SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549

FORM 10-Q

(Mark One)
[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended..........April 30, 2000..........

OR

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from.............to..............

Commission file number...0-15451...

...PHOTRONICS, INC...
(Exact name of registrant as specified in its charter)

...Connecticut...	...06-0854886...
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
......1061 East Indiantown Road, Jupiter, FL......	..33477..
(Address of principal executive offices)	(Zip Code)

...(561) 745-1222...
(Registrant's telephone number, including area code)

....
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ..X.. No .....

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 30, 2000
Common Stock, $.01 par value	24,415,057 Shares

PHOTRONICS, INC.
AND SUBSIDIARIES

INDEX

PART I. FINANCIAL INFORMATION

Item 1. Condensed Financial Statements

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

(in thousands)

ASSETS

	April 30, 2000 (unaudited)	October 31, 1999
Current assets:		
Cash and cash equivalents	$ 10,496	$ 16,269
Accounts receivable (less allowance for doubtful accounts of $235 in 2000 and 1999)	42,654	41,293
Inventories	11,702	13,888
Other current assets	20,304	14,757
Total current assets	85,156	86,207
Property, plant and equipment, net	265,212	282,157
Investments	44,405	8,594
Intangible and other assets, net	27,189	33,398
	$421,962	$410,356

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

(dollars in thousands, except per share amounts)

LIABILITIES AND SHAREHOLDERS' EQUITY

	April 30, 2000 (unaudited)	October 31, 1999
Current liabilities:		
Current portion of long-term debt	$ 234	$ 261
Accounts payable	26,238	45,608
Other current liabilities	10,852	11,147
Total current liabilities	37,324	57,016
Long-term debt	143,067	116,703
Deferred taxes and other liabilities	27,379	28,937
Total liabilities	207,770	202,656
Commitments and contingencies		
Shareholders' equity:		
Preferred stock, $0.01 par value, 2,000,000 shares authorized, none issued and outstanding	-	-
Common stock, $0.01 par value, 75,000,000 shares authorized, 24,415,057 shares issued in 2000 and 23,948,807 shares in 1999	244	239
Additional paid-in capital	89,270	80,242
Retained earnings	127,714	130,759
Accumulated other comprehensive loss	(2,768)	(3,489)
Deferred compensation on restricted stock	(268)	(51)
Total shareholders' equity	214,192	207,700
	$421,962	$410,356

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Operations

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

	Three Months Ended		Six Months Ended	
	April 30, 2000	May 2, 1999	April 30, 2000	May 2, 1999
Net sales	$60,746	$53,826	$119,062	$101,641
Costs and expenses:				
Cost of sales	40,221	38,151	80,149	73,438
Selling, general and administrative	8,288	7,652	16,462	14,915
Research and development	4,629	3,670	9,122	7,189
Restructuring and related charges	17,500	-	17,500	-
Operating income (loss)	(9,892)	4,353	(4,171)	6,099
Other income (expense), net	334	(985)	(674)	(1,714)
Income (loss) before income taxes	(9,558)	3,368	(4,845)	4,385
Provision (benefit) for income taxes	(3,500)	1,300	(1,800)	1,700
Net income (loss)	$(6,058)	$ 2,068	$(3,045)	$ 2,685
Earnings (loss) per share:				
Basic	$(0.25)	$0.09	$(0.13)	$0.11
Diluted	$(0.25)	$0.09	$(0.13)	$0.11
Weighted average number of common shares outstanding:				
Basic	24,293	23,939	24,138	24,021
Diluted	24,293	23,939	24,138	24,021

See accompanying notes to condensed consolidated financial statements.

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

	Six Months Ended April 30, 2000	Six Months Ended May 2, 1999
Cash flows from operating activities:		
Net income (loss)	$(3,045)	$ 2,685
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	21,446	19,454
Restructuring and related charges	17,500	-
Other	(5,261)	(214)
Changes in assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(1,794)	(1,551)
Inventories	2,025	946
Other current assets	(5,586)	832
Accounts payable and accrued liabilities	(19,872)	16,433
Net cash provided by operating activities	5,413	38,585
Cash flows from investing activities:		
Acquisitions of and investments in photomask operations	(31,500)	-
Deposits on and purchases of property, plant and equipment	(8,182)	(45,465)
Net change in short-term investments	-	7,420
Other	(938)	(1,751)
Net cash used in investing activities	(40,620)	(39,796)
Cash flows from financing activities:		
Repayment of long-term debt	(122)	(1,934)
Borrowings under revolving credit facility	26,500	-
Proceeds from issuance of common stock	4,611	1,544
Purchase and retirement of common stock	-	(6,900)
Other	(5)	(300)
Net cash provided by (used in) financing activities	30,984	(7,590)
Effect of exchange rate changes on cash flows	(1,550)	(380)
Net decrease in cash and cash equivalents	(5,773)	(9,181)
Cash and cash equivalents at beginning of period	16,269	23,841
Cash and cash equivalents at end of period	$10,496	$14,660
Cash paid during the period for:		
Interest	$ 3,919	$ 3,177
Income taxes	$ 181	$ 533

