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PHOTRONICS INC  
Form 424B3  
March 01, 2002

Filed pursuant to Rule 424(b)(3) and 424(c)  
Registration Statement No. 333-82080

PROSPECTUS SUPPLEMENT NO. 1  
(To Prospectus Dated February 22, 2002)

\$200,000,000

Photronics, Inc.

4 3/4 Convertible Subordinated Notes Due 2006  
and  
Common Stock Issuable Upon Conversion of the Notes

This document supplements our prospectus dated February 22, 2002 relating to the resale of up to \$200,000,000 aggregate principal amount of our Notes and the shares of our common stock issuable upon conversion of the Notes, by certain holders of Notes who are named as selling security holders in the prospectus.

You should read this prospectus supplement in conjunction with the prospectus. This prospectus supplement updates information in the prospectus, and, accordingly, to the extent inconsistent, the information in this prospectus supplement supersedes the information contained in the prospectus.

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Investing in the notes involves risks. See "Risk Factors" beginning on page 7 of the prospectus.  
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NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE  
SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE  
SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS  
PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL  
OFFENSE.

The date of this prospectus supplement is March 1, 2002.

The table of selling security holders beginning on page 36 of the prospectus is hereby amended to add the entities named below as selling security holders, to revise the number of notes held by one of the selling security holders and to correct two footnote references:

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| Name<br>-----  | Principal<br>amount of<br>notes<br>beneficially<br>owned that<br>may be sold<br>----- | Percentage<br>of notes<br>outstanding<br>----- | Number of<br>shares of<br>common<br>stock that<br>may be sold<br>(1) (4)<br>----- | Percentage<br>of common<br>stock<br>outstanding<br>(2)<br>----- |
|--|---|--|---|---|
| AIG/National Union Fire<br>Insurance                                 | \$ 180,000  | *  | 4,864   | *   |
| AmSouth Bank Custodian<br>for AmSouth VA Equity<br>Income Fund       | 2,100,000   | 1.05%  | 56,756  | *   |
| AmSouth Bank Custodian<br>for Silect Equity Variable<br>Annuity Fund | 1,320,000   | *  | 35,675  | *   |
| Argent Classic Convertible<br>Arbitrage Fund L.P.                    | 500,000   | *  | 13,513  | *   |
| Argent LowLev Convertible<br>Arbitrage Fund LLC                      | 500,000   | *  | 13,513  | *   |
| Bank Austria Cayman Islands,<br>LTD                                  | 7,400,000   | 3.70   | 199,999   | *   |
| Delta Airlines Master Trust (6)                                      | 950,000   | *  | 25,675  | *   |
| Innovest Finanzdienstleistungs AG                                    | 580,000   | *  | 15,594  | *   |
| Lyxor Master Fund Ref:<br>Argent/LowLev CB                           | 1,230,000   | *  | 33,243  | *   |
| McMahan Securities Co., L.P.   | 1,500,000   | *  | 40,540  | *   |
| Nicholas Applegate Global<br>Holdings LP                             | 35,000  | *  | 945   | *   |
| Ondeo Nalco  | 40,000  | *  | 1,081   | *   |
| Ramius Capital Group   | 300,000   | *  | 8,108   | *   |
| RCG Halifax Master Fund, LTD   | 550,000   | *  | 14,864  | *   |
| RCG Latitude Master Fund, LTD  | 2,500,000   | 1.25   | 67,567  | *   |
| RCG Multi Strategy A/C LP  | 1,250,000   | *  | 33,783  | *   |
| 2  |   |  |   |   |
| Southern Farm Bureau Life<br>Insurance                               | 185,000   | *  | 4,999   | *   |
| Starvest Combined Portfolio  | 190,000   | *  | 5,135   | *   |
| Wake Forest University   |   |  |   |   |

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|                       |         |   |       |   |
|-----------------------|---------|---|-------|---|
| Convertible Arbitrage | 355,000 | * | 9,594 | * |
|-----------------------|---------|---|-------|---|

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After giving effect to the addition of the foregoing selling security holders, the revision of the number of notes held by one of the selling security holders and the correction of the footnote references, the section of the prospectus entitled "Selling Security Holders" reads as follows:

SELLING SECURITY HOLDERS

We originally issued the notes in a private placement in December 2001. The notes were resold by the initial purchasers of the notes to qualified institutional buyers under Rule 144A under the Securities Act. Selling security holders may offer and sell the notes and the underlying common stock pursuant to this prospectus.

