

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) **December 4, 2007**

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))
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Item 2.02. Results of Operations and Financial Condition

On December 4, 2007, the Company issued a press release reporting fiscal fourth quarter 2007 and fiscal year end results for the period ended October 28, 2007. A copy of the press release is attached to this 8-K.

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

Exhibits 99.2, 99.3 and 99.4 are filed with this Report. Exhibits 99.1 is furnished with this report.

- 99.1 Press Release dated December 4, 2007.
- 99.2 Condensed Consolidated Statements of Income
- 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: December 5, 2007

BY: /s/Richelle E. Burr

Richelle E. Burr

Assistant General Counsel and Assistant Secretary

PHOTRONICS, INC.

EXHIBIT INDEX

Exhibit No.	Subject Matter
99.1	Press Release dated December 4, 2007.
99.2	Condensed Consolidated Statements of Income
99.3	Condensed Consolidated Balance Sheets
99.4	Condensed Consolidated Statements of Cash Flows



Press Release

FOR IMMEDIATE RELEASE

Tuesday, December 4, 2007

PHOTRONICS REPORTS FISCAL YEAR 2007 RESULTS

BROOKFIELD, Connecticut December 4, 2007 -- Photronics, Inc. (Nasdaq:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, today reported fiscal 2007 fourth quarter and fiscal year results for the period ended October 28, 2007.

Sales for the quarter were \$101.6 million, down 11.9%, compared to \$115.3 million for the fourth quarter of 2006. Semiconductor photomasks accounted for \$80.3 million or 79.0% of revenues during the fourth quarter of fiscal 2007, while sales of flat panel display (FPD) photomasks accounted for \$21.3 million or 21.0% of revenues. Net income for the fourth quarter of fiscal 2007 amounted to \$0.4 million, or \$0.01 per diluted share, compared to the prior year's fourth quarter net income of \$9.8 million, or \$0.21 per diluted share.

Sales for the 2007 fiscal year were \$421.5 million, down 7.3% from the \$454.9 million reported in fiscal 2006. Semiconductor photomasks accounted for \$339.4 million or 80.5% of revenues during fiscal 2007, while sales of FPD photomasks accounted for \$82.1 million or 19.5%. Year-over-year, semiconductor photomask revenues decreased 4.4%, while FPD photomask revenues decreased 17.8%. Net income for fiscal 2007 amounted to \$24.5 million, or \$0.56 per diluted share, compared to the prior fiscal year's net income of \$29.3 million, or \$0.66 per diluted share.

Michael J. Luttati, Chief Executive Officer, shared his views of the Company's reported results. "2007 can best be described as a year of transition for Photronics. While there were many external factors outside of our control that influenced performance during the year, we were disappointed with the year-end results. Despite this, we continue our intense focus on implementing strategic actions necessary to position the Company for future growth and believe our actions to be on target. All in all, we have strengthened our position going forward and have set our sights on recording a growth year in 2008."

-- more --

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Exhibit 99.1

PHOTRONICS REPORTS FISCAL YEAR 2007 RESULTS

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A conference call with investors and the media to discuss these results can be accessed by logging onto Photronics' web site at www.photronics.com, then clicking on the "Conference Calls" button at the top right corner of the home page. The call is scheduled for 8:30 a.m. Eastern time on Wednesday, December 5, 2007, and will be archived for instant replay access until the Company reports its fiscal first quarter results after the market closes on Wednesday, February 13, 2008. The dial-in number is (212) 231-2920.

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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.