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Shareholders' Equity

(in thousands)
(unaudited)

	Common Stock				Accumulated Other Comprehensive Income (Loss)				
	Shares	Amount	Add'l Paid-In Capital	Retained Earnings	Unrealized Investment Gains	Foreign Currency Translation	Total	Deferred Compensation on Restricted Stock	Total Shareholders' Equity
Six Months Ended May 2, 1999:									
Balance at November 1, 1998	24,164	$242	$82,377	$120,091	$1,167	$(3,308)	$(2,141)	$(139)	$200,430
Comprehensive income:									
Net income	-	-	-	2,685	-	-	-	-	2,685
Change in unrealized gains on investments	-	-	-	-	2,617	-	2,617	-	2,617
Foreign currency translation adjustment	-	-	-	-	-	(939)	(939)	-	(939)
Total comprehensive income	-	-	-	2,685	2,617	(939)	1,678	-	4,363
Sale of common stock through employee stock option and purchase plans	141	1	2,281	-	-	-	-	-	2,282
Common stock repurchases	(500)	(5)	(6,895)	-	-	-	-	-	(6,900)
Amortization of restricted stock to compensation expense	-	-	-	-	-	-	-	44	44
Balance at May 2, 1999	23,805	$238	$77,763	$122,776	$3,784	$(4,247)	$(463)	$ (95)	$200,219
Six Months Ended April 30, 2000:									
Balance at October 31, 1999	23,949	$239	$80,242	$130,759	$2,524	$(6,013)	$(3,489)	$ (51)	$207,700
Comprehensive income (loss):									
Net loss	-	-	-	(3,045)	-	-	-	-	(3,045)
Change in unrealized gains on investments	-	-	-	-	2,953	-	2,953	-	2,953
Foreign currency translation adjustment	-	-	-	-	-	(2,232)	(2,232)	-	(2,232)
Total comprehensive income (loss)	-	-	-	(3,045)	2,953	(2,232)	721	-	(2,324)
Sale of common stock through employee stock option and purchase plans	466	5	8,767	-	-	-	-	-	8,772
Restricted stock awards, net	-	-	261	-	-	-	-	(217)	44
Balance at April 30, 2000	24,415	$244	$89,270	$127,714	$5,477	$(8,245)	$(2,768)	$(268)	$214,192

See accompanying notes to Condensed Consolidated Financial Statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

Three and Six Months Ended April 30,2000 and May 2, 1999
(unaudited)

NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation have been included. Operating results for the three and six month periods ended April 30, 2000 are not necessarily indicative of the results that may be expected for the year ending October 29, 2000. Certain amounts in the condensed consolidated financial statements for prior periods have been reclassified to conform to the current presentation. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Annual Report on Form 10-K for the year ended October 31, 1999.

NOTE 2 - EARNINGS (LOSS) PER SHARE

Earnings per share amounts are calculated in accordance with the provisions of SFAS No. 128. Basic EPS is based on the weighted average number of common shares outstanding for the period, excluding any dilutive common share equivalents. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted.

A reconciliation of basic and diluted EPS for the three and six months ended April 30, 2000 and May 2, 1999 is as follows (in thousands, except per share amounts):

	Net Income (Loss)	Average Shares Outstanding	Earnings (Loss) Per Share
Three Months			
2000:			
Basic and diluted (a)	$(6,058)	24,293	$(0.25)
1999:			
Basic and diluted (a)	$ 2,068	23,939	$ 0.09
Six Months			
2000:			
Basic and diluted (a)	$(3,045)	24,138	$(0.13)
1999:			
Basic and diluted (a)	$ 2,685	24,021	$ 0.11

(a) The effect of the exercise of stock options and the conversion of notes for the three and six months ended April 30, 2000 and May 2, 1999 is anti-dilutive.

NOTE 3 - ALIGN-RITE MERGER

On September 15, 1999, the Company signed a definitive agreement to merge with Align-Rite International, Inc., an independent photomask manufacturer based in Burbank, California. The agreement, as amended January 10, 2000, March 27, 2000 and May 26, 2000, provides for the exchange of .85 shares of the Company's common stock for each share of Align-Rite's common stock. Approximately 4.2 million shares of the Company's common stock will be issued in connection with the transaction. The merger will be accounted for as a pooling-of-interests and Align-Rite will become a wholly-owned subsidiary of the Company. The transaction is expected to be completed during the Company's third fiscal quarter of 2000.