The following table sets forth information we have received as of February 28, 2002 about the principal amount of notes and the underlying common stock beneficially owned by each selling security holder that may be offered using this prospectus.

| Name<br>-----  | Principal<br>amount of<br>notes<br>beneficially<br>owned that<br>may be sold<br>----- | Percentage<br>of notes<br>outstanding<br>----- | Number of<br>shares of<br>common<br>stock that<br>may be sold<br>(1) (4)<br>----- | Percentage<br>of common<br>stock<br>outstanding<br>(2)<br>----- |
|--|---|--|---|---|
| Advent Convertible Master<br>Cayman L.P.                       | \$ 2,935,000  | 1.47%  | 79,324  | *   |
| AIG/National Union Fire<br>Insurance                           | 180,000   | *  | 4,864   | *   |
| Allentown City Firefighters<br>Pension Plan                    | 29,000  | *  | 783   | *   |
| Allentown City Officers &<br>Employees Pension Fund            | 11,000  | *  | 297   | *   |
| Allentown City Police Pension<br>Plan                          | 54,000  | *  | 1,459   | *   |
| Amaranth LLC   | 13,800,000  | 6.90   | 372,972   | 1.21%   |
| American Motorist Insurance<br>Company                         | 507,000   | *  | 13,702  | *   |
| AmSouth Bank Custodian<br>for AmSouth VA Equity<br>Income Fund | 2,100,000   | 1.05   | 56,756  | *   |

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|   |           |      |         |   |
|---|-----------|------|---------|---|
| AmSouth Bank Custodian<br>for Silect Equity Variable<br>Annuity Fund                              | 1,320,000 | *    | 35,675  | * |
| Arapahoe County Colorado  | 49,000    | *    | 1,324   | * |
|   | 4         |      |         |   |
| Argent Classic Convertible<br>Arbitrage Fund L.P.   | 500,000   | *    | 13,513  | * |
| Argent LowLev Convertible<br>Arbitrage Fund LLC   | 500,000   | *    | 13,513  | * |
| Arkansas Teachers Retirement<br>System  | 3,506,000 | 1.75 | 94,756  | * |
| Aventis Pension Master Trust (6)  | 105,000   | *    | 2,837   | * |
| Bank Austria Cayman Islands,<br>LTD   | 7,400,000 | 3.70 | 199,999 | * |
| Bankers Trust Company<br>Trustee for DaimlerChrysler<br>Corp. Emp. #1 Pension Plan<br>dtd. 4/1/89 | 3,465,000 | 1.73 | 93,648  | * |
| Baptist Health of South Florida   | 577,000   | *    | 15,594  | * |
| Black Diamond Offshore Ltd.   | 565,000   | *    | 15,270  | * |
| Boilermaker - Blacksmith<br>Pension Trust (6)   | 590,000   | *    | 15,945  | * |
| British Virgin Islands Social<br>Security Board   | 38,000    | *    | 1,027   | * |
| CALAMOS(R) Convertible<br>Fund - CALAMOS(R)<br>Investment Trust (6)                               | 2,400,000 | 1.20 | 64,864  | * |
| CALAMOS(R) Convertible<br>Growth and Income Fund -<br>CALAMOS(R) Investment<br>Trust (6)          | 4,400,000 | 2.20 | 118,918 | * |
| CALAMOS(R) Convertible<br>Portfolio - CALAMOS(R)<br>Advisors Trust (6)                            | 65,000    | *    | 1,756   | * |
| CALAMOS(R) Convertible<br>Technology Fund -<br>CALAMOS(R) Investment<br>Trust (6)                 | 65,000    | *    | 1,756   | * |
| CALAMOS(R) Global<br>Convertible Fund -<br>CALAMOS(R) Investment                                  |           |      |         |   |

