

URBANEK LIDA
Form 4
February 28, 2006

FORM 4

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

OMB APPROVAL

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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 *
URBANEK LIDA

(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)
02/27/2006

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)

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)
			Code	V Amount (D) Price			
Common Stock	02/27/2006		M	280 A \$ 12.5	2,226	D	
Common Stock	02/27/2006		S	280 D \$ 51.931	1,946	D	
Common Stock					29,555	I	Family Foundation
Common Stock					1,271,414	I	by Trust
Common Stock-Restricted Stock Units ⁽¹⁾					1,000	D	

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

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(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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Stock Option (right to buy)	\$ 12.5	02/27/2006		M	280	06/13/1996	05/13/2006	Common Stock	280
Non-Qualified Stock Option (right to buy)	\$ 13.44					07/22/1999	07/22/2008	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 17.59					11/17/1998	11/17/2008	Common Stock	6,666
Non-Qualified Stock Option (right to buy)	\$ 26.25					11/10/2000	11/10/2010	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 29					07/22/1998	07/22/2007	Common Stock	5,000
Non-Qualified Stock Option (right to buy)	\$ 37.05					11/08/2002	11/08/2012	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 40.24					05/11/2005	05/11/2015	Common Stock	2,500
Non-Qualified Stock Option (right to buy)	\$ 40.68					10/18/2004	10/18/2014	Common Stock	2,500
	\$ 44.76					01/25/2005	01/25/2015		2,500

Non-Qualified Stock Option (right to buy)				Common Stock	
Non-Qualified Stock Option (right to buy)	\$ 46.28	11/16/1999	11/16/2009	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 47.23	11/09/2001	11/09/2011	Common Stock	10,000
Non-Qualified Stock Option (right to buy)	\$ 49.99	11/04/2005	11/04/2012	Common Stock	1,250
Non-Qualified Stock Option (right to buy)	\$ 51.35	08/02/2005	08/02/2015	Common Stock	2,500
Non-Qualified Stock Option (right to buy)	\$ 51.98	01/31/2006	01/31/2013	Common Stock	1,250
Non-Qualified Stock Option (right to buy)	\$ 59.44	11/05/2003	11/05/2013	Common Stock	10,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
URBANEK LIDA C/O KLA-TENCOR CORPORATION 160 RIO ROBLES SAN JOSE, CA 95130	X			

Signatures

By: Stuart J. Nichols For: Lida
Urbaneck

02/28/2006

__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.

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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