NOTE 4 - INVESTMENT IN UNCONSOLIDATED SUBSIDIARY

In March, 2000, the Company agreed to acquire an aggregate minimum 51% of the equity of Precision Semiconductor Mask Corporation (PSMC), an independent photomask manufacturer based in Taiwan, for approximately $60 million. The Company currently owns 33% of PSMC's outstanding common stock which it acquired during the second quarter of 2000 for approximately $31.5 million. The results of PSMC for the second quarter of 2000 are being accounted for under the equity method and were not material to the Company's operating results.

NOTE 5 - RESTRUCTURING AND RELATED CHARGES

During March, 2000, the Company implemented a plan to consolidate its mature products group in order to increase capacity utilization, manufacturing efficiencies and customer service activities worldwide. Total restructuring and related charges associated with this consolidation plan of $17.5 million were recorded in the second quarter of 2000. Of the total charge, $9.1 million related to restructuring and $8.4 million related to the impairment of intangible assets.

The significant components of the consolidation plan included the closing of the Company's Sunnyvale, California and Neuchatel, Switzerland manufacturing facilities and the consolidation and regionalization of sales and customer service functions. The Company anticipates that the closing of the Sunnyvale and Neuchatel facilities will maximize capacity utilization at its remaining mature products facilities. As part of the plan, the Company reduced its work force by approximately 125 employees. The restructuring charge of $9.1 million includes $1.5 million of cash charges for severance benefits paid to terminated employees which was disbursed over their entitlement periods and $2.3 million for facilities closings and lease termination costs to be expended over the next twelve months. Additionally, non-cash charges of $5.3 million approximated the carrying value primarily of fixed assets associated with the manufacturing consolidation based upon their expected disposition. Such assets, consisting principally of specialized manufacturing tools and equipment, were subsequently taken out of service.

The charges also included $8.4 million related to the impairment in value of associated intangible assets. It was determined during the period that such assets no longer had future economic benefit to the Company because the anticipated undiscounted cumulative cash flows from these assets were insufficient to support their carrying value.

NOTE 6 - SUBSEQUENT EVENT

On June 1, 2000, the Company sold one million of its unregistered common shares in a private placement to accredited institutional investors. The proceeds of the sale, net of fees and expenses, amounted to $22 million.

Item 2. Management's Discussion and Analysis of Results of Operations and Financial Condition

Material Changes in Results of Operations
Three and Six Months ended April 30, 2000 versus May 2, 1999

Net sales for the three and six months ended April 30, 2000 increased 12.9% to $60.7 million and 17.1% to $119.1 million, respectively, compared with $53.8 million and $101.6 million for the corresponding prior year periods. The increase for the three and six months ended April 30, 2000 resulted primarily from an increase in new design releases, principally in the United States, coupled with an improved sales mix of high-end technology products. The first six months of 1999 reflected a downturn in the global semiconductor industry that resulted in a slow-down in new design releases and price reductions for mature products. The Company continues to see weakness in selling prices for mature technologies but has continued to benefit from its investment in high-end manufacturing capability through a mix shift towards high-end products.

Gross margins for the three and six month periods ended April 30, 2000 increased to 33.8% and 32.7%, respectively, compared to 29.1% and 27.7% for the corresponding prior year periods. The gross margin increases in 2000 were attributable to a greater mix of high-end revenues, increased capacity utilization, and efficiencies realized from the Company's recent restructuring.

During March, 2000, the Company implemented a plan to consolidate its mature products group in order to increase capacity utilization, manufacturing efficiencies and customer service activities worldwide. Total restructuring and related charges associated with this consolidation plan of $17.5 million were recorded in the second quarter of 2000. Of the total charge, $9.1 million related to restructuring and $8.4 million related to the impairment of intangible assets.

The significant components of the consolidation plan included the closing of the Company's Sunnyvale, California and Neuchatel, Switzerland manufacturing facilities and the consolidation and regionalization of sales and customer service functions. The Company anticipates that the closing of the Sunnyvale and Neuchatel facilities will maximize capacity utilization at its remaining mature products facilities. As part of the plan, the Company reduced its work force by approximately 125 employees. The restructuring charge of $9.1 million includes $1.5 million of cash charges for severance benefits paid to terminated employees which was disbursed over their entitlement periods and $2.3 million for facilities closings and lease termination costs to be expended over the next twelve months. Additionally, non-cash charges of $5.3 million approximated the carrying value primarily of fixed assets associated with the manufacturing consolidation based upon their expected disposition. Such assets, consisting principally of specialized manufacturing tools and equipment, were subsequently taken out of service.

The charges also included $8.4 million related to the impairment in value of associated intangible assets. It was determined during the period that such assets no longer had future economic benefit to the Company because the anticipated undiscounted cumulative cash flows from these assets were insufficient to support their carrying value.

