KEITHLEY INSTRUMENTS INC
Form 4
June 10, 2009

FORM 4

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

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

OMB APPROVAL
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(Print or Type Responses)

1. Name and Address of Reporting Person *
HOERSTEN MARK A

(Last) (First) (Middle)

KEITHLEY INSTRUMENTS, INC., 28775 AURORA ROAD

(Street)

SOLON, OH 44139

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading Symbol
KEITHLEY INSTRUMENTS INC [KEI]

3. Date of Earliest Transaction (Month/Day/Year)
06/08/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
VP Business Management

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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 Shares	03/31/2009		J (1)		32	A	$ 3.3297	5,192	D	
Common Shares	06/08/2009		M		1,000	A	$ 4.125	6,192	D	

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 Amou Underlying Securi (Instr. 3 and 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amo or Num of S
Common Share Option	$ 4.125	06/08/2009		M			1,000	07/17/2001	07/16/2009	Common Shares	1,0
Common Share Option	$ 45.125							08/02/2002	08/01/2010	Common Shares	12,
Common Share Option	$ 18.41							07/25/2003 (2)	07/24/2011	Common Shares	25,
Common Share Option	$ 13.76							07/24/2004 (2)	07/23/2012	Common Shares	30,
Common Share Option	$ 16.12							08/10/2005 (3)	07/18/2013	Common Shares	30,
Common Share Option	$ 18.75							02/15/2005 (4)	07/16/2014	Common Shares	25,
Common Share Option	$ 15.05							10/04/2007 (2)	10/03/2015	Common Shares	8,8
Common Share Option	$ 14							01/30/2009 (2)	01/30/2017	Common Shares	8,8
Performance Award Unit	$ 0							09/30/2009 (5)	(5)	Common Shares	6,7 (
Common Share Option	$ 9.12							11/09/2009 (2)	11/09/2017	Common Shares	7,5
Performance Award Unit	$ 0							09/30/2010 (5)	(5)	Common Shares	5,7 (
Common Stock Option	$ 2.99							02/06/2011 (2)	02/06/2019	Common Shares	16,
Restricted Unit Award	$ 0							(6)	(6)	Common Shares	5,5

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOERSTEN MARK A KEITHLEY INSTRUMENTS, INC. 28775 AURORA ROAD SOLON, OH 44139			VP Business Management	

Signatures

Mark J. Plush, Attorney-in Fact	06/10/2009
**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) Acquired through Employee Stock Purchase and Dividend Reinvestment Plan.

(2) Date reported applies to 50% of total, one-half of the balance is then exercisable in each succeeding year.

(3) Option became fully vested on August 10, 2005

(4) Option became fully vested on February 15, 2005

(5) Each Performance Award Unit represents the right to receive one common share. The number of units initially awarded, the target, is shown above. The actual number of units that will be awarded and converted to shares is based upon: a) the Company's revenue growth as compared to a defined Peer Group and, b) the Company maintaining an acceptable level of profitability during the performance period which ends on the date exercisable (the "vesting date"). Awarded units are automatically converted to shares under the Plan on or before the December 31st following the Vesting Date.

(6) Restricted unit awards will become fully vested on February 6, 2013. Common shares represented by such vested restricted unit awards will be delivered promptly after such vesting date.

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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