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

FORM 8-K CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED): JANUARY 19, 1994

KLA INSTRUMENTS CORPORATION (Exact name of registrant as specified in its charter)

<TABLE>

<C> <C> DELAWARE 0-9992

(State or other jurisdiction of

(Commission File Number)

04-256411 (I.R.S. Employer Identification No.)

incorporation or organization)

160 RIO ROBLES, SAN JOSE, CA

95161 (Zip Code) (Address of principal executive offices)

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Registrant's telephone number, including area code: (408) 434-4200

(Former name, former address and former fiscal year, if changed since last

THIS REPORT, INCLUDING EXHIBITS, CONSISTS OF 5 PAGES. THE EXHIBIT INDEX IS

LOCATED ON PAGE 4.

ITEM 5. OTHER EVENTS

On January 19, 1994, KLA Instruments Corporation ("KLA") announced in a press release its revenues and earnings per share for its second quarter ended December 31, 1993.

A copy of the press release is attached hereto as Exhibit 1 and is incorporated herein by reference.

ITEM 7. EXHIBITS

<TABLE> <CAPTION>

EXHIBIT NO. DESCRIPTION

<C>

Press Release of KLA dated January 19, 1994 regarding its revenues and earnings per share for its second quarter ended December 31, 1993.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

KLA INSTRUMENTS CORPORATION Date: January 18, 1994

> ROBERT J. BOEHLKE Robert J. Boehlke, Vice

President.

Finance and Administration, and

Chief

Financial Officer

KLA INSTRUMENTS CORPORATION

EXHIBIT INDEX TO FORM 8-K DATED JANUARY 19, 1994 <TABLE> <CAPTION>

EXHIBIT NO.

DESCRIPTION

PAGE

CC>

1 Press Release of KLA dated January 19, 1994 regarding its revenues and earnings per share for its second quarter ended December 31, 1993.

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SEQUENTIALLY

[KLA LETTERHEAD]

KLA INSTRUMENTS ANNOUNCES SECOND QUARTER OPERATING RESULTS

SAN JOSE, California, January 19, 1994 -- KLA Instruments Corporation today reported second quarter sales of \$57,087,000 and net income of \$6,292,000, compared with sales of \$38,654,000 and net income of \$1,369,000 for the second quarter last year. Quarterly earnings per share were \$0.30 this year compared with \$0.07 in the second quarter last year. For the previous quarter ended September 30, 1993, the Company's sales, net income and EPS were \$51,904,000, \$4,166,000 and \$0.20 per share, respectively.

New orders during the second quarter increased 40% from the first quarter, setting a new quarterly record for the Company. As previously reported, the book-to-bill ratio was higher than 1.3, reflecting broad strength in the Company's businesses. The Company includes both systems and service in its book-to-bill calculation.

New orders were particularly strong in the Company's wafer inspection unit, where demand for the 2100 series of in-line yield monitors reflected the increasing number of fabrication facilities which employed multiple KLA systems. The Company believes that, during the quarter, the number of fabs with multiple systems installed or on-order increased from 18 to 25, and that certain of these fabs increased the number of line monitors employed.

The Company's metrology division set a new order record for the quarter and the Company believes that it continued to increase its share of the optical overlay market.

KLA reported that all geographic areas were strong, with Japan and the U.S. each accounting for about one-third of the total new orders. The Asia Pacific and European regions accounted for the remaining one-third.

Gross margins increased to 43% during the second quarter, up from 40% in the first quarter. The improvement was primarily due to increased sales of the Company's wafer inspection systems. As the Company ramped up production of the 2100 series, it achieved manufacturing efficiencies. Improved financial results of the customer service division also contributed to the rise in gross margins.

KLA Instruments Corporation is the world's leading manufacturer of yield monitoring and process control systems for the semiconductor manufacturing industry. KLA is a publicly held corporation traded on The Nasdaq National Market under the symbol "KLAC."

KLA INSTRUMENTS CORPORATION

SUMMARY CONSOLIDATED STATEMENT OF INCOME

<TABLE> <CAPTION>

	THREE MONTHS ENDED DECEMBER 31,		SIX MONTHS ENDED DECEMBER 31,	
		1992	1993	1992
<\$>		USANDS EXCEPT		
Net sales Cost and expenses:	•	•	•	•
Cost of sales Engineering, research and development Selling, general and administrative Restructuring recovery	4,847	25,054 4,178 7,698 (718)	9,776	
	48,574	36,212	94,597	73,212
Income from operations Interest income and other, net Interest expense		2,442 219 (838)	14,394 549 (995)	
Income from operations before income tax Provision for income taxes	8,390 2,098	1,823	13,948 3,490	2,585 645
Net income	\$ 6,292	\$ 1,369	\$ 10,458	\$ 1,940
Net income per share		\$ 0.07	\$ 0.50	\$ 0.10
Weighted average common and equivalent shares				
outstanding	20,909	19,471 		•

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SUMMARY CONSOLIDATED BALANCE SHEET

ASSETS

<TABLE> <CAPTION>

	DECEMBER 31, 1993	1993	
	(IN THOUSANDS)		
<\$>	<c></c>	<c></c>	
Cash and marketable securities	\$ 47,106	\$ 52,362	
Accounts receivable	61,147	48,077	
Inventory	44,511	42,489	
Deferred income taxes	3,917	3,917	
Other current assets	6,146	4,724	
Land, property and equipment	•	39,384	
Other		8,136	
Other	0,501	0,130	
Total Assets	\$206,954	\$ 199,089	
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities	\$ 52 , 338	57 , 958	
Deferred taxes	7,081	7,081	
Long term debt	20,000	20,000	
Shareholders' equity	127,535	114,050	
Total Liabilities and Shareholders' Equity	\$206,954	\$ 199,089	

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