

KLA TENCOR CORP  
Form 4  
December 06, 2004

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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

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 \*  
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)  
12/02/2004

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)  
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 (D) Price			
Common Stock	12/02/2004		M	2,639 A \$ 16.97	164,577	D	
Common Stock	12/02/2004		S	2,639 D \$ 47.5	161,938	D	
Common Stock-Restricted Stock Units <sup>(1)</sup>					100,000	D	

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**

SEC 1474 (9-02)

displays a currently valid OMB control number.

**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				6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	
					Acquired (A)	or Disposed of (D)	(Instr. 3, 4, and 5)					
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount	Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 16.97	12/02/2004		M		2,639		10/23/1999	10/23/2008	Common Stock	2,639	
Non-Qualified Stock Option (right to buy)	\$ 10.63							08/31/1999	08/31/2008	Common Stock	79,000	
Non-Qualified Stock Option (right to buy)	\$ 26.25							11/10/2001	11/10/2010	Common Stock	37,000	
Non-Qualified Stock Option (right to buy)	\$ 29.31							10/02/2002	10/02/2011	Common Stock	341,000	
Non-Qualified Stock Option (right to buy)	\$ 32.75							04/04/2002	04/04/2011	Common Stock	37,000	
Non-Qualified Stock Option (right to buy)	\$ 33.75							10/27/2000	10/27/2009	Common Stock	150,000	
Non-Qualified Stock Option (right to buy)	\$ 34.67							11/08/2003	01/28/2013	Common Stock	62,000	
Non-Qualified Stock Option (right to buy)	\$ 37.05							11/08/2003	11/08/2012	Common Stock	31,000	
Non-Qualified Stock Option (right to buy)	\$ 40.66							10/27/2006	08/02/2014	Common Stock	22,000	
Non-Qualified Stock Option (right to buy)	\$ 41.79							09/21/2005	09/21/2014	Common Stock	325,000	

Non-Qualified Stock Option (right to buy)	\$ 44.6875		08/13/2000	08/13/2010	Common Stock	75,
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)	\$ 51.229		11/08/2003	07/30/2013	Common Stock	31,
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

12/06/2004

\_\_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.