

LEVY KENNETH  
Form 4  
February 27, 2007

**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 \*  
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)  
02/26/2007

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  | Code                           | V Amount (D) Price  |   |  |  |
| Common Stock                    | 02/26/2007                           |  | S                              | 50,000 D \$ 54.1598   | 1,464,375   | I  | by Levy Fam. Trust                         |
| Common Stock (1)                |                                      |  |                                |   | 1,552   | D  |  |
| Common Stock                    |                                      |  |                                |   | 298,000   | I  | KGMW, LP                                   |
| Common Stock                    |                                      |  |                                |   | 40,000  | I  | Levy Fam. Foundation                       |
| Common Stock-Restricted         |                                      |  |                                |   | 1,000   | D  |  |

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Stock Units <sup>(2)</sup>

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

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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 of Underlying Securities (Instr. 3 and 4) |              |                         |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|-------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount Number of Shares |
| Non-Qualified Stock Option (right to buy)  | \$ 10.63   |                                      |  |                                |   | 08/31/1999   | 08/31/2008  | Common Stock | 54,272                  |
| Non-Qualified Stock Option (right to buy)  | \$ 16.97   |                                      |  |                                |   | 10/23/1999   | 10/23/2008  | Common Stock | 220,72                  |
| Non-Qualified Stock Option (right to buy)  | \$ 26.25   |                                      |  |                                |   | 11/10/2001   | 11/10/2010  | Common Stock | 18,951                  |
| Non-Qualified Stock Option (right to buy)  | \$ 29.31   |                                      |  |                                |   | 10/02/2002   | 10/02/2011  | Common Stock | 28,425                  |
| Non-Qualified Stock Option (right to buy)  | \$ 32.75   |                                      |  |                                |   | 04/04/2002   | 04/04/2011  | Common Stock | 18,951                  |
| Non-Qualified Stock Option (right to buy)  | \$ 33.75   |                                      |  |                                |   | 10/27/2000   | 10/27/2009  | Common Stock | 90,000                  |
| Non-Qualified Stock Option (right to buy)  | \$ 44.6875   |                                      |  |                                |   | 08/13/2000   | 08/13/2010  | Common Stock | 37,901                  |
| Non-Qualified Stock Option                 | \$ 51.229  |                                      |  |                                |   | 11/08/2003   | 07/30/2013  | Common Stock | 6,159                   |

(right to buy)

Non-Qualified

Stock Option \$ 53.86

10/27/2004 10/27/2013

Common  
Stock

7,000

(right to buy)

Non-Qualified

Stock Option \$ 58.1

10/27/2004 01/27/2014

Common  
Stock

3,500

(right to buy)

## 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

Kenneth Levy

02/27/2007

\*\*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) Due to an administrative error, the number of securities beneficially owned by the reporting person was reported incorrectly on the original Form 4.
- (2) 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.

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