



[WWW.BRADYCORP.COM](http://WWW.BRADYCORP.COM)

BRADY CORPORATION  
WORLD HEADQUARTERS  
P.O. BOX 571  
MILWAUKEE, WI  
53201-0571

## BRADY GLOBAL LOCATIONS

### UNITED STATES

Brady Corporation  
P.O. Box 571  
Milwaukee, WI 53201

Brady Worldwide, Inc. —  
6555 W. Good Hope Road  
Milwaukee, WI 53223

2221 W. Camden Road  
Milwaukee, WI 53209

5300 N. 118th Court, Bldg. F  
Milwaukee, WI 53225

Brady Coated Products  
P.O. Box 298  
2230 W. Florist Avenue  
Milwaukee, WI 53201

Brady Varitronics  
6835 Winnetka Circle  
Brooklyn Park, MN 55428

Brandon International  
5152 Commerce Drive  
Baldwin Park, CA 91706

Emed Co.  
2491 Wehrle Drive  
Williamsville, NY 14221

Seton Identification Products  
20 Thompson Road  
Branford, CT 06405

Brady Precision Die-Cut  
Products South  
6500 NW 12th Avenue, Suite 119  
Fort Lauderdale, FL 33309

Temtec  
100 Roue 50  
Suffern, NY 10901

TISCOR  
12250 Parkway Centre Drive  
Poway, CA 92064

### AUSTRALIA

Brady Australia Pty. Ltd.  
Seton Australia Pty. Ltd.  
112 Christina Road  
Villawood NSW 2163  
Australia

Brady Australia Pty. Ltd.  
Visi Sign  
10 Reid Street  
Bayswater, Victoria 3153  
Australia

Brady Australia Pty. Ltd.  
Safety Sign Service  
663 Dundas Road  
Forrest Field, West Australia 6058  
Australia

### BELGIUM

W.H. Brady, N.V.  
Industrie Park C/3  
Lindestraat 20  
B-9240 Zele, Belgium

### BRAZIL

W.H.B. do Brasil Ltda.  
Rua Rosângela Donata  
De Oliveira 30  
06236-110 Osasco  
São Paulo, Brazil

Seton do Brasil  
Centro Empresarial Alphaville  
Av. Jurua, 105 — Modulo 4  
06455-908 Barueri  
São Paulo, Brazil

W.H.B. do Brasil Ltda.  
Brady Manaus  
Avenida Solimões, N. 2100  
Distrito Industrial da Sulframa  
69075-200 Manaus  
Amazonas, Brazil

### CANADA

W.H.B. Identification  
Solutions, Inc.  
Seton-Canada  
56 Leek Crescent  
Richmond Hill  
Ontario, Canada

### CHINA

Brady (Beijing) Co. Ltd.  
Unit 8401/8402 Plant #8  
3 Yong Chang Bei Road BDA  
Beijing 100176, PRC

Brady (Shanghai) International  
Trading Co. Ltd.  
5F-B, No. 158 Aona Road  
Wai Gao Qiao Free Trade Zone  
Shanghai 200131, PRC

Brady (Shanghai) International  
Trading Co. Ltd.  
1709-1716, POS Plaza  
1600 Century Avenue Pudong  
Shanghai 200122, PRC

Brady (Wuxi) Co. Ltd.  
No. 229  
Xingchuang Ba Lu  
Wuxi-Singapore Industrial Park  
Wuxi, Jinagsu, 214028, PRC

Brady (Wuxi) Co., Ltd.  
Shenzen Branch  
Unit A-B, 5th Fl, Hi-tech Bldg  
7 Industrial Road Shekou  
Shenzen 518067, PRC

### FRANCE

Brady Groupe SAS  
Division Seton  
45, avenue de L'Europe  
59436 Roncq Cedex, France

Brady Groupe SAS  
Division Signals  
Rond Point de la République  
ZI de la Rochelle  
17187 Perigny Cedex, France

Brady Groupe SAS  
Division Brady  
25, avenue des Saulaie  
Parc d'Activités del la Saulaie  
69600 Oullins, France

Brady Groupe SAS  
Division Brady  
19Bis, Avenue du Québec  
ZA Courtaboeuf  
Immeuble le Montréal  
91140 Villebon sur Yvette, France

Brady Groupe SAS  
Division B.I.G.  
80, rue de la Roquette  
75011 Paris, France

Braton Groupe Sarl-  
Teklynx International  
Chemin de Nareoux  
32000 Auch, France

### GERMANY

Brady GmbH  
Otto-Hahn-Str. 5-7  
63222 Langen, Germany

Brady GmbH-Balkhausen  
Rudolf-Diesel-Strasse 17  
28857 Syke, Germany

Brady GmbH-Etimark  
An de Birkenkaute 6  
61231 Bad Nauheim, Germany

Brady GmbH  
Olchinger Str. 56  
D-82194 Grobenzell, Germany

### HONG KONG

Brady Corporation S.E.A. Pte. Ltd.  
Unit 03/04, 18th Floor  
CRE Centre  
889 Cheung Sha Wan  
Kowloon, Hong Kong

### HUNGARY

Brady Kft.  
Vaci, ut 35, H-1134  
Budapest, Hungary

### ITALY

Brady Italia  
Seton Italia  
Via Luigi Lazzaroni 7  
21047 Saronno (VA), Italy

### JAPAN

Nippon Brady K.K.  
TVP Building 3F  
3-9-13 Moriya-cho, Kanagawa-ku  
Yokohama, Kanagawa 221-0022  
Japan

### KOREA

Brady Corporation S.E.A Pte Ltd.  
Korean Branch  
272-2 Yaptap-dong,  
Bundang-gu Seongnam  
Gyeonggi-do Lighthouse  
4th Floor, 42 Peong  
Seoul, Republic of Korea (South)

### NETHERLANDS

Braton Groupe Sarl-Teklynx  
Becanusstraat 13  
6216 BX Maastricht  
The Netherlands

### MALAYSIA

Brady Corporation S.E.A. Pte. Ltd.  
15, 1st Floor  
Lorong Mayang Pasir 5  
Bayan Baru, 11950  
Penang, Malaysia

### MEXICO

W.H. Brady S. de R.L. de C.V.  
Avda. Ejercito Nacional  
No. 718, 1 er Piso  
Colonia Chapultepec Morales  
11590 Mexico D.F., Mexico