Selling, general and administrative expenses increased 8.3% to $8.3 million, and 10.4% to $16.5 million for the three and six months ended April 30, 2000, respectively, compared with $7.7 million and $14.9 million for the same periods in the prior fiscal year. As a percentage of net sales, selling, general and administrative expenses decreased to 13.6% and 13.8%, respectively, compared to 14.2% and 14.7% for the same periods in the prior fiscal year. The higher expenses were due principally to staffing and other costs associated with the Company's expansion, both domestically and internationally, including increases in information technology and communications costs.

Research and development expenses for the three and six months ended April 30, 2000, increased 26.1% to $4.6 million and 26.9% to $9.1 million, respectively, compared with $3.7 million and $7.2 million for the same periods in the prior fiscal year. This increase reflects the continuing development efforts on high-end, more complex photomasks such as phase shift, optical proximity correction and Next Generation Lithography (NGL) applications. As a percentage of net sales, research and development was 7.6% and 7.7% of net sales for the three and six months ended April 30, 2000, compared to 6.8% and 7.1% in the corresponding prior year periods.

Net other income of $0.3 million for the three months ended April 30, 2000 is comprised principally of income earned on investments offset by interest expense on both the convertible notes and borrowings under the revolving credit facility. This compares to $1.0 million in net other expenses in the corresponding period in fiscal 1999, which had lower investment income. Net other expenses of $0.7 million for the six months ended April 30, 2000 is comprised principally of interest expense offset by income earned on investments. This compares to $1.7 million in net other expenses in the corresponding period in fiscal 1999, which had lower investment income partially offset by lower interest expense.

Net income (loss) for the three and six months ended April 30, 2000, decreased to $(6.1) million and $(3.0) million, respectively, or $(0.25) and $(0.13) per basic and diluted share. These amounts compare to $2.1 million, or $0.09 per basic and diluted share, and $2.7 million, or $0.11 per basic and diluted share, for the corresponding prior year periods. Fiscal year 2000 includes the effect of the restructuring and related charges amounting to $11.1 million after tax, or $0.46 per share.

LIQUIDITY AND CAPITAL RESOURCES

Photronics' cash and cash equivalents decreased $5.8 million during the six months ended April 30, 2000. Approximately $40 million was used for the Company's investment in Precision Semiconductor Mask Corporation (PSMC) and capital expenditures for equipment. These decreases were offset by cash provided by operations of approximately $5 million, proceeds from borrowings under our credit lines of $26.5 million, and sales of stock through option exercises of $4.6 million.

Accounts receivable increased $1.4 million from October 31, 1999 as a result of increased order activity in the second quarter of 2000 compared with the fourth quarter of 1999. Inventories decreased by $2.2 million from October 31, 1999 due in part to a strategic decision at the end of last year to increase quantities of certain critical raw materials in anticipation of any potential Y2K issues. Most of this inventory was consumed during the first four months of calendar 2000.

Property, plant and equipment decreased to $265.2 million at April 30, 2000, from $282.2 million at October 31, 1999, principally as a result of depreciation expense and asset revaluation associated with the restructuring, partially offset by capital spending of $8 million.

Accounts payable and accruals decreased 34.6%, or $19.7 million, from October 31, 1999, principally due to the timing of progress payments for capital equipment coming due during the period.

The Company's $125 million unsecured revolving credit facility was amended as of April 28, 2000, in order to obtain the lenders' consent to the Align-Rite and PSMC acquisitions, and to modify certain covenants and definitions in connection with the restructuring. The Company is subject to compliance with and maintenance of certain financial covenants and ratios set forth in the credit facility, as amended. The Company had $39.3 million of outstanding borrowings under the revolving credit facility at April 30, 2000.

Photronics' commitments represent investments in additional manufacturing capacity as well as advanced equipment for the production of high-end, more complex photomasks. At April 30, 2000, Photronics had commitments outstanding for capital expenditures of approximately $37 million. Additional commitments for capital requirements are expected to be incurred during fiscal 2000. Photronics will continue to use its working capital and bank lines of credit to finance its capital expenditures. Photronics believes that its currently available resources, together with its capacity for substantial growth and its access to other debt and equity financing sources, are sufficient to satisfy its currently planned capital expenditures, as well as its anticipated working capital requirements for the foreseeable future.

OTHER

The Company expects to complete its merger with Align-Rite International during the third quarter of fiscal 2000 (see NOTE 3 to the Condensed Consolidated Financial Statements). The merger will be accounted for as a pooling of interests and, accordingly, all historical financial information will be restated to include the accounts of Align-Rite at that time.

The Company expects to increase its ownership of Precision Semiconductor Mask Corporation (PSMC) from its current equity interest of 33% to 51% during the third quarter of fiscal 2000, and, accordingly, will change its accounting for its investment in PSMC from the equity method currently used to the consolidation method at that time.

