

## THE OFFERING

Common Stock offered by the Company.....	2,000,000 shares
Common Stock to be outstanding after the offering.....	21,657,000 shares(1)
Use of proceeds.....	The Company intends to use the net proceeds for general corporate purposes. In addition, the Company may use a portion of the net proceeds to acquire businesses, products or technologies complementary to the Company's current businesses. See "Use of Proceeds."
The Nasdaq National Market symbol.....	KLAC

(1) Based on the number of shares outstanding at September 30, 1993. Excludes 3,468,000 shares of Common Stock reserved for issuance under the Company's stock option and employee stock purchase plans, including 2,568,000 shares issuable upon the exercise of outstanding options at an average exercise price of \$7.90 per share.

SUMMARY FINANCIAL INFORMATION  
(IN MILLIONS, EXCEPT PER SHARE DATA)

	YEARS ENDED JUNE 30,					QUARTERS ENDED SEPTEMBER 30,	
	1989	1990	1991	1992	1993	1992	1993
Statement of Operations Data:							
Net sales.....	\$157.8	\$161.6	\$148.4	\$156.0	\$167.2	\$ 38.5	\$ 51.9
Gross profit.....	73.7	75.5	65.6	56.0	59.8	13.0	20.7
Engineering, research and development expense.....	23.4	26.3	27.1	25.9	16.3	4.0	4.9
Selling, general and administrative expense.....	28.3	31.5	33.5	35.5	32.7	7.5	9.9
Restructuring charges (recovery).....	--	--	--	8.2	(0.7)	--	--
Income (loss) from operations...	22.0	17.7	5.0	(13.6)	11.5	1.5	5.9
Interest income and other, net.....	1.0	1.8	1.8	1.2	1.2	0.3	0.2
Interest expense.....	(1.0)	(0.6)	(3.3)	(3.9)	(3.4)	(1.0)	(0.5)
Income (loss) from continuing operations before income taxes.....	22.0	18.9	3.5	(16.3)	9.3	0.8	5.6
Provision for income taxes.....	8.0	6.7	1.1	0.3	2.3	0.2	1.4
Income (loss) from continuing operations.....	\$ 14.0	\$ 12.2	\$ 2.4	\$ (16.6)	\$ 7.0	\$ 0.6	\$ 4.2
Income (loss) per share from continuing operations.....	\$ 0.78	\$ 0.67	\$ 0.13	\$ (0.90)	\$ 0.35	\$ 0.03	\$ 0.20
Weighted average common and dilutive common equivalent shares.....	17.9	18.0	18.6	18.5	19.7	18.9	20.8

	AT JUNE 30,		AT SEPTEMBER 30, 1993	
	1992	1993	ACTUAL	AS ADJUSTED(1)
Balance Sheet Data:				
Cash and cash equivalents.....	\$23.7	\$52.4	\$ 37.6	\$96.9
Working capital.....	84.0	93.6	101.4	160.8
Total assets.....	188.5	199.1	199.7	259.0

Notes payable and current portion of long-term debt...	5.0	6.5	2.6	2.6
Long-term debt.....	24.0	20.0	20.0	20.0
Stockholders' equity.....	103.0	114.1	120.0	179.4

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(1) As adjusted to give effect to the sale by the Company of 2,000,000 shares of Common Stock offered hereby.