Brandon Converting Mexico-Tijuana  
Ave. Universidad 7-B  
Parque Industrial  
International Tijuana  
Mesa de Otay, c.p. 22424  
Tijuana B.C., Mexico

### PHILIPPINES

Brady Corporation S.E.A. Pte. Ltd.  
9 Narra Drive  
Palmera Heights III  
Valley Golf, Cainta Rizal  
Philippines 1900

### SINGAPORE

Brady Corporation S.E.A. Pte. Ltd.  
Brady Corporation Asia Pte. Ltd.  
55 Ayer Rajah Crescent #03-25  
Ayer Rajah Industrial Estate  
Singapore 139949

ID Technologies Pte. Ltd.  
1 Kaki Bukit Crescent  
Singapore 416236

Brandon International-Singapore  
Brandon Precision Pte. Ltd.  
69 Ubi Crescent #03-06  
Singapore 408561

### SPAIN

Brady Identification S.L.  
Paseo de Gracia, 16-8°  
08007 Barcelona, Spain

### SWEDEN

Brady AB  
Karins Vag 5  
194 54 Upplands Väsby  
Sweden

### TAIWAN

Brady Corporation  
S.E.A. Pte. Ltd.  
6F-2, 412, Chung Hsiao E. Rd.  
SEC 5  
Taipei 110, Taiwan

### UNITED KINGDOM

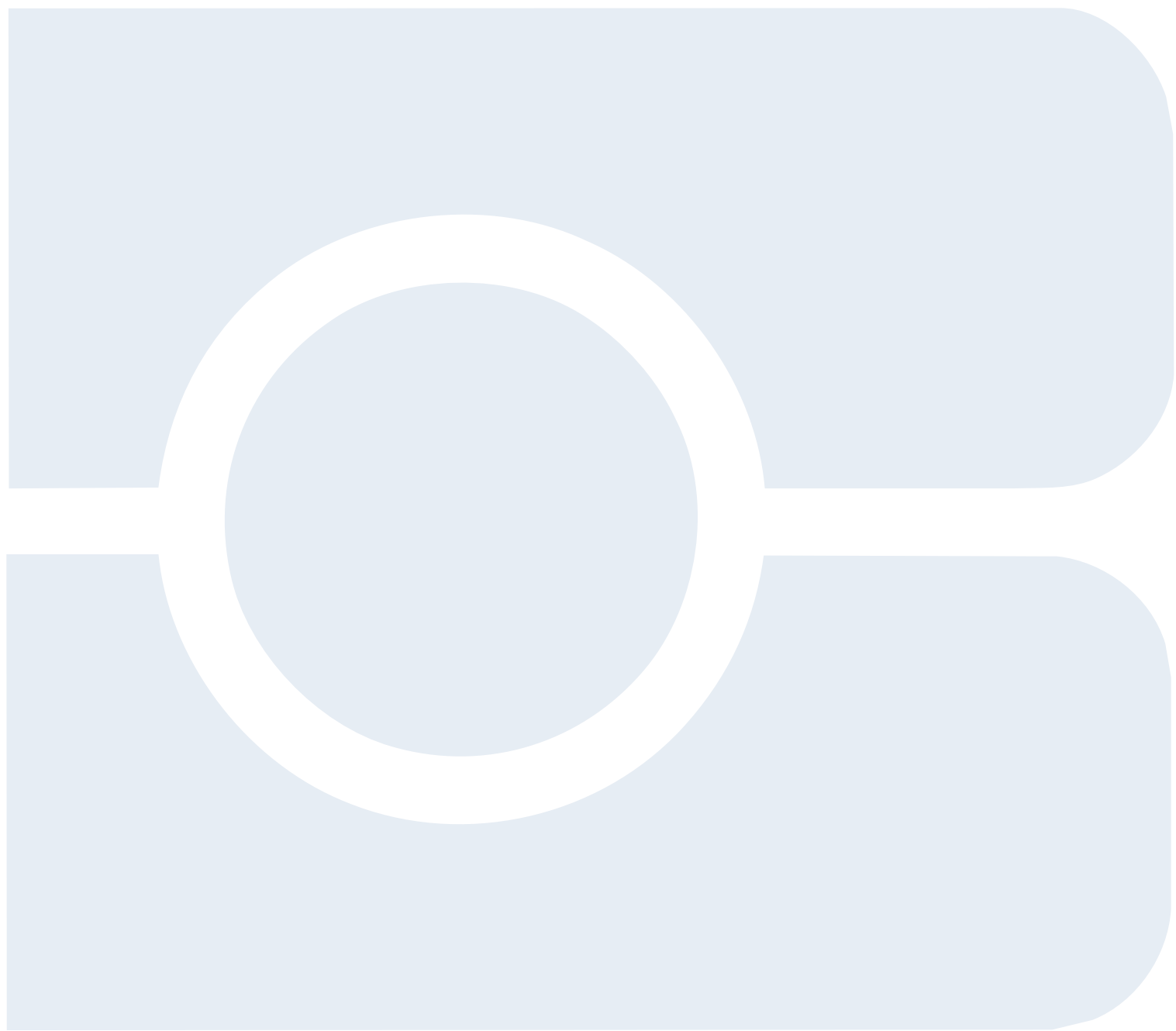
W.H. Brady Co. Ltd.  
Wildmere Industrial Estate  
Banbury, Oxfordshire  
OX16 7JU  
United Kingdom

B.I.G.  
111 Waldegrave Road  
Teddington, Middlesex  
TW11 8BB  
United Kingdom

B.I.G.  
6, 7 & 8 Dencora Business Centre  
Whitehouse Road  
Ipswich, Suffolk  
IP1 5NX  
United Kingdom



# BRADY®



 **BRADY** ANNUAL REPORT  2004



## Dear fellow shareholders:

*Fiscal 2004 was a great year for Brady with record sales and earnings. A rebound in our core markets coupled with a general strengthening in the global economy led to accelerated sales growth. And the overall success of our on-going strategic initiatives and cost control efforts resulted in exceptional growth in our bottom line.*

Last year, we took significant steps to reverse the decline in net income of recent years, including the largest reorganization in Company history. This reorganization, which included shifting from a product-based group structure to a geographic-region-based structure, simplified and streamlined both our cost structure and our offer to customers. This new "one face" of Brady also proved to be one of the catalysts for re-igniting our sales growth in all regions.

