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, 1995......

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)

...(203) 775-9000...
(Registrant's telephone number, including area code)

......P.O. Box 5226, 15 Secor Road, Brookfield, CT 06804......
(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, 1995
Common Stock, $.01 par value	11,206,416 Shares

PHOTRONICS, INC.
AND SUBSIDIARIES

INDEX

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Balance Sheet

(dollars in thousands)

ASSETS

	April 30, 1995 (Unaudited)	October 31, 1994
Current assets:		
Cash, cash equivalents and short-term investments	$ 47,591	$27,627
Accounts receivable (less allowance for doubtful accounts of $185 in 1995 and $135 in 1994)	16,070	10,218
Inventories	3,453	2,469
Other current assets	2,107	2,140
Total current assets	69,221	42,454
Property, plant and equipment	50,462	39,205
Intangible assets (less accumulated amortization of $1,617 in 1995 and $1,117 in 1994)	10,760	5,523
Investments and other assets	21,725	11,164
	$152,168	$98,346

See accompanying notes to consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheet
(dollars in thousands, except per share amounts)
LIABILITIES AND SHAREHOLDERS' EQUITY

	April 30, 1995 (Unaudited)	October 31, 1994
Current liabilities:		
Short-term debt and current portion of long-term debt	$ 3,034	$ 467
Accounts payable	9,091	5,053
Accrued salaries and wages	2,989	2,615
Other accrued liabilities	3,781	1,990
Total current liabilities	18,895	10,125
Long-term debt	1,827	495
Deferred income taxes and other liabilities	11,834	7,324
Total liabilities	32,556	17,944
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, 10,000,000 shares authorized in 1994 and 20,000,000 shares authorized in 1995, 11,342,916 shares issued in 1995 and 6,659,929 shares in 1994	113	67
Additional paid-in capital	67,200	41,338
Retained earnings	41,425	34,338
Unrealized gains on investments	11,647	5,608
Treasury stock, 136,500 shares in 1995 and 91,000 shares in 1994, at cost	(245)	(245)
Deferred compensation on restricted stock	(528)	(704)
Total shareholders' equity	119,612	80,402
	$152,168	$98,346

See accompanying notes to consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Earnings

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

	Three Months Ended April 30, 1995	Three Months Ended April 30, 1994	Six Months Ended April 30, 1995	Six Months Ended April 30, 1994
Net sales	$30,037	$18,642	$56,213	$37,499
Costs and expenses:				
Cost of sales	18,422	12,177	34,839	24,702
Selling, general and administrative	4,104	2,260	7,647	4,533
Research and development	1,595	1,105	2,943	2,242
Operating income	5,916	3,100	10,784	6,022
Interest and other income, net	179	95	513	170
Income before income taxes and cumulative effect of change in accounting for income taxes	6,095	3,195	11,297	6,192
Provision for income taxes	2,275	1,084	4,210	2,044
Income before cumulative effect of change in accounting for income taxes	3,820	2,111	7,087	4,148
Cumulative effect of change in accounting for income taxes	-	-	-	237
Net income	$ 3,820	$ 2,111	$ 7,087	$ 4,385
Net income per common share:				
Income before cumulative effect of change in accounting for income taxes	$0.36	$0.21	$0.68	$0.42
Cumulative effect of change in accounting for income taxes	-	-	-	0.02
Net income	$0.36	$0.21	$0.68	$0.44
Weighted average number of common shares outstanding	10,513	10,034	10,385	9,986

See accompanying notes to consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Condensed Consolidated Statement of Cash Flows
(in thousands)
(Unaudited)

