

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) **May 19, 2009**

PHOTRONICS, INC.

(Exact name of registrant as specified in its charter)

Connecticut

(State or other jurisdiction
of incorporation)

0-15451

(Commission
File Number)

06-0854886

(IRS Employer
Identification Number)

15 Secor Road, Brookfield, CT

(Address of Principal Executive Offices)

06804

(Zip Code)

Registrant's Telephone Number, including area code **(203) 775-9000**

(Former name or former address, if changed since last report)

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 May 19, 2009, the Company issued a press release reporting second quarter fiscal 2009 results. A copy of the press release is attached to this 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 Press Release dated May 19, 2009
- 99.2 Condensed Consolidated Statement of Operations
- 99.3 Condensed Consolidated Balance Sheets
- 99.4 Condensed Consolidated Statements of Cash Flows

SIGNATURES

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.

PHOTRONICS, INC.

(Registrant)

DATE **May 20, 2009**

BY **/s/ *Richelle E. Burr***

Richelle E. Burr

Vice President, Associate General Counsel

PHOTRONICS, INC.



FOR FURTHER INFORMATION:

Scott J. Gish

Vice President

Corporate Communications

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Press Release

FOR IMMEDIATE RELEASE

May 19, 2009

PHOTRONICS REPORTS SECOND QUARTER RESULTS

BROOKFIELD, Connecticut May 19, 2009 -- Photronics, Inc. (Nasdaq:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, today reported fiscal 2009 second quarter results for the period ended May 3, 2009.

Sales for the second quarter were \$83.2 million, down 24.6%, compared to \$110.3 million for the second quarter of fiscal year 2008. Sales of semiconductor photomasks accounted for \$63.8 million, or 76.6% of revenues during the second quarter of fiscal 2009, and sales of flat panel display (FPD) photomasks accounted for \$19.4 million, or 23.4% of revenues.

Net loss for the second quarter of fiscal year 2009 was \$10.1 million, or \$0.24 per share, compared to a net loss of \$2.1 million, or \$0.05 per share, for the second quarter of fiscal 2008. Net loss for the second quarter of fiscal 2009 included after tax charges of approximately \$1.4 million in connection with the Company's previously disclosed restructuring of its operations in Manchester, United Kingdom. On a non-GAAP basis, excluding the effect of the aforementioned charges, the Company's adjusted net loss for the second quarter of fiscal year 2009 was \$8.7 million, or \$0.21 per share.

Sales for the first six months of 2009 were \$171.3 million, down 19.8% from the \$213.5 million for the first half of fiscal 2008. Net loss for the first six months of fiscal 2009 amounted to \$20.3 million, or \$0.49 per share, compared to the prior year's first six months net loss of \$5.4 million, or \$0.13 per share. Net loss for the first six months of 2009 included after tax charges of approximately \$2.6 million in connection with the restructuring in Manchester discussed above. On a non-GAAP basis, excluding the effect of the aforementioned charges, the Company's adjusted net loss for the first six months of 2009 was \$17.7 million, or \$0.42 per share.

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PHOTRONICS REPORTS SECOND QUARTER RESULTS

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Constantine ("Deno") Macricostas, Photronics' chairman and chief executive officer commented, "Our second quarter results were in line with expectations and market conditions. We were pleased, despite this difficult environment, to demonstrate improved sequential gross margin performance as a result of our continued efforts to reduce our operating expenses. We will maintain our intense focus on cost control, advanced technology customer qualifications and market share gains in anticipation of an improving market environment in the second half of calendar year 2009."

A conference call with investors and the media to discuss these results is scheduled for 8:30 a.m. Eastern time on Wednesday, May 20, 2009. The live dial-in number is (719) 325-4779. The call can also be accessed by logging onto Photronics' web site at www.photronics.com.

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.

The Private Securities Litigation Reform Act of 1995 provides a "safe harbor" for forward-looking statements made by or on behalf of Photronics, Inc. and its subsidiaries (the Company). The forward-looking statements contained in this press release and other parts of Photronics' web site involve risks and uncertainties that may affect the Company's operations, markets, products, services, prices, and other factors as discussed in filings with the U. S. Securities and Exchange Commission (SEC). These risks and uncertainties include, but are not limited to, economic, competitive, legal, governmental, and technological factors. Accordingly, there is no assurance that the Company's expectations will be realized. The Company assumes no obligation to provide revisions to any forward-looking statements.

