

Hall Jeffrey
Form 4
May 17, 2005

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 *
Hall Jeffrey

(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)
05/16/2005

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)
VP, Corporate Finance

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) |
|--|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | | (A) or (D) | Price | | |
| Common Stock-Restricted Stock Units ⁽¹⁾ | 05/16/2005 | | A | 10,000 | A \$ 0 ⁽²⁾ | 10,000 | D |
| Common Stock | | | | | | 1,367 | 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)

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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 or Number of Shares |
| Non-Qualified Stock Option (right to buy) | \$ 29.31 | | | | | 10/02/2002 10/02/2011 | Common Stock 19,500 |
| Non-Qualified Stock Option (right to buy) | \$ 34.67 | | | | | 11/08/2003 01/28/2013 | Common Stock 5,500 |
| Non-Qualified Stock Option (right to buy) | \$ 37.05 | | | | | 11/08/2003 11/08/2012 | Common Stock 3,250 |
| Non-Qualified Stock Option (right to buy) | \$ 40.66 | | | | | 10/27/2004 08/02/2014 | Common Stock 1,950 |
| Non-Qualified Stock Option (right to buy) | \$ 41.79 | | | | | 09/21/2005 09/21/2014 | Common Stock 20,000 |
| Non-Qualified Stock Option (right to buy) | \$ 45.16 | | | | | 10/26/2004 04/26/2014 | Common Stock 3,250 |
| Non-Qualified Stock Option (right to buy) | \$ 46.67 | | | | | 11/10/2001 07/10/2011 | Common Stock 35,811 |
| Non-Qualified Stock Option (right to buy) | \$ 51.229 | | | | | 11/08/2003 07/30/2013 | Common Stock 3,250 |
| Non-Qualified Stock Option (right to buy) | \$ 53.86 | | | | | 10/27/2004 10/27/2013 | Common Stock 5,200 |
| Non-Qualified Stock Option (right to buy) | \$ 58.1 | | | | | 10/27/2004 01/27/2014 | Common Stock 2,600 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Hall Jeffrey C/O KLA-TENCOR CORPORATION 160 RIO ROBLES SAN JOSE, CA 95130 | | | VP, Corporate Finance | |

Signatures

By: Stuart J. Nichols For:
Jeffrey Hall

05/17/2005

__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 four years from grant date. The second half vests one year thereafter.

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.