

LAM RESEARCH CORP
Form S-4
December 07, 2015
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As filed with the U.S. Securities and Exchange Commission on December 4, 2015

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-4
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

LAM RESEARCH CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

3559
(Primary Standard Industrial
Classification Code Number)
4650 Cushing Parkway

94-2634797
(I.R.S. Employer
Identification No.)

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Fremont, CA 94538

(510) 572-0200

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Sarah A. O Dowd

Senior Vice President, Chief Legal Officer and Secretary

Lam Research Corporation

4650 Cushing Parkway

Fremont, CA 94538

(510) 572-0200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Daniel R. Mitz

Teri A. Little

Martin W. Korman

Jonn R. Beeson

Senior Vice President and General Counsel

Katharine A. Martin

Timothy G. Hoxie

KLA-Tencor Corporation

Bradley L. Finkelstein

Jones Day

One Technology Drive

Wilson Sonsini Goodrich & Rosati

1755 Embarcadero Road

Milpitas, CA 95035

Professional Corporation

Palo Alto, CA 94303

(408) 875-3000

650 Page Mill Road

(650) 739-3939

Palo Alto, CA 94304

(650) 493-9300

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this Registration Statement becomes effective and upon completion of the merger described in the enclosed joint proxy statement/prospectus.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of Class of Securities to be Registered(1)	Amount to be Registered(2)	Proposed Maximum Offering Price per Unit	Proposed Maximum Aggregate Offering Price(3)	Proposed Amount of Registration Fee(4)
Common stock, par value \$0.001 per share	80,762,759	N/A	\$5,617,857,516.04	\$565,718.25

- (1) This Registration Statement relates to common stock, par value \$0.001 per share, which is referred to as Lam Research common stock, of Lam Research Corporation, which is referred to as Lam Research, issuable to holders of common stock, par value \$0.001 per share, which is referred to as KLA-Tencor common stock, of KLA-Tencor Corporation, which is referred to as KLA-Tencor, who will receive Lam Research common stock as consideration for the cancellation of their KLA-Tencor common stock in the proposed merger of KLA-Tencor with a wholly owned subsidiary of Lam Research. Lam Research common stock is listed on the NASDAQ Global Select Market under the symbol LRCX. KLA-Tencor common stock is listed on the NASDAQ Global Select Market under the symbol KLAC.
 - (2) Consists of Lam Research's estimate of the maximum number of shares of Lam Research common stock to be issued upon completion of the merger. This number is equal to the product of (1) the sum of 157,219,700 shares of KLA-Tencor common stock outstanding as of November 30, 2015 (including giving effect to shares of KLA-Tencor common stock underlying vested restricted stock units) and 4,305,818 shares of KLA-Tencor common stock expected to be issued under KLA-Tencor's employee stock purchase plan and in settlement of equity awards prior to completion of the merger and after November 30, 2015 and (2) 0.50, the average number of shares of Lam Research common stock to be issued for each share of KLA-Tencor common stock.
 - (3) Estimated solely for purposes of calculating the registration fee required by Section 6(b) of the Securities Act, and calculated pursuant to Rules 457(f)(1) and (f)(3) and 457(c) under the Securities Act. The proposed maximum aggregate offering price of the registrant's common stock was calculated based upon the market value of shares of KLA-Tencor common stock (the securities to be cancelled in the merger) as follows: the product of (1) the difference between \$66.78, the average of the high and low prices per share of KLA-Tencor common stock on November 30, 2015, as quoted on the NASDAQ Global Select Market, and \$32.00, the expected average cash component of the merger consideration per share of KLA-Tencor common stock and (2) 161,525,518, the estimated maximum number of shares of KLA-Tencor common stock to be converted into the right to receive merger consideration upon completion of the merger, which includes shares of KLA-Tencor common stock underlying stock options and restricted stock units.
 - (4) Determined in accordance with Section 6(b) of the Securities Act by multiplying the proposed maximum aggregate offering price by .0001007.
- The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act, or until the Registration Statement shall become effective on such dates as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.**

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Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This joint proxy statement/prospectus shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to appropriate registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY SUBJECT TO COMPLETION DATED []

MERGER PROPOSED YOUR VOTE IS VERY IMPORTANT

Dear Lam Research Corporation stockholders and KLA-Tencor Corporation stockholders:

On behalf of the boards of directors of Lam Research Corporation and KLA-Tencor Corporation, we are pleased to enclose the joint proxy statement/prospectus relating to the merger of KLA-Tencor Corporation with a wholly owned subsidiary of Lam Research Corporation pursuant to the terms of a merger agreement entered into by KLA-Tencor and Lam Research on October 20, 2015.

