

LEVY KENNETH  
Form 4  
February 27, 2007

**FORM 4** 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).

**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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
C/O KLA-TENCOR CORPORATION, 160 RIO ROBLES

3. Date of Earliest Transaction (Month/Day/Year)  
02/26/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
Chairman of the Board

(Street)  
SAN JOSE, CA 95130

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**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 C/O KLA-TENCOR CORPORATION 160 RIO ROBLES 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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