

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):
March 14, 2000

.....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 No.)
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1061 East Indiantown Road, Jupiter, FL (Address of principal executive offices)	33477 (Zip Code)
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Registrant's telephone number, including area code:
(561) 745-1222

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

Item 5. Other Events

On March 14, 2000, Photronics, Inc. issued three press releases, one related to the consolidation of certain of its manufacturing facilities, and two related to its acquisition of a majority interest in a photomask manufacturer located in Taiwan. The press releases are filed herewith as exhibits.

Item 7. Financial Statements and Exhibits

- (a) Financial statements of business acquired
Not applicable
- (b) Pro forma financial information
Not applicable
- (c) See Exhibits Index

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.

JEFFREY P. MOONAN

March 15, 2000

By: Jeffrey P. Moonan
Title: Executive VP
Finance &
Administration

EXHIBITS INDEX

Exhibit No. -----	Description -----
99.1	Press release dated March 14, 2000.
99.2	Press release dated March 14, 2000.
99.3	Press release dated March 14, 2000.

For Further Information:

At The Company
Michael W. McCarthy
Director - Investor Relations & Corporate Communications
(203)775-9000
mmccarthy@brk.photonics.com
www.photonics.com

FOR IMMEDIATE RELEASE

March 14, 2000

Photronics Restructures Global Photomask Manufacturing Network
Streamlined Operations Improve Capacity Utilization, Increase
Productivity & Customer Service

JUPITER, Florida March 14, 2000 -- Photronics, Inc. (Nasdaq:PLAB), the world's leading photomask supplier, today announced that it is restructuring its global photomask manufacturing network by consolidating facilities in California and Switzerland. The restructuring plan is focused on increasing the Company's capacity utilization, manufacturing efficiencies and customer service, while also controlling operating costs. In addition, the Company's restructuring efforts will facilitate the merger with Align-Rite International (Nasdaq:MASK), which remains subject to approval of Align-Rite's shareholders and the United States Department of Justice. An after tax charge of between \$9.0 million and \$11.0 million, or \$0.38 to \$0.46 per diluted share, will be taken in the second quarter of fiscal 2000 in connection with the restructuring, of which about 75% will be non-cash asset write-downs. The Company expects to recover the restructuring charges in less than two years as a result of increased manufacturing efficiencies and lower operating costs. Additional financial terms were not disclosed.

James R. Northup, President stated, "The global photomask market continues to be very competitive, particularly for those technologies at and above 0.35 micron. Our decision to restructure at this time is driven by the need to eliminate overlapping capacity at those technologies, thereby improving manufacturing efficiencies and capacity utilization, enhancing customer service, and increasing shareholder value. Furthermore, our restructuring plan will allow Photronics to focus resources on continuing our momentum to service a growing global market as integrated circuit designers continue to transition toward smaller circuit features that improve the performance and functionality of their latest devices." Mr. Northup also emphasized that the Company's plans take into consideration the Company's global manufacturing

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strategies, as well as other synergies to be realized as a result of the Company's new presence in Taiwan and the merger with Align-Rite.

In California, the Sunnyvale facility will be closed and customers being served from this location will be transitioned into Photronics' other mature technology divisions in Arizona and Connecticut. This transition is part of a longer term plan to relocate its Northern California operations to a new facility in the Silicon Valley region which will be outfitted to focus on servicing the semiconductor industry's demanding requirements for high-end, 0.18 micron and below photomask technologies and services. Currently, Milpitas and Sunnyvale combined employ approximately 300 people, which are being reduced to approximately 175 engineers, manufacturing technicians and various administrative support personnel. Barry Rockwell, Vice President of Austin & Mesa Operations, has been assigned to oversee the day-to-day operations in California during the transition period and will continue to report to Paul Fego, Senior Vice President of North American Operations. "Barry has done an excellent job in Arizona and Texas, including the construction and production ramp of the Austin facility. His leadership in California will insure a smooth transition for everyone involved," added Mr. Northup.

Certain research and development activities will still be conducted at the Milpitas site, utilizing its high-end capabilities to work with customers developing wafer processing technologies for

their next generation devices. These efforts will be coordinated with the Company's R&D team which is largely located in the Allen and Austin, Texas facilities, two of the most advanced photomask manufacturing operations in the world. The Mature Products Group, which had been headquartered in Sunnyvale, California since 1998, will transition customers requiring mature photomask technologies to the Phoenix, Arizona and Brookfield, Connecticut operations. The tool sets in each of these facilities will be optimized to address the increased unit volumes resulting from the consolidation in California.