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|  |            |      |         |      |
|--|------------|------|---------|------|
| Trust (6)  | 70,000     | *    | 1,891   | *    |
|  | 5          |      |         |      |
| CALAMOS(R) Market Neutral<br>Fund - CALAMOS(R)<br>Investment Trust (6)   | 10,500,000 | 5.25 | 283,783 | *    |
| Chrysler Corporation Master<br>Retirement Trust                          | 2,035,000  | 1.01 | 54,999  | *    |
| City of Albany Pension Plan (6)  | 50,000     | *    | 1,351   | *    |
| City of Knoxville Pension<br>System (6)                                  | 145,000    | *    | 3,918   | *    |
| City of New Orleans  | 203,000    | *    | 5,486   | *    |
| City University of New York  | 122,000    | *    | 3,297   | *    |
| Clarica Life Insurance Co.-<br>U.S. (6)                                  | 145,000    | *    | 3,918   | *    |
| Consulting Group Capital<br>Markets Funds (6)                            | 250,000    | *    | 6,756   | *    |
| DeAm Convertible Arbitrage   | 3,300,000  | 1.65 | 89,189  | *    |
| Delta Airlines Master Trust (6)  | 950,000    | *    | 25,675  | *    |
| Delta Air Lines Master Trust<br>(c/o Oaktree Capital<br>Management LLC)  | 490,000    | *    | 13,243  | *    |
| Delta Pilots Disability and<br>Survivorship Trust (6)                    | 200,000    | *    | 5,405   | *    |
| Delta Pilots D & S Trust (c/o<br>Oaktree Capital Management<br>LLC)      | 270,000    | *    | 7,297   | *    |
| Deutsche Banc Alex Brown   | 15,624,000 | 7.81 | 422,269 | 1.37 |
| Dorinco Reinsurance<br>Company (6)                                       | 325,000    | *    | 8,783   | *    |
| Double Black Diamond<br>Offshore LDC                                     | 2,935,000  | 1.47 | 79,324  | *    |
| Drury University (6)   | 35,000     | *    | 945     | *    |
| Engineers Joint Pension Fund   | 468,000    | *    | 12,648  | *    |
| Fidelity Financial Trust:<br>Fidelity Convertible Securities<br>Fund (7) | 11,680,000 | 5.84 | 315,675 | 1.03 |
| Franklin and Marshall College  | 190,000    | *    | 5,135   | *    |

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|   |           |      |        |   |
|---|-----------|------|--------|---|
| Grady Hospital Foundation                                 | 107,000   | *    | 2,891  | * |
|   | 6         |      |        |   |
| Granville Capital Corporation                             | 2,000,000 | 1.00 | 54,054 | * |
| HFR Convertible Arbitrage Account                         | 190,000   | *    | 5,135  | * |
| HFR Master Fund, LTD. (6)                                 | 50,000    | *    | 1,351  | * |
| H.K. Porter Company, Inc.                                 | 15,000    | *    | 405    | * |
| Independence Blue Cross                                   | 64,000    | *    | 1,729  | * |
| Innovest Finanzdienstleistungs AG                         | 580,000   | *    | 15,594 | * |
| JP Morgan Chase (6)                                       | 950,000   | *    | 25,675 | * |
| KBC Financial Products USA Inc.                           | 250,000   | *    | 6,756  | * |
| Kettering Medical Center Funded Depreciation Account (6)  | 35,000    | *    | 945    | * |
| Knoxville Utilities Board Retirement System (6)           | 120,000   | *    | 3,243  | * |
| Lipper Convertibles, L.P.                                 | 1,500,000 | *    | 40,540 | * |
| Lipper Offshore Convertibles, L.P.                        | 1,500,000 | *    | 40,540 | * |
| Louisiana Workers' Compensation Corporation (6)           | 150,000   | *    | 4,054  | * |
| Lumbermans  | 491,000   | *    | 13,270 | * |
| Lyxor Master Fund Ref: Argent/LowLev CB                   | 1,230,000 | *    | 33,243 | * |
| Macomb County Employees' Retirement System (6)            | 145,000   | *    | 3,918  | * |
| McMahan Securities Co., L.P.                              | 1,500,000 | *    | 40,540 | * |
| Microsoft Corporation                                     | 410,000   | *    | 11,081 | * |
| Minnesota Power and Light                                 | 125,000   | *    | 3,378  | * |
| Motion Pictures Industry                                  | 545,000   | *    | 14,729 | * |
| Motion Picture Industry Health Plan -- Active Member Fund | 190,000   | *    | 5,135  | * |
| Motion Picture Industry Retiree Member Fund               | 80,000    | *    | 2,162  | * |