If the merger is completed, each KLA-Tencor stockholder may elect to receive, for all shares of KLA-Tencor common stock held, one of the following forms of consideration, which will be payable on a per share basis and will be subject to the proration mechanism described below:

1. both 0.5 of a share of Lam Research common stock and \$32.00 in cash, which is referred to as the mixed election;
2. a number of shares of Lam Research common stock equal to 0.5, plus a number of shares of Lam Research common stock equal to \$32.00 divided by the volume-weighted average price of a share of Lam Research common stock measured over a five-trading day period, which is referred to as the five-trading day VWAP, ending approximately two days prior to the closing of the merger, which is referred to as the stock election; or
3. \$32.00 in cash, plus a cash amount equal to 0.5 times the five-trading day VWAP, which is referred to as the cash election.

Pursuant to the merger agreement, Lam Research will not be required to issue (1) a number of shares of Lam Research common stock that exceeds the product of 0.5 and the number of shares of KLA-Tencor common stock outstanding immediately prior to the effective time of the merger or (2) an amount of cash that exceeds the product of \$32.00 and the number of shares of KLA-Tencor common stock outstanding immediately prior to the effective time of the merger. KLA-Tencor stockholders who make the mixed election will receive the mixed election consideration and KLA-Tencor stockholders who make the stock election or the cash election will be subject to a customary proration mechanism set forth in the merger agreement. KLA-Tencor stockholders that do not make an election will be deemed to have made the mixed election. KLA-Tencor stockholders who make the stock election or the mixed election, or who make the cash election but are subject to proration, will receive cash in lieu of any fractional share of Lam Research common stock.

Based on Lam Research's closing stock price on November 30, 2015, the most recent practicable date for which such information was available, the merger consideration represented approximately \$71.10 in value per share of KLA-Tencor common stock, which represents a premium of approximately 32.0% over KLA-Tencor's closing stock price on October 20, 2015, the last trading day before the public announcement of the transaction.

The value of the merger consideration to be received in exchange for each share of KLA-Tencor common stock will fluctuate based on the market value of Lam Research common stock until the merger is completed. Shares of Lam Research common stock and shares of KLA-Tencor common stock are traded on the NASDAQ Global Select Market under the symbols LRCX and KLAC, respectively. We urge you to obtain current market quotations for the shares of common stock of Lam Research and KLA-Tencor.

Based on the number of shares of Lam Research common stock and KLA-Tencor common stock outstanding on November 30, 2015, upon completion of the merger, former KLA-Tencor stockholders will own approximately 33% of the outstanding Lam Research common stock and Lam Research stockholders immediately prior to the merger will own approximately 67% of the outstanding Lam Research common stock.

Each of Lam Research and KLA-Tencor is holding a special meeting of its stockholders to vote on matters related to the merger, as well as certain other matters in the case of Lam Research. We cannot complete the merger unless the stockholders of Lam Research approve the issuance of shares of Lam Research common stock pursuant to the merger agreement and the stockholders of KLA-Tencor adopt the merger agreement, in both cases as described in the joint proxy statement/prospectus. **Your vote is very important, regardless of the number of shares you own. Whether or not you expect to attend the applicable special meeting in person, please submit a proxy to vote your shares as promptly as possible so that your shares may be represented and voted at the Lam Research special meeting or the KLA-Tencor special meeting, as applicable.**

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The Lam Research board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. **The Lam Research board of directors unanimously recommends that the Lam Research stockholders vote FOR the proposal to approve the issuance of shares of Lam Research common stock pursuant to the merger agreement.**

The KLA-Tencor board of directors has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. **The KLA-Tencor board of directors unanimously recommends that the KLA-Tencor stockholders vote FOR the proposal to adopt the merger agreement.**

The obligations of Lam Research and KLA-Tencor to complete the merger are subject to the satisfaction or waiver of several conditions. The accompanying joint proxy statement/prospectus contains detailed information about Lam Research, KLA-Tencor, the special meetings, the merger agreement and the merger. **You should read the joint proxy statement/prospectus carefully and in its entirety before voting, including the section entitled Risk Factors beginning on page 22.**

We look forward to the successful combination of Lam Research and KLA-Tencor.

