

SCHROEDER KENNETH L
 Form 4
 February 09, 2006

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 *
 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)
 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	02/08/2006		S	30,000 D \$ 53.9155	132,658	D	
Common Stock	02/08/2006		M	56,032 A \$ 16.97	188,690	D	
Common Stock	02/08/2006		S	56,032 D \$ 53.9155	132,658	D	
Common Stock-Restricted Stock Units ⁽¹⁾					100,000	D	

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

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(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 Security (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Am Num Sha
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	3
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	73
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.

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