Operations in Neuchatel, Switzerland will be consolidated into Photronics' existing facilities in Dresden, Germany and Manchester, England. A sales staff and service team will maintain a presence in Switzerland in order to continue servicing the local customer base. The Company's restructuring strategy will affect less than 10 people in Neuchatel. John Smith, Vice President of European Operations will lead each of the affected European sites through the transition period. "John has handled similar restructuring situations such as this successfully throughout his career in the

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semiconductor industry. His leadership and experience are going to be major assets to our employees and customers during this period," noted Mr. Northup.

Photronics has prepared a variety of programs to offer employment alternatives within the organization through transfers to other facilities. In addition, the Company will provide severance packages to those employees who have served the organization loyally and will provide assistance to them in finding new employment in the regions being affected by the restructuring plan.

A conference call with the investment community and the media can be accessed by logging onto Photronics' web site at www.photronics.com and navigating to the Investor Relations page. The call is scheduled for 10:00 a.m. Eastern Standard Time on Tuesday, March 14th will be archived for instant replay access until 5:00 p.m. Eastern Standard Time on Friday, March 17, 2000.

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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, photomasks are used to transfer circuit patterns onto semiconductor wafers during the fabrication of integrated circuits. They are produced in accordance with circuit 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.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: Except for historical information, the matters discussed in this news release that may be considered forward-looking statements 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 detailed from time to time in the Company's SEC reports. The Company assumes no obligation to update the information in this release.

For Further Information:

At The Company

Michael W. McCarthy

Director - Investor Relations & Corporate Communications

(203)775-9000

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www.photonics.com

FOR IMMEDIATE RELEASE

March 14, 2000

Photronics to Acquire Majority Interest in
Precision Semiconductor Mask Corporation
PSMC's Leading Edge Capability Firmly Establishes
Photronics in the Rapidly Growing Taiwanese Wafer Foundry Market

JUPITER, Florida March 14, 2000 -- Photronics, Inc. (Nasdaq:PLAB), the world's leading photomask supplier, today announced that it would acquire a majority share of Precision Semiconductor Mask Corporation (PSMC), Taiwan's photomask technology leader. PSMC, together with certain of its principal shareholders have agreed to sell a minimum of 51% of the equity of PSMC through the sale of currently outstanding or newly issued shares in transactions aggregating approximately \$50 million. Photronics has already acquired approximately 32% of PSMC's currently outstanding shares. Additional financial terms were not disclosed.

PSMC, which will become a subsidiary of Photronics, establishes Photronics as the technology and service leader in the fastest growing photomask market in the world. In addition, PSMC's high-end and advanced photomask technology qualifications at both Taiwan Semiconductor Manufacturing Corporation (TSMC) and United Microelectronics Corporation (UMC) allows Photronics to bring its Sub-Wavelength Reticle Solutions' process technologies to an increasing number of integrated circuit designers and device manufacturers outsourcing their wafer fabrication requirements. Photronics' proprietary high-end manufacturing and service capabilities are complementary to PSMC's internally developed, robust phase shift photomask technology. PSMC's embedded and hard phase shift technologies have gained wide acceptance by Taiwan's leading wafer lithographers, as well as having attracted the attention of leading wafer lithographers across Europe, Japan and North America.

Constantine "Deno" Macricostas, Chairman of Photronics noted, "Establishing a strategic manufacturing location in Taiwan has been a high priority. PSMC's competitive position and visibility within Taiwan's semiconductor manufacturing community is truly unique and is what makes this transaction work for our customers, and for our shareholders. They maintain the highest level of photomask technology available in Taiwan, and are the only

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local photomask supplier qualified to support both TSMC's and UMC's 0.18 micron technologies. When integrated with Photronics' state-of-the-art global manufacturing network in Europe, North America and Singapore, our Company will be the only strategic photomask supplier with the global presence to provide a comprehensive foundry solution to the world's semiconductor designers and manufacturers. Both companies are ecstatic at the opportunity to join together, bringing customers critical and enabling lithography solutions as they transition into technology nodes beyond the 0.18 micron capabilities being ramped into production today."

Dr. C. Daniel Wu, Chairman of PSMC stated that, "Photronics is the world's recognized leader in sub-wavelength reticle technologies and customer service. PSMC's strong technology and wafer foundry relationships, when combined with Photronics comprehensive global manufacturing network and strategic customer relationships will greatly enhance our ability to meet the technology and volume requirements of a global semiconductor industry relying more on the foundry industry for an increasing amount of their processed wafers. Our timing is excellent and we are ideally positioned to expand our unparalleled presence in the Asia Pacific region."

