

Edgar Filing: PHOTRONICS INC - Form 424B3

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.

Investing in the notes involves risks. See "Risk Factors" beginning on page 7 of the prospectus.

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 -----	Principal amount of notes beneficially owned that may be sold -----	Percentage of notes outstanding -----	Number of shares of common stock that may be sold (1) (4) -----	Percentage of common stock outstanding (2) -----
AIG/National Union Fire Insurance	\$ 180,000	*	4,864	*
AmSouth Bank Custodian for AmSouth VA Equity Income Fund	2,100,000	1.05%	56,756	*
AmSouth Bank Custodian for Silect Equity Variable Annuity Fund	1,320,000	*	35,675	*
Argent Classic Convertible Arbitrage Fund L.P.	500,000	*	13,513	*
Argent LowLev Convertible Arbitrage Fund LLC	500,000	*	13,513	*
Bank Austria Cayman Islands, 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: Argent/LowLev CB	1,230,000	*	33,243	*
McMahan Securities Co., L.P.	1,500,000	*	40,540	*
Nicholas Applegate Global 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	*
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Southern Farm Bureau Life 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 -----	Principal amount of notes beneficially owned that may be sold -----	Percentage of notes outstanding -----	Number of shares of common stock that may be sold (1) (4) -----	Percentage of common stock outstanding (2) -----
Advent Convertible Master Cayman L.P.	\$ 2,935,000	1.47%	79,324	*
AIG/National Union Fire Insurance	180,000	*	4,864	*
Allentown City Firefighters Pension Plan	29,000	*	783	*
Allentown City Officers & Employees Pension Fund	11,000	*	297	*
Allentown City Police Pension Plan	54,000	*	1,459	*
Amaranth LLC	13,800,000	6.90	372,972	1.21%
American Motorist Insurance Company	507,000	*	13,702	*
AmSouth Bank Custodian for AmSouth VA Equity Income Fund	2,100,000	1.05	56,756	*

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AmSouth Bank Custodian for Silect Equity Variable Annuity Fund	1,320,000	*	35,675	*
Arapahoe County Colorado	49,000	*	1,324	*
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Argent Classic Convertible Arbitrage Fund L.P.	500,000	*	13,513	*
Argent LowLev Convertible Arbitrage Fund LLC	500,000	*	13,513	*
Arkansas Teachers Retirement System	3,506,000	1.75	94,756	*
Aventis Pension Master Trust (6)	105,000	*	2,837	*
Bank Austria Cayman Islands, LTD	7,400,000	3.70	199,999	*
Bankers Trust Company Trustee for DaimlerChrysler Corp. Emp. #1 Pension Plan 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 Pension Trust (6)	590,000	*	15,945	*
British Virgin Islands Social Security Board	38,000	*	1,027	*
CALAMOS(R) Convertible Fund - CALAMOS(R) Investment Trust (6)	2,400,000	1.20	64,864	*
CALAMOS(R) Convertible Growth and Income Fund - CALAMOS(R) Investment Trust (6)	4,400,000	2.20	118,918	*
CALAMOS(R) Convertible Portfolio - CALAMOS(R) Advisors Trust (6)	65,000	*	1,756	*
CALAMOS(R) Convertible Technology Fund - CALAMOS(R) Investment Trust (6)	65,000	*	1,756	*
CALAMOS(R) Global Convertible Fund - CALAMOS(R) Investment				

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Trust (6)	70,000	*	1,891	*
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CALAMOS(R) Market Neutral Fund - CALAMOS(R) Investment Trust (6)	10,500,000	5.25	283,783	*
Chrysler Corporation Master Retirement Trust	2,035,000	1.01	54,999	*
City of Albany Pension Plan (6)	50,000	*	1,351	*
City of Knoxville Pension 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.- U.S. (6)	145,000	*	3,918	*
Consulting Group Capital 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 (c/o Oaktree Capital Management LLC)	490,000	*	13,243	*
Delta Pilots Disability and Survivorship Trust (6)	200,000	*	5,405	*
Delta Pilots D & S Trust (c/o Oaktree Capital Management LLC)	270,000	*	7,297	*
Deutsche Banc Alex Brown	15,624,000	7.81	422,269	1.37
Dorinco Reinsurance Company (6)	325,000	*	8,783	*
Double Black Diamond 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: Fidelity Convertible Securities 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	*
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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	*
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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	*
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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	*
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2000 Revocable Trust FBO A.R. Lauder / Zinterhofer	6,000	*	162	*
Union Carbide Retirement Account (6)	600,000	*	16,216	*
United Food and Commercial Workers Local 1262 and Employee Pension Fund (6)	270,000	*	7,297	*
Vanguard Convertible Securities Fund, Inc.	1,945,000	*	52,567	*
Vopak USA Inc., Retirement Plan (f.k.a. Van Waters & Rogers, Inc. Retirement Plan) (6)	140,000	*	3,783	*
Wake Forest University	686,000	*	18,540	*
Wake Forest University Convertible Arbitrage	355,000	*	9,594	*
Writers Guild Industry Health Fund	293,000	*	7,918	*
Wyoming State Treasurer	971,000	*	26,243	*
Any other holder of notes or future transferee, pledgee, donee or successor of any holder (3)	37,368,000	18.68	1,009,944	3.22
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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."