On June 1, 2000, the Company sold one million of its unregistered common shares in a private placement to accredited institutional investors. The proceeds of the sale, net of fees and expenses, amounted to $22 million.

YEAR 2000

As of the date of this filing, the Company has not experienced any Year 2000 problems that have affected its operations, the realization of financial assets, or the Company's results of operations. The Company will continue to monitor its operations for non-compliant components. The Company is also monitoring its open transactions with customers and vendors to ensure that there are no undetected problems that could have a future impact.

As of the date of this filing, the Company believes there are no remaining significant risks or exposure as a result of the Year 2000 issue.

"SAFE HARBOR" STATEMENT UNDER THE PRIVATE
SECURITIES LITIGATION REFORM ACT OF 1995:

Except for historical information, the matters discussed above may be considered forward-looking statements and may be subject to certain risks and uncertainties that could cause the actual results to differ materially from those projected, including uncertainties in the market, pricing, competition, procurement and manufacturing efficiencies, and other risks.

PART II. OTHER INFORMATION

Item 4. Submission of Matters to a Vote of Security-Holders

(a) The matters set forth in this Item 4 were submitted to a vote of security holders of the Company at an Annual Meeting of Shareholders held on April 4, 2000.

(b) The following directors, constituting the entire Board of Directors, were elected at the Annual Meeting of Shareholders held on April 4, 2000. Also indicated are the affirmative, negative and authority withheld votes for each director.

	For	Against	Authority Withheld
Walter M. Fiederowicz	21,199,673	-	221,040
Joseph A. Fiorita, Jr.	21,099,063	-	321,650
Constantine S. Macricostas	21,100,263	-	320,450
Willem D. Maris	21,187,893	-	232,820
Michael J. Yomazzo	21,102,063	-	318,650

(c) The following additional matters, and the affirmative and negative votes and abstentions and broker non-votes with respect thereto, were approved at the Annual Meeting of Shareholders held on April 4, 2000.

The approval of the Photronics, Inc. 2000 Stock Plan:

Affirmative votes	18,863,675
Negative votes	2,523,038
Abstentions/Broker non-votes	34,000

The ratification of the appointment of Deloitte & Touche LLP as the independent certified public accountants of the Company for the 2000 fiscal year:

Affirmative votes	21,396,882
Negative votes	11,420
Abstentions/Broker non-votes	12,411

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

See Exhibits Index.

(b) Reports on Form 8-K

During the quarter for which this report is filed, the following reports on Form 8-K were filed by the Company, each reporting information under Form 8-K, Item 5:

(i) Form 8-K dated February 22, 2000.
(ii) Form 8-K dated March 15, 2000.
(iii) Form 8-K dated March 28, 2000.

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 thereunto duly authorized.

PHOTRONICS, INC.
(Registrant)

By: /s/ ROBERT J. BOLLO

Robert J. Bollo
Vice President/Finance
(Duly Authorized Officer and
Principal Financial Officer)

Date: June 5, 2000

EXHIBITS INDEX

Exhibit No.	Description
10.1	Second Amendment Agreement dated as of April 28, 2000 among Photronics, Inc., the lenders party thereto, and the Chase Manhattan Bank, as administrative agent.
27	Financial Data Schedule.

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This schedule contains summary financial information extracted from the
Condensed Consolidated Statement of Earnings and the Consolidated Balance Sheet
and is qualified in its entirety by reference to such financial statements.

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6-MOS
OCT-29-2000
APR-30-2000
10,496
0
42,889
235
11,702
85,156
420,016
154,804
421,962
37,324
143,067
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0
244
213,948
421,962
119,062
119,062
80,149
80,149
17,500
0
3,811
(4,845)
(1,800)
(3,045)
0
0
0
(3,045)
(0.13)
(0.13)

SECOND AMENDMENT AGREEMENT

Dated as of April 28, 2000

among

PHOTRONICS, INC.

The Lenders Party Hereto

THE CHASE MANHATTAN BANK,
as Administrative Agent

and

THE BANK OF NEW YORK,
as Documentation Agent

SECOND AMENDMENT AGREEMENT, dated as of April 28, 2000, among PHOTRONICS, INC., a Connecticut corporation (the "Company"), the LENDERS party hereto, THE CHASE MANHATTAN BANK, as Administrative Agent, and THE BANK OF NEW YORK, as Documentation Agent.

