

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 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person* LEVY KENNETH		2. Issuer Name and Ticker or Trading Symbol KLA TENCOR CORP [KLAC]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) Chairman of the Board	
(Last) (First) (Middle) C/O KLA-TENCOR CORPORATION, 160 RIO ROBLES		3. Date of Earliest Transaction (Month/Day/Year) 09/16/2003			
(Street) SAN JOSE, CA 95130		4. If Amendment, Date Original Filed(Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	09/16/2003		M		30,000	A	\$ 9.31	54,130	D	
Common Stock	09/16/2003		S		30,000	D	\$ 57.0852	24,130	D	
Common Stock								358,000	I	KGMW, LP
Common Stock								40,000	I	Levy Fam. Foundation
Common Stock								1,785,866	I	by Levy Fam. Trust
Common Stock								4,000	I	by Mark Levy Trust
Common Stock								6,000	I	by Wayne Levy Trust

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 Securities (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Non-Qualified Stock Option (right to buy)	\$ 9.31	09/16/2003		M		30,000	07/26/1999	07/26/2004	Common Stock	30,000	\$ 57.0852	160,000	D	
Non-Qualified Stock Option (right to buy)	\$ 10.63						08/31/1999	08/31/2008	Common Stock	204,272		204,272	D	

Non-Qualified Stock Option (right to buy)	\$ 10.81							10/07/1997	10/08/2006	Common Stock	125,000		125,000	D	
Non-Qualified Stock Option (right to buy)	\$ 16.97							10/23/1999	10/23/2008	Common Stock	220,728		220,728	D	
Non-Qualified Stock Option (right to buy)	\$ 26.25							11/10/2001	11/10/2010	Common Stock	18,951		18,951	D	
Non-Qualified Stock Option (right to buy)	\$ 29.31							10/02/2002	10/02/2011	Common Stock	28,425		28,425	D	
Non-Qualified Stock Option (right to buy)	\$ 32.75							04/04/2002	04/04/2011	Common Stock	18,951		18,951	D	
Non-Qualified Stock Option (right to buy)	\$ 33.75							10/27/2000	10/27/2009	Common Stock	90,000		90,000	D	
Non-Qualified Stock Option (right to buy)	\$ 34.67							11/08/2003	01/28/2013	Common Stock	15,724		15,724	D	
Non-Qualified Stock Option (right to buy)	\$ 37.05							11/08/2003	11/08/2012	Common Stock	7,863		7,863	D	
Non-Qualified Stock Option (right to buy)	\$ 44.6875							08/13/2000	08/13/2010	Common Stock	37,901		37,901	D	
Non-Qualified Stock Option (right to buy)	\$ 51.229							11/08/2003	07/30/2013	Common Stock	7,863		7,863	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other

LEVY KENNETH C/O KLA-TENCOR CORPORATION 160 RIO ROBLES SAN JOSE, CA 95130	X		Chairman of the Board	
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Signatures

By: Stuart J. Nichols For: Kenneth Levy		09/16/2003
<small>**Signature of Reporting Person</small>		<small>Date</small>

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).

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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