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FOR IMMEDIATE RELEASE
March 14, 2000

Photronics Broadens Photomask Manufacturing Presence in Asia
Singapore and Taiwan Facilities Enable Comprehensive Foundry Solution

JUPITER, Florida March 14, 2000 -- Photronics, Inc. (Nasdaq:PLAB), the world's leading photomask supplier, today announced additional details of its Asian manufacturing and customer service strategy which it believes will increase the Company's visibility and market share in this rapidly growing region. Expansion in Asia, a cornerstone of Photronics' future growth strategy, was recently brought to the forefront of the Company's operating activities when it announced acquiring equity ownership of Precision Semiconductor Mask Corporation (PSMC) located in Taiwan. PSMC, a leading photomask technology and service provider qualified at Taiwan Semiconductor Manufacturing Corporation (TSMC) and United Microelectronics Corporation (UMC), will become a subsidiary of Photronics as a result of Photronics' 51% majority interest. This latest addition to Photronics' global manufacturing network will enable the Company to leverage its strategic supplier relationships with European and North American-based integrated device manufactures (IDM's) and fabless semiconductor designers into a comprehensive, full service photomask technology solution for foundry customers.

The Asian photomask market, which supports semiconductor manufacturing activities in China, Korea, Taiwan, and Singapore/Southeast Asia, is estimated to exceed \$550 million in calendar 2000 according to Photronics. The rapid growth of this market, particularly in Singapore and Taiwan, results from the broad based adoption of wafer outsourcing strategies. Large and established IDM's, as well as small fabless semiconductor design companies, will continue to benefit from the foundry industry's movement toward wafer processing technology leadership.

Photronics' Singapore facility, having commenced operations in August 1996, remains uniquely positioned as the only photomask supplier in the Southeast Asian region. This site has undergone significant transformation to meet the more demanding requirements of its customers, including a quadrupling in capacity, as well as enhancements to its technological capability. Additionally new growth opportunities are developing as foundry activity in

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Malaysia finds new strength. Planned foundry capacity investments are expected to begin ramping in Malaysia toward the end of this year. The Korean market, which has seen the majority of its manufacturing capacity allocated toward memory products, has also begun to produce an increasing amount of logic-based semiconductors, and is thus expected to see its photomask unit demand increase. Coming into this year, industry analysts expect that a foundry partner processed 10% of all processed silicon. This estimate increases to more than 45% by 2010, making the foundry market one of the single largest strategic consumers of photomask manufacturing technology and services in the world.

James R. Northup, President stated, "The real benefit to PSMC and Photronics comes from being able to serve a larger customer base requiring a local source of photomask technology and support from a regionally located and qualified supplier/partner. Our customers' accelerating technology requirements, together with the evolving semiconductor fabrication model based on outsourced manufacturing strategies has created a unique growth situation for the Asian foundries, and those companies strategically positioned to support them. In addition to providing a comprehensive foundry photomask supply solution, we have an opportunity to build on PSMC's and Photronics' emerging reputations in Japan, as companies in this region increasingly look toward their merchant photomask suppliers to play a leading role in addressing the challenges of sub-0.18 micron lithography."

The substantial technological capability developed by PSMC, together with its advanced photomask technology qualifications at TSMC and UMC, complements Photronics' strategic position as Southeast Asia's foremost photomask supplier.

By leveraging its relationships with European and North American customers utilizing wafer foundries, PSMC will increase its overall capacity utilization and should nearly double Photronics' share of the Asian photomask market (excluding Japan) by year end.

PSMC's facility, which includes 21,600 square feet of class 1 clean room space, is ideally located in Taiwan's Hsinchu Science Park in Taiwan, enabling it to satisfy many of the Company's customers' time to market requirements. The site's 145 employees, almost half of which have engineering backgrounds, are serving the market with Etec, Hitachi and JOEL lithography systems, which are supported by leading inspection tools from KLA-Tencor and repair systems from Seiko. Mr. Northup added, "In light of Taiwan's rapid emergence as a wafer process technology leader, Photronics will bring an ALTA 3500 system to the facility by this summer. We are excited about the opportunity to combine PSMC's well deserved reputation for differentiating technology together with our own Sub-Wavelength Reticle Solutions' products in order to expand our leadership role in Asia's growing demand for advanced wafer lithography process solutions."

Photronics' new presence in Taiwan also greatly improves its ability to
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service Japanese semiconductor manufacturers and North American integrated device manufacturers with facilities in Japan. The Company's position in Taiwan increases its visibility among semiconductor designers now utilizing the advanced wafer process technologies available in today's deep sub-micron foundry fabs. In addition, it improves Photronics' ability to supply photomask technology and services directly into Japan, a market Photronics estimates will approach \$1.0 billion this year. Commenting on Japanese growth opportunities, Mr. Northup stated, "The team at PSMC has done an outstanding job qualifying at every advanced memory wafer fab in Taiwan. This robust technological capability will enable us to further increase our visibility in a market driven by demanding memory technologies."

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