Strategic initiatives in fiscal 2004 included making acquisitions that strengthen our position as a market leader, developing innovative products for our customers, and further expanding our global presence to continue to be in the right place at the right time for future growth. We acquired four companies, including Emed Co., the largest acquisition in Brady history; continued our investment in research and development resulting in the successful launch of a number of proprietary products; and opened new manufacturing facilities in China and Mexico.

I'm also happy to report that Brady remains a strong and vital company, with fiscal 2004 cash flow from operations at a record \$85 million, up 53 percent from the prior year. In September 2004 the Company also increased its dividend payments to investors for the 19th straight year.

As we look to fiscal 2005, we will continue our disciplined approach to allocating dollars, people and time to the initiatives that will make us even stronger leaders in our markets. We believe that the changes we have implemented, the investments we have made, and the dedication of our committed, talented workforce have put the Company in a solid position for ensured competitiveness, continued growth and increased shareholder value.

Thanks for your continued support.



Frank M. Jaehnert  
President and Chief Executive Officer



From Left to Right:

**DAVE HAWKE**, Executive Vice President

**DAVID MATHIESON**, VP & CFO

**FRANK JAEHNERT**, President and CEO

**MATT WILLIAMSON**, VP - Brady Americas

**PETER SEPTON**, VP - Brady Europe

**TOM FELMER**, VP - Direct Marketing Americas

**ALLAN KLOTSCH**, VP - Brady Asia/Pacific

**MIKE OLIVER**, Sr. VP - Human Resources

**Brady Corporation** is an international manufacturer and marketer of identification solutions and specialty materials that help customers increase safety, security, productivity and performance. Its products include high-performance labels and signs, printing systems and software, label-application and data-collection systems, safety devices and precision die-cut materials. Founded in 1914, the company is the provider of choice to more than 300,000 customers in electronics, telecommunications, manufacturing, electrical, construction, education and a variety of other industries. Brady's reputation for innovation, commitment to quality and service, and dedicated employees have made it a world leader in its markets.



*"Fiscal 2004 was a great year for Brady with record sales and earnings."*

**FRANK M. JAEHNERT**  
President and Chief Executive Officer

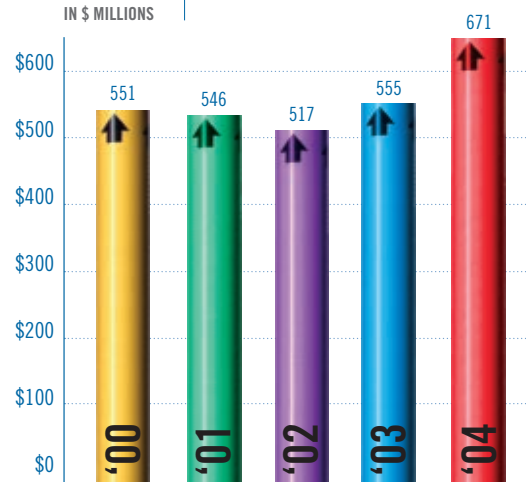
## 2004 FINANCIAL HIGHLIGHTS

YEARS ENDED JULY 31	2003	2004	% CHANGE
(Dollars in thousands except per share amounts)			
<b>RESULTS OF OPERATIONS</b>			
Net Sales	\$554,866	\$671,219	21.0
Income Before Income Taxes	\$32,455	\$70,327	116.7
Net Income	\$21,420	\$50,871	137.5
Return On Invested Capital	9.6%	12.9%	
Net Income Per Diluted Common Share			
Class A Nonvoting	\$0.91	\$2.13	
Class B Voting	\$0.88	\$2.10	
Pre-tax Profit Margin	5.9%	10.5%	
After-tax Profit Margin	3.9%	7.6%	
Restructuring Charge			
After Tax	\$6,329	\$2,160	
Per Diluted Share	\$0.27	\$0.09	
<b>OTHER INFORMATION</b>			
Working Capital	\$123,878	\$131,706	6.3
Total Debt	\$1,497	\$150,051	NM
Stockholders' Investment	\$338,961	\$403,315	19.0
Research & Development	\$18,873	\$23,028	22.0
Cash Flow from Operations	\$55,249	\$84,771	53.4
Capital Expenditures	\$14,438	\$14,892	3.1
Depreciation & Amortization	\$17,771	\$20,190	13.6
Acquisition Spend	\$23,912	\$228,928	857.4
Dividend Yield	2.3%	1.9%	-19.2
Trailing 12 Months P/E Ratio	37.8	21.2	-43.9
Current Ratio	2.4	2.1	-12.7
Weighted Avg. Shares Outstanding (Diluted)	23,376,928	23,906,497	2.3

## NET SALES

IN \$ MILLIONS

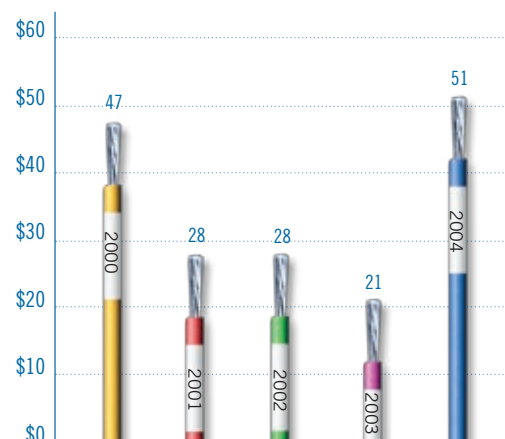
Sales in fiscal '04 increased 21%.



This chart depicts Brady pipe markers, used to identify pipes and provide information on direction of flow and special properties of the contents.

## NET INCOME

IN \$ MILLIONS

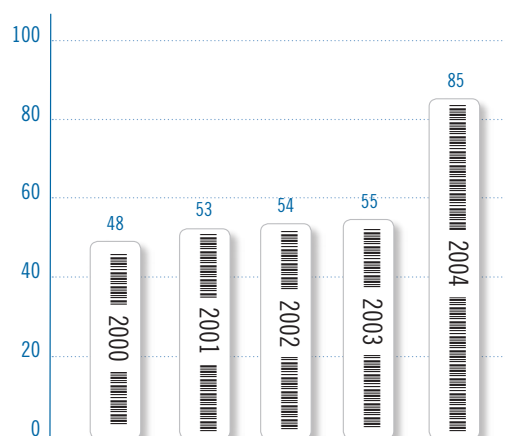


Brady wire markers make installing and maintaining wire networks and systems more efficient.