	Six Months Ended April 30, 1995	Six Months Ended April 30, 1994
Cash flows from operating activities:		
Net income	$ 7,087	$ 4,385
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization of property, plant and equipment	4,130	4,018
Amortization of intangible assets	500	322
Gain on disposition of investments	(388)	-
Deferred income taxes	(107)	(26)
Cumulative effect of change in accounting for income taxes	-	(237)
Other	327	(6)
Changes in assets and liabilities, net of effects of acquisition in 1995:		
Accounts receivable	(5,852)	(958)
Inventories	(104)	218
Other current assets	47	(897)
Accounts payable and accrued liabilities	6,744	(287)
Income taxes payable	(541)	740
Net cash provided by operating activities	11,843	7,272
Cash flows from investing activities:		
Acquisition of photomask operations	(7,400)	-
Deposits on and purchases of property, plant and equipment	(10,137)	(2,747)
Net change in short-term investments	(5,498)	988
Proceeds from sale of investments	410	-
Other	(170)	(42)
Net cash used in investing activities	(22,795)	(1,801)
Cash flows from financing activities:		
Repayment of long-term debt	(451)	(323)
Net proceeds from issuance of common stock	25,908	918
Net cash provided by financing activities	25,457	595
Net increase in cash and cash equivalents	14,505	6,066
Cash and cash equivalents at beginning of period	25,092	8,225
Cash and cash equivalents at end of period	$39,597	$14,291
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest	$21	$40
Income taxes	$4,490	$977

See accompanying notes to consolidated financial statements.

PHOTRONICS, INC. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

Three and Six Months Ended April 30, 1995
(Unaudited)

NOTE 1 - BASIS OF FINANCIAL STATEMENT PRESENTATION

The consolidated financial statements of the Company included herein have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission and, in the opinion of management, reflect all adjustments which are necessary to present fairly the results for the three and six-month periods ended April 30, 1995 and 1994. Interim financial data presented herein are unaudited. Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations; however, management believes that the disclosures are adequate to make the information presented not misleading. This report should be read in conjunction with the consolidated financial statements and footnotes as of October 31, 1994, which give a complete discussion of these matters.

NOTE 2 - ACQUISITION OF PHOTOMASK OPERATIONS
OF HOYA MICRO MASK, INC.

On December 1, 1994, the Company acquired certain assets held by Hoya Micro Mask, Inc. ("Micro Mask"), an independent photomask manufacturer with manufacturing operations located in Sunnyvale, California. The transaction included the purchase of land, buildings, inventory and certain assets other than cash and receivables. In addition, significant manufacturing systems owned by Micro Mask were leased by the Company from Micro Mask. The acquisition was financed through available cash reserves and involved the payment of approximately $7.2 million in cash at closing and the obligation to pay $3.0 million and $1.8 million, without interest, six months and four years after the closing, respectively. In addition, the Company incurred approximately $0.2 million of costs in connection with the acquisition. The operating lease of the significant manufacturing systems has a term ranging from 44 to 62 months and includes the right to purchase the systems at fair market value at the end of the lease.

The acquisition was accounted for as a purchase and, accordingly, the acquisition price was allocated to property, plant and equipment as well as certain intangible assets based on relative fair value. Intangible assets include goodwill of approximately $5.2 million which will be amortized over twenty (20) years. The consolidated statement of earnings includes the results of Micro Mask's operations from December 1, 1994, the effective date of the acquisition.

The consolidated results of the Company's operations on a proforma basis for the three and six months ended April 30, 1994, as though the purchase had been made as of the beginning of that period, would have reflected sales of approximately $24.7 million and $49.3 million and net income of $2.4 million, or $0.23 per share, and $4.4 million, or $0.44 per share before the change in accounting for income taxes. The proforma results of operations are not necessarily indicative of the actual operating results that would have occurred had the transaction been consummated at the beginning of the period, or of the future operating results of the combined companies.

NOTE 3 - SHAREHOLDERS' EQUITY

In January 1995, the Company's Board of Directors approved a three-for two stock split which became effective on March 20, 1995. On March 16, 1995, the shareholders approved an amendment to the Company's Certificate of Incorporation increasing the number of common shares which the Company is authorized to issue from 10,000,000 shares to 20,000,000 shares. Shareholders of record on March 20, 1995, received three shares of common stock for each two they owned on that date. A total of 3.3 million shares were issued in connection with the stock split which was effected in the form of a dividend. All applicable share and per share data reflected in the financial statements have been adjusted to reflect the stock split.

