KISPERT JOHN H

Form 4

October 20, 2004

FORM 4

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

OMB 3235-0287 Number:

Estimated average

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005

OMB APPROVAL

Form 4 or Form 5 obligations may continue. See Instruction

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

burden hours per response... 0.5

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading KISPERT JOHN H Issuer Symbol KLA TENCOR CORP [KLAC] (Check all applicable) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) Director 10% Owner X_ Officer (give title Other (specify C/O KLA-TENCOR 10/18/2004 below) CORPORATION, 160 RIO Chief Financial Officer **ROBLES** (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting SAN JOSE, CA 95130 (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. 4. Securities Acquired Transaction(A) or Disposed of Code (D) (Instr. 8) (Instr. 3, 4 and 5) (A) or		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)			
Common			Code '	V	Amount	(D)	Price			
Common Stock-Restricted Stock Units (1)	10/18/2004		A		48,333	A	\$ 0 (2)	48,333	D	
Common Stock								7,008	I	by Trust

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

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$\label{thm:convergence} \begin{tabular}{ll} Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned \\ (\emph{e.g.}, puts, calls, warrants, options, convertible securities) \\ \end{tabular}$

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. ionNumber 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 or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 10.63					08/31/1999	08/31/2008	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 26.25					11/10/2001	11/10/2010	Common Stock	9,000
Non-Qualified Stock Option (right to buy)	\$ 29.31					10/02/2002	10/02/2011	Common Stock	38,000
Non-Qualified Stock Option (right to buy)	\$ 32.75					04/04/2002	04/04/2011	Common Stock	10,667
Non-Qualified Stock Option (right to buy)	\$ 33.75					10/27/2000	10/27/2009	Common Stock	1,875
Non-Qualified Stock Option (right to buy)	\$ 34.67					11/08/2003	01/28/2013	Common Stock	25,000
Non-Qualified Stock Option (right to buy)	\$ 37.05					11/08/2003	11/08/2012	Common Stock	12,500
Non-Qualified Stock Option (right to buy)	\$ 40.66					10/27/2004	08/02/2014	Common Stock	11,250
Non-Qualified Stock Option (right to buy)	\$ 41.79					09/21/2005	09/21/2014	Common Stock	75,000
Non-Qualified Stock Option (right to buy)	\$ 44.6875					08/13/2001	08/13/2010	Common Stock	8,658

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Non-Qualified Stock Option (right to buy)	\$ 45.16	10/27/2004	04/26/2014	Common Stock	18,750
Non-Qualified Stock Option (right to buy)	\$ 51.229	11/08/2003	07/30/2013	Common Stock	12,500
Non-Qualified Stock Option (right to buy)	\$ 53.86	10/27/2004	10/27/2013	Common Stock	30,000
Non-Qualified Stock Option (right to buy)	\$ 58.1	10/27/2004	01/27/2014	Common Stock	15,000

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

KISPERT JOHN H C/O KLA-TENCOR CORPORATION 160 RIO ROBLES SAN JOSE, CA 95130

Chief Financial Officer

Signatures

By: Stuart J. Nichols For: John H. Kispert 10/20/2004

**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) Each restricted stock unit represents a contingent right to receive one share of KLAC common stock.
- (2) The restricted stock units vest in two equal installments. The first half vests on October 18, 2008. The second half vests the following year on October 18, 2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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