

KLA TENCOR CORP
 Form 5
 August 14, 2006

FORM 5

**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).
 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 *
BARNHOLT EDWARD W
 (Last) (First) (Middle)

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)

160 RIO ROBLES
 (Street)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
06/30/2006

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

6. Individual or Joint/Group Reporting (check applicable line)

SAN JOSE, CA 95134
 (City) (State) (Zip)

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 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 Ownership (Instr. 4)
				(A) or (D) Amount Price			
Common Stock	^	^	^	^ ^ ^	1,000	I	by Trust ⁽¹⁾
Common Stock - Restricted Stock Units	^	^	^	^ ^ ^	1,000	D	^

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)	Amount or Number of Shares
					(A) (D)	Date Exercisable	Expiration Date	Title	
Non-Qualified Stock Option	\$ 17.59	Â	Â	Â	Â Â	11/17/1998	11/17/2008	Common Stock	5,8
Non-Qualified Stock Option	\$ 26.25	Â	Â	Â	Â Â	11/10/2000	11/10/2010	Common Stock	10,0
Non-Qualified Stock Option	\$ 37.05	Â	Â	Â	Â Â	11/08/2002	11/08/2012	Common Stock	10,0
Non-Qualified Stock Option	\$ 40.24	Â	Â	Â	Â Â	05/11/2005	05/11/2015	Common Stock	2,5
Non-Qualified Stock Option	\$ 40.68	Â	Â	Â	Â Â	10/18/2004	10/18/2014	Common Stock	2,5
Non-Qualified Stock Option	\$ 44.76	Â	Â	Â	Â Â	01/25/2005	01/25/2015	Common Stock	2,5
Non-Qualified Stock Option	\$ 46.28	Â	Â	Â	Â Â	11/16/1999	11/16/2009	Common Stock	10,0
Non-Qualified Stock Option	\$ 47.23	Â	Â	Â	Â Â	11/09/2001	11/09/2011	Common Stock	10,0
Non-Qualified Stock Option	\$ 47.86	Â	Â	Â	Â Â	05/02/2006	05/02/2013	Common Stock	1,2
Non-Qualified Stock Option	\$ 49.99	Â	Â	Â	Â Â	11/04/2005	11/04/2012	Common Stock	1,2
Non-Qualified Stock Option	\$ 51.35	Â	Â	Â	Â Â	08/02/2005	08/02/2012	Common Stock	2,5
Non-Qualified Stock Option	\$ 51.98	Â	Â	Â	Â Â	01/31/2006	01/31/2013	Common Stock	1,2
Non-Qualified Stock Option	\$ 59.44	Â	Â	Â	Â Â	11/05/2003	11/05/2013	Common Stock	10,0

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BARNHOLT EDWARD W 160 RIO ROBLES SAN JOSE, CA 95134	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signatures

Edward W.
Barnholt

08/14/2006

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) The Edward W. Barnholt and Jimi K. Barnholt Trust

Remarks:

Voluntary filing of Form 5 to show all holdings as of 6/30/2006.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.