On April 18, 1995, the Company issued 1,290,000 new shares of common stock at a price of $21.00 per share ($19.85 per share for underwriting discounts), 40,000 shares of common stock due to the exercise of stock options at prices ranging from $1.83 to $3.17 per share and 7,500 additional shares of common stock resulting from the exercise of a warrant at $5.24 per share. The gross proceeds and costs of the issue were $25.7 million and approximately $250,000, respectively. Issuance costs were recorded as a reduction of additional paid-in capital. The net proceeds will be used to fund current expansion plans. On May 16, 1995, the underwriters exercised the 210,000 share over-allotment option at a price of $19.85 per share.

NOTE 4 - REVOLVING CREDIT AGREEMENT

In March 1995, the Company entered into a new unsecured revolving credit facility that provides for borrowings of up to $10 million per year in each of the next three years, subject to a carryover in the second and third year of up to $3 million. Such borrowings are convertible into term loans, payable in equal quarterly installments over five years. The new facility provides for essentially the same terms and conditions as the Company's previous revolving credit agreement, including compliance with and maintenance of certain financial covenants and ratios.

NOTE 5 - SUBSEQUENT EVENT

In May 1995, the Company announced that it would acquire the manufacturing operations of Microphase Laboratories, Inc. (Microphase) in Colorado Springs, Colorado. The purchase price will approximate one times annual sales and will be payable in newly issued common stock of the Company. Microphase had sales in excess of $2 million during 1994 and employs 28 people. Microphase focuses on the large area mask market, as well as supporting traditional integrated circuit mask customers. It is expected that the acquisition will have a minimal near-term effect on sales and earnings.

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, 1995 versus April 30, 1994

A significant portion of the material changes in each category of the Company's results of operations for the three and six months ended April 30, 1995, as compared to the same periods in the prior fiscal year are attributable to the acquisition, on December 1, 1994, of the photomask manufacturing operations and assets of Hoya Micro Mask, Inc. ("Micro Mask"), an independent photomask manufacturer with manufacturing operations located in Sunnyvale, California. The operations acquired represent a full-service, state-of-the-art photomask manufacturing facility.

Net sales for the three and six months ended April 30, 1995, increased 61.1% to $30.0 million and 49.9% to $56.2 million, respectively, compared with $18.6 million and $37.5 million in the same periods in the prior fiscal year. The increases are attributable to the inclusion of sales, commencing December 1, 1994, by the Company's new Sunnyvale facility and increased shipments to customers from existing facilities as a result of stronger demand generally.

Cost of sales for the three and six months ended April 30, 1995, increased 51.3% to $18.4 million and 41.0% to $34.8 million, respectively, compared to $12.2 million and $24.7 million for the same periods in the prior fiscal year. These increases principally are the result of increased sales, coupled with higher employee incentive compensation expenses resulting from the Company's performance. Additionally, during these periods, employee benefit costs increased as the majority of the employees at the Texas facility became eligible for benefits on April 1, 1994. As a percentage of net sales, cost of sales decreased to 61.3% and 62.0% for the three and six months ended April 30, 1995 as compared with 65.3% and 65.9% in the corresponding periods last year. The improvement primarily was due to the higher capacity utilization and greater operating efficiencies afforded by sales volume increases and a more favorable mix of more complex photomasks. The Company anticipates that its fixed operating costs will increase in connection with its planned expansion of capacity. However, the Company expects to match these higher costs with continued increases in sales levels, together with a focus on improving capacity utilization and operating efficiencies.