## CASH FLOW FROM OPERATIONS

IN \$ MILLIONS

Cash flow in fiscal '04 rose 53% to a record \$85 million



Brady offers complete solutions for tracking work-in-progress, including bar-code software, printers and high-performance labels.



# BRADY, OUR VISION AND STRATEGY FOR GROWTH

**2004**

**MILESTONES**  
— OF —  
**SUCCESSSES**

## OCTOBER 2003

Brady increases dividends to shareholders for the 18th consecutive year.

## OCTOBER 2003



Brady Canada is certified to the ISO 9001:2000 standard.

## NOVEMBER 2003



Dr. Elizabeth Pungello, grand-daughter of William Brady III, joins the Brady Board of Directors.

## FEBRUARY 2004



Brady's Brand Protection Solutions group is among the first to achieve North American Security Products Organization (NASPO) certification.

## MAY 2004



Brady celebrates 5 years on the New York Stock Exchange.

## JUNE 2004

Brady-Belgium completes renovation of 26,000 square foot manufacturing and warehousing space.

## JULY 2004

Brady officially opens its third manufacturing facility in China in Shenzhen.

**1**

## BRADY BUSINESS — CLEAR AND SIMPLE:

We Identify and Protect Premises, Products and People with

- Facility Identification, Safety and Complementary Products
- Wire Identification
- High-Performance Identification
- Precision Die-cut parts



**2**

## OUR VISION:

- To be the Market Leader in Our Business
- Delivering Differentiated Solutions to Loyal Customers
- To Achieve Sustainable Top Tier Growth and Profitability
- Enabled by World Class People



Glen Underwood  
Brady Manufacturing - Milwaukee



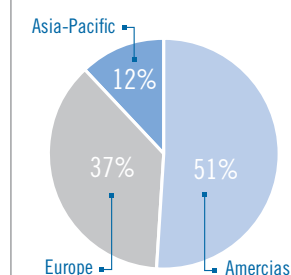
### WE ACHIEVE THIS THROUGH:



Shauna Williams  
Customer Service - Seton Identification Products

- **Customer Service** that is seamless, responsive and efficient
- **Dedicated Workers** who strive to always do more and do it better
- **Innovative Products** that meet customers' known and unknown needs
- **Unparalleled Expertise** in material solutions and customer applications
- **A Commitment to Operational Excellence** in all facets of the business

#### 2004 SALES BY REGION



- **A Global Presence and Infrastructure** that can serve customers no matter where they are
- **Premier Distribution Channels** – Globally Brady goes to market through several channels including direct sales, distributor sales, mail-order catalogs, telemarketing and e-business.

**2004**

**MILESTONES**  
- OF -  
**SUCCESSSES**

#### ACQUISITIONS

##### SEPTEMBER 2003

- Brady acquires Brandon International**
- Manufactures precision die-cut parts and specialty materials
  - Headquartered in California, with operations in the U.S., Singapore and Mexico
  - Approximately 250 employees
  - Annual sales approximately \$18.5 million

##### NOVEMBER 2003



- Brady acquires B.I.G**
- Manufactures personal identity badges
  - Based in West London, U.K., with sales office in Paris, France
  - Approximately 70 employees
  - Annual sales approximately \$8.5 million

##### NOVEMBER 2003



- Brady acquires Prinzing Enterprises in Illinois**
- A leading manufacturer of lockout/tagout safety products
  - Annual sales approximately \$7 million

##### MAY 2004

- Brady acquires Emed Co.**
- Direct marketer and manufacturer of identification products
  - Headquartered in Buffalo, New York
  - Approximately 200 employees
  - Annual sales approximately \$55 million

**emedco**

Solutions for a Safe, Secure Business



Brady acquired four companies in fiscal '04 to enhance its position as a market leader, including Emed Co., the largest acquisition in Brady's History.

**BRADY INITIATIVE:**

**ACQUISITIONS**

*"Brady looks to acquire companies that enhance our product offering, technological capability or market penetration."*

CARYN ADDANTE  
HR Manager for Acquisition Integration

DAN JOHNSON  
VP Corporate & Business Development



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# BRADY BRANDS

- HIGH-PERFORMANCE LABELS, PRINTERS, SOFTWARE, SAFETY & FACILITY IDENTIFICATION PRODUCTS, PRECISION DIE-CUT PARTS, SPECIALTY MATERIALS, LOCKOUT/TAGOUT PRODUCTS

- SAFETY & FACILITY IDENTIFICATION PRODUCTS

- POSTER PRINTERS FOR EDUCATION & GOVERNMENT

- SECURITY IDENTIFICATION BADGE SYSTEMS

- HAND-HELD REGULATORY DOCUMENTATION SYSTEMS

- AUTOMATIC IDENTIFICATION & DATA COLLECTION SOFTWARE

- HIGH-PERFORMANCE LABELS

- PRECISION DIE-CUT PARTS

- LOCKOUT/TAGOUT PRODUCTS

- DIRECT MARKETING SAFETY & FACILITY IDENTIFICATION PRODUCTS



# BRADY'S ONE FACE



Brady's new catalog includes both Safety and Facility Identification products and high-performance label products for telecommunications and other applications.

Streamlining our operations worldwide has resulted in most of our CUSTOMERS seeing a single Brady representative – their “one face” – instead of the two or three they’ve had in the past. This is much more efficient for us and much less confusing for our customers.

**THE RESULT:**  
**INCREASED SALES, DECREASED COSTS.**

**BRADY  
INITIATIVE:**

**NEW  
PRODUCTS**

**IDXPert™**  
HANDHELD LABELER



**WRAPTOR™**  
WIRE ID PRINTER APPLICATOR



The IDXPert™ hand-held labeler is uniquely designed to meet the specific identification needs of electrical, voice/data, maintenance and safety experts. The WRACTOR™ ID Printer Applicator combines a wire identification printer and applicator into one unit.

*“Our goal is to develop products that always make the job easier and faster, and the work more accurate and efficient.”*

LISA YODER  
R&D Project Leader

SANWAL SARAF  
VP Research And Development

**2004**

**MILESTONES**  
- OF -  
**SUCCESSSES**

## NEW PRODUCTS

### AUGUST 2003



Brady launches Surf on Signs™ sign and label database software with over 1,800 ready-to-print signs, labels, pipe markers and tags.

