

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**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Khan Ahmad A.</u>  (Last) (First) (Middle) <u>C/O KLA-TENCOR CORPORATION</u> <u>ONE TECHNOLOGY DRIVE</u>  (Street) <u>MILPITAS CA 95035</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>KLA TENCOR CORP [ KLAC ]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <p style="text-align: center;"><b>EVP</b></p>
	3. Date of Earliest Transaction (Month/Day/Year) <u>08/07/2018</u>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 - Restricted Stock Units <sup>(1)</sup>	08/07/2018		M		5,353 <sup>(2)</sup>	D	\$0	65,458 <sup>(3)</sup>	D	
Common Stock	08/07/2018		M		5,353 <sup>(2)</sup>	A	\$0	15,425	D	
Common Stock	08/07/2018		F		2,655 <sup>(4)</sup>	D	\$118.16	12,770	D	
Common Stock - Restricted Stock Units <sup>(1)</sup>	08/07/2018		M		2,287 <sup>(5)</sup>	D	\$0	63,171 <sup>(3)</sup>	D	
Common Stock	08/07/2018		M		2,287 <sup>(5)</sup>	A	\$0	15,057	D	
Common Stock	08/07/2018		F		1,134 <sup>(4)</sup>	D	\$118.16	13,923	D	

**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 Securities Underlying Derivative Security (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: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		Date Exercisable	Expiration Date					

**Explanation of Responses:**

- Each restricted stock unit ("RSU") represents a contingent right to receive one share of KLA-Tencor common stock.
- On August 7, 2014, in addition to the RSUs granted on that date that were subject only to service-vesting requirements (which RSUs were previously reported on Form 4), the Reporting Person was also granted RSUs covering up to a maximum of 11,437 shares (based on 125% of the target shares of 9,150) of KLA-Tencor common stock, subject to both performance-vesting and service-vesting requirements. On August 31, 2017 the Compensation Committee of KLA-Tencor's Board of Directors determined the level at which the corporate performance goals were attained and, based on the assessment, determined that the number of shares subject to the RSUs is 10,705. On August 7, 2018, the remaining 50% of the shares subject to the RSUs vested.
- Does not include performance-based RSUs, if any, held by the Reporting Person for which an assessment has not yet been made regarding the achievement of the applicable performance goals. Any such holdings will be reported on a Form 4 within two business days of the date such assessment is made.
- Pursuant to the terms of the grant, shares of KLA-Tencor common stock were automatically withheld at vesting to cover required tax withholding. The fair market value of KLA-Tencor common stock used for purposes of calculating the number of shares to be withheld was the closing price of KLA-Tencor common stock as reported on August 7, 2018.
- On August 7, 2014, the Reporting Person was granted an RSU for 9,150 shares of KLA-Tencor Common Stock. On August 7, 2018, the remaining 25% of those shares vested.

**Remarks:**

/s/ Teri Little as Attorney-in-Fact for Ahmad A. Khan 08/08/2018

\*\* Signature of Reporting Person Date

\* 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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