

SCHROEDER KENNETH L
Form 4
February 09, 2006

FORM 4

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

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

OMB APPROVAL

OMB
Number: 3235-0287
Expires: January 31,
2005
Estimated average
burden hours per
response... 0.5

(Print or Type Responses)

1. Name and Address of Reporting Person *
SCHROEDER KENNETH L

(Last) (First) (Middle)

C/O KLA-TENCOR
CORPORATION, 160 RIO
ROBLES

(Street)

SAN JOSE, CA 95130

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
KLA TENCOR CORP [KLAC]

3. Date of Earliest Transaction
(Month/Day/Year)
02/08/2006

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

☐ Director ☐ 10% Owner
☒ Officer (give title below) ☐ Other (specify
below) below)

Chief Executive Officer

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)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/08/2006		S		30,000	D	\$ 53.9155
Common Stock	02/08/2006		M		56,032	A	\$ 16.97
Common Stock	02/08/2006		S		56,032	D	\$ 53.9155
Common Stock-Restricted Stock Units ⁽¹⁾							100,000

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(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. Transaction Code (Instr. 8)	5. 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 Underlying Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Non-Qualified Stock Option (right to buy)	\$ 16.97	02/08/2006		M	56,032	10/23/1999	10/23/2008	Common Stock	50
Non-Qualified Stock Option (right to buy)	\$ 26.25					11/10/2001	11/10/2010	Common Stock	37
Non-Qualified Stock Option (right to buy)	\$ 29.31					10/02/2002	10/02/2011	Common Stock	34
Non-Qualified Stock Option (right to buy)	\$ 32.75					04/04/2002	04/04/2011	Common Stock	37
Non-Qualified Stock Option (right to buy)	\$ 33.75					10/27/2000	10/27/2009	Common Stock	15
Non-Qualified Stock Option (right to buy)	\$ 34.67					11/08/2003	01/28/2013	Common Stock	62
Non-Qualified Stock Option (right to buy)	\$ 37.05					11/08/2003	11/08/2012	Common Stock	37
Non-Qualified Stock Option (right to buy)	\$ 40.66					10/27/2006	08/02/2014	Common Stock	22
Non-Qualified Stock Option (right to buy)	\$ 41.79					09/21/2005	09/21/2014	Common Stock	32
	\$ 44.6875					08/13/2000	08/13/2010		75

Non-Qualified Stock Option (right to buy)				Common Stock	
Non-Qualified Stock Option (right to buy)	\$ 45.16	10/27/2004	04/26/2014	Common Stock	37
Non-Qualified Stock Option (right to buy)	\$ 47.95	09/26/2006	09/26/2012	Common Stock	25
Non-Qualified Stock Option (right to buy)	\$ 47.95	09/26/2009	09/26/2015	Common Stock	75
Non-Qualified Stock Option (right to buy)	\$ 51.229	11/08/2003	07/30/2013	Common Stock	3
Non-Qualified Stock Option (right to buy)	\$ 53.86	10/27/2004	10/27/2013	Common Stock	60
Non-Qualified Stock Option (right to buy)	\$ 58.1	10/27/2006	01/27/2014	Common Stock	30

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHROEDER KENNETH L C/O KLA-TENCOR CORPORATION 160 RIO ROBLES SAN JOSE, CA 95130	X		Chief Executive Officer	

Signatures

By: Stuart J. Nichols For: Kenneth L.
Schroeder 02/09/2006

__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) Each restricted stock unit represents a contingent right to receive one share of KLAC common stock.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.