### SEPTEMBER 2003

Brady expands TEMPBadge® product line with new Visitor Management System software that makes creating security badges for visitors faster and easier than ever.

### MARCH 2004

Brady introduces WRACTOR™ Wire ID Printer Applicator.

### APRIL 2004

Brady's new PolyPlus™ B-8457 label material provides a lower cost option for labeling printed circuit boards.

### MAY 2004



The capability to print in Simplified Chinese characters added to Brady's popular TLS2200™ label printer.

### JUNE 2004



Brady launches the Brady Code Reader 2.0 for reading both linear and two-dimensional bar codes.

### JULY 2004

Brady introduces the IDXPert™ handheld labeler.



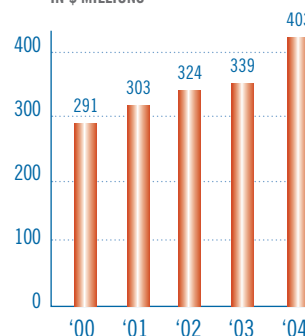
# 2004 FINANCIAL REVIEW

(DOLLARS IN THOUSANDS EXCEPT PER SHARE AMOUNTS) Years ended July 31, 1994 through 2004	1994	1995	1996	1997	1998	1999
<b>OPERATING DATA</b>						
<b>Net Sales</b>	\$260,386	\$319,946	\$365,929	\$433,649	\$463,235	\$479,025
Operating expenses:						
Cost of product sold	122,661	149,218	172,813	201,664	212,980	216,060
Research and development	10,318	10,426	11,309	16,300	20,287	17,116
Selling, general and administrative	97,932	119,717	140,642	165,317	178,648	182,688
Restructuring charge - net	—	—	—	—	5,390	(611)
Total operating expenses	230,911	279,361	324,764	383,281	417,305	415,253
<b>Operating income</b>	29,475	40,585	41,165	50,368	45,930	63,772
<b>Other income and (expense):</b>						
Investment and other income - net	837	4,609	4,570	1,159	638	1,455
Interest expense	(410)	(555)	(302)	(256)	(403)	(445)
Net other income	427	4,054	4,268	903	235	1,010
Income before income taxes and cumulative effect of changes in accounting principles	29,902	44,639	45,433	51,271	46,165	64,782
<b>Income taxes</b>	11,362	16,728	17,406	19,564	18,129	25,198
<b>Net income</b>	18,540	27,911	28,027	31,707	28,036	39,584
<b>Net income per Common Share (Diluted):</b>						
Class A Nonvoting	\$0.84	\$1.26	\$1.26	\$1.43	\$1.23	\$1.73
Class B Voting	\$0.81	\$1.23	\$1.23	\$1.40	\$1.20	\$1.70
<b>Cash dividends on:</b>						
Class A Common Stock	\$0.23	\$0.27	\$0.40	\$0.52	\$0.60	\$0.64
Class B Common Stock	\$0.19	\$0.23	\$0.37	\$0.49	\$0.57	\$0.61
<b>BALANCE SHEET (at year end)</b>						
Working Capital	\$100,023	\$129,938	\$109,688	\$130,724	\$125,386	\$129,884
Total Assets	202,509	230,005	261,835	291,662	311,824	351,120
Long-term Obligations, Less Current Maturities	1,855	1,903	1,809	3,890	3,716	1,402
Stockholders' Investment	145,129	170,823	189,263	206,547	233,373	260,564



2000	2001	2002	2003	2004
\$550,664	\$545,944	\$516,962	\$554,866	\$671,219
245,587	257,313	256,186	274,593	324,888
20,555	20,329	17,271	18,873	23,028
215,231	214,220	199,282	219,662	248,000
—	9,560	2,720	9,589	3,181
481,373	501,422	475,459	522,717	599,097
69,291	44,522	41,503	32,149	72,122
7,418	686	1,714	427	(564)
(578)	(418)	(82)	(121)	(1,231)
6,840	268	1,632	306	(1,795)
76,131	44,790	43,135	32,455	70,327
28,930	17,244	14,882	11,305	19,456
47,201	27,546	28,253	21,420	\$50,871
\$2.05	\$1.18	\$1.20	\$0.91	\$2.13
\$2.02	\$1.15	\$1.17	\$0.88	\$2.10
\$0.68	\$0.72	\$0.76	\$0.80	\$0.84
\$0.65	\$0.69	\$0.73	\$0.77	\$0.81
\$116,084	\$123,830	\$135,764	\$123,878	\$131,706
398,134	393,592	420,525	449,519	694,330
4,157	4,144	3,751	568	150,019
291,224	302,579	324,242	338,961	403,315

#### SHAREHOLDERS' EQUITY IN \$ MILLIONS

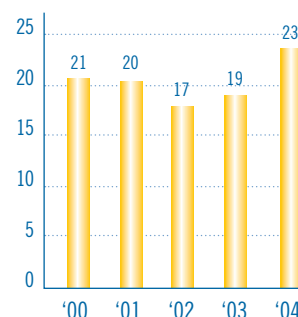


#### DIVIDEND HISTORY\*\* ANNUALLY PER SHARE

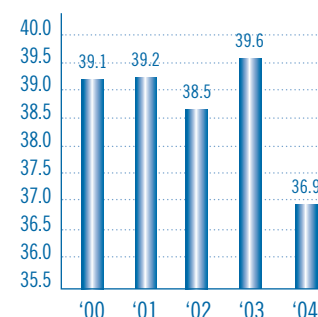


\*\* Effective October 11, 2004, Brady increased its annual dividend to \$0.88 per share.

