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, 2015

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 19, 2015, Brady Corporation (the “Company”) issued a press release announcing its fiscal 2016 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 5.07 SUBMISSIONS OF MATTERS TO A VOTE OF SECURITY HOLDERS

On November 18, 2015, 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
Elizabeth P. Bruno
Nancy L. Gioia
Conrad G. Goodkind
Frank W. Harris
J. Michael Nauman
Bradley C. Richardson
Harold L. Sirkin

Item 7.01 REGULATION FD DISCLOSURE

On November 19, 2015, the Company hosted a conference call related to its fiscal 2016 first quarter financial results. A copy of the slides referenced in the conference call, which is also posted on the Corporation’s website, is being furnished to the Securities and Exchange Commission as Exhibit 99.2 attached hereto and is incorporated herein by reference.

Item 8.01 OTHER EVENTS

On November 19, 2015, the Company announced that its Board of Directors authorized an increase in the Company’s share buyback program, authorizing the repurchase of an additional 807,692 shares, for a total of up to two million shares of the Corporation’s Class A Common Stock available for repurchase as of November 18, 2015. The share repurchase plan may be implemented from time to time on the open market or in privately negotiated transactions. The repurchased shares will be available for use in connection with the Corporation’s stock-based plans and for other corporate purposes. The share buyback program was described in a press release issued by the Company in connection with its fiscal 2016 first quarter financial results, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits

The following are filed as Exhibits to this Report.

Exhibit No.	Description of Exhibit
99.1	Press Release of Brady Corporation, dated November 19, 2015, relating to first quarter fiscal 2016 financial results and increase in share buyback program.
99.2	Informational slides provided by Brady Corporation, dated November 19, 2015, relating to first quarter fiscal 2016 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 19, 2015

/s/ AARON J. PEARCE

Aaron J. Pearce

Senior Vice President, Chief Financial Officer and Chief Accounting Officer

EXHIBIT INDEX

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99.2	Informational slides provided by Brady Corporation, dated November 19, 2015, relating to first quarter fiscal 2016 financial results.

EXHIBIT 99.1

For More Information:
Investor contact: Ann Thornton 414-438-6887
Media contact: Carole Herbstreit 414-438-6882

Brady Corporation Reports Fiscal 2016 First Quarter Results and Increases Share Buyback Program

- GAAP net earnings of $18.7 million in the first quarter of fiscal 2016 compared to GAAP and non-GAAP earnings from continuing operations* of $15.5 million and $18.4 million, respectively, in the same quarter of the prior year.
- First quarter organic revenue decline of 2.2 percent.
- Earnings per diluted Class A Nonvoting Common Share of $0.37 in the first quarter of fiscal 2016 compared to GAAP and non-GAAP earnings from continuing operations per diluted Class A Nonvoting Common Share* of $0.30 and $0.36, respectively, in the same quarter of the prior year.
- Returned $16.2 million to shareholders through share repurchases and $10.2 million in the form of dividends.
- Net cash provided by operating activities was $30.4 million during the first quarter of fiscal 2016, compared to $18.6 million in the same quarter of the prior year.
- Share buyback program increased to a total share repurchase authorization of up to 2 million shares of the Company's Class A Common Stock.

MILWAUKEE (November 19, 2015)--Brady Corporation (NYSE: BRC) ("Brady" or "Company"), a world leader in identification solutions, today reported its financial results for its fiscal 2016 first quarter ended October 31, 2015.

Quarter Ended October 31, 2015 Financial Results:

Net earnings for the quarter ended October 31, 2015 were $18.7 million compared to earnings from continuing operations of $15.5 million in the same quarter last year. Non-GAAP earnings from continuing operations* were $18.4 million for the quarter ended October 31, 2014.

Earnings per diluted Class A Nonvoting Common Share were $0.37 for the first quarter ended October 31, 2015 compared to earnings from continuing operations per diluted Class A Nonvoting Common Share of $0.30 in the same quarter last year. Non-GAAP earnings from continuing operations per diluted Class A Nonvoting Common Share* were $0.36 for the quarter ended October 31, 2014.

Sales for the quarter ended October 31, 2015 decreased 8.8 percent to $283.1 million compared to $310.2 million in the first quarter of fiscal 2015. Total organic sales decreased 2.2 percent and foreign currency translation decreased sales by 6.6 percent. By segment, organic sales decreased 2.4 percent in Identification Solutions and decreased 1.7 percent in Workplace Safety.

Share Buyback Program:

On November 18, 2015, Brady's Board of Directors authorized an increase in the Company's share buyback program, authorizing the repurchase of up to a total of two million shares of the Company's Class A Common Stock, inclusive of the shares in the existing share buyback program. The share buyback plan may be implemented from time to time on the open market or in privately negotiated transactions.