Sincerely,

Stephen G. Newberry, Chairman of the Board of Directors, Lam Research
Corporation

Edward W. Barnholt, Chairman of the Board of Directors, KLA-Tencor
Corporation

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued under this joint proxy statement/prospectus or determined if this joint proxy statement/prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This joint proxy statement/prospectus is dated [] and is first being mailed to Lam Research stockholders and KLA-Tencor stockholders on or about [].

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ADDITIONAL INFORMATION

The accompanying document is the proxy statement of Lam Research for its special meeting of stockholders, the proxy statement of KLA-Tencor for its special meeting of stockholders and the prospectus of Lam Research for its common stock to be issued in the merger. The accompanying joint proxy statement/prospectus incorporates important business and financial information about Lam Research and KLA-Tencor from other documents that are not included in or delivered with the joint proxy statement/prospectus. This information is available to you without charge upon your request. You can obtain the documents incorporated by reference into the joint proxy statement/prospectus free of charge by requesting them in writing or by telephone from the appropriate company at the following addresses and telephone numbers:

[]

[]

or

or

Lam Research Corporation

KLA-Tencor Corporation

4650 Cushing Parkway

One Technology Drive

Fremont, CA 94538

Milpitas, CA 95035

(510) 572-0200

(408) 875-3000

Attn: Investor Relations

Attn: Investor Relations

Investors may also consult Lam Research's or KLA-Tencor's website for more information concerning the mergers described in this joint proxy statement/prospectus. Lam Research's website is www.lamresearch.com. KLA-Tencor's website is www.kla-tencor.com. Information included on these websites is not incorporated by reference into this joint proxy statement/prospectus.

In addition, if you have questions about the mergers or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need to obtain proxy cards or other information related to the proxy solicitation, please contact [], the proxy solicitor for Lam Research, toll-free at [] or collect at [], or [], the proxy solicitor for KLA-Tencor, toll-free at [] or collect at []. You will not be charged for any of these documents that you request.

If you would like to request any documents, please do so by [] in order to receive them before the special meetings.

For a more detailed description of the information incorporated by reference into this joint proxy statement/prospectus and how you may obtain it, see the section entitled "Where You Can Find More Information."

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Lam Research Corporation

4650 Cushing Parkway

Fremont, CA 94538

(510) 572-0200

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On [] At

[] Pacific Time

To the Stockholders of Lam Research Corporation:

We are pleased to invite you to attend the special meeting of stockholders of Lam Research Corporation, a Delaware corporation, which is referred to as Lam Research, which will be held at the principal executive offices of Lam Research located at 4650 Cushing Parkway, Fremont, California 94538 on [] at [] Pacific time, for the following purposes:

to approve the issuance of shares of Lam Research common stock to stockholders of KLA-Tencor Corporation, which is referred to as KLA-Tencor, pursuant to the Agreement and Plan of Merger and Reorganization, dated as of October 20, 2015, by and among Lam Research, KLA-Tencor, Topeka Merger Sub 1, Inc., a wholly owned subsidiary of Lam Research, and Topeka Merger Sub 2, Inc., a wholly owned subsidiary of Lam Research, which is referred to as the merger agreement, a copy of which is included as Annex A to the joint proxy statement/prospectus accompanying this notice, which is referred to as the Share Issuance proposal;

to approve a proposal to adjourn the Lam Research special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Share Issuance proposal, which is referred to as the Lam Research Adjournment proposal; and

to approve an amendment to the Lam Research certificate of incorporation, as amended, to increase the number of authorized shares of Lam Research stock from 405,000,000 to 590,000,000 and the number of authorized shares of Lam Research common stock from 400,000,000 to 585,000,000, the full text of which is attached as Annex G to the joint proxy statement/prospectus accompanying this notice, which is referred to as the Charter Amendment proposal.

Lam Research will transact no other business at the special meeting except such business as may properly be brought before the special meeting (including by complying with the applicable notice provisions in Lam Research's Amended and Restated Bylaws) or any adjournment or postponement thereof. Please refer to the joint proxy statement/prospectus accompanying this notice for further information with respect to the business to be transacted at the Lam Research special meeting.

Completion of the merger contemplated by the merger agreement is conditioned on, among other things, approval of the Share Issuance proposal. Approval of the Charter Amendment proposal is not required to complete the merger. Lam Research will not proceed with the Charter Amendment if the mergers are not consummated.

