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SHANGHAI, China Tuesday, July 25, 2006 -- Photronics, Inc. (Nasdaq:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, announced today that ceremonies were held to commemorate the grand opening of the Company's semiconductor photomask manufacturing facility. Semiconductor manufacturing customers, government officials and local community leaders joined members of the Photronics management team to tour this newly constructed photomask fabrication facility and meet with members of Photronics' local manufacturing and sales organization. Located in the Zhangjiang Semiconductor Industrial Park, the facility is the first merchant photomask fabrication facility to be brought on-line in the Shanghai region for more than a decade. Production at the facility will be initiated in the fourth quarter of this year.

"Our new Shanghai facility represents the completion of another strategic action by positioning Photronics to serve one of the fastest growing semiconductor design and manufacturing regions in the world. Its capabilities and the enthusiasm of our employees will play a vital role in expanding our share of this fast growing market," stated Michael J. Luttati, Chief Executive Officer of Photronics. "As our customer base in China and throughout the rest of Asia continues to grow, we will leverage our globally integrated network, robust processes and our keen focus on customer service to enhance the differentiated value that Photronics can uniquely deliver."

Dr. Soo Hong Jeong, Chief Operating Officer and President of Photronics Asia added, "China is one of the most rapidly evolving technology markets in the world. As such, our Shanghai operation is a strategic element in building a strong competitive position for Photronics, one from which our commitment to our customers' success will enable our Company to expand on its leadership position throughout Asia and around the world." He added, "Photronics' broad based understanding of the lithography challenges posed in migrating to more complex process nodes is creating opportunities which, as a strategic supplier, enable Photronics to improve both yield and productivity within China's growing semiconductor industry. Our entire team will be working with one objective in mind – we must be certain that every mask set we deliver contributes to the success of our customers in the marketplace."

Photronics is a leading worldwide manufacturer of photomasks. Photomasks are high precision quartz plates that contain microscopic images of electronic circuits. A key element in the manufacture of semiconductors and flat panel displays, photomasks are used to transfer circuit patterns onto semiconductor wafers and flat panel substrates during the fabrication of integrated circuits, a variety of flat panel displays and, to a lesser extent, other types of electrical and optical components. They are produced in accordance with product designs provided by customers at strategically located manufacturing facilities in Asia, Europe, and North America. Additional information on the Company can be accessed at www.photronics.com.