

SCHROEDER KENNETH L
 Form 5
 August 12, 2005

FORM 5

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

OMB APPROVAL

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 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
 SCHROEDER KENNETH L

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chief Executive Officer

(Last) (First) (Middle)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 06/30/2005

C/O KLA-TENCOR CORP., 160 RIO ROBLES

(Street)

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

6. Individual or Joint/Group Reporting

(check applicable line)

SAN JOSE, CA 95134

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	Â	Â	Â	(A) Amount (D) Price	162,658	D	Â
Common Stock-Restricted Stock Units	Â	Â	Â	Â	100,000	D	Â

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

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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 Security (Instr. 3 and 4)	
					(A)	(D)	Date Exercisable	Expiration Date		
Non-Qualified Stock Option	\$ 10.63	Â	Â	Â	Â	Â	08/31/1999	08/31/2008	Common Stock	35,
Non-Qualified Stock Option	\$ 16.97	Â	Â	Â	Â	Â	10/23/1999	10/23/2008	Common Stock	170,
Non-Qualified Stock Option	\$ 26.25	Â	Â	Â	Â	Â	11/10/2001	11/10/2010	Common Stock	37,
Non-Qualified Stock Option	\$ 29.31	Â	Â	Â	Â	Â	10/02/2002	10/02/2011	Common Stock	341,
Non-Qualified Stock Option	\$ 32.75	Â	Â	Â	Â	Â	04/04/2002	04/04/2011	Common Stock	37,
Non-Qualified Stock Option	\$ 33.75	Â	Â	Â	Â	Â	10/27/2000	10/27/2009	Common Stock	150,
Non-Qualified Stock Option	\$ 34.67	Â	Â	Â	Â	Â	11/08/2003	01/28/2013	Common Stock	62,
Non-Qualified Stock Option	\$ 37.05	Â	Â	Â	Â	Â	11/08/2003	11/08/2012	Common Stock	31,
Non-Qualified Stock Option	\$ 40.66	Â	Â	Â	Â	Â	10/27/2006	08/02/2014	Common Stock	22,
Non-Qualified Stock Option	\$ 41.79	Â	Â	Â	Â	Â	09/21/2005	09/21/2014	Common Stock	325,
Non-Qualified Stock Option	\$ 44.6875	Â	Â	Â	Â	Â	08/13/2000	08/13/2010	Common Stock	75,
Non-Qualified Stock Option	\$ 45.16	Â	Â	Â	Â	Â	10/27/2004	04/26/2014	Common Stock	37,
Non-Qualified Stock Option	\$ 51.229	Â	Â	Â	Â	Â	11/08/2003	07/30/2013	Common Stock	31,
Non-Qualified Stock Option	\$ 53.86	Â	Â	Â	Â	Â	10/27/2004	10/27/2013	Common Stock	60,
	\$ 58.1	Â	Â	Â	Â	Â	10/27/2006	01/27/2014		30,

Non-Qualified
Stock Option

Common
Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHROEDER KENNETH L C/O KLA-TENCOR CORP. 160 RIO ROBLES SAN JOSE, CA 95134	X		Chief Executive Officer	

Signatures

Kenneth
Schroeder 08/12/2005

**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).

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