The Lam Research board of directors has unanimously approved the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. The Lam Research board of directors unanimously recommends that Lam Research stockholders vote:

FOR the Share Issuance proposal;

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FOR the Lam Research Adjournment proposal; and

FOR the Charter Amendment proposal.

The Lam Research board of directors has fixed the close of business on [] as the record date for determination of Lam Research stockholders entitled to receive notice of, and to vote at, the Lam Research special meeting or any adjournments or postponements thereof. **Approval of the Share Issuance proposal and the Lam Research Adjournment proposal each requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal. Approval of the Charter Amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock on the record date for the Lam Research special meeting.** Whether or not a quorum is present, the chairman of the Lam Research special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy may adjourn such meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting. A list of the names of Lam Research stockholders of record will be available for ten days prior to the Lam Research special meeting for any purpose germane to the special meeting during regular business hours at Lam Research's headquarters, 4650 Cushing Parkway, Fremont, CA 94538. The Lam Research stockholder list will also be available at the Lam Research special meeting for examination by any stockholder present at such meeting.

Your vote is very important. Whether or not you expect to attend in person, we urge you to submit a proxy to vote your shares as promptly as possible by either (1) accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet; (2) dialing [] and following the instructions provided in the recorded message; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares may be represented and voted at the Lam Research special meeting. Your proxy is revocable in accordance with the procedures set forth in the enclosed joint proxy statement/prospectus. If you attend the special meeting, you may vote in person even if you returned a proxy or voting instructions. If your shares are held in the Savings Plus Plan, Lam Research 401(k) Plan or in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the plan trustee or administrator, or record holder, as appropriate.

If you hold shares of Lam Research common stock in your name at the record date and plan to attend the Lam Research special meeting, please be prepared to provide valid government-issued photo identification (*e.g.*, a driver's license or a passport) to gain admission to the Lam Research special meeting.

If you are a beneficial owner of Lam Research common stock held in street name, meaning that your shares of Lam Research common stock are held by a broker, bank or other nominee holder of record at the record date and you plan to attend the Lam Research special meeting, in addition to proper identification, you will also need to provide proof of beneficial ownership at the record date to be admitted to the Lam Research special meeting. A brokerage statement or letter from a bank or broker are examples of proof of beneficial ownership. If you wish to vote your shares of Lam Research common stock held in street name in person at the Lam Research special meeting, you will have to obtain a written legal proxy in your name from the broker, bank or other nominee holder of record who holds your shares. If your shares are held in the Savings Plus Plan, Lam Research 401(k) Plan, you will not be able to vote those shares personally at the Lam Research special meeting.

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The enclosed joint proxy statement/prospectus provides a detailed description of the merger, the merger agreement, the Share Issuance proposal, the Lam Research Adjournment proposal and the Charter Amendment proposal. We urge you to read the joint proxy statement/prospectus, including the documents incorporated by reference, and the Annexes carefully and in their entirety.

By Order of the Board of Directors of

Lam Research Corporation,

Sarah A. O Dowd

Secretary

Fremont, California

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YOUR VOTE IS IMPORTANT

We urge you to read the accompanying joint proxy statement/prospectus, including all documents incorporated by reference into the accompanying joint proxy statement/prospectus, and its Annexes carefully and in their entirety. If you have any questions concerning the merger agreement, the mergers, the Share Issuance proposal, the Lam Research Adjournment proposal, the Charter Amendment proposal or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need help voting your shares of Lam Research common stock, please contact [], the proxy solicitor for Lam Research, toll-free at [] or collect at []. You will not be charged for any of these documents that you request.

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NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

To Be Held On [], At

[] Pacific Time

To the Stockholders of KLA-Tencor Corporation:

We are pleased to invite you to attend the special meeting of stockholders of KLA-Tencor Corporation, a Delaware corporation, which is referred to as KLA-Tencor, which will be held in Building Three of KLA-Tencor's Milpitas facility, located at Three Technology Drive, Milpitas, California, 95035, on [] at [], Pacific time, for the following purposes:

to consider and vote on the proposal to adopt the Agreement and Plan of Merger and Reorganization, dated as of October 20, 2015, by and among Lam Research Corporation, which is referred to as Lam Research, Topeka Merger Sub 1, Inc., which is a wholly owned subsidiary of Lam Research and is referred to as Merger Sub 1, Topeka Merger Sub 2, Inc., which is a wholly owned subsidiary of Lam Research and is referred to as Merger Sub 2, and KLA-Tencor, a copy of which is included as Annex A to the joint proxy statement/prospectus accompanying this notice, which is referred to as the merger agreement, pursuant to which Merger Sub 1 will merge with and into KLA-Tencor, with KLA-Tencor as the surviving corporation, and then KLA-Tencor will merge with and into Merger Sub 2, with Merger Sub 2 as the ultimate surviving corporation, which is referred to as the Merger proposal;