Selling, general and administrative expenses increased 81.6% to $4.1 million and 68.7% to $7.6 million for the three and six months ended April 30, 1995, respectively, compared with $2.3 million and $4.5 million for the same periods in the prior fiscal year. The increases were due largely to the inclusion of expenses of the Company's Sunnyvale facility and higher employee incentive compensation expense provisions as a result of performance. Furthermore, the Company had increases in staffing levels, as well as general increases in wages and other expenses. As a percentage of net sales, selling, general and administrative expenses increased to 13.7% and 13.6% for the three and six months ended April 30, 1995, respectively, compared with 12.1% for the same periods last year.

Research and development expenses for the three and six months ended April 30, 1995, increased 44.3% to $1.6 million and 31.3% to $2.9 million, respectively, compared to $1.1 million and $2.2 million from the same periods for the prior fiscal year. These increases are primarily the result of several projects dealing with advanced technology photomasks. However, as a percentage of net sales, research and development expenses declined to 5.3% and 5.2% for the three and six months ended April 30, 1995, respectively, compared to 5.9% and 6.0% in the corresponding prior fiscal year periods, reflecting increased net sales. The Company has increased its research and development efforts and expects that these expenses as a percentage of net sales may return to historic levels.

Interest and other income, net, for the three and six months ended April 30, 1995, increased to $179,000 and $513,000, respectively, compared to $95,000 and $170,000 for the same periods in the prior fiscal year due principally to increases in interest income resulting from higher levels of funds available for investment, coupled with higher prevailing interest rates. In addition, the Company had net gains on the disposition of investments during the six months ended April 30, 1995.

For the three and six months ended April 30, 1995, the Company provided Federal and state income taxes at an estimated combined effective annual tax rate of approximately 37% as compared to approximately 34% and 33% in the same periods for the prior fiscal year. The increase in the Company's estimated tax rate primarily is the result of a larger portion of income being subject to the 35% incremental Federal income tax rate and a greater portion of the Company's income being generated in California. For the six months ended April 30, 1994, the Company recognized the cumulative effect of the adoption of SFAS 109, "Accounting for Income Taxes," resulting in a benefit of $0.2 million, or $0.02 per share.

Liquidity and Capital Resources

The Company's cash, cash equivalents and short-term investments increased $20.0 million during the six months ended April 30, 1995, primarily as a result of the issuance of 1,290,000 new shares of common stock in a public equity offering completed on April 18, 1995. The proceeds of the offering amounted to $25.7 million and were offset by cash of $7.4 million expended to fund the acquisition of Micro Mask. Excluding the proceeds from the stock offering and the funds utilized in the Micro Mask acquisition, investing activities used cash totaling $15.4 million, principally for deposits on and purchases of property, plant and equipment and for additional short-term investments, and financing activities used an additional $0.2 million. Such expenditures were offset by $11.8 million of cash provided by operating activities after utilizing approximately $2.0 million for initial working capital at the Sunnyvale site.

Accounts receivable increased to $16.1 million at April 30, 1995, from $10.2 million at October 31, 1994, primarily as a result of higher sales levels, particularly due to the inclusion of sales from the new Sunnyvale operations. Inventory increased to $3.5 million at April 30, 1995, from $2.5 million at October 31, 1994, as a result of the addition of the Sunnyvale facility.

Property, plant and equipment and intangible assets at April 30, 1995, increased from October 31, 1994, principally due to the acquisition of $5.1 million of fixed assets and $5.7 million of intangible assets in connection with the Micro Mask acquisition and other deposits on and purchases of property, plant and equipment totaling $10.1 million. These increases were offset by normal depreciation and amortization expense totaling $4.6 million.

Investments increased from $11.1 million at October 31, 1994, to $21.5 million at April 30, 1995, due to additional unrealized gains recorded as a result of the increased fair value of the Company's investments, net of dispositions, during the period.

Accounts payable and other accrued liabilities at April 30, 1995, increased from October 31, 1994, principally due to the addition of the Sunnyvale operations, increased payables related to recent equipment purchases, and business volume increases generally. These increases were offset by the payment during the period of certain fiscal 1994 expenses. Accrued salaries and wages increased from October 31, 1994, as a result of the addition of the Sunnyvale operations and provisions for incentive compensation for fiscal 1995, offset by payments during the period of fiscal 1994 and current year incentive compensation.

