

KLA TENCOR CORP  
 Form 5  
 August 14, 2006

**FORM 5**

**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).  
 Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL 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

1. Name and Address of Reporting Person \*  
**KAUFMAN STEPHEN P**  
 (Last) (First) (Middle)

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

**160 RIO ROBLES**  
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
**06/30/2006**

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

6. Individual or Joint/Group Reporting

(check applicable line)

**SAN JOSE, CA 95134**  
 (City) (State) (Zip)

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) | (A) or (D) | Price | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) |
|---------------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|-----------------------------------|
| Common Stock                          | ^                                    | ^  | ^                              | ^   | ^          | ^     | 1,000  | D  | ^                                 |
| Common Stock - Restricted Stock Units | ^                                    | ^  | ^                              | ^   | ^          | ^     | 1,000  | D  | ^                                 |

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

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SEC 2270 (9-02)

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**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 of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Non-Qualified Stock Option                 | \$ 37.05   | Â                                    | Â  | Â                              | Â   | 11/08/2002 11/08/2012                                    | Common Stock  | 10,000                     |
| Non-Qualified Stock Option                 | \$ 40.24   | Â                                    | Â  | Â                              | Â   | 05/11/2005 05/11/2015                                    | Common Stock  | 2,500                      |
| Non-Qualified Stock Option                 | \$ 40.68   | Â                                    | Â  | Â                              | Â   | 10/18/2004 10/18/2014                                    | Common Stock  | 2,500                      |
| Non-Qualified Stock Option                 | \$ 44.76   | Â                                    | Â  | Â                              | Â   | 01/25/2005 01/25/2015                                    | Common Stock  | 2,500                      |
| Non-Qualified Stock Option                 | \$ 47.86   | Â                                    | Â  | Â                              | Â   | 05/02/2006 05/02/2013                                    | Common Stock  | 1,250                      |
| Non-Qualified Stock Option                 | \$ 49.99   | Â                                    | Â  | Â                              | Â   | 11/04/2005 11/04/2012                                    | Common Stock  | 1,250                      |
| Non-Qualified Stock Option                 | \$ 51.35   | Â                                    | Â  | Â                              | Â   | 08/02/2005 08/02/2012                                    | Common Stock  | 2,500                      |
| Non-Qualified Stock Option                 | \$ 51.98   | Â                                    | Â  | Â                              | Â   | 01/31/2006 01/31/2013                                    | Common Stock  | 1,250                      |
| Non-Qualified Stock Option                 | \$ 59.44   | Â                                    | Â  | Â                              | Â   | 11/05/2003 11/05/2013                                    | Common Stock  | 10,000                     |

## Reporting Owners

| Reporting Owner Name / Address                            | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| KAUFMAN STEPHEN P<br>160 RIO ROBLES<br>SAN JOSE, CA 95134 | Â X           | Â         | Â       | Â     |

## Signatures

Stephen P.  
Kaufman

08/14/2006

    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).

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### Remarks:

VoluntaryÂ filingÂ ofÂ FormÂ 5Â toÂ showÂ allÂ holdingsÂ asÂ ofÂ 6/30/2006.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.