#### RESEARCH & DEVELOPMENT IN \$ MILLIONS

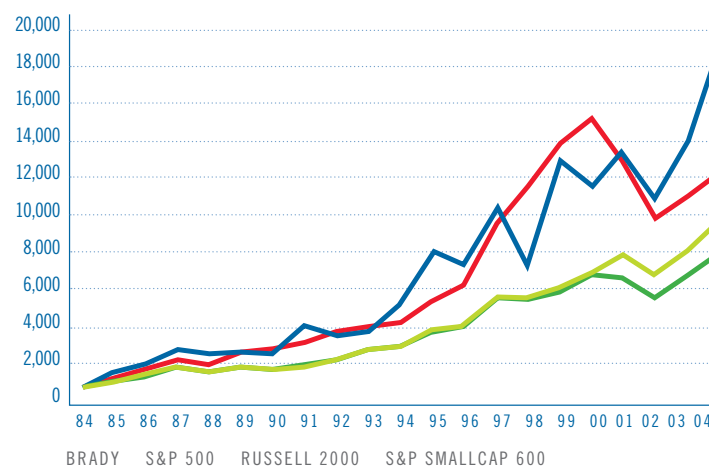


#### SELLING, GENERAL & ADMINISTRATIVE AS A % OF SALES



#### COMPARISON OF 20 YEAR CUMULATIVE TOTAL RETURN\*

AMONG BRADY CORPORATION, THE S & P 500 INDEX, THE S & P SMALLCAP 600 INDEX AND THE RUSSELL 2000 INDEX



\$1,000 invested in BRC in 1984 was over \$18,500 on 7/31/04 when dividends are reinvested.

\* \$1,000 invested on 7/31/84 in stock or index-including reinvestment of dividends. Fiscal year ending July 31. Copyright © 2002, Standard & Poor's, a division of The McGraw-Hill Companies, Inc. All rights reserved. [www.researchdatagroup.com/S&P.htm](http://www.researchdatagroup.com/S&P.htm)



# BRADY AMERICAS

THE AMERICAS REGION INCLUDES BOTH THE BRADY BUSINESS AND THE SETON DIRECT MARKETING BUSINESS IN NORTH, CENTRAL AND LATIN AMERICA, WITH PRIMARY OPERATIONS IN WISCONSIN, MINNESOTA, CONNECTICUT, NEW YORK, AND CALIFORNIA IN THE U.S.; ONTARIO, CANADA; TIJUANA AND MEXICO CITY, MEXICO; AND SÃO PAULO AND MANUAS, BRAZIL.

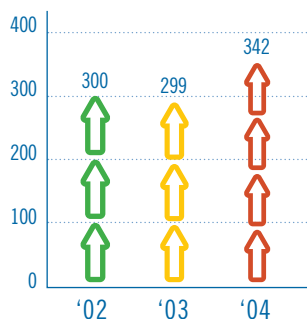


**SIMONE BELLIM**  
Project Manager, Brady Tijuana Mexico

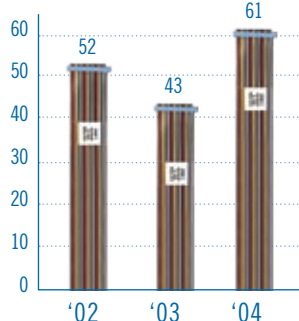
**ROBERT FALSON**  
Operations Manager, Temtec

**JIM GROSS**  
Customer Operations Manager, Milwaukee

**BRADY AMERICAS SALES**  
IN \$ MILLIONS



**BRADY AMERICAS PROFIT**  
IN \$ MILLIONS



Brady Americas had record sales growth of 15 percent in fiscal '04, with solid growth in base business as well as growth through acquisitions. U.S. and Canadian businesses were up nearly 14 percent over the prior year, with Brazilian and Mexican operations growing nearly 46 percent. New products made a strong contribution to the region's overall success.



New facility in Tijuana, Mexico

Brady Americas transferred manufacturing of high-volume stock products to its new facility in Tijuana, Mexico, reducing costs and strengthening its position in the Mexican market.

**DAVID SEPHTON**Information Technology Director,  
Brady Europe**CHRISTINE KELLY**

HR Manager, Brady U.K.

**MATHIAS GOOSENS**

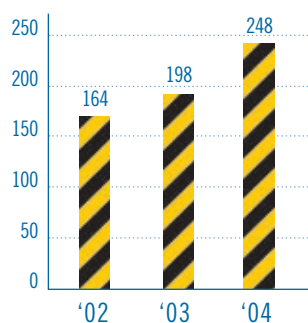
General Manager, Brady Belgium

**THIERRY MAUGER**Managing Director,  
Teklynx International Europe & Asia

## BRADY EUROPE

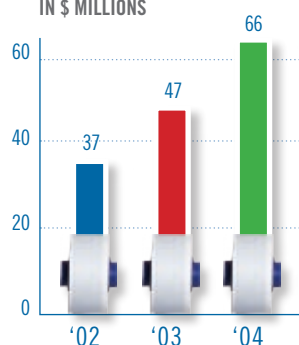
BRADY HAS A LONG HISTORY OF SERVING CUSTOMERS IN EUROPE, ESTABLISHING OPERATIONS IN THE UNITED KINGDOM IN 1957 FOLLOWED BY BELGIUM IN 1966. TODAY, THE REGION MAINTAINS ITS PRESENCE IN THE U.K. AND BELGIUM, ALONG WITH FACILITIES IN FRANCE, GERMANY, SWEDEN, ITALY, SPAIN, HUNGARY AND THE NETHERLANDS.

