

KEITHLEY INSTRUMENTS INC  
 Form 4  
 May 28, 2009

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 KEITHLEY JOSEPH P

2. Issuer Name and Ticker or Trading Symbol  
 KEITHLEY INSTRUMENTS INC  
 [KEI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

KEITHLEY INSTRUMENTS, INC., 28775 AURORA ROAD

(Street)

SOLON, OH 44139

(City) (State) (Zip)

3. Date of Earliest Transaction (Month/Day/Year)  
 05/26/2009

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Director, Chairman, CEO

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Class B Common Shares           |                                      |  |                                | (A) or (D)  | Price   |  | Partnership <sup>(1)</sup>                            |
| Class B Common Shares           |                                      |  |                                |   |   | I  | Trust <sup>(2)</sup>                                  |
| Class B Common Shares           |                                      |  |                                |   |   | D  |   |
| Common                          | 05/26/2009                           |  | P <sup>(3)</sup>               | 500   | A \$  | 90,015   | D   |

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|   |            |                  |     |   |         |        |   |      |
|---|------------|------------------|-----|---|---------|--------|---|------|
| Shares                                  |            |                  |     |   |         | 4.36   |   |      |
| Common Shares                           | 05/26/2009 | P <sup>(3)</sup> | 100 | A | \$ 4.3  | 90,115 | D |      |
| Common Shares                           | 05/26/2009 | P <sup>(3)</sup> | 100 | A | \$ 4.32 | 90,215 | D |      |
| Common Shares                           | 05/26/2009 | P <sup>(3)</sup> | 100 | A | \$ 4.35 | 90,315 | D |      |
| Common Shares                           | 05/27/2009 | P <sup>(3)</sup> | 800 | A | \$ 4.35 | 91,115 | D |      |
| Common Shares                           | 05/27/2009 | P <sup>(3)</sup> | 500 | A | \$ 4.3  | 91,615 | D |      |
| Common Shares                           | 05/27/2009 | P <sup>(3)</sup> | 188 | A | \$ 4.37 | 91,803 | D |      |
| Restricted Common Shares <sup>(4)</sup> |            |                  |     |   |         | 2,616  | D |      |
| Common Shares                           |            |                  |     |   |         | 2,448  | I | Wife |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Code | 5. Transaction Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | Amount Number Shares |
|--|--|--------------------------------------|--|---------|---|--|---|----------------------|
| Common Share Option                        | \$ 45.125  |                                      |  |         |   | 08/02/2002 08/01/2010                                    | Common Shares   | 120,000              |
| Common Share Option                        | \$ 18.41   |                                      |  |         |   | 07/25/2003 <sup>(5)</sup> 07/24/2011                     | Common Shares   | 100,000              |
|  | \$ 13.76   |                                      |  |         |   | 07/24/2004 <sup>(5)</sup> 07/23/2012                     |   | 100,000              |

| Common Share Option    |          |                           |                | Common Shares |                       |
|------------------------|----------|---------------------------|----------------|---------------|-----------------------|
| Common Share Option    | \$ 16.12 | 08/10/2005                | 07/18/2013     | Common Shares | 100,000               |
| Common Share Option    | \$ 18.75 | 02/15/2005                | 07/16/2014     | Common Shares | 70,000                |
| Common Share Option    | \$ 15.05 | 10/04/2007 <sup>(5)</sup> | 10/03/2015     | Common Shares | 55,000                |
| Common Share Option    | \$ 9.12  | 11/09/2009 <sup>(5)</sup> | 11/09/2017     | Common Shares | 38,300                |
| Performance Award Unit | \$ 0     | 09/30/2010 <sup>(6)</sup> | <sup>(6)</sup> | Common Shares | 19,300 <sup>(6)</sup> |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                         |       |
|---|---------------|-----------|-------------------------|-------|
|   | Director      | 10% Owner | Officer                 | Other |
| KEITHLEY JOSEPH P<br>KEITHLEY INSTRUMENTS, INC.<br>28775 AURORA ROAD<br>SOLON, OH 44139 | X             | X         | Director, Chairman, CEO |       |

## Signatures

Mark J. Plush,  
Attorney-in Fact

05/28/2009

        Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Keithley Investment Co. Limited Partnership

(2) Joseph F. Keithley 1988 Family Trust - reporting person is Trustee

(3) The purchases reported in this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on March 12, 2009.

(4) Restricted shares will become fully vested on December 1, 2010

(5) Date reported applies to 50% of total, one-half of the balance is then exercisable in each succeeding year.

Each Performance Award Unit represents the right to receive one common share. The number of units initially awarded, the target, is shown above. The actual number of units that will be awarded and converted to shares is based upon: a) the Company's revenue growth as compared to a defined Peer Group and, b) the Company maintaining an acceptable level of profitability during the performance period which ends on the date exercisable (the "vesting date"). Awarded units are automatically converted to shares under the Plan on or before the December 31st following the Vesting Date.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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