WHEREAS, the Company, the Borrowing Subsidiaries, the Lenders, the Administrative Agent and the Documentation Agent have entered into that certain Credit Agreement dated as of November 19, 1998 (as amended as of September 13, 1999 and as in effect prior to the effectiveness of this Agreement, the "Existing Credit Agreement," and, as amended by this Agreement, the "Amended Credit Agreement"), pursuant to which the Lenders have agreed, subject to the terms and conditions therein set forth, to make or participate in Loans to, and to issue or participate in Letters of Credit for the account of, the Borrowers;

WHEREAS, the Company, AL Acquisition Corp., a California corporation ("Merger Sub"), and Align-Rite International, Inc., a California corporation ("Align-Rite"), have entered into an Agreement and Plan of Merger dated as of September 15, 1999, as amended as of January 10, 2000 and as of March 27, 2000 (the "Align-Rite Merger Agreement"), pursuant to which the Company will acquire Align-Rite via the merger of Merger Sub with and into Align-Rite for the approximate purchase price of 4,426,000 shares of common stock of the Company and the assumption of all long-term Indebtedness of Align-Rite in the approximate amount of $33,000,000 (all of which shall be repaid upon the closing of such acquisition) (the "Align-Rite Acquisition");

WHEREAS, the Company has purchased approximately 35% of the common stock of Precision Semiconductor Mask Corporation, a Taiwanese corporation ("PSMC"), from certain shareholders of PSMC for the approximate purchase price of $30,000,000 in cash and intends to purchase approximately another 16% of the common stock of PSMC from PSMC for the approximate purchase price of $23,000,000 in cash (collectively, the "PSMC Acquisition");

WHEREAS, the Company, the Lenders, the Administrative Agent and the Documentation Agent have agreed to enter into this Agreement to provide for, among other things, the modification of certain covenants and definitions and the consent to the Align-Rite Acquisition and the PSMC Acquisition; and

WHEREAS, the Loan Documents (including, without limitation, this Agreement and the Amended Credit Agreement), as amended and supplemented by this Agreement and as each may be amended or supplemented from time to time, are referred to herein as the "Amended Loan Documents";

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

Amendments to Existing Credit Agreement.

Each of the Company and, subject to the satisfaction of the conditions set forth in Article III, the Lenders hereby consents and agrees to the amendments to the Existing Credit Agreement set forth below:

(a) The definition of "Consolidated EBIT" contained in Section 1.01 of the Existing Credit Agreement is hereby amended to insert "(other than gains recognized during such period arising from the sale of its photomask manufacturing facility located in Sunnyvale, California but only to the extent that cash charges were deducted during such period as a result of the discontinuance of operations at such facility)" immediately subsequent to "extraordinary or nonrecurring gains".

(b) The definition of "Joint Venture" contained in Section 1.01 of the Existing Credit Agreement is hereby amended to exclude PSMC and its subsidiaries from the operation thereof.

(c) Section 1.01 to the Existing Credit Agreement is hereby amended to add the following definition in appropriate alphabetical order:

"PSMC" means Precision Semiconductor Mask Corporation, a Taiwanese corporation.

(d) The definition of "Subsidiary" contained in Section 1.01 of the Existing Credit Agreement is hereby amended to exclude PSMC and its subsidiaries from the operation thereof.

(e) Section 5.01(a) and Section 5.01(b) of the Existing Credit Agreement are hereby amended to add "and of the Company and its consolidated subsidiaries (including, without limitation, PSMC and its subsidiaries)" immediately subsequent to "the Company and its consolidated Subsidiaries" throughout such Sections.

(f) Section 6.04(h) of the Existing Credit Agreement is amended (i) to insert at the beginning of said Section 6.04(h) "subsequent to the date that the Company delivers financial statements pursuant to Section 5.01(a) or (b) demonstrating that the Leverage Ratio as of the end of any fiscal quarter ending after January 30, 2000 is not greater than 2.00 to 1.00," and (ii) to insert "(other than the acquisition of Align-Rite International, Inc., a California corporation, and approximately 51% of PSMC)" immediately subsequent to "all prior Permitted Business Acquisitions".

(g) Section 6.13 of the Existing Credit Agreement is amended and restated to read as follows:

SECTION 6.13. Interest Coverage Ratio. The Company will not permit the Interest Coverage Ratio as determined as of the end of each fiscal quarter of the Company ending on or after April 30, 2000 to be less than (a) if such fiscal quarter ends on April 30, 2000, 3.25 to 1.00, (b) if such fiscal quarter ends on July 30, 2000, 3.50 to 1.00, (c) if such fiscal quarter ends on October 29, 2000, 3.75 to 1.00 and (d) if such fiscal quarter ends after October 29, 2000, 4.00 to 1.00.

ARTICLE II

Representations and Warranties

The Company hereby represents and warrants that as of the Effective Date (as defined in Article III of this Agreement):

Section 2.01. Existing Representations and Warranties. Each of the representations and warranties contained in Article III of the Existing Credit Agreement and in each of the other Loan Documents is true and correct, except that any representation or warranty limited by its terms to a specific date shall be true and correct as of such specific date.