to consider and vote on the proposal to adjourn the KLA-Tencor special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Merger proposal, which is referred to as the KLA-Tencor Adjournment proposal;

to consider and vote on the proposal to approve, by a non-binding, advisory vote, the compensation of KLA-Tencor's named executive officers that is based on or relates to the merger, which is referred to as the Merger-Related Compensation proposal; and

to consider and vote on the proposal to extend the applicability of KLA-Tencor's outside director vesting acceleration policy to outside members of the KLA-Tencor board of directors who have served on the KLA-Tencor board of directors for less than six years as of their termination date, such that the vesting of all restricted stock units held by outside directors who have served on the KLA-Tencor board of directors for less than six years will accelerate on a pro rata basis upon a separation from service with KLA-Tencor and Lam Research, which is referred to as the Director Compensation proposal.

KLA-Tencor will transact no other business at the special meeting except such business as may properly be brought (including by complying with the applicable notice provisions in KLA-Tencor's amended and restated bylaws) before the special meeting or any adjournment or postponements thereof. Please refer to the joint proxy statement/prospectus accompanying this notice for further information with respect to the business to be transacted at the KLA-Tencor special meeting.

The KLA-Tencor board of directors has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. The KLA-Tencor board of directors unanimously recommends that KLA-Tencor stockholders vote:

FOR the Merger proposal;

FOR the KLA-Tencor Adjournment proposal;

FOR the Merger-Related Compensation proposal; and

FOR the Director Compensation proposal.

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The KLA-Tencor board of directors has fixed the close of business on [] as the record date for determination of KLA-Tencor stockholders entitled to receive notice of, and to vote at, the KLA-Tencor special meeting or any adjournments or postponements thereof. Only holders of record of KLA-Tencor common stock at the close of business on the record date are entitled to receive notice of, and to vote at, the KLA-Tencor special meeting. **Approval of the Merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of KLA-Tencor common stock on the record date. Approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal each requires the affirmative vote of a majority of the votes cast on such proposal, assuming that a quorum is present.** Whether or not a quorum is present, the chairman of the KLA-Tencor special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy may adjourn such meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting. A list of the names of KLA-Tencor stockholders of record will be available for ten days prior to the KLA-Tencor special meeting for any purpose germane to the special meeting during ordinary business hours at KLA-Tencor's principal executive offices, located at One Technology Drive, Milpitas, California 95035. The KLA-Tencor stockholder list will also be available at the KLA-Tencor special meeting for examination by any stockholder present at such meeting.

Your vote is very important. Whether or not you expect to attend the KLA-Tencor special meeting in person, we urge you to submit a proxy to vote your shares as promptly as possible by either: (1) accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet; (2) dialing [] and following the instructions provided in the recorded message; or (3) by completing, signing, dating and returning the enclosed proxy card promptly in the postage-paid envelope provided, so that your shares may be represented and voted at the KLA-Tencor special meeting. Your proxy is revocable in accordance with the procedures set forth in the enclosed joint proxy statement/prospectus. If you attend the special meeting, you may vote in person even if you returned a proxy or voting instructions.

If you hold shares of KLA-Tencor common stock in your name at the record date and plan to attend the KLA-Tencor special meeting, please be prepared to provide valid government-issued photo identification (*e.g.*, a driver's license or a passport) to gain admission to the KLA-Tencor special meeting.

If you are a beneficial owner of KLA-Tencor common stock held in street name, meaning that your shares of KLA-Tencor common stock are held by a broker, bank or other nominee holder of record at the record date and you plan to attend the KLA-Tencor special meeting, in addition to proper identification, you will also need to provide proof of beneficial ownership at the record date to be admitted to the KLA-Tencor special meeting. A brokerage statement or letter from a bank or broker are examples of proof of beneficial ownership. If you wish to vote your shares of KLA-Tencor common stock held in street name in person at the KLA-Tencor special meeting, you will have to obtain a written legal proxy in your name from the broker, bank or other nominee holder of record who holds your shares.

The enclosed joint proxy statement/prospectus provides a detailed description of the merger, the merger agreement, the Merger proposal, the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal. We urge you to read the joint proxy statement/prospectus, including the documents incorporated by reference, and the Annexes, carefully and in their entirety.

