

LEVY KENNETH  
Form 4  
November 02, 2004

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

OMB APPROVAL

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**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 \*  
LEVY KENNETH

(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)  
11/01/2004

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)  
Chairman of the Board

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                    | 11/01/2004                           |  | M                              |   | 25,000  | A  | \$ 10.81  |
| Common Stock                    | 11/01/2004                           |  | S                              |   | 25,000  | D  | \$ 45.2039  |
| Common Stock                    | 09/14/2004                           |  | G                              |   | 25,000  | D  | 1,719,375   |
|                                 |                                      |  |                                |   |   | I  | by Levy Fam. Trust                                    |

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

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SEC 1474 (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) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable Expiration Date                         | Title Am Num Sha  |
| Non-Qualified Stock Option (right to buy)  | \$ 10.81   | 11/01/2004                           |  | M                              | 25,000  | 10/07/1997 10/08/2006                                    | Common Stock 23   |
| Non-Qualified Stock Option (right to buy)  | \$ 10.63   |                                      |  |                                |   | 08/31/1999 08/31/2008                                    | Common Stock 20   |
| Non-Qualified Stock Option (right to buy)  | \$ 16.97   |                                      |  |                                |   | 10/23/1999 10/23/2008                                    | Common Stock 22   |
| Non-Qualified Stock Option (right to buy)  | \$ 26.25   |                                      |  |                                |   | 11/10/2001 11/10/2010                                    | Common Stock 18   |
| Non-Qualified Stock Option (right to buy)  | \$ 29.31   |                                      |  |                                |   | 10/02/2002 10/02/2011                                    | Common Stock 23   |
| Non-Qualified Stock Option (right to buy)  | \$ 32.75   |                                      |  |                                |   | 04/04/2002 04/04/2011                                    | Common Stock 18   |
| Non-Qualified Stock Option (right to buy)  | \$ 33.75   |                                      |  |                                |   | 10/27/2000 10/27/2009                                    | Common Stock 90   |
| Non-Qualified Stock Option (right to buy)  | \$ 34.67   |                                      |  |                                |   | 11/08/2003 01/28/2013                                    | Common Stock 15   |
| Non-Qualified Stock Option (right to buy)  | \$ 37.05   |                                      |  |                                |   | 11/08/2003 11/08/2012                                    | Common Stock 7  |
| Non-Qualified Stock Option (right to buy)  | \$ 40.66   |                                      |  |                                |   | 10/27/2004 08/02/2014                                    | Common Stock 4  |

|   |            |            |            |                 |    |
|---|------------|------------|------------|-----------------|----|
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 41.79   | 09/21/2005 | 09/21/2014 | Common<br>Stock | 50 |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 44.6875 | 08/13/2000 | 08/13/2010 | Common<br>Stock | 37 |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 45.16   | 10/27/2004 | 04/26/2014 | Common<br>Stock | 7  |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 51.229  | 11/08/2003 | 07/30/2013 | Common<br>Stock | 7  |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 53.86   | 10/27/2004 | 10/27/2013 | Common<br>Stock | 12 |
| Non-Qualified<br>Stock Option<br>(right to buy) | \$ 58.1    | 10/27/2004 | 01/27/2014 | Common<br>Stock | 6  |

## Reporting Owners

| Reporting Owner Name / Address   | Relationships |           |                       |       |
|--|---------------|-----------|-----------------------|-------|
|  | Director      | 10% Owner | Officer               | Other |
| LEVY KENNETH<br>C/O KLA-TENCOR CORPORATION<br>160 RIO ROBLES<br>SAN JOSE, CA 95130 | X             |           | Chairman of the Board |       |

## Signatures

By: Stuart J. Nichols For: Kenneth  
Levy

11/02/2004

\*\*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) Shares gifted from the Levy Family Trust.

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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