Section 2.02. No Defaults. After giving effect to the consents granted under Article IV of this Agreement and the amendments to the Existing Credit Agreement pursuant to Article I of this Agreement, no event has occurred and no condition exists which would constitute a Default or an Event of Default as defined in the Existing Credit Agreement, and no event has occurred and no condition exists which would constitute a Default or an Event of Default as defined in the Amended Credit Agreement.

Section 2.03. Power and Authority; No Conflicts. The execution, delivery and performance by each of the Loan Parties of the Amended Loan Documents to which it is a party are within such Loan Party's corporate, partnership or limited liability company powers and have been duly authorized by all necessary corporate, partnership or limited liability company and, if required, stockholder, partner or member action. Each Amended Loan Document to which any Loan Party is a party has been duly executed and delivered by such Loan Party and constitutes a legal, valid and binding obligation of such Loan Party, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

Section 2.04. Governmental Approvals; No Conflicts. The execution, delivery and performance by each of the Loan Parties of the Amended Loan Documents to which it is a party (a) do not require the Company or any Subsidiary to obtain or make any consent or approval of, registration or filing with, or other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect or that could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (b) will not violate any law or regulation applicable to the Company or any Subsidiary, or the charter, by-laws or other organizational documents of the Company or any Subsidiary, or any order of any Governmental

Authority applicable to the Company or any Subsidiary, except as to any law, regulation or order the violation of which could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, (c) will not violate or result in a default under any indenture, agreement or other instrument binding upon the Company or any Subsidiary or their respective assets, or give rise to a right thereunder to require any payment to be made by the Company or any of its Subsidiaries, except for any such violations, defaults or rights to require payment that could not reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, and (d) will not result in the creation or imposition of any Lien on any asset of the Company or any of its Subsidiaries.

Section 2.05. Financial Condition; No Material Adverse Change.

(a) The Company has heretofore furnished to the Lenders the consolidated and consolidating balance sheets of the Company and its consolidated Subsidiaries and the related statements of income, stockholders equity and cash flows (i) as of and for the fiscal years ended November 2, 1997 and November 1, 1998 and October 31, 1999, such consolidated financial statements being reported on by Deloitte & Touche LLP, independent public accountants, and (ii) as of and for the fiscal quarter ended January 30, 2000. Such financial statements present fairly, in all material respects, the financial condition and results of operations and cash flows of the Company and its consolidated Subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(b) The Company has heretofore furnished to the Lenders the consolidated balance sheets of Align-Rite and its consolidated subsidiaries and the related statements of income, stockholders equity and cash flows (i) as of and for the fiscal year ended March 31, 1999, such consolidated financial statements being reported on by Pricewaterhousecoopers LLP, independent public accountants, and (ii) as of and for the fiscal quarter and the portion of the fiscal year ended December 31, 1999. To the best of the Company's knowledge (after due inquiry), such financial statements present fairly, in all material respects, the financial condition and results of operations and cash flows of Align-Rite and its consolidated subsidiaries as of such dates and for such periods in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes in the case of the statements referred to in clause (ii) above.

(c) The Company has heretofore furnished to the Lenders the consolidated condensed balance sheets of PSMC and its consolidated subsidiaries and the related condensed statements of income as of and for the fiscal year ended December 31, 1999. To the best of the Company's knowledge (after due inquiry), such financial statements present fairly, in all material respects, the financial condition and results of operations of PSMC and its consolidated subsidiaries as of such dates and for such periods in accordance with GAAP.

(d) The projections and pro forma financial information provided by the Company giving effect to the Align-Rite Acquisition and the PSMC Acquisition are based on good faith estimates and assumptions by the management of the Company, it being recognized by the Lenders, however, that projections as to future events are not to be viewed as fact and that actual results during the period or periods covered by any such projections may differ from the projected results and that the differences may be material. After reviewing the historical financial statements of Align-Rite and PSMC and considering the pro forma position of the Company and its consolidated subsidiaries subsequent to the Align-Rite Acquisition and the PSMC Acquisition, the Company believes in good faith that the Company and its consolidated subsidiaries will continue to be in compliance with the financial covenants contained in Article VI of the Existing Credit Agreement.

(e) Since January 30, 2000, there has been no material adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of the Company and the Subsidiaries, taken as a whole. With respect to the financial period commencing on January 1, 2000 and ending on the Effective Date, to the best of the Company's knowledge (after due inquiry), there has been no material adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of Align-Rite and its consolidated subsidiaries, taken as a whole, or PSMC and its consolidated subsidiaries, taken as a whole, respectively.

ARTICLE III

Conditions Precedent

The effectiveness of this Agreement is subject to the condition precedent that the Administrative Agent, the Documentation Agent and the Lenders shall have received on or before May 10, 2000 (the "Effective Date") each of the following, in form and substance satisfactory to the Administrative Agent, the Documentation Agent and the Required Lenders:

(a) counterparts of this Agreement executed by each of the Company, the Required Lenders, the Administrative Agent and the Documentation Agent;

(b) certified complete and correct copies of each of the financial statements referred to in Section 2.05 of this Agreement; and

(c) an amendment fee for the account of each Lender equal to .08% of such Lender's Commitment together with all fees and disbursements required to be paid pursuant to Section 5.04 of this Agreement.