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PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Income
(in thousands, except per share amounts)

	<u>Three Months Ended</u>		<u>Year Ended</u>	
	<u>October 28</u>	<u>October 29</u>	<u>October 28</u>	<u>October 29</u>
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Net sales	\$ 101,571	\$ 115,297	\$ 421,479	\$ 454,875
Costs and expenses:				
Cost of sales	(81,614)	(79,166)	(321,958)	(307,851)
Selling, general and administrative	(14,585)	(15,777)	(61,507)	(62,215)
Research and development	(4,015)	(4,353)	(17,300)	(27,337)
Consolidation, restructuring, and related charges	-	(2,423)	-	(15,639)
Gain on sale of facility	-	-	2,254	-
Operating income	1,357	13,578	22,968	41,833
Other income (expense), net	(96)	(739)	916	3,553
Income before income taxes and minority interest	1,261	12,839	23,884	45,386
Income tax (provision) benefit	(784)	(1,139)	3,178	(10,462)
Income before minority interest	477	11,700	27,062	34,924
Minority interest	(115)	(1,881)	(2,539)	(5,592)
Net income	<u>\$ 362</u>	<u>\$ 9,819</u>	<u>\$ 24,523</u>	<u>\$ 29,332</u>
Earnings per share:				
Basic	<u>\$ 0.01</u>	<u>\$ 0.24</u>	<u>\$ 0.59</u>	<u>\$ 0.71</u>
Diluted	<u>\$ 0.01</u>	<u>\$ 0.21</u>	<u>\$ 0.56</u>	<u>\$ 0.66</u>
Weighted average number of common shares outstanding:				
Basic	<u>41,611</u>	<u>41,442</u>	<u>41,539</u>	<u>41,369</u>
Diluted	<u>41,624</u>	<u>51,179</u>	<u>51,282</u>	<u>51,072</u>

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets
(in thousands)

	October 28	October 29
	2007	2006
Assets		
Current assets:		
Cash, cash equivalents and short-term investments of \$5,657 in 2007 and \$69,899 in 2006	\$ 151,706	\$ 199,324
Accounts receivable	68,248	84,299
Inventories	17,716	19,209
Other current assets	9,315	16,055
Total current assets	246,985	318,887
Property, plant and equipment, net	531,578	443,637
Goodwill	138,534	138,534
Investment in joint venture	67,900	64,365
Other intangibles, net	68,835	71,763
Other assets	5,948	8,497
	\$ 1,059,780	\$ 1,045,683
Liabilities and Shareholders' Equity		
Current liabilities:		
Current portion of long-term debt	\$ 4,482	\$ 86,903
Accounts payable and accrued liabilities	145,897	104,293
Total current liabilities	150,379	191,196
Long-term debt	191,253	170,288
Deferred income taxes and other liabilities	14,399	23,920
Minority interest	49,465	45,997
Shareholders' equity	654,284	614,282
	\$ 1,059,780	\$ 1,045,683

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows
(in thousands)

	Year Ended	
	October 28 2007	October 29 2006
Cash flows from operating activities:		
Net income	\$ 24,523	\$ 29,332
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	98,018	90,678
Gain on sale of facility	(2,254)	-
Minority interest in income of consolidated subsidiaries	2,539	5,592
Consolidation, restructuring and related charges	-	15,639
Changes in assets and liabilities and other	11,867	(25,042)
Net cash provided by operating activities	134,693	116,199
Cash flows from investing activities:		
Purchases of property, plant and equipment	(94,132)	(94,646)
Purchases of short-term investments and other	(3,100)	(82,582)
Proceeds from sales of investments and other	66,304	104,962
Proceeds from sale of facility and other	5,784	-
Investment in joint venture, technology and supply agreements	(3,499)	(120,505)
Acquisition of additional interest in PK Ltd.	-	(8,432)
Net cash used in investing activities	(28,643)	(201,203)
Cash flows from financing activities:		
Repayments of long-term debt and other	(94,587)	(8,566)
Proceeds from long-term debt	4,303	20,303
Proceeds from issuance of common stock	988	1,809
Other	(1,575)	-
Net cash (used in) provided by financing activities	(90,871)	13,546
Effect of exchange rate changes on cash	1,445	4,834
Net increase (decrease) in cash and cash equivalents	16,624	(66,624)
Cash and cash equivalents, beginning of period	129,425	196,049
Cash and cash equivalents, end of period	\$ 146,049	\$ 129,425
Supplemental disclosure of cash flow information:		
Change in accrual for purchases of property, plant and equipment	\$ 51,582	\$ 18,692
Capital lease obligation for purchases of property, plant and equipment	\$ 19,912	\$ -