SECURITES 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 July 31, 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 periods 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 July 31, 2000
COMMON STOCK, $.01 PAR VALUE	29,542,967 SHARES

PHOTRONICS, INC.
AND SUBSIDIARIES

INDEX

PART I. FINANCIAL INFORMATION

ITEM I. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

(dollars in thousands)

ASSETS

	JULY 31, 2000 (UNAUDITED)	OCTOBER 31, 1999
Current assets:		
Cash, cash equivalents and short-term investments	$ 50,272	$ 23,115
Accounts receivable (less allowance for doubtful accounts of $815 in 2000 and $692 in 1999)	60,027	50,899
Inventories	19,504	17,444
Other current assets	19,553	16,256
Total current assets	149,356	107,714
Property, plant and equipment, net	396,352	348,144
Intangible assets (less accumulated amortization of $8,807 in 2000 and $8,384 in 1999)	61,131	36,875
Investments and other assets	16,821	14,276
	$623,660	$507,009

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

	JULY 31, 2000 (UNAUDITED)	OCTOBER 31, 1999
Current liabilities:		
Current portion of long-term debt	$ 2,022	$ 1,574
Accounts payable	34,032	51,724
Other current liabilities	11,797	16,232
Total current liabilities	47,851	69,530
Long-term debt	223,396	148,281
Deferred taxes and other liabilities	32,743	35,068
Total liabilities	303,990	252,879
Minority interest	34,646	--
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, 29,542,967 shares issued in 2000 and 27,925,000 shares in 1999	295	279
Additional paid-in capital	133,122	99,544
Retained earnings	158,457	156,929
Accumulated other comprehensive loss	(6,654)	(2,571)
Deferred compensation on restricted stock	(196)	(51)
Total shareholders' equity	285,024	254,130
	$ 623,660	$ 507,009

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Income

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

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	JULY 31, 2000	AUGUST 1, 1999	JULY 31, 2000	AUGUST 1, 1999
Net sales	$ 85,595	$ 72,395	$ 234,540	$ 198,796
Costs and expenses:				
Cost of sales	56,676	49,818	158,065	140,482
Selling, general and administrative	11,485	10,222	32,585	29,404
Research and development	5,319	4,327	15,056	12,025
Merger related costs	5,500	--	5,500	--
Restructuring and related charges	--	--	17,500	--
Operating income	6,615	8,028	5,834	16,885
Other expense, net	(1,857)	(1,080)	(3,647)	(2,944)
Income before income taxes	4,758	6,948	2,187	13,941
Provision for income taxes	1,600	2,600	800	5,200
Net income	$ 3,158	$ 4,348	$ 1,387	$ 8,741
Earnings per share:				
Basic	$ 0.11	$ 0.16	$ 0.05	$ 0.31
Diluted	$ 0.11	$ 0.16	$ 0.05	$ 0.31
Weighted average number of common shares outstanding:				
Basic	29,148	27,723	28,466	27,802
Diluted	29,148	27,723	28,466	27,802

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows

(in thousands)
(unaudited)

