = 1.2x

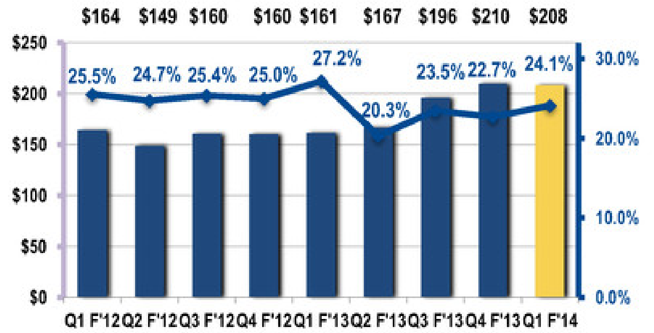
* EBITDA has been updated to include the pre-acquisition trailing twelve months of Precision Dynamics Corporation. EBITDA is a non-GAAP measure. See appendix for the reconciliation of net income to EBITDA.

IDENTIFICATION SOLUTIONS

Q1 F'14 vs. Q1 F'3 PERFORMANCE (Millions of USD)

	Q1 F'14	Q1 F'13	Change
Sales	$208.0	$ 161.2	+ 29.0%
Segment Profit	50.1	44.0	+ 14.0%
Segment Profit %	24.1%	27.3%	- 3.2 pts

SALES & SEGMENT PROFIT % (Millions of USD)



Q1 F'14 SUMMARY:

- Revenues up 29.0%:
  - Organic=+3.0%, Fx=-0.2%, Acq.=+26.2%
- Growth in U.S., EMEA, and Asia-Pacific while economic headwinds persist in Brazil.
- Segment profit up 14.0% due to the acquisition of PDC.
- Excluding PDC, segment profit would have been $41.8M (25.2% of sales) in Q1 of F'14.

OUTLOOK:

- Modest economic growth in the U.S. and Asia-Pacific with sluggish but improving economic conditions in Europe.
- Low single-digit organic sales growth for the balance of F'14.

NEW PRODUCT LAUNCHES

BMP41 Portable Label Printer

"One and Done": The BMP41 Label Printer is Brady's new mid-range portable printer for on the job labeling in electrical, telecommunications, voice and data communications, and general industrial environments. It is a rugged, portable solution that gives users the versatility to create individual or continuous labels. The BMP41 is the one device suitable for many labeling needs - from wire marking and general ID to applications such as patch panel, terminal block, and more.

Innovative New Materials

ToughWash™ Harsh Washdown: Brady's new labels for the Food and Bevarage processing industry are engineered to withstand numerous wash down cycles and the hot temperatures, high pressures, caustic chemicals and abrasive scrubbing common required in the food and beverage industry.

Link360 Cloud Application Expands to Confined Spaces

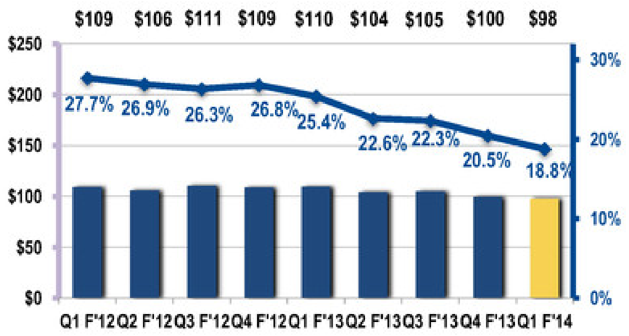
Brady Link 360 – Confined Space Management: Brady customers can now manage their confined space procedures and permits alongside lockout procedures and maintenance procedures within the LINK360 Cloud application. Confined space procedures and permits add clarity to hazardous confined space activities, giving the entrant a clear and concise process to remain safe at all times.

WORKPLACE SAFETY

Q1 F'14 vs. Q1 F'13 PERFORMANCE (Millions of USD)

	Q1F'14	Q1 F'13	Change
Sales	$ 98.0	$ 109.6	- 10.6%
Segment Profit	18.4	27.8	- 34.0%
Segment Profit %	18.8%	25.4%	- 6.6 pts

SALES & SEGMENT PROFIT % (Millions of USD)



Q1 F'14 SUMMARY:

- Revenues down (10.6%):
  - Organic= (10.0%), Fx= (0.6%)
- All major geographies experienced declines in Q1 revenues and profitability.
- Australia impacted by weak economy.
- The Americas and EMEA business impacted by reduced catalog advertising and continued competition.

OUTLOOK:

- Organic sales down in the 2nd quarter and returning to growth sometime in the 2nd half of F'14.
- Investing in:
  - Best-in-class online/digital
  - Enhanced product offerings
  - Enhanced industry-specific expertise for workplace safety critical industries
  - Dynamic pricing strategies
  - Increased catalog advertising in all major geographies.

WPS – STRATEGIC FOCUS AREAS

1. Expand focus on e-commerce
2. Expand offering of workplace safety products
3. Enhance industry-specific expertise
4. Adjusting pricing strategies
5. Increasing catalog advertising in all major geographies.