Commentary:

"We're seeing positive gross margin and net earnings impacts from our activities to improve operational efficiencies. In addition, we're making significant progress improving the overall buying experience for our customers, which as we've stated is a top priority for fiscal 2016," said Brady's President and Chief Executive Officer, J. Michael Nauman. "Organic sales declined in both business segments in the first quarter, and although we expect that our growth initiatives and slightly easier comparables will improve our year-over-year organic sales growth rate in the second half of the fiscal year, we ultimately expect organic sales growth to be challenged by macro-economic conditions in certain industrial markets and geographies, including North America. We will remain focused on enhancing efficiency and building an organization where local teams are empowered to own and are held accountable for their financial results, which will help us to successfully compete over the long term."

"Our continuous drive to increase efficiency is offsetting the net earnings impact of our organic sales decline. We are seeing gross margin benefits from our activities to improve productivity and we are seeing steady improvements in selling, general and administrative expenses," said Brady's Chief Financial Officer, Aaron Pearce. "Our cash flow is strong. During the quarter ended October 31, 2015, we generated net cash from operating activities of $30.4 million, returned $10.2 million to our shareholders in the form of dividends, and repurchased 807,692 shares at an average price of $20 per share, all while maintaining our strong balance sheet with a conservative net debt-to-EBITDA ratio of 1.1 to 1."

Fiscal 2016 Guidance:

The Company's earnings per diluted Class A Nonvoting Common Share guidance for the year ending July 31, 2016 remains unchanged at $1.10 to $1.30. Included in this guidance is slightly down organic sales for the balance of fiscal 2016 which is reflective of economic challenges in certain industrial markets and geographies, including North America. Offsetting this weaker sales outlook are efficiency gains in the Company's manufacturing facilities as well as increased efficiencies in selling, general, and administrative expenses. This guidance is based on exchange rates as of October 31, 2015, a full-year income tax rate in the upper 20 percent range, capital expenditures of approximately $25 million, and depreciation and amortization of up to approximately $40 million.

A webcast regarding Brady's fiscal 2016 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 people, products and places. Brady's products help customers increase safety, security, productivity and performance and include high-performance labels, signs, safety devices, printing systems and software. Founded in 1914, the Company has a diverse customer base in electronics, telecommunications, manufacturing, electrical, construction, medical, aerospace and a variety of other industries. Brady is headquartered in Milwaukee, Wisconsin and as of July 31, 2015, employed approximately 6,400 people in its worldwide businesses. Brady's fiscal 2015 sales were approximately $1.17 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; Brady's ability to develop and successfully market technologically advanced new products; risks associated with restructuring plans and maintaining acceptable operational service metrics; technology changes and potential security violations to the Company's information technology systems; future competition; 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; fluctuations in currency rates versus the U.S. dollar; risks associated with international operations; difficulties associated with exports; 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; risk associated with loss of key talent; risks associated with obtaining governmental approvals and maintaining regulatory compliance; risk associated with product liability claims; environmental, health and safety compliance costs and liabilities; potential write-offs of Brady's substantial intangible assets; unforeseen tax consequences; risks associated with divestitures; risks associated with identifying, completing, and integrating acquisitions; risks associated with our ownership structure; Brady's ability to maintain compliance with its debt covenants; increase in our level of debt; 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, 2015.

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
CONSOLIDATED STATEMENTS OF EARNINGS
(Unaudited; Dollars in thousands, except per share data)

	Three months ended October 31,	
	2015	2014
Net sales	$ 283,073	$ 310,240
Cost of products sold	143,724	160,079
Gross margin	139,349	150,161
Operating expenses:		
Research and development	8,569	9,631
Selling, general and administrative	100,678	109,279
Restructuring charges	—	4,278
Total operating expenses	109,247	123,188
Operating income	30,102	26,973
Other (expense) income:		
Investment and other (expense) income	(759)	323
Interest expense	(2,151)	(2,891)
Earnings from continuing operations before income taxes	27,192	24,405
Income tax expense	8,489	8,906
Earnings from continuing operations	$ 18,703	$ 15,499
Loss from discontinued operations, net of income taxes	—	(1,915)
Net earnings	$ 18,703	$ 13,584
Earnings from continuing operations per Class A Nonvoting Common Share:		
Basic	$ 0.37	$ 0.30
Diluted	$ 0.37	$ 0.30
Earnings from continuing operations per Class B Voting Common Share:		
Basic	$ 0.35	$ 0.29
Diluted	$ 0.35	$ 0.29
Loss from discontinued operations per Class A Nonvoting Common Share:		
Basic	$ —	$ (0.03)
Diluted	$ —	$ (0.04)
Loss from discontinued operations per Class B Voting Common Share:		
Basic	$ —	$ (0.04)
Diluted	$ —	$ (0.04)
Net Earnings per Class A Nonvoting Common Share:		
Basic	$ 0.37	$ 0.27
Diluted	$ 0.37	$ 0.26
Dividends	$ 0.20	$ 0.20
Net Earnings per Class B Voting Common Share:		
Basic	$ 0.35	$ 0.25
Diluted	$ 0.35	$ 0.25
Dividends	$ 0.19	$ 0.18
Weighted average common shares outstanding (in thousands):		
Basic	51,029	51,251
Diluted	51,089	51,313