	NINE MONTHS ENDED	
	JULY 31, 2000	AUGUST 1, 1999
Cash flows from operating activities:		
Net income	$ 1,387	$ 8,741
Adjustment to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	38,817	35,055
Restructuring and related charges	17,500	--
Gains on sale of investments	(5,305)	(1,087)
Other	(5)	2,316
Changes in assets and liabilities, net of effects of acquisitions:		
Accounts receivable	(914)	(6,917)
Inventories	(583)	683
Other current assets	2,606	3,552
Accounts payable and accrued liabilities	(34,317)	(3,759)
Net cash provided by operating activities	19,186	38,584
Cash flows from investing activities:		
Acquisitions of and investments in photomask operations, net of cash acquired	(34,782)	--
Deposits on and purchases of property, plant and equipment	(26,918)	(67,306)
Net change in short-term investments	--	7,532
Proceeds from sale of investments	5,557	1,184
Other	(1,973)	(2,518)
Net cash used in investing activities	(58,116)	(61,108)
Cash flows from financing activities:		
Repayment of long-term debt	(23,667)	(2,998)
Borrowings under revolving credit facility	65,250	13,775
Proceeds from issuance of common stock	28,987	4,216
Purchase and retirement of common stock	--	(6,900)
Other	(131)	(151)
Net cash provided by financing activities	70,439	7,942
Effect of exchange rate changes on cash flows	(878)	(1,298)
Net increase (decrease) in cash and cash equivalents	30,631	(15,880)
Cash and cash equivalents at beginning of period	23,115	28,004
Adjustment related to Align-Rite's net cash flows from October 1, 1999 to October 31, 1999	(3,474)	--
Cash and cash equivalents at end of period	$ 50,272	$ 12,124
Cash paid during the period for:		
Interest	$ 7,776	$ 6,607
Income taxes	$ 192	$ 2,695

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Shareholders' Equity

(dollars in thousands)
(unaudited)

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	ADD'L PAID-IN-CAPITAL	RETAINED EARNINGS
NINE MONTHS ENDED AUGUST 1, 1999:				
BALANCE AT NOVEMBER 1, 1998	27,958	$ 280	$ 100,973	$ 138,885
Comprehensive income (loss):				
Net income	--	--	--	8,741
Adjustment to reflect Align-Rite's results for the period from April 1, 1998 to September 30, 1998	--	--	--	3,596
Change in unrealized gains on investments	--	--	--	--
Foreign currency translation adjustment	--	--	--	--
Total comprehensive income	--	--	--	12,337
Sale of common stock through employee stock option and purchase plans	315	3	4,571	--
Amortization of restricted stock to compensation expense	--	--	--	--
Common stock repurchase	(500)	(5)	(6,895)	--
BALANCE AT AUGUST 1, 1999	27,773	$ 278	$ 98,649	$ 151,222
NINE MONTHS ENDED JULY 31, 2000:				
BALANCE AT OCTOBER 31, 1999	27,925	$ 279	$ 99,544	$ 156,929
Comprehensive income (loss):				
Net income	--	--	--	1,387
Adjustment to reflect Align-Rite's results for the period from October 1 to October 31, 1999	--	--	--	141
Change in unrealized gains on investments	--	--	--	--
Foreign currency translation adjustment	--	--	--	--
Total comprehensive income (loss)	--	--	--	1,528
Sale of common stock through employee stock option and purchase plans and private placement	1,618	16	33,317	--
Restricted stock awards, net	--	--	261	--
BALANCE AT JULY 31, 2000	29,543	$ 295	$ 133,122	$ 158,457

ACCUMULATED OTHER
COMPREHENSIVE INCOME (LOSS)