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|  |           |      |         |   |
|--|-----------|------|---------|---|
| Municipal Employees  | 183,000   | *    | 4,945   | * |
| New Orleans Firefighters Pension / Relief Fund   | 110,000   | *    | 2,972   | * |
|  | 7         |      |         |   |
| Nicholas Applegate Convertible Fund  | 1,395,000 | *    | 37,702  | * |
| Nicholas Applegate Global Holdings LP  | 35,000    | *    | 945     | * |
| 1976 Distribution Trust FBO A.R. Lauder / Zinterhofer  | 7,000     | *    | 189     | * |
| 1976 Distribution Trust FBO Jane A. Lauder   | 13,000    | *    | 351     | * |
| Occidental Petroleum Corporation   | 118,000   | *    | 3,189   | * |
| OCM Convertible Trust  | 1,180,000 | *    | 8,918   | * |
| Ondeo Nalco  | 40,000    | *    | 1,081   | * |
| Onex Industrial Partners   | 1,950,000 | *    | 52,702  | * |
| Palladin Securities LLC  | 1,200,000 | *    | 32,432  | * |
| Paloma Securities LLC  | 5,000,000 | 2.50 | 135,135 | * |
| Partner Reinsurance Company Ltd.   | 330,000   | *    | 8,918   | * |
| Pebble Capital Inc.  | 650,000   | *    | 17,567  | * |
| Physician Life   | 183,000   | *    | 4,945   | * |
| Policemen and Firemen Retirement System of the City of Detroit   | 503,000   | *    | 13,594  | * |
| Port Authority of Allegheny County Retirement and Disability Allowance Plan for the Employees Represented by Local 85 of the Amalgamated Transit Union (6) | 615,000   | *    | 16,621  | * |
| Pro-mutual   | 603,000   | *    | 16,297  | * |
| Qwest Occupational Health Trust  | 55,000    | *    | 1,486   | * |
| Ramius Capital Group   | 300,000   | *    | 8,108   | * |
| RAM Trading Ltd  | 1,750,000 | *    | 47,297  | * |

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|  |           |      |         |   |
|--|-----------|------|---------|---|
| Raytheon Master Pension Trust  | 200,000   | *    | 5,405   | * |
| RCG Halifax Master Fund, LTD   | 550,000   | *    | 14,864  | * |
|  | 8         |      |         |   |
| RCG Latitude Master Fund, LTD  | 2,500,000 | 1.25 | 67,567  | * |
| RCG Multi Strategy A/C LP  | 1,250,000 | *    | 33,783  | * |
| Robertson Stephens   | 5,000,000 | 2.50 | 135,135 | * |
| San Diego City Retirement  | 1,097,000 | *    | 29,648  | * |
| San Diego County Convertible   | 1,654,000 | *    | 44,702  | * |
| SCI Endowment Care Common Trust Fund - First Union (6)                 | 20,000    | *    | 540     | * |
| SCI Endowment Care Common Trust Fund - National Fiduciary Services (6) | 70,000    | *    | 1,891   | * |
| SCI Endowment Care Common Trust Fund - Suntrust (6)                    | 30,000    | *    | 810     | * |
| Screen Actors Guild Pension Convertible                                | 500,000   | *    | 13,513  | * |
| Shell Pension Trust  | 320,000   | *    | 8,648   | * |
| Silvercreek Limited Partnership  | 1,100,000 | *    | 29,729  | * |
| Silvercreek II Limited   | 900,000   | *    | 24,324  | * |
| Southdown Pension Plan (6)   | 60,000    | *    | 1,621   | * |
| Southern Farm Bureau Life Insurance                                    | 185,000   | *    | 4,999   | * |
| Starvest Combined Portfolio  | 190,000   | *    | 5,135   | * |
| State of Connecticut Combined Investment Fund                          | 1,705,000 | *    | 46,081  | * |
| State of Maryland Retirement Agency                                    | 2,575,000 | 1.29 | 69,594  | * |
| State Street Bank Custodian for GE Pension Trust                       | 1,585,000 | *    | 42,837  | * |
| Sunrise Partners LLC   | 9,200,000 | 4.60 | 248,648 | * |
| The Dow Chemical Company   |           |      |         |   |