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

	October 31, 2015	July 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	$ 110,610	$ 114,492
Accounts receivable—net	159,174	157,386
Inventories:		
Finished products	63,500	66,700
Work-in-process	17,458	16,958
Raw materials and supplies	21,059	20,849
Total inventories	102,017	104,507
Prepaid expenses and other current assets	35,407	32,197
Total current assets	407,208	408,582
Other assets:		
Goodwill	430,972	433,199
Other intangible assets	66,242	68,888
Deferred income taxes	20,811	22,310
Other	17,508	18,704
Property, plant and equipment:		
Cost:		
Land	5,097	5,284
Buildings and improvements	93,803	94,423
Machinery and equipment	257,602	270,086
Construction in progress	2,901	2,164
	359,403	371,957
Less accumulated depreciation	253,295	260,743
Property, plant and equipment—net	106,108	111,214
Total	$ 1,048,849	$ 1,062,897
LIABILITIES AND STOCKHOLDERS' INVESTMENT		
Current liabilities:		
Notes payable	$ 9,173	$ 10,411
Accounts payable	72,703	73,020
Wages and amounts withheld from employees	29,726	30,282
Taxes, other than income taxes	7,026	7,250
Accrued income taxes	9,609	7,576
Other current liabilities	41,723	38,194
Current maturities on long-term debt	—	42,514
Total current liabilities	169,960	209,247
Long-term obligations, less current maturities	241,434	200,774
Other liabilities	64,697	65,188
Total liabilities	476,091	475,209
Stockholders' investment:		
Common stock:		
Class A nonvoting common stock—Issued 51,261,487 and 51,261,487 shares, respectively and outstanding 47,040,129 and 47,781,184 shares, respectively	513	513
Class B voting common stock—Issued and outstanding, 3,538,628 shares	35	35
Additional paid-in capital	313,879	314,403
Earnings retained in the business	422,589	414,069
Treasury stock—4,221,358 and 3,480,303 shares, respectively of Class A nonvoting common stock, at cost	(107,420)	(93,234)
Accumulated other comprehensive loss	(53,426)	(45,034)
Other	(3,412)	(3,064)
Total stockholders' investment	572,758	587,688
Total	$ 1,048,849	$ 1,062,897

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

	Three months ended October 31,	
	2015	2014
Operating activities:		
Net earnings	$ 18,703	$ 13,584
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,889	10,123
Non-cash portion of stock-based compensation expense	2,596	1,319
Non-cash portion of restructuring charges	—	196
Loss on sale of business, net	—	426
Deferred income taxes	726	2,346
Changes in operating assets and liabilities (net of effects of business acquisitions/divestitures):		
Accounts receivable	(3,342)	(3,916)
Inventories	1,368	(7,077)
Prepaid expenses and other assets	(3,081)	(2,999)
Accounts payable and accrued liabilities	2,402	2,897
Income taxes	2,109	1,705
Net cash provided by operating activities	30,370	18,604
Investing activities:		
Purchases of property, plant and equipment	(2,334)	(11,451)
Sale of business, net of cash retained	—	8,771
Other	1,539	592
Net cash used in investing activities	(795)	(2,088)
Financing activities:		
Payment of dividends	(10,183)	(10,191)
Proceeds from issuance of common stock	—	91
Purchase of treasury stock	(16,160)	—
Net (repayments) proceeds from borrowings on credit facilities	(2,738)	33,286
Debt issuance costs	(803)	—
Income tax on equity-based compensation, and other	(1,007)	(1,296)
Net cash (used in) provided by financing activities	(30,891)	21,890
Effect of exchange rate changes on cash	(2,566)	(3,766)
Net (decrease) increase in cash and cash equivalents	(3,882)	34,640
Cash and cash equivalents, beginning of period	114,492	81,834
Cash and cash equivalents, end of period	$ 110,610	$ 116,474
Supplemental disclosures:		
Cash paid during the period for:		
Interest	$ 2,144	$ 3,032
Income taxes, net of refunds	4,533	7,323