	UNREALIZED INVESTMENT GAINS	FOREIGN CURRENCY TRANSLATION	TOTAL	DEFERRED COMPENSATION ON RESTRICTED STOCK	TOTAL SHAREHOLDERS' EQUITY
NINE MONTHS ENDED AUGUST 1, 1999:					
BALANCE AT NOVEMBER 1, 1998	$ 1,167	$ (2,970)	$ (1,803)	$ (139)	$ 238,196
Comprehensive income (loss):					
Net income	--	--	--	--	8,741
Adjustment to reflect Align-Rite's results for the period from April 1, 1998 to September 30, 1998	--	--	--	--	3,596
Change in unrealized gains on investments	2,281	--	2,281	--	2,281
Foreign currency translation adjustment	--	(2,185)	(2,185)	--	(2,185)
Total comprehensive income	2,281	(2,185)	96	--	12,433
Sale of common stock through employee stock option and purchase plans	--	--	--	--	4,574
Amortization of restricted stock to compensation expense	--	--	--	66	66
Common stock repurchase	--	--	--	--	(6,900)
BALANCE AT AUGUST 1, 1999	$ 3,448	$ (5,155)	$ (1,707)	$ (73)	$ 248,369
NINE MONTHS ENDED JULY 31, 2000:					
BALANCE AT OCTOBER 31, 1999	$ 2,524	$ (5,095)	$ (2,571)	$ (51)	$ 254,130
Comprehensive income (loss):					
Net income	--	--	--	--	1,387
Adjustment to reflect Align-Rite's results for the period from October 1 to October 31, 1999	--	--	--	--	141
Change in unrealized gains on investments	2,922	--	2,922	--	2,922
Foreign currency translation adjustment	--	(7,005)	(7,005)	--	(7,005)
Total comprehensive income (loss)	2,922	(7,005)	(4,083)	--	(2,555)
Sale of common stock through employee stock option and purchase plans and private placement	--	--	--	--	33,333
Restricted stock awards, net	--	--	--	(145)	116
BALANCE AT JULY 31, 2000	$ 5,446	$ (12,100)	$ (6,654)	$ (196)	$ 285,024

See accompanying notes to condensed consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED JULY 31, 2000 AND AUGUST 1, 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 nine month periods ended July 31, 2000 are not necessarily indicative of the results that may be expected for the year ending October 31, 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 - ALIGN-RITE MERGER

On June 7, 2000, Photronics completed its merger with Align-Rite International, Inc. ("Align-Rite"), herein after collectively referred to as the Company. Under the terms of the merger agreement, each of the 4,731,232 shares of common stock of Align-Rite issued and outstanding as of June 7, 2000 was converted into 0.85 shares of common stock of Photronics. Cash was paid in lieu of the issuance of any fractional shares of Photronics that would have been otherwise issued. Any stock options to acquire Align-Rite common stock that had not been exercised as of June 7, 2000 became fully vested options to acquire Photronics common stock in accordance with the Merger Agreement. The merger constituted a tax free reorganization and has been accounted for as a pooling-of-interests. The July 31, 2000 Condensed Consolidated Financial Statements for the three and nine months ended July 31, 2000 and August 1, 1999 and the accompanying notes thereto reflect the Company's financial position, results of operations and cash flows as if Align-Rite had been a wholly-owned subsidiary of Photronics for all periods presented. Prior to the merger, Align-Rite's fiscal year ended on March 31. For purposes of the Condensed Consolidated Financial Statements, Align-Rite's financial statements for the three and nine months ended June 30, 1999 (unaudited) have been combined with Photronics' three and nine months ended August 1, 1999 (unaudited), respectively. The financial statement balances of Align-Rite have been reclassified to conform to Photronics' presentation.

In the third quarter of 2000, the Company recorded a pre-tax charge of approximately $5.5 million for transaction costs incurred in connection with the merger. Such costs consisted primarily of investment banking, legal, accounting, financial printing and other related charges.

NOTE 3 - ACQUISITON OF PSMC

Effective June 20, 2000, the Company acquired approximately 51% of the total share capital of Precision Semiconductor Mask Corporation (PSMC), a photomask manufacturer based in Taiwan, for approximately $62.0 million. The acquisition was accounted for as a purchase. Accordingly, a portion of the purchase price has been allocated to assets acquired and liabilities assumed based upon estimated fair value at the date of acquisition while the balance of $26.0 million was recorded as goodwill and is being amortized over 15 years. The purchase price allocation is preliminary and further refinements are likely to be made based upon the completion of the final valuation. The operating results of PSMC have been included in the Condensed Consolidated Statement of Income from June 20, 2000. Had the acquisition of PSMC occurred at the beginning of fiscal 1999, the unaudited pro forma condensed consolidated net sales for the nine months ended July 31, 2000 and August 1, 1999 would have been $250.2 million and $206.7 million, respectively, and the pro forma net income (loss) and earnings (loss) per share for the nine months ended July 31, 2000 and August 1, 1999 would have been ($2.9) million and ($0.10), and $5.1 million and $0.18, respectively. In management's opinion, these unaudited pro forma amounts are not necessarily indicative of what the actual combined results of operations might have been if the acquisition of PSMC had been effective at the beginning of the periods presented.