By Order of the Board of Directors of KLA-

Tencor Corporation

Richard P. Wallace

President and Chief Executive Officer

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YOUR VOTE IS IMPORTANT

We urge you to read the accompanying joint proxy statement/prospectus, including all documents incorporated by reference into the accompanying joint proxy statement/prospectus, and its Annexes carefully and in their entirety. If you have any questions concerning the merger agreement, the mergers, the Merger proposal, the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal, the Director Compensation proposal or the accompanying joint proxy statement/prospectus, would like additional copies of the accompanying joint proxy statement/prospectus or need help voting your shares of KLA-Tencor common stock, please contact [], the proxy solicitor for KLA-Tencor, toll-free at [] or collect at []. You will not be charged for any of these documents that you request.

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ABOUT THIS JOINT PROXY STATEMENT/PROSPECTUS

This joint proxy statement/prospectus, which forms part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission, which is referred to as the SEC, by Lam Research, constitutes a prospectus of Lam Research under Section 5 of the Securities Act of 1933, as amended, which is referred to as the Securities Act, with respect to the shares of Lam Research common stock to be issued to KLA-Tencor stockholders pursuant to the merger agreement. This joint proxy statement/prospectus also constitutes a joint proxy statement for both Lam Research and KLA-Tencor under Section 14(a) of the Securities Exchange Act of 1934, as amended, which is referred to as the Exchange Act. It also constitutes a notice of meeting with respect to the special meeting of Lam Research stockholders and a notice of meeting with respect to the special meeting of KLA-Tencor stockholders.

You should rely only on the information contained in or incorporated by reference into this joint proxy statement/prospectus. No one has been authorized to provide you with information that is different from that contained in, or incorporated by reference into, this joint proxy statement/prospectus. This joint proxy statement/prospectus is dated []. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any other date. You should not assume that the information incorporated by reference into this joint proxy statement/prospectus is accurate as of any date other than the date of the incorporated document. Neither our mailing of this joint proxy statement/prospectus to Lam Research stockholders or KLA-Tencor stockholders nor the issuance by Lam Research of shares of common stock pursuant to the merger agreement will create any implication to the contrary.

This joint proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction to or from any person to whom it is unlawful to make any such offer or solicitation. Information contained in this joint proxy statement/prospectus regarding Lam Research has been provided by Lam Research and information contained in this joint proxy statement/prospectus regarding KLA-Tencor has been provided by KLA-Tencor.

All references in this joint proxy statement/prospectus to Lam Research refer to Lam Research Corporation, a Delaware corporation; all references in this joint proxy statement/prospectus to KLA-Tencor refer to KLA-Tencor Corporation, a Delaware corporation; all references to Merger Sub 1 refer to Topeka Merger Sub 1, Inc., a Delaware corporation and wholly owned subsidiary of Lam Research formed for the sole purpose of effecting the merger, or its permitted assignees; all references to Merger Sub 2 refer to Topeka Merger Sub 2, Inc., a Delaware corporation and wholly owned subsidiary of Lam Research formed for the sole purpose of effecting the subsequent merger, or its permitted assignees; all references to Merger Subs refer to Merger Sub 1 and Merger Sub 2; unless otherwise indicated or as the context requires, all references in this joint proxy statement/prospectus to we, our and us refer to Lam Research and KLA-Tencor collectively; unless otherwise indicated or as the context requires, all references to the merger agreement refer to the Agreement and Plan of Merger and Reorganization, dated as of October 20, 2015 by and among Lam Research, KLA-Tencor, Merger Sub 1 and Merger Sub 2, a copy of which is included as Annex A to this joint proxy statement/prospectus; all references to the merger refer to the merger of Merger Sub 1 with and into KLA-Tencor, with KLA-Tencor as the surviving corporation; all references to the subsequent merger refer to the merger of KLA-Tencor, as the surviving corporation in the merger, with and into Merger Sub 2; and all references to the mergers refer to the merger and the subsequent merger.

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QUESTIONS AND ANSWERS

*The following are some questions that you, as a stockholder of Lam Research or KLA-Tencor, may have regarding the mergers and the other matters being considered at the special meetings and the answers to those questions. Lam Research and KLA-Tencor urge you to carefully read the remainder of this joint proxy statement/prospectus because the information in this section does not provide all the information that might be important to you with respect to the mergers and the other matters being considered at the special meetings. Additional important information is also contained in the Annexes to, and the documents incorporated by reference into, this joint proxy statement/prospectus. See the section entitled *Where You Can Find More Information* for more information.*

Q: Why am I receiving this joint proxy statement/prospectus?