ARTICLE IV

Consents

Section 4.01. Align-Rite Acquisition. Subject to the satisfaction of the conditions set forth in Article III of this Agreement, notwithstanding Section 6.01 and Section 6.04 of the Existing Credit Agreement, each of the Lenders hereby consents to the Align-Rite Acquisition so long as (a) the Align-Rite Acquisition is consummated in accordance with the terms and conditions of the Align-Rite Merger Agreement, (b) the closing date of the Align-Rite Acquisition is no later than September 30, 2000, (c) all Indebtedness assumed in connection with the Align-Rite Acquisition is paid off no later than 10 days after the closing date of the Align-Rite Acquisition and (d) no later than 10 days after the closing date of the Align-Rite Acquisition, each of Align-Rite and its subsidiaries shall guarantee (or, with respect to subsidiaries of Align-Rite that are Foreign Subsidiaries, provide for a pledge of the capital stock of such subsidiaries as collateral for) the obligations under the Loan Documents and deliver such resolutions, opinions and other documents as required under Section 5.09 of the Amended Credit Agreement.

Section 4.02. PSMC Acquisition. Subject to the satisfaction of the conditions set forth in Article III of this Agreement, notwithstanding Section 6.01 and Section 6.04 of the Existing Credit Agreement, each of the Lenders hereby consents to the PSMC Acquisition so long as (a) the completion of the PSMC Acquisition is no later than September 30, 2000 and (b) not later than 10 days after the closing date of the PSMC Acquisition, the Company shall cause all of the capital stock of PSMC owned directly or indirectly by the Company to be pledged and delivered to the Administrative Agent and shall deliver such resolutions, opinions and other documents as required under Section 5.09(b) of the Amended Credit Agreement.

ARTICLE V

Miscellaneous

Section 5.01. Defined Terms. The terms used herein and not defined herein shall have the meanings assigned to such terms in the Existing Credit Agreement.

Section 5.02. Nonwaiver. The terms of this Agreement shall not operate as a waiver by the Administrative Agent, the Issuing Bank or any Lender or otherwise prejudice the rights, remedies or powers of the Administrative Agent, the Issuing Bank or any Lender under the Amended Credit Agreement, under any other Amended Loan Document or under applicable law. Except as set forth in Article I: (x) no terms and provisions of the Loan Documents are modified or changed by this Agreement; and (y) the terms and provisions of the Loan Documents shall continue in full force and effect.

Section 5.03. Waivers; Amendments. Any provision of this Agreement may be amended or modified only by an agreement or agreements in writing signed by the Company and the Required Lenders, or by the Company and the Administrative Agent acting with the consent of the Required Lenders.

Section 5.04. Expenses. The Company shall pay all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the preparation and administration of this Agreement, the other Amended Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated).

Section 5.05. Notices. All notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy in accordance with the terms of the Amended Credit Agreement.

Section 5.06. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

Section 5.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

Section 5.08. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. The Amended Loan Documents and the separate letter agreements with respect to fees payable to the Administrative Agent and the Documentation Agent constitute the entire contract among the parties relating to the subject matter thereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter thereof. Subject to the satisfaction of the conditions set forth in Article III of this Agreement, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of the Company and the Required Lenders, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

Section 5.09. Governing Law. This Agreement shall be construed in accordance with and governed by the law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

PHOTRONICS, INC., a Connecticut corporation

By: /s/ JEFFREY P. MOONAN

Name: Jeffrey P. Moonan
Title: Executive Vice President

THE CHASE MANHATTAN BANK, individually
and as Administrative Agent

By: /s/ T. DAVID SHORT

Name: T. David Short
Title: Vice President

THE BANK OF NEW YORK, individually
and as Documentation Agent

By: /s/ GERALDINE TURKINGTON

Name: Geraldine Turkington
Title: Vice President

FIRST UNION NATIONAL BANK

By: /s/ STEPHEN T. DOROSH

Name: Stephen T. Dorosh
Title: Vice President

FLEET NATIONAL BANK

By: /s/ ANDREW H. HARRIS

Name: Andrew H. Harris
Title: Vice President

HSBC BANK USA

By: /s/ PATRICK J. DOULIN

Name: Patrick J. Doulin
Title: Senior Vice President

PEOPLE'S BANK

By: /s/ RICHARD HARMONAY, JR.

Name: Richard Harmonay, Jr.
Title: Assistant Vice President

CITIZENS BANK OF MASSACHUSETTS

By: /s/ JOHN STANKARD

Name: John Stankard
Title: Vice President