BRADY CORPORATION AND SUBSIDIARIES
SEGMENT INFORMATION
(Unaudited; Dollars in thousands)

	Three months ended October 31,	
	2015	2014
SALES TO EXTERNAL CUSTOMERS		
ID Solutions	$ 196,327	$ 212,097
Workplace Safety	86,746	98,143
Total Company	$ 283,073	$ 310,240
SALES INFORMATION		
ID Solutions		
Organic	(2.4)%	2.4 %
Currency	(5.0)%	(1.2)%
Total	(7.4)%	1.2 %
Workplace Safety		
Organic	(1.7)%	2.4 %
Currency	(9.9)%	(2.2)%
Total	(11.6)%	0.2 %
Total Company		
Organic	(2.2)%	2.4 %
Currency	(6.6)%	(1.5)%
Total	(8.8)%	0.9 %
SEGMENT PROFIT		
ID Solutions	$ 40,004	$ 43,467
Workplace Safety	16,664	15,539
Total	$ 56,668	$ 59,006
SEGMENT PROFIT AS A PERCENT OF SALES		
ID Solutions	20.4 %	20.5 %
Workplace Safety	19.2 %	15.8 %
Total	20.0 %	19.0 %

	Three months ended October 31,	
	2015	2014
Total segment profit	$ 56,668	$ 59,006
Unallocated amounts:		
Administrative costs	(26,566)	(27,755)
Restructuring charges	—	(4,278)
Investment and other (expense) income	(759)	323
Interest expense	(2,151)	(2,891)
Earnings from continuing operations before income taxes	$ 27,192	$ 24,405

NON-GAAP MEASURES
(Unaudited; 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.

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 Condensed 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,	
	2015	2014
Earnings from Continuing Operations Before Income Taxes (GAAP measure)	$ 27,192	$ 24,405
Restructuring charges	—	4,278
Earnings from Continuing Operations Before Income Taxes Excluding Certain Items (non-GAAP measure)	**$ 27,192**	**$ 28,683**

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 Condensed 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,	
	2015	2014
Income Taxes on Continuing Operations (GAAP measure)	$ 8,489	$ 8,906
Restructuring charges	—	1,331
Income Taxes on Continuing Operations Excluding Certain Items (non-GAAP measure)	**$ 8,489**	**$ 10,237**

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 Condensed 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,	
	2015	2014
Net Earnings from Continuing Operations (GAAP measure)	$ 18,703	$ 15,499
Restructuring charges	—	2,947
Net Earnings from Continuing Operations Excluding Certain Items (non-GAAP measure)	**$ 18,703**	**$ 18,446**

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 Condensed Consolidated Financial Statements. 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,	
	2015	2014
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share (GAAP measure)	$ 0.37	$ 0.30
Restructuring charges	—	0.06
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items (non-GAAP measure)	**$ 0.37**	**$ 0.36**

BRADY

Brady Corporation
F'16 Q1 Financial Results

November 19, 2015

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; Brady's ability to develop and successfully market technologically advanced new products; risks associated with restructuring plans and maintaining acceptable operational service metrics; technology changes and potential security violations to the Company's information technology systems; future competition; 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; fluctuations in currency rates versus the U.S. dollar; risks associated with international operations; difficulties associated with exports; 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; risk associated with loss of key talent; risks associated with obtaining governmental approvals and maintaining regulatory compliance; risk associated with product liability claims; environmental, health and safety compliance costs and liabilities; potential write-offs of Brady's substantial intangible assets; unforeseen tax consequences; risks associated with divestitures; risks associated with identifying, completing, and integrating acquisitions; risks associated with our ownership structure; Brady's ability to maintain compliance with its debt covenants; increase in our level of debt; 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, 2015.

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

Q1 F'16 Financial Summary

- **Sales down 8.8% to $283.1M in Q1 of F'16 vs. $310.2M in Q1 of F'15.**
  - Organic sales declined 2.2% while foreign currency decreased sales by 6.6%.
- **Gross profit margin of 49.2% in Q1 of F'16, up from 48.4% in Q1 of F'15.**
- **SG&A expense of $100.7M (35.6% of sales) in Q1 of F'16 vs. $109.3M (35.2% of sales) in Q1 of F'15.**
- **Net earnings from continuing operations of $18.7M in Q1 of F'16 vs. GAAP earnings of $15.5M in Q1 of F'15 and non-GAAP earnings* of $18.4M in Q1 of F'15.**
- **Net earnings from continuing operations per Class A Diluted Nonvoting Share of $0.37 in Q1 of F'16 vs. $0.30 in Q1 of F'15.**
  - Non-GAAP Net Earnings from Continuing Operations per Class A Diluted Nonvoting Share* was $0.36 in Q1 of F'15.
- **Cash flow from operating activities of $30.4M in Q1 of F'16 vs. $18.6M in Q1 of F'15.**

* 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 appendix.