A: Lam Research and KLA-Tencor have agreed to a business combination pursuant to the terms of the merger agreement that is described in this joint proxy statement/prospectus. A copy of the merger agreement is included in this joint proxy statement/prospectus as Annex A. In order to complete the mergers, among other things:

Lam Research stockholders must approve the Share Issuance proposal, which is defined below under Questions and Answers about the Proposals; and

KLA-Tencor stockholders must approve the Merger proposal, which is defined below under Questions and Answers about the Proposals.

Lam Research is holding a special meeting of its stockholders in order to obtain approval of the Share Issuance proposal. Approval of the Share Issuance proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal. Lam Research stockholders will also be asked to approve the Lam Research Adjournment proposal and the Charter Amendment proposal, each as defined below under Questions and Answers about the Proposals. Approval of the Lam Research Adjournment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal. Approval of the Charter Amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock on the record date for the Lam Research special meeting. It is important that Lam Research stockholders vote their shares on each of these matters, regardless of the number of shares owned. Approval of the Charter Amendment proposal is not required to complete the mergers.

KLA-Tencor is holding a special meeting of its stockholders in order to obtain approval of the Merger proposal. Adoption of the merger agreement pursuant to the Merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of KLA-Tencor common stock entitled to vote thereon. KLA-Tencor stockholders will also be asked to approve the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal, each as defined below under Questions and Answers about the Proposals. Approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal each requires the affirmative vote of a majority of the votes cast at the special meeting, assuming that a quorum is present. Whether or not a quorum is present, the chairman of the KLA-Tencor special meeting or the holders of the majority of the shares entitled to vote and present in person or represented by proxy will have the power to adjourn the KLA-Tencor special meeting to another place, date or time. It is important that KLA-Tencor stockholders vote their shares on each of these matters, regardless of the number of shares owned.

This joint proxy statement/prospectus, including its Annexes, contains and incorporates by reference important information about Lam Research and KLA-Tencor, the mergers and the special meetings of Lam Research and KLA-Tencor. You should read all the available information carefully and in its entirety.

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Questions and Answers About the Proposals

Q: What proposals am I being asked to vote on?

A: *Lam Research Stockholders:* At the Lam Research special meeting, Lam Research stockholders will be asked to consider and vote on:

the Share Issuance proposal, which is a proposal to approve the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, a copy of which is included as Annex A to this joint proxy statement/prospectus;

the Lam Research Adjournment proposal, which is a proposal to adjourn the Lam Research special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Share Issuance proposal; and

the Charter Amendment proposal, which is a proposal to approve an amendment to the Lam Research certificate of incorporation, as amended, to increase the number of authorized shares of Lam Research stock from 405,000,000 to 590,000,000 and the number of authorized shares of Lam Research common stock from 400,000,000 to 585,000,000, the full text of which is attached as Annex G to this joint proxy statement/prospectus.

See the section entitled *The Lam Research Proposals* for more information about these proposals. It is important that Lam Research stockholders vote their shares on each of these proposals, regardless of the number of shares owned.

KLA-Tencor Stockholders: At the KLA-Tencor special meeting, KLA-Tencor stockholders will be asked to consider and vote on:

the Merger proposal, which is a proposal to adopt the merger agreement, a copy of which is included as Annex A to this joint proxy statement/prospectus, pursuant to which Merger Sub 1 will merge with and into KLA-Tencor, with KLA-Tencor as the surviving corporation, and then KLA-Tencor will merge with and into Merger Sub 2, with Merger Sub 2 as the ultimate surviving corporation;

the KLA-Tencor Adjournment proposal, which is a proposal to adjourn the KLA-Tencor special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Merger proposal;

the Merger-Related Compensation proposal, which is a non-binding, advisory vote to approve the compensation that may be paid or become payable to KLA-Tencor's named executive officers that is based on or otherwise relates to the merger; and

the Director Compensation proposal, which is a proposal to extend the applicability of KLA-Tencor's outside director vesting acceleration policy by waiving the six year service requirement for outside members of the KLA-Tencor board of directors, such that the vesting of all restricted stock units held by outside directors who have served on the KLA-Tencor board of directors for less than six years will accelerate on a pro rata basis upon a separation from service with KLA-Tencor and Lam Research. The restricted stock units granted to the outside directors of the KLA-Tencor board of directors are the largest component of the annual director compensation program, which consists of a combination of restricted stock units and cash that the Compensation Committee of the KLA-Tencor board of directors has determined to be competitive with companies similarly situated with KLA-Tencor based on market data provided to it.