**BRADY EUROPE SALES**  
IN \$ MILLIONS



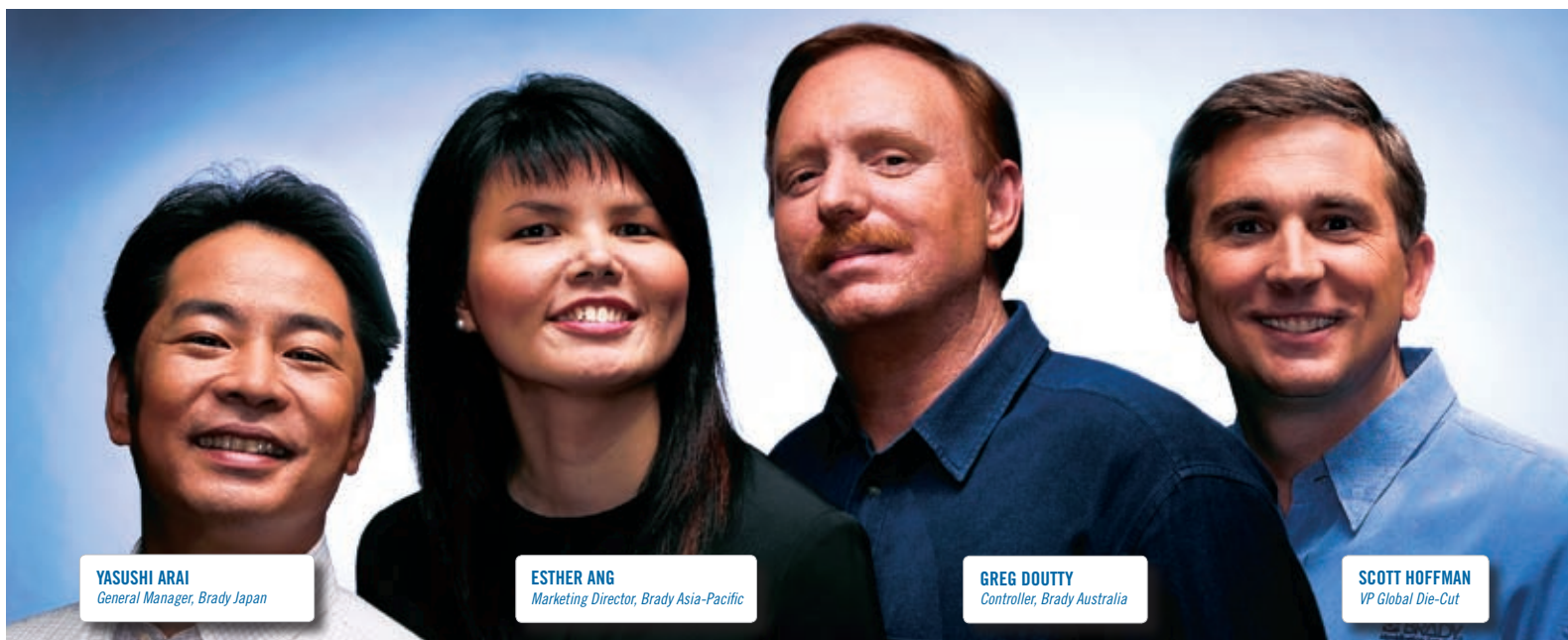
European sales and profits increased strongly again in fiscal '04, with operating income increasing over 40 percent. Fiscal '04 initiatives in Europe included "Page Up" and "Line Up" designed to increase the number of Brady and Seton products made available to customers. "Page Up" strategically increased the number of catalog pages in the direct mail business in a number of countries, while "Line Up" encouraged distributors to increase the number of Brady products they sell. Both resulted in increased sales across the region.

**BRADY EUROPE PROFIT**  
IN \$ MILLIONS



Brady's expansion into Eastern and Central Europe continues to benefit from the opportunities created by the new European Union member states and their need for safety compliance products, and high-performance identification.





## BRADY ASIA-PACIFIC



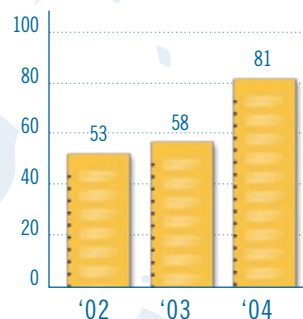
Brady's newest Chinese manufacturing facility in Shenzhen.

Brady's growth in Asia-Pacific continues to be strong, especially in the electronics and telecommunications industries. The safety and facility identification market there is also expected to grow as more and more companies begin to adopt Western safety standards.

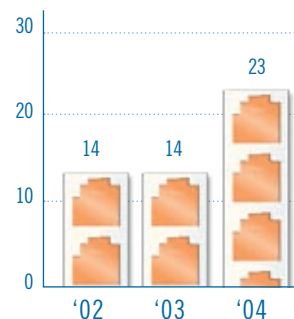
AS MORE OF BRADY'S MULTI-NATIONAL-COMPANY CUSTOMERS MOVE OPERATIONS TO ASIA, IN PARTICULAR CHINA, BRADY HAS ESTABLISHED STATE-OF-THE-ART FACILITIES TO PROVIDE LOCAL SUPPORT WHILE ENSURING CONSISTENCY THROUGH GLOBAL PROCESSES AND SYSTEMS. WE CONTINUE TO INVEST IN BOTH PEOPLE AND FACILITIES TO SUPPORT THE GROWTH AND OPPORTUNITIES THROUGHOUT THE ASIA-PACIFIC REGION.

BRADY'S ASIA-PACIFIC REGION INCLUDES OPERATIONS IN SYDNEY, AUSTRALIA; BEIJING, SHANGHAI, WUXI AND SHENZHEN, CHINA; HONG KONG; YOKOHAMA, JAPAN; SEOUL, SOUTH KOREA; PENANG, MALASIA; THE PHILIPPINES, SINGAPORE AND TAIWAN.

**BRADY ASIA-PACIFIC SALES**  
IN \$ MILLIONS



**BRADY ASIA-PACIFIC PROFIT**  
IN \$ MILLIONS

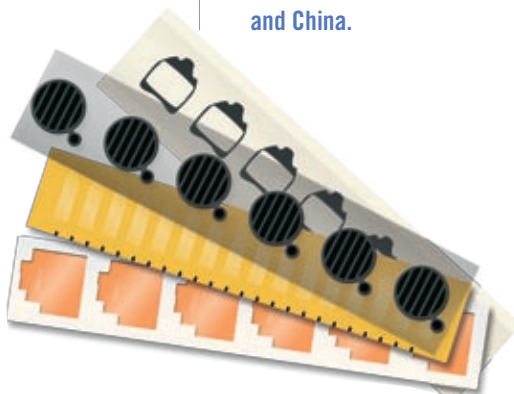




**MARION THIELBAR**  
General Manager, Balkhausen Germany

## BRADY GLOBAL DIE-CUT

Brady's Global Die-cut Business, centered in Brady's Asia-Pacific region, spans all regions giving Brady the unique capability to serve multi-national and global customers with precision products that meet consistent specifications. Brady has die-cut operations in the United States, Brazil, Mexico, Germany, Singapore, Malaysia and China.



**BRADY  
INITIATIVE:**  
  
**NEW  
MARKET  
DEVELOPMENT**



Brady continues to explore new areas for its products: Brady's expertise in new identification technologies help to guard against product counterfeiting, while its high-performance labels that can withstand the extreme temperatures used in laboratory research are proving a perfect fit for this growing market.