07-2009

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations

(in thousands, except per share amounts)
(Unaudited)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>May 3, 2009</u>	<u>April 27, 2008</u>	<u>May 3, 2009</u>	<u>April 27, 2008</u>
Net sales	\$ 83,232	\$ 110,330	\$ 171,275	\$ 213,545
Costs and expenses:				
Cost of sales	(71,792)	(90,056)	(149,275)	(172,675)
Selling, general and administrative	(10,630)	(13,575)	(21,032)	(29,878)
Research and development	(4,177)	(4,613)	(7,801)	(8,851)
Consolidation, restructuring and related charges	(406)	-	(2,086)	-
Impairment of long-lived assets	(1,458)	-	(1,458)	-
Operating (loss) income	(5,231)	2,086	(10,377)	2,141
Other income (expense), net	(5,001)	(3,196)	(8,625)	(3,764)
Loss before income taxes and minority interest	(10,232)	(1,110)	(19,002)	(1,623)
Income tax benefit (provision)	76	(932)	(1,122)	(2,804)
Loss before minority interest	(10,156)	(2,042)	(20,124)	(4,427)
Minority interest	84	(27)	(181)	(982)
Net loss	<u>\$ (10,072)</u>	<u>\$ (2,069)</u>	<u>\$ (20,305)</u>	<u>\$ (5,409)</u>
Loss per share:				
Basic	<u>\$ (0.24)</u>	<u>\$ (0.05)</u>	<u>\$ (0.49)</u>	<u>\$ (0.13)</u>
Diluted	<u>\$ (0.24)</u>	<u>\$ (0.05)</u>	<u>\$ (0.49)</u>	<u>\$ (0.13)</u>
Weighted average number of common shares outstanding:				
Basic	<u>41,775</u>	<u>41,638</u>	<u>41,749</u>	<u>41,632</u>
Diluted	<u>41,775</u>	<u>41,638</u>	<u>41,749</u>	<u>41,632</u>

PHOTRONICS, INC. AND SUBSIDIARIES**Condensed Consolidated Balance Sheets**

(in thousands)

(Unaudited)

	May 3, 2009	November 2, 2008
<u>Assets</u>		
Current assets:		
Cash, cash equivalents and short-term investments of \$145 in 2009 and \$1,343 in 2008	\$ 81,633	\$ 85,106
Accounts receivable	61,263	68,095
Inventories	16,486	17,548
Other current assets	9,447	11,748
Total current assets	168,829	182,497
Property, plant and equipment, net	399,343	436,528
Investment in joint venture	61,065	65,737
Other intangibles, net	58,486	62,386
Other assets	13,209	10,859
	<u>\$ 700,932</u>	<u>\$ 758,007</u>
<u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Current portion of long-term borrowings	\$ 55,213	\$ 20,630
Accounts payable and accrued liabilities	72,948	95,448
Total current liabilities	128,161	116,078
Long-term borrowings	157,564	202,979
Deferred income taxes and other liabilities	7,112	6,552
Minority interest	48,799	49,616
Shareholders' equity	359,296	382,782
	<u>\$ 700,932</u>	<u>\$ 758,007</u>

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows

(in thousands)
(Unaudited)

	Six Months Ended	
	May 3, 2009	April 27, 2008
Cash flows from operating activities:		
Net loss	\$ (20,305)	\$ (5,409)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	42,027	51,280
Consolidation, restructuring, and related charges and impairment of long-lived assets	3,544	-
Minority interest in income of consolidated subsidiaries	181	982
Changes in assets and liabilities and other	902	(11,750)
Net cash provided by operating activities	26,349	35,103
Cash flows from investing activities:		
Purchases of property, plant and equipment	(20,375)	(78,067)
Purchases of short-term investments and other	-	(306)
Proceeds from sales of investments and other	856	3,487
Proceeds from sale of property, plant and equipment	85	65
Distribution from joint venture	5,000	-
Investment in joint venture	-	(2,598)
Net cash used in investing activities	(14,434)	(77,419)
Cash flows from financing activities:		
Repayments of long-term borrowings	(10,889)	(168,991)
Proceeds from long-term borrowings	-	132,140
Payments of deferred financing fees	(2,249)	(498)
Net cash used in financing activities	(13,138)	(37,349)
Effect of exchange rate changes on cash	(1,052)	719
Net decrease in cash and cash equivalents	(2,275)	(78,946)
Cash and cash equivalents, beginning of period	83,763	146,049
Cash and cash equivalents, end of period	\$ 81,488	\$ 67,103
Supplemental disclosure of cash flow information:		
Change in accrual for purchases of property, plant and equipment	\$ (14,542)	\$ (25,991)
Capital lease obligation for purchases of property, plant and equipment	\$ -	\$ 61,662