BRADY

Sales Overview

SALES

(millions of USD)

	Q2 F'13	Q3 F'13	Q4 F'13	Q1 F'14	Q2 F'14	Q3 F'14	Q4 F'14	Q1 F'15	Q2 F'15	Q3 F'15	Q4 F'15	Q1 F'16
Organic Sales Growth	(1.8%)	(4.8%)	(2.1%)	(2.1%)	(1.1%)	2.5%	1.1%	2.4%	1.4%	1.7%	(1.2%)	(2.2%)

Q1 F'16 SALES:

- (2.2%) organic sales decline:
  - ID Solutions – Organic sales decline of (2.4%).
  - Workplace Safety – Organic sales decline of (1.7%).
- (6.6%) decrease due to currency translation.

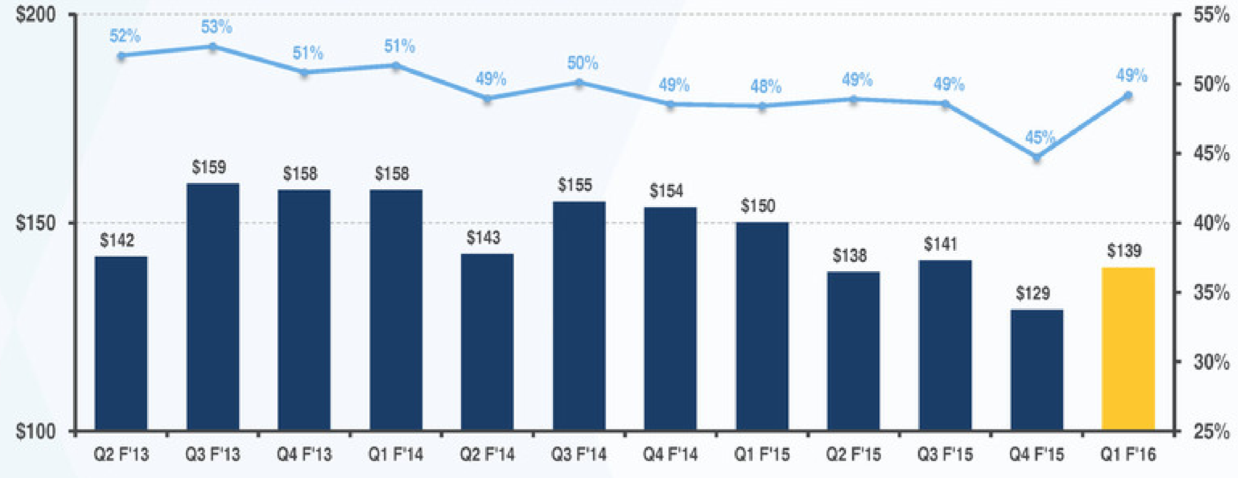
Q1 F'16 SALES COMMENTARY:

- Our European businesses in both IDS and WPS performed well, with continued organic growth.
- Organic sales in IDS negatively impacted by the Americas and Asia.
- Organic sales in WPS negatively impacted by North America and Australia.

Gross Profit Margin

GROSS PROFIT & GPM%

(millions of USD)



GROSS PROFIT MARGIN COMMENTARY:

- GPM of 49.2% in Q1 of F'16 compared to 48.4% in Q1 of F'15.
- Both Q1 of F'15 and Q1 of F'16 were impacted by facility consolidation-related costs, however, the impact was greater on Q1 of F'15.
- Facilities are fully consolidated and actions are in process to improve profitability.

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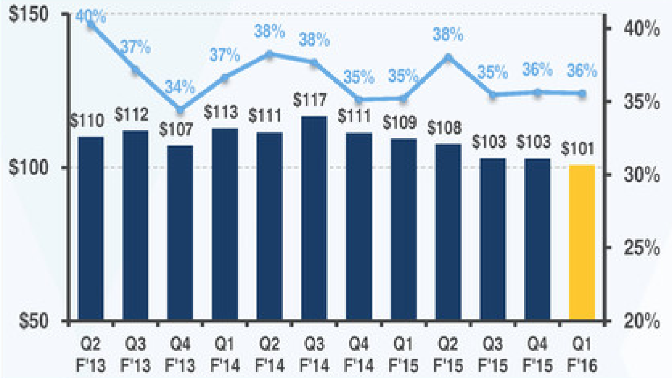
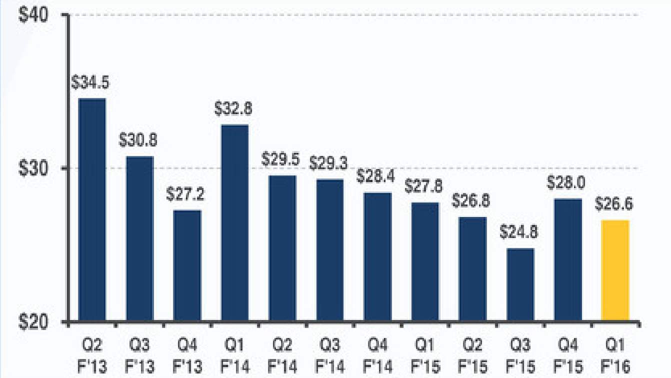
SG&A Expense and G&A Expense

