

UNITED STATES
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) **February 17, 2009**

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 Number)

15 Secor Road, Brookfield, CT

(Address of Principal Executive Offices)

06804

(Zip Code)

Registrant's Telephone Number, including area code **(203) 775-9000**

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02 Results of Operations and Financial Condition

On February 17, 2009, the Company issued a press release reporting first quarter fiscal 2009 results. A copy of the press release is attached to this 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 99.1 Press Release dated February 17, 2009
- 99.2 Condensed Consolidated Statement of Operations
- 99.3 Condensed Consolidated Balance Sheets
- 99.4 Condensed Consolidated Statements of Cash Flows

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 hereunto duly authorized.

PHOTRONICS, INC.

(Registrant)

DATE **February 18, 2009**

BY **/s/ *Richelle E. Burr***

Richelle E. Burr

Vice President, Associate General Counsel

PHOTRONICS, INC.



Press Release

FOR FURTHER INFORMATION:

Scott J. Gish
Vice President
Corporate Communications
(203)775-9000
sgish@photronics.com

FOR IMMEDIATE RELEASE

February 17, 2009

PHOTRONICS REPORTS FIRST QUARTER RESULTS

BROOKFIELD, Connecticut February 17, 2009 -- Photronics, Inc. (Nasdaq:PLAB), a worldwide leader in supplying innovative imaging technology solutions for the global electronics industry, today reported fiscal 2009 first quarter results for the period ended February 1, 2009.

Sales for the first quarter were \$88.0 million, down 14.7%, compared to \$103.2 million for the first quarter of fiscal year 2008. Sales of semiconductor photomasks accounted for \$63.6 million, or 72.2% of revenues during the first quarter of fiscal 2009, and sales of flat panel display (FPD) photomasks accounted for \$24.4 million, or 27.8% of revenues.

Net loss for the first quarter of fiscal year 2009 was \$10.2 million, or \$0.25 per share, compared to a net loss of \$3.3 million, or \$0.08 per share, for the first quarter of fiscal 2008. Net loss for the first quarter of fiscal 2009 included a charge of approximately \$1.7 million in connection with the Company's previously disclosed restructuring of its operations in Manchester, United Kingdom. On a non-GAAP basis, excluding the effect of the aforementioned charge, the Company's adjusted net loss for the first quarter of fiscal year 2009 was \$8.9 million, or \$0.21 per share.

Constantine ("Deno") Macricostas, Photronics' chairman and interim chief executive officer commented, "The first quarter was challenging as many of Photronics' customers grappled with the current financial crisis and economic uncertainty. Looking further into 2009, although the global recession clearly will be difficult for Photronics and our customers, we participate in an industry with primarily strong growth prospects. Today's weak demand environment has not deterred semiconductor and FPD makers from developing new product designs, which is the core driver of photomask industry growth. Our plan is to continue to reduce costs and enhance operational efficiency while at the same time maintain a sharp focus on new technology qualifications to be fully prepared when industry demand improves."

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PHOTRONICS REPORTS FIRST QUARTER RESULTS

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A conference call with investors and the media to discuss these results is scheduled for 8:30 a.m. Eastern time on Wednesday, February 18, 2009. The live dial-in number is (719) 325-4827. The call can also be accessed by logging onto Photronics' web site at www.photronics.com.

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.

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)
(Unaudited)

	Three Months Ended	
	February 1, 2009	January 27, 2008
Net sales	\$ 88,042	\$ 103,215
Costs and expenses:		
Cost of sales	(77,483)	(82,619)
Selling, general and administrative	(10,402)	(16,302)
Research and development	(3,624)	(4,238)
Consolidation, restructuring and related charges	(1,680)	-
Operating income (loss)	(5,147)	56
Other expense, net	(3,623)	(568)
Loss before income taxes and minority interest	(8,770)	(512)
Income tax provision	(1,197)	(1,873)
Loss before minority interest	(9,967)	(2,385)
Minority interest	(266)	(955)
Net loss	<u>\$ (10,233)</u>	<u>\$ (3,340)</u>
Loss per share:		
Basic	\$ (0.25)	\$ (0.08)
Diluted	\$ (0.25)	\$ (0.08)
Weighted average number of common shares outstanding:		
Basic	41,723	41,626
Diluted	<u>41,723</u>	<u>41,626</u>

PHOTRONICS, INC. AND SUBSIDIARIES**Condensed Consolidated Balance Sheets**

(in thousands)

(Unaudited)

	February 1, 2009	November 2, 2008
<u>Assets</u>		
Current assets:		
Cash, cash equivalents and short-term investments of \$144 in 2009 and \$1,343 in 2008	\$ 71,653	\$ 85,106
Accounts receivable	65,497	68,095
Inventories	18,063	17,548
Other current assets	12,453	11,748
Total current assets	167,666	182,497
Property, plant and equipment, net	406,915	436,528
Investment in joint venture	65,776	65,737
Other intangibles, net	61,098	62,386
Other assets	11,048	10,859
	<u>\$ 712,503</u>	<u>\$ 758,007</u>
<u>Liabilities and Shareholders' Equity</u>		
Current liabilities:		
Current portion of long-term borrowings	\$ 68,134	\$ 20,630
Accounts payable and accrued liabilities	79,835	95,448
Total current liabilities	147,969	116,078
Long-term borrowings	151,848	202,979
Deferred income taxes and other liabilities	6,393	6,552
Minority interest	48,608	49,616
Shareholders' equity	357,685	382,782
	<u>\$ 712,503</u>	<u>\$ 758,007</u>

PHOTRONICS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows

(in thousands)
(Unaudited)

	Three Months Ended	
	February 1, 2009	January 27, 2008
Cash flows from operating activities:		
Net loss	\$ (10,233)	\$ (3,340)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	21,725	24,721
Consolidation, restructuring and related charges	1,680	-
Minority interest in income of consolidated subsidiaries	266	955
Changes in assets and liabilities and other	(5,449)	(10,661)
Net cash provided by operating activities	7,989	11,675
Cash flows from investing activities:		
Purchases of property, plant and equipment	(12,789)	(65,932)
Purchases of short-term investments and other	-	(253)
Proceeds from sales of investments and other	858	65
Investment in joint venture		(2,598)
Net cash used in investing activities	(11,931)	(68,718)
Cash flows from financing activities:		
Repayments of long-term borrowings	(3,607)	(577)
Proceeds from long-term borrowings	-	942
Payments of deferred financing fees	(1,913)	(71)
Net cash provided by (used in) financing activities	(5,520)	294
Effect of exchange rate changes on cash	(2,792)	(171)
Net decrease in cash and cash equivalents	(12,254)	(56,920)
Cash and cash equivalents, beginning of period	83,763	146,049
Cash and cash equivalents, end of period	\$ 71,509	\$ 89,129
Supplemental disclosure of cash flow information:		
Change in accrual for purchases of property, plant and equipment	\$ (11,204)	\$ (24,181)
Capital lease obligation for purchases of property, plant and equipment	\$ -	\$ 61,662