As a result of obligations incurred in connection with the Micro Mask acquisition (including $3.0 million due in June 1995), net of a $0.4 million balloon payment and normal monthly payments which were paid, short-term debt and the current portion of long-term debt increased by $2.6 million and long-term debt, less the current portion, increased $1.3 million (net of imputed interest on the Micro Mask debt) during the six months ended April 30, 1995. Deferred income taxes at April 30, 1995, increased $4.5 million from October 31, 1994, to $11.6 million largely due to amounts provided on the unrealized gains on investments.

The Company's commitments represent investments in additional manufacturing capacity, as well as advanced equipment for research and development of the next generation of high-end, more complex photomasks. As of April 30, 1995, the Company had commitments for the purchase or lease of additional property, plant and equipment with an acquisition cost of approximately $38.4 million, of which approximately $11.7 million had been paid at that date. Included in commitments are $11.3 million related to the construction of the Company's new facility in the Dallas area. Additional commitments for relocation of the Company's current Texas operations and the proposed Singapore operations will be incurred later in fiscal 1995.

The Company will use its working capital, bank credit lines, leasing arrangements and the net proceeds from its recently completed stock offering to finance its capital expenditures. In March 1995, the Company entered into a new unsecured revolving credit facility that provides for borrowings of up to $10 million per year in each of the next three years, subject to a carryover in the second and third year of up to $3 million. Such borrowings are convertible into term loans, payable in equal quarterly installments over five years. The new facility provides for essentially the same terms and conditions as the Company's previous revolving credit agreement, including compliance with and maintenance of certain financial covenants and ratios. In May 1995, the underwriters exercised the 210,000 share over-allotment option at a price of $19.85 per share. The Company believes that its currently available resources, together with its capacity for substantial growth, are sufficient to satisfy its cash requirements for the foreseeable future.

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 March 16, 1995.

(b) The following directors, constituting the entire Board of Directors were elected at the Annual Meeting of Shareholders held on March 16, 1995. Also indicated are the affirmative, negative and authority withheld votes for each director.

	For	Against	Authority Withheld
Walter M. Fiederowicz	5,536,524	0	5,002
Joseph A. Fiorita, Jr.	5,536,524	0	5,002
Constantine S. Macricostas	5,536,399	0	5,127
Masahiro Fujii	5,536,524	0	5,002
Michael J. Yomazzo	5,536,524	0	5,002

(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 March 16, 1995:

The approval of an amendment to the Company's Certificate of Incorporation increasing the authorized Common Stock of the Company from 10,000,000 to 20,000,000 shares.

Affirmative Votes.........	5,411,690
Negative Votes.........	125,736
Abstentions/Broker Non-Votes.......	4,100

The ratification of the appointment of Deloitte and Touche LLP as the independent certified public accountants of the Company for the fiscal year ending October 31, 1995:

Affirmative Votes.........	5,536,725
Negative Votes.........	3,661
Abstentions/Broker Non-Votes.......	1,150

Item 6. Exhibits and Reports of Form 8-K

(a) Exhibits

27 Financial Data Schedule

(b) Reports on Form 8-K

A report on Form 8-K was filed by the Company on March 24, 1995 in order to file certain exhibits. The exhibits filed included the amendment to the Certificate of Incorporation of the Company and a Revolving Credit and Term Loan Agreement between the Company and Chemical Bank.

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

Date: June 13, 1995

FORMS\10Q495/p

5

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

1,000

6-MOS
OCT-31-1995
APR-30-1995
39,558
8,033
16,255
185
3,453
69,221
86,992
36,530
152,168
18,895
1,827
113
0
0
119,499
152,168
56,213
56,213
34,839
34,839
0
50
69
11,297
4,210
7,087
0
0
0
7,087
0.68
0