INVESTOR RELATIONS

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Aaron_Pearce@Bradycorp.com

See our web site at
www.investor.bradycorp.com

BRADY
WHEN PERFORMANCE MATTERS MOST™

TOTAL COMPANY INCOME STATEMENTS

COMPARABLE INCOME STATEMENTS (Millions of USD)

	Three Months Ended October 31, 2013	2012	Change
Sales	$ 306.0	$ 270.9	$ 35.1
Gross Margin	156.9	149.5	7.4
% of Sales	*51.3%*	*55.2%*	*(3.9) pts*
Research and Development	(8.6)	(7.9)	(0.7)
Selling, General and Admin.	(112.7)	(99.0)	(13.7)
% of Sales	*(36.8%)*	*(36.5%)*	*0.3 pts*
Restructuring Charges	(6.8)	-	(6.8)
Operating Income	28.8	42.6	(13.8)
Interest and Other	(3.0)	(3.7)	0.7
Income Taxes	(8.4)	(13.1)	4.7
Net Earnings from Continuing Operations	$ 17.4	$ 25.8	$ (8.4)
% of Sales	*5.7%*	*9.5%*	*(3.8) pts*
Earnings from Continuing Operations per Class A Nonvoting Common Share	$ 0.33	$ 0.50	$ (0.17)
Net Earnings from Continuing Operations, Excluding Restructuring (Non-GAAP measure)*	$ 22.1	$ 25.8	$ (3.7)
% of Sales	*7.2%*	*9.5%*	*(2.3) pts*
Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share, Excluding Restructuring (Non-GAAP measure)*	$ 0.42	$ 0.50	$ (0.08)

* Net Earnings from Continuing Operations, Excluding Restructuring and Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share Excluding Restructuring are non-GAAP measures. See appendix.

DEBT STRUCTURE

(Thousands of USD)	Int. Rate	Fixed vs. Variable	Oct. 31, 2013 Balance	July 31, 2013 Balance
Revolver Borrowings (due Feb. 2017):				
USD-denominated (L+1.125)	1.28%	Variable	$ 15,000	$ 39,000
China Borrowings:				
USD-denominated note payable	1.13%	Variable	11,442	11,613
Private Placements:				
USD-denominated 2004 Series	5.14%	Fixed	18,750	18,750
USD-denominated 2006 Series	5.30%	Fixed	78,429	78,429
USD-denominated 2007 Series	5.33%	Fixed	65,485	65,485
EUR-denominated 2010 Series (7-yr.)	3.71%	Fixed	41,205	39,900
EUR-denominated 2010 Series (10-yr.)	4.24%	Fixed	61,808	59,850
TOTAL DEBT			**$ 292,119**	**$ 313,027**

EBITDA RECONCILIATION

EBITDA - Total Company ('000s of USD)

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 earnings before interest expense, income taxes, depreciation, amortization and impairment charges. 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 Consolidated Statements of Earnings data. EBITDA should not be considered as an alternative to net earnings or operating income as an indicator of the Company's operating performance, or as an alternative to net cash provided by operating activities 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.

	Fiscal 2014				
	Q1	Q2	Q3	Q4	Total
EBITDA:					
Net earnings	$ 23,928				$ 23,928
Interest expense	3,721				3,721
Income taxes	11,129				11,129
Depreciation and amortization	10,878				10,878
EBITDA (non-GAAP measure)	$ 49,656				$ 49,656

	Fiscal 2013				
	Q1	Q2	Q3	Q4	Total
EBITDA:					
Net earnings (loss)	$ 27,188	$ (8,685)	$ 4,233	$ (177,271)	$ (154,535)
Interest expense	4,163	4,406	4,186	3,886	16,641
Income taxes	13,481	30,625	7,595	(4,417)	47,284
Depreciation and amortization	10,675	11,371	13,991	12,688	48,725
Intangible asset write-down in restructuring charges	—	—	3,207	—	3,207
Loss on write-down of assets held for sale	—	—	15,658	—	15,658
Impairment charges	—	—	—	204,448	204,448
EBITDA (non-GAAP measure)	$ 55,507	$ 37,717	$ 48,870	$ 39,334	$ 181,428

NET EARNINGS FROM CONTINUING OPERATIONS, EXCLUDING CERTAIN ITEMS

Reconciliation of Net Earnings from Continuing Operations Excluding Certain Items ('000s of USD):

Brady is presenting the Non-GAAP measure "Net Earnings from Continuing Operations Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Statements of Earnings data. We do not view these items to be part of our sustainable results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Net Earnings from Continuing Operations to Net Earnings from Continuing Operations Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Net (Loss) Earnings from Continuing Operations (GAAP measure)	$ 17,423	$ 25,785
Restructuring charges	4,635	—
Net Earnings from Continuing Operations Excluding Certain Items (non-GAAP measure)	**$ 22,058**	**$ 25,785**

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NET EARNINGS FROM CONTINUING OPERATIONS PER DILUTED CLASS A NONVOTING SHARE, EXCLUDING CERTAIN ITEMS

Reconciliation of Net Earnings from Continuing Operations per Diluted Class A Nonvoting Share Excluding Certain Items:

Brady is presenting the Non-GAAP measure "Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items." This is not a calculation based upon GAAP. The amounts included in this Non-GAAP measure are derived from amounts included in the Consolidated Statements of Earnings data. We do not view these items to be part of our sustainable results. We believe this measure provides an important perspective of underlying business trends and results and provides a more comparable measure from year to year. The table below provides a reconciliation of Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share to Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items:

	Three Months Ended October 31,	
	2013	2012
Net (Loss) Earnings from Continuing Operations Per Class A Diluted Nonvoting Share	$ 0.33	$ 0.50
Restructuring charges	0.09	—
Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share (non-GAAP measure)	**$ 0.42**	**$ 0.50**

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