SG&A and SG&A% as of SALES (millions of USD)



GENERAL & ADMIN. EXPENSE (millions of USD)



SG&A EXPENSE:

- SG&A expense was down $8.6M to $100.7M in Q1 of F'16 compared to $109.3M in Q1 of F'15.
- Approximately 3/4s of the decline in SG&A expense was caused by the strengthening of the U.S. dollar against other major currencies and the remaining 1/4 was due to efficiency gains.

G&A EXPENSE (subset of SG&A):

- G&A expense was $26.6M in Q1 of F'16. G&A expenses were down in most areas, except for IT due to system upgrades and digital enhancements.
- Reductions in G&A to come from efficiency and standardization activities.

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Net Earnings & EPS From Continuing Operations

NET EARNINGS FROM CONTINUING OPERATIONS, EXCLUDING CERTAIN ITEMS* (millions of USD)

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

Q1 F'16 – Net Earnings

- Q1 F'16 Net earnings were $18.7M compared to Non-GAAP net earnings* of $18.4M in Q1 of F'15.
- Increase in earnings driven by improved gross profit margins in IDS and efficiencies in SG&A.

Q1 F'16 – EPS

- Q1 F'16 Diluted EPS was $0.37 compared to Non-GAAP EPS* of $0.36 in Q1 of F'15.

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

Cash Generation

Cash Flow from Operating Activities (millions of USD)

(millions of USD)	3 Mos. Ended Oct. 31, 2015	3 Mos. Ended Oct. 31, 2014
Cash Balance - Beginning of Period	$ 114.5	$ 81.8
Net Cash Provided by Operating Activities	30.4	18.6
Capital Expenditures	(2.3)	(11.5)
Proceeds from Sales of Businesses	-	8.8
Purchase of Stock	(16.2)	-
Dividends	(10.2)	(10.2)
Debt (Repayments) Borrowings - Net	(2.7)	33.3
Effect of Exchange Rate on Cash	(2.6)	(3.8)
Other	(0.3)	(0.5)
Cash Balance - End of Period	$ 110.6	$ 116.5

CASH FLOWS IN Q1 OF F'16:

- Cash flow from operating activities of $30.4M in Q1 of F'16 compared to $18.6M in Q1 of F'15.
- Free cash flow* of $28.1M in Q1 of F'16 compared to $7.1M in Q1 of F'15.
- Returned $10.2M to our shareholders in the form of dividends.
- Returned $16.2M to our shareholders in the form of share buybacks as 807,692 shares were repurchased at an average purchase price of $20.01 per share.

* Free Cash Flow is calculated as Net Cash Provided by Operating Activities less Capital Expenditures.

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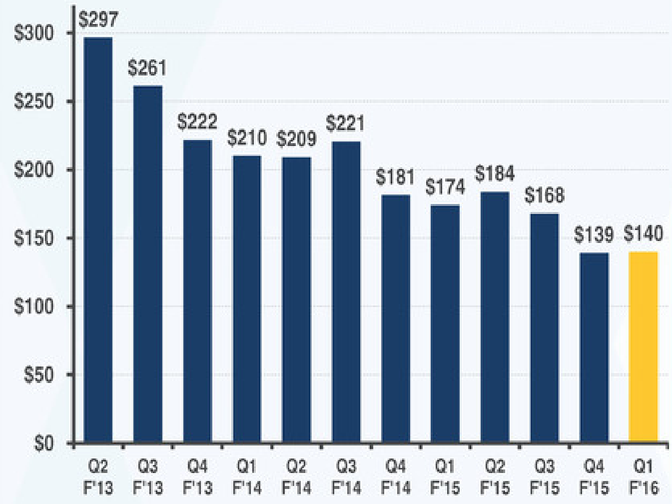
Net Debt & EBITDA

NET DEBT

(millions of USD)



NET DEBT / TTM EBITDA*

STRONG BALANCE SHEET:

- October 31, 2015 Cash = $110.6M, Debt = $250.6M (net debt = $140.0M), and TTM EBITDA = $123.3M.
- Net Debt/EBITDA* = 1.1 to 1.
- Gross debt declined in Q1 of F'16 even after returning a total of $26.4M to shareholders in the form of dividends and share buybacks.
- Balance sheet continues to provide flexibility for future cash uses.

