Photronics Amends Credit Agreement Maturity Extended Until January 31, 2011

BROOKFIELD, Connecticut May 18, 2009 -- Photronics, Inc. (Nasdaq:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, announced today that it has amended its Revolving Credit Agreement (the "credit agreement"). The amended agreement, among other items, has modified the maturity of the credit agreement to January 31, 2011.

The amended agreement also includes, modified financial covenants and increased borrowing limits from $120 to $130 million as of November 1, 2009 and from $100 to $110 million as of January 31, 2010 through maturity. Additionally, the Company's overall availability limit has been reduced by $5 million to $130 million. As part of the amended agreement the Company has issued warrants that could be exercised up to 5% of the Company's outstanding common stock. The agreement, however, does stipulate potential clawback provisions which may limit the maximum warrants to 2% of the Company's outstanding common stock.

"Amending our credit agreement and extending the maturity date allows Photronics to continue to move forward with full focus on increasing revenue performance and driving cost reduction activities to deliver improved profitability," stated Constantine S. Macricostas, Photronics' chairman and chief executive officer. "Achieving this agreement despite the difficult market and financial environment is a testament to Photronics' ability to persevere in adverse conditions," concluded Mr. Macricostas.

Photronics is a leading worldwide manufacturer of photomasks. Photomasks are high precision quartz plates that contain microscopic images of electronic circuits. A key element in the manufacture of semiconductors and flat panel displays, photomasks are used to transfer circuit patterns onto semiconductor wafers and flat panel substrates during the fabrication of integrated circuits, a variety of flat panel displays and, to a lesser extent, other types of electrical and optical components. They are produced in accordance with product designs provided by customers at strategically located manufacturing facilities in Asia, Europe, and North America. Additional information on the Company can be accessed at www.photronics.com.

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

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