NOTE 4 - EARNINGS PER SHARE

Earnings per share ("EPS") 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 nine months ended July 31, 2000 and August 1, 1999, respectively, is as follows (in thousands, except per share amounts):

	NET INCOME	SHARES OUTSTANDING	AVERAGE EARNINGS PER SHARE
THREE MONTHS			
2000:			
Basic and diluted (a)	$3,158	29,148	$0.11
1999:			
Basic and diluted (a)	$4,348	27,723	$0.16
NINE MONTHS			
2000:			
Basic and diluted (a)	$1,387	28,466	$0.05
1999:			
Basic and diluted (a)	$8,741	27,802	$0.31

(a) The effect of the exercise of stock options and the conversion of notes for the three and nine months ended July 31, 2000 and August 1, 1999 is anti-dilutive.

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 - COMMON STOCK

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

OVERVIEW

On June 7, 2000, Photronics, Inc. ("Photronics" or the "Company"), completed its merger with Align-Rite International, Inc. ("Align-Rite"), an independent publicly traded manufacturer of photomasks in the United States and Europe. Under the terms of the merger agreement, each of the 4,731,232 shares of common stock of Align-Rite issued and outstanding as of June 7, 2000 was converted into 0.85 shares of common stock of Photronics. Cash was paid in lieu of the issuance of any fractional shares of Photronics that would have been otherwise issued. Any stock options to acquire Align-Rite common stock that had not been exercised as of June 7, 2000 became fully vested options to acquire Photronics common stock in accordance with the Merger Agreement. The transaction was accounted for as a pooling-of-interests.

The condensed consolidated financial statements, the accompanying notes and this management discussion and analysis have been restated to reflect the Company's financial position, results of operations and cash flows as if Align-Rite was a consolidated wholly-owned subsidiary of the Company for all periods presented.

Effective June 20, 2000, the Company acquired approximately 51% of the total share capital of Precision Semiconductor Mask Corporation (PSMC), a photomask manufacturer based in Taiwan, for approximately $62.0 million. The acquisition was accounted for as a purchase. The operating results of PSMC have been included in the Condensed Consolidated Statement of Income from June 20, 2000.

MATERIAL CHANGES IN RESULTS OF OPERATIONS
THREE AND NINE MONTHS ENDED JULY 31, 2000 VERSUS AUGUST 1, 1999

Net sales for the three and nine months ended July 31, 2000 increased 18.2% to $85.6 million and 18.0% to $234.5 million, respectively, compared with $72.4 million and $198.8 million for the corresponding prior year periods. The increase for the three and nine months ended July 31, 2000 resulted primarily from an increase in new design releases and higher average selling prices resulting from an improved mix of high-end technology products, together with the consolidation of PSMC's results from June 20, 2000.

Gross margins for the three and nine month periods ended July 31, 2000 increased to 33.8% and 32.6%, respectively, compared to 31.2% and 29.3% for the corresponding prior year periods. The increases in gross margin, attributable to a greater mix of high-end, higher margin revenues, increased capacity utilization and efficiencies realized from the Company's recent restructurings, were partially offset by substantially lower margins currently being experienced at PSMC.