* EBITDA is a non-GAAP measure. See appendix for the reconciliation of net income to EBITDA.

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F’16 Guidance

F’16 Diluted EPS **$1.10 to $1.30**

Guidance Assumptions:

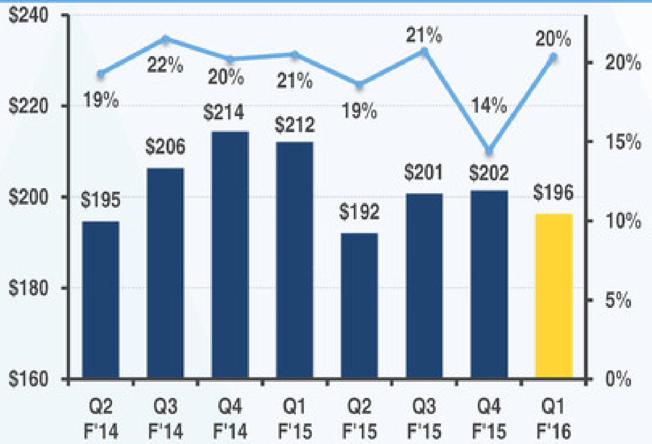
- Slightly down organic sales for the balance of fiscal 2016, which is reflective of economic challenges in certain industrial markets and geographies.
- Exchange rates consistent with those as of October 31, 2015.
- Full-year depreciation and amortization expense of up to approximately $40M.
- Full-year tax rate in the upper 20% range.
- Full-year capital expenditures of approximately $25M.

Identification Solutions

Q1 F'16 vs. Q1 F'15 PERFORMANCE (millions of USD)

	Q1 F'16	Q1 F'15	Change
Sales	$ 196.3	$ 212.1	- 7.4 %
Segment Profit	40.0	43.5	- 8.0%
Segment Profit %	20.4%	20.5%	- 0.1 pts

SALES & SEGMENT PROFIT % (millions of USD)



Q1 F'16 SUMMARY:

- Revenues down 7.4%:
  - Organic = -(2.4)%
  - Fx = -(5.0)%
- Organic sales growth in Europe-based business.
- Organic sales down in the Americas and Asia.
- Segment profit continues to be impacted by operational inefficiencies. However, operational improvements are taking hold in recently consolidated facilities, causing the improved segment profit when compared to Q4 of F'15.

OUTLOOK:

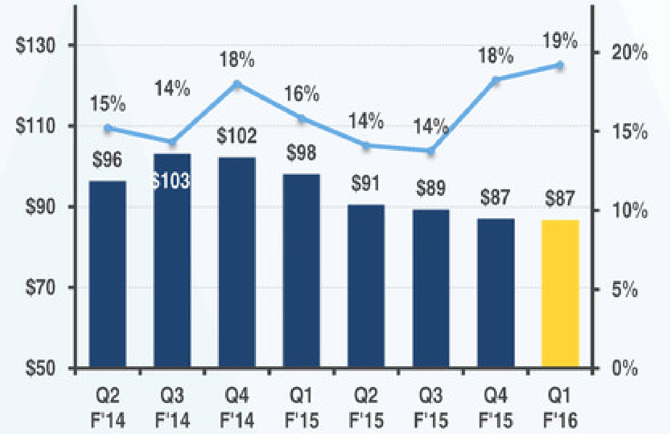
- Expect organic revenues for the balance of F'16 to be down slightly when compared to F'15.
- Expect segment profit in the high teens to approximately 20% of sales in F'16.

Workplace Safety

Q1 F'16 vs. Q1 F'15 PERFORMANCE (millions of USD)

	Q1 F'16	Q1 F'15	Change
Sales	$ 86.7	$ 98.1	- 11.6%
Segment Profit	16.7	15.5	- 19.2%
Segment Profit %	19.2%	15.8%	+ 3.4 pts

SALES & SEGMENT PROFIT % (millions of USD)



Q1 F'16 SUMMARY:

- Revenues down 11.6%:
  - Organic = -(1.7)%
  - Fx = -(9.9)%
- Strengthening of the U.S. dollar had a more significant impact on the Workplace Safety platform as approximately half of WPS revenues are generated in Western Europe.
- Segment profit of 19.2% is an improvement compared to the prior year of 15.8% due to reduced catalog advertising and continued efficiencies in selling expenses.

OUTLOOK:

- Expect organic revenues for the balance of F'16 to be down slightly when compared to F'15.
- Expect segment profit in the mid to upper teens as a % of sales in F'16.