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|  |               |         |               |        |
|--|---------------|---------|---------------|--------|
| Employees' Retirement Plan (6)   | 1,150,000     | *       | 27,631        | *      |
| The Fondren Foundation (6)   | 35,000        | *       | 945           | *      |
| The Grable Foundation  | 95,000        | *       | 2,567         | *      |
| Trustmark Insurance Company  | 280,000       | *       | 7,567         | *      |
|  | 9             |         |               |        |
| 2000 Revocable Trust FBO<br>A.R. Lauder / Zinterhofer  | 6,000         | *       | 162           | *      |
| Union Carbide Retirement<br>Account (6)  | 600,000       | *       | 16,216        | *      |
| United Food and Commercial<br>Workers Local 1262 and<br>Employee Pension Fund (6)                      | 270,000       | *       | 7,297         | *      |
| Vanguard Convertible<br>Securities Fund, Inc.  | 1,945,000     | *       | 52,567        | *      |
| Vopak USA Inc., Retirement<br>Plan (f.k.a. Van Waters &<br>Rogers, Inc. Retirement Plan) (6)           | 140,000       | *       | 3,783         | *      |
| Wake Forest University   | 686,000       | *       | 18,540        | *      |
| Wake Forest University<br>Convertible Arbitrage  | 355,000       | *       | 9,594         | *      |
| Writers Guild Industry Health<br>Fund  | 293,000       | *       | 7,918         | *      |
| Wyoming State Treasurer  | 971,000       | *       | 26,243        | *      |
| Any other holder of notes or<br>future transferee, pledgee,<br>donee or successor of any<br>holder (3) | 37,368,000    | 18.68   | 1,009,944     | 3.22   |
|  | -----         | -----   | -----         | -----  |
| Total.....   | \$200,000,000 | 100.00% | 5,405,400 (5) | 15.13% |
|  | =====         | =====   | =====         | =====  |

\* Less than 1%.

- (1) Assumes conversion of all of the holder's notes at a conversion rate of 27.027 shares of common stock per \$1,000 principal amount of notes. However, this conversion rate will be subject to adjustment as described under "Description of Notes--Conversion Rights." As a result, the amount of common stock issuable upon conversion of the notes may increase or decrease in the future.

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- (2) Calculated based on 30,315,494 shares of common stock outstanding as of December 31, 2001. In calculating this amount for each selling security holder, we treated as outstanding that number of shares of common stock issuable upon conversion of all of that holder's notes. However, we did not assume the conversion of any other holder's notes, except in calculating the percentage for all selling security holders as a group
- (3) Information about other selling security holders will be set forth in prospectus supplements, if required.

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- (4) Assumes that the holders of notes, or any future transferees, pledgees, donees or successors of or from any such holder of notes, do not beneficially own any common stock other than the common stock issuable upon conversion of the notes at the initial conversion rate.
- (5) Column does not add up correctly because the fractional shares to which the holders would be entitled have been disregarded.
- (6) Pursuant to an Investment Management Agreement, CALAMOS(R) Investments is not acting individually, but solely as an Investment Manager for the selling security holder.
- (7) The entity is either an investment company or a portfolio of an investment company registered under Section 8 of the Investment Company Act of 1940, as amended, or a private investment account advised by Fidelity Management and Research Company ("FMR Co."). FMR Co. is a Massachusetts corporation and an investment advisor registered under Section 203 of the Investment Advisers Act of 1940, as amended, and provides investment advisory services to each of such Fidelity entities identified above, and to other registered investment companies and to certain other funds which are generally offered to a limited group of investors. FMR Co. is a wholly owned subsidiary of FMR Corp. ("FMR"), a Massachusetts corporation. The holdings are as of January 23, 2002.

We prepared this table based on the information supplied to us on or before February 28, 2002 by the selling security holders named in the table. The selling security holders listed in the above table may have sold or transferred, in transactions exempt from the registration requirements of the Securities Act, some or all of their notes since the date they have supplied the information to us. Information about the selling security holders may change further over time. Any changed information supplied to us will be set forth in future prospectus supplements.

None of the selling security holders listed above has, or within the past three years has had, any position, office or other material relationship or any of its predecessors or affiliates.

Because the selling security holders may offer all or some of their notes or the underlying common stock from time to time, we cannot estimate the amount of the notes or the underlying common stock that will be held by the selling security holders upon the termination of any particular offering. See "Plan of Distribution."