*"Developing new markets is more than just selling more products -- it's an exciting way to bring Brady technology to some of today's most dynamic industries."*

**PAM ZACK**  
Inside Sales Lab Consultant

**JEFF TURMEL**  
Business Leader, Brand Protection

### WHAT IS A "DIE-CUT PRODUCT?"



Die-cut products are pieces of specialty material and/or adhesive cut into a particular shape. These custom-designed products perform specific functions, for example, holding lenses in place or filtering interference in cell phones, sealing out dust particles in computer disk drives or dissipating heat in sensitive electronic components.







Brady is proud to have been named to *Business Ethics* magazine's list of the *100 Best Corporate Citizens* for the fifth straight year.



**AARON PEARCE**  
Director of Internal Audit

**BARBARA BOLENS**  
Director of Investor Relations

## CORPORATE GOVERNANCE

### HONESTY AND INTEGRITY FIRST

Brady Corporation has a global Code of Ethics Policy that governs the behavior and relationships between Brady employees, customers and suppliers. The direction and tone are clear and are set from the top. A strong emphasis on leadership behavior at all levels of the organization coupled with a well-publicized and consistent set of guiding values help to ensure that honesty and integrity are first in everything we do.

- An effective and proactive Audit Committee of the Board of Directors is supported by a strong internal audit function.
- Brady's Code of Ethics is publicly available on [www.bradycorp.com](http://www.bradycorp.com) under the Corporate Governance tab.
- A procedure to ensure anonymous reporting of suspected ethics violations is available at [www.bradyetics.com](http://www.bradyetics.com). We encourage our customers, suppliers and shareholders to utilize this site in the event of ethical concerns.

### OUR GUIDING VALUES:

Brady employees also follow five guiding principles to drive decisions every day:

- **Teamwork** - We work together to achieve our vision.
- **Customer Focus** - We put our customers at the center of everything we do.
- **Growth** - We strive to grow our business and our capabilities as a company and as individuals.
- **Value** - By creating value for our customers, we create sustainable, long-term value for our shareholders.
- **Honesty** - Integrity is never compromised.

### OUR MODEL FOR LEADERSHIP:



# SHAREHOLDER SERVICES

## Common Shares

Brady Corporation Class A Common Stock trades on the New York Stock Exchange under the symbol BRC. As of September 15, 2004, there were 296 Class A Common Stock shareholders of record and about 4,000 beneficial shareholders. There are three Class B Common Stock shareholders. Brady Corporation stock is also listed on the Berlin Stock Exchange.

## Quarterly Stock Data

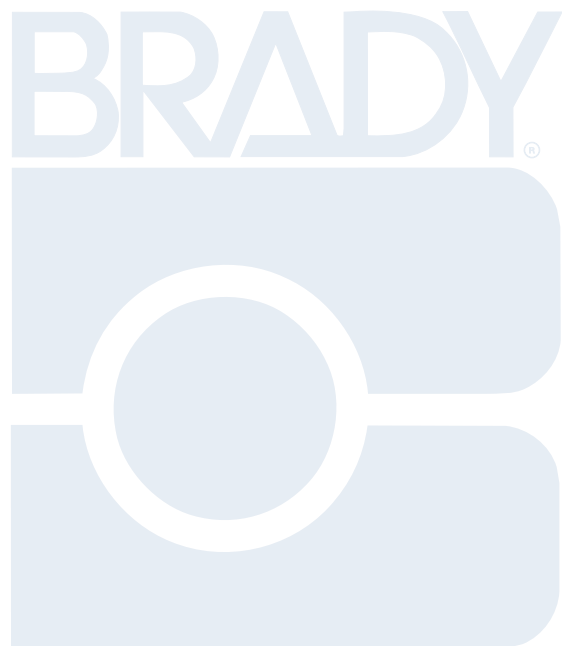
	2002		2003		2004	
	HIGH	LOW	HIGH	LOW	HIGH	LOW
4th Quarter	\$36.69	\$26.70	\$35.00	\$30.67	\$46.47	\$36.27
3rd Quarter	\$40.47	\$32.04	\$33.88	\$25.85	\$40.87	\$34.89
2nd Quarter	\$37.47	\$29.03	\$35.58	\$25.05	\$43.46	\$33.98
1st Quarter	\$36.41	\$27.47	\$35.35	\$27.50	\$36.48	\$31.68

## Dividends

Brady has paid dividends on its Common Stock every quarter since going public in June 1984, and the Company has increased the dividend every year for each of the past 19 years. At its September 2004 meeting, the Board of Directors increased the quarterly dividend on Class A Common Stock to \$0.22 per share per quarter, or \$0.88 per year. Dividends are normally paid on the last day of October, January, April and July.

## Dividend Reinvestment

Shareholders of record may have their dividends automatically reinvested in Brady stock through a Dividend Reinvestment Program. For more information on this program, see the description on the Internet at [www.investor.bradycorp.com](http://www.investor.bradycorp.com) or call Brady's investor line at 414-438-6918.



## Stock Transfer Agent

Wells Fargo Bank Minnesota, N.A.  
Shareowner Services  
P.O. Box 64584  
St. Paul, MN, 55164-0854  
[www.wellsfargo.com/com/shareowner\\_services](http://www.wellsfargo.com/com/shareowner_services)

## Brady Information

Brady's Internet site at [www.investor.bradycorp.com](http://www.investor.bradycorp.com) contains corporate governance information, investor presentations, 10-K, 10-Q and other SEC filings, annual reports, news releases, frequently asked investor questions, stock prices, a Brady investment calculator, product information and a variety of other information about Brady.

## Information Requests and Investor News Line

A phone system at 414-438-6918 enables you to listen to financial news highlights, request printed 10-K and other financial information, request dividend reinvestment information or be transferred to an investor relations representative. Or you may send your information requests to Investor Relations, Brady Corporation, P.O. Box 571, Milwaukee, WI 53201-0571, or e-mail [investor@bradycorp.com](mailto:investor@bradycorp.com).

## Analyst and Investor Contact

Barbara Bolens, Director of Investor Relations,  
414-438-6940.

## Annual Meeting

The Brady Corporation Annual Meeting will be at 9 a.m., Thursday, November 18, 2004, at Brady Corporation, 6555 W. Good Hope Road, Milwaukee, Wisconsin. A webcast with highlights will be posted on the Internet at [www.investor.bradycorp.com](http://www.investor.bradycorp.com).