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Investor Relations

Brady Contact:

Ann Thornton
Investor Relations
414-438-6887

Ann_Thornton@bradycorp.com

See our web site at
www.bradycorp.com

Appendix

Comparable Income Statements

COMPARABLE INCOME STATEMENTS

(millions of USD)

	Three Months Ended October 31,		
	2015	2014	Change
Sales	$ 283.1	$ 310.2	$ (27.1)
Gross Margin	139.3	150.2	(10.9)
% of Sales	*49.2%*	*48.4%*	
Research and Development	(8.5)	(9.6)	1.1
Selling, General and Admin.	(100.7)	(109.3)	8.6
% of Sales	*(35.6%)*	*(35.2%)*	*0.3 pts*
Restructuring Charges	-	(4.3)	4.3
Operating Income	30.1	27.0	3.1
Interest and Other	(2.9)	(2.6)	(0.3)
Income Taxes	(8.5)	(8.9)	0.4
Net Earnings from Continuing Operations	$ 18.7	$ 15.5	$ 3.2
% of Sales	*6.6%*	*5.0%*	*1.6 pts*
Net Earnings from Continuing Operations per Diluted Class A Nonvoting Common Share	$ 0.37	$ 0.30	$ 0.07
Net Earnings from Continuing Operations, Excluding Certain Items (Non-GAAP measure)*	$ 18.7	$ 18.4	$ 0.3
% of Sales	*6.6%*	*5.9%*	*0.7 pts*
Net Earnings from Continuing Operations Per Class A Diluted Nonvoting Share, Excluding Certain Items (Non-GAAP measure)*	$ 0.37	$ 0.36	$ 0.01

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Debt Structure

('000s of USD)

	Interest Rate		October 31, 2015 Balance		July 31, 2015 Balance	
Revolver Borrowings (due Feb. 2017):						
USD-denominated (L+1.125)	1.07%	Variable	$	100,500	$	102,000
China Borrowings:						
USD & CNY-denominated notes payable	3.53%	Variable		9,173		10,411
Private Placements:						
USD-denominated 2006 Series	5.30%	Fixed		26,143		26,143
USD-denominated 2007 Series	5.33%	Fixed		32,743		32,743
EUR-denominated 2010 Series (7-yr.)	3.71%	Fixed		32,928		32,960
EUR-denominated 2010 Series (10-yr.)	4.24%	Fixed		49,392		49,442
TOTAL DEBT			**$**	**250,879**	**$**	**253,699**

EBITDA Reconciliation – Total Company

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 2016				
	Q1	Q2	Q3	Q4	Total
EBITDA from Continuing Operations:					
Earnings from continuing operations	$ 18,703				$ 18,703
Interest expense	2,151				2,151
Income taxes	8,489				8,489
Depreciation and amortization	8,889				8,889
EBITDA from Continuing Operations (non-GAAP	$ 38,232				$ 38,232

	Fiscal 2015				
	Q1	Q2	Q3	Q4	Total
EBITDA from Continuing Operations:					
Earnings (loss) from continuing operations	$ 15,499	$ 11,584	$ 17,213	$ (39,394)	$ 4,902
Interest expense	2,891	3,000	2,503	2,762	11,156
Income taxes	8,906	2,438	5,003	3,746	20,093
Depreciation and amortization	10,123	9,943	11,415	7,977	39,458
Impairment charges	—	—	—	46,867	46,867
EBITDA from Continuing Operations (non-GAAP	$ 37,419	$ 26,965	$ 36,134	$ 21,958	$ 122,476

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Non-GAAP Reconciliations

Reconciliations of Non-GAAP Net Earnings from Continuing Operations

('000s of USD)

Brady is presenting the Non-GAAP measures "Net Earnings from Continuing Operations Excluding Certain Items" and "Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Certain Items." These are not calculations based upon GAAP. The amounts included in these Non-GAAP measures 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 these measures provide an important perspective of underlying business trends and results and provide more comparable measures from year to year. The tables below provide reconciliations of Net Earnings from Continuing Operations to Net Earnings from Continuing Operations Excluding Certain Items, and 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,	
	2015	2014
Net Earnings from Continuing Operations (GAAP measure)	$ 18,703	$ 15,499
Restructuring charges	—	2,947
Net Earnings from Continuing Operations Excluding Certain Items (non-GAAP measure)	$ 18,703	$ 18,446

	Three Months Ended October 31,	
	2015	2014
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share (GAAP measure)	$ 0.37	$ 0.30
Restructuring charges	—	0.06
Net Earnings from Continuing Operations Per Diluted Class A Nonvoting Common Share Excluding Items (non-GAAP measure)	$ 0.37	$ 0.36

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