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 12.4% to $11.5 million, and 10.8% to $32.6 million for the three and nine months ended July 31, 2000, respectively, compared with $10.2 million and $29.4 million for the same periods in the prior fiscal year. As a percentage of net sales, selling, general and administrative expenses decreased to 13.4% and 13.9%, respectively, compared to 14.1% and 14.8% 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 nine months ended July 31, 2000, increased 22.9% to $5.3 million and 25.2% to $15.1 million, respectively, compared with $4.3 million and $12.0 million for the same periods in the prior fiscal year. These increases reflect the continuing development efforts on high-end, more complex photomasks such as phase shift, optical proximity correction and next generation lithography applications. Research and development was 6.2% and 6.4% of net sales for the three and nine months ended July 31, 2000, respectively, compared to 6.0% in both of the corresponding prior year periods.

In the third quarter of fiscal 2000, the Company recorded a pre-tax charge of approximately $5.5 million for transaction costs incurred in connection with the Align-Rite merger. Such costs consisted primarily of investment banking, legal, accounting, financial printing and other related charges.

Net other expense of $1.9 and $3.6 million for the three and nine months ended July 31, 2000 increased by $0.8 million and $0.7 million, as compared to the three and nine months ended August 1, 1999, respectively. The increases, which were offset by income earned on investments, are primarily attributable to increased interest costs associated with increased borrowings, principally for the PSMC acquisition.

Net income for the three and nine months ended July 31, 2000, decreased to $3.2 million and $1.4 million, respectively, or $0.11 and $0.05 per basic and diluted share. These amounts compare to $4.3 million, or $0.16 per basic and diluted share, and $8.7 million, or $0.31 per basic and diluted share, for the corresponding prior year periods. Fiscal year 2000 includes the effect of the restructuring and related charges and merger related costs amounting to $14.8 million after tax, or $0.52 per share.

LIQUIDITY AND CAPITAL RESOURCES

The Company's working capital at July 31, 2000 was $101.5 million as compared to $38.2 million at October 31, 1999. The increase in working capital is due primarily to higher cash resulting from increased borrowings under the Company's unsecured revolving credit agreement. Cash and cash equivalents at July 31, 2000 were $50.3 million as compared to $23.1 million at October 31, 1999. Cash provided by operating activities for the nine months ended July 31, 2000 was $19.2 million as compared to $38.6 million for the nine months ended August 1, 1999. This decrease is primarily attributable to a decrease in accounts payable and accruals of $34.3 million from October 31, 1999, principally due to the timing of progress payments for capital equipment coming due during the period.

Cash used by investing activities of $58.1 million consisted principally of the acquisition of PSMC and capital equipment purchases.

Cash flows from financing activities of $70.4 million included increased net borrowings of $41.6 million, primarily associated with the PSMC acquisition, and $29.0 million in proceeds from the issuance of common stock, the majority of which resulted from the sale of one million shares of common stock to institutional investors in June of 2000.

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 $78.0 million of outstanding borrowings under the revolving credit facility at July 31, 2000.

Photronics' commitments represent investments in additional manufacturing capacity as well as advanced equipment for the production of high-end, more complex photomasks. At July 31, 2000, Photronics had commitments outstanding for capital expenditures of approximately $40.0 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.

"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.

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 May 19, 2000.
(ii) Form 8-K dated May 26, 2000.

In addition, a report on Form 8-K dated June 21, 2000 was filed by the Company reporting information under Form 8-K, Items 2, 5 and 7 and a report on Form 8-KA dated June 30, 2000 was filed by the Company reporting the following financial information:

financial statements of business acquired and supplementary consolidated financial statements as required by such Form 8-K.

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
Senior Vice President
Chief Financial Officer
(Duly Authorized Officer and
Principal Financial Officer)

DATE: SEPTEMBER 12, 2000

7-MOS
JUL-31-2000
JUL-31-2000
50,272
0
60,842
815
19,504
149,356
598,352
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234,540
158,065
158,065
23,000
0
6,588
2,187
800
1,387
0
0
0
1,387
0.05
0.05

Gross trade receivables
Total current assets
Gross PP&E
Long-term debt
Total equity less common stock
For Photronics, this amount is COS
Operating expenses exclusive of COS, SG&A and R&D
Bad debt expense