See the section entitled *The KLA-Tencor Proposals* for more information about these proposals. It is important that KLA-Tencor stockholders vote their shares on each of these proposals, regardless of the number of shares owned.

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Questions and Answers About the Merger

Q: What will happen in the merger?

A: In the merger, KLA-Tencor will become a wholly owned subsidiary of Lam Research and will no longer be a publicly held corporation. Immediately following the effective time of the merger, two members of the KLA-Tencor board of directors, which is referred to as the KLA-Tencor Board, will be appointed to the Lam Research board of directors, which is referred to as the Lam Research Board. See the sections entitled Summary The Merger and The Merger Agreement, and the merger agreement attached as Annex A to this joint proxy statement/prospectus, for more information about the mergers.

Q: What will I receive in the merger?

A: *Lam Research Stockholders:* If the merger is completed, Lam Research stockholders will not receive any merger consideration and will continue to hold their shares of Lam Research common stock.

KLA-Tencor Stockholders: If the merger is completed, each KLA-Tencor stockholder may elect to receive, for all shares of KLA-Tencor common stock held, one of the following forms of consideration, which will be payable on a per share of KLA-Tencor common stock basis, and is collectively referred to as the merger consideration:

mixed consideration, consisting of 0.5 shares of Lam Research common stock and \$32.00 in cash;

all-stock consideration, consisting of (1) a number of shares of Lam Research common stock equal to 0.5 plus (2) a number of shares of Lam Research common stock equal to \$32.00 divided by the volume-weighted average price of Lam Research common stock over a five-day trading period ending approximately two days before the closing of the merger, which is referred to as the five-trading day VWAP, subject to proration as described below in I am a KLA-Tencor stockholder. If I elect all-stock consideration or all-cash consideration, is my election subject to proration?; or

all-cash consideration, consisting of (1) \$32.00 in cash plus (2) an amount in cash equal to 0.5 times the five-trading day VWAP, subject to proration as described below in I am a KLA-Tencor stockholder. If I elect all-stock consideration or all-cash consideration, is my election subject to proration?

KLA-Tencor stockholders that do not make an election will be deemed to have elected to receive the mixed consideration. KLA-Tencor stockholders will not receive any fractional shares of Lam Research common stock in the merger. Instead, Lam Research will, at its option, pay cash or distribute proceeds from sales of fractional shares in lieu of delivering any fractional shares of Lam Research common stock.

Based on the closing price of Lam Research common stock on the NASDAQ Global Select Market on October 20, 2015, the last trading day before the public announcement of the merger agreement, the merger consideration represented approximately \$67.02 in value per share of KLA-Tencor common stock. Based on the closing price of Lam Research common stock on the NASDAQ Global Select Market on November 30, 2015, the most recent practicable date for which such information was available, the merger consideration represented approximately \$71.10 in value per share of KLA-Tencor common stock. The value of the merger consideration will depend on, and change as a result of, changes in the market price of Lam Research common stock following the date of this joint proxy statement/prospectus. **The market price of Lam Research common stock when KLA-Tencor stockholders receive shares of Lam Research common stock after the merger is completed could be greater than, less than or the same as the market price of Lam Research common stock on the date of this joint proxy statement/prospectus, the market price of Lam Research common stock at the time of the respective special meetings or any adjournment or postponement thereof, or the five-trading day VWAP.**

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Q: I am a KLA-Tencor stockholder. How do I make an election as to the form of consideration that I will receive in the merger?

A: An election form is being mailed to each holder of record of KLA-Tencor common stock at the close of business on [], which is referred to as the KLA-Tencor record date, together with this joint proxy statement/prospectus. In order to make a valid election, KLA-Tencor stockholders must return their properly completed and signed election form to [], which is referred to as the exchange agent, in accordance with the instructions contained in the election form, prior to 6:00 a.m. Pacific time on the fourth business day after the date of satisfaction or waiver of the last of the conditions to the merger (other than any such conditions that by their nature are to be satisfied at the closing of the merger), which date is referred to as the election deadline. At least three business days prior to the election deadline, Lam Research will publish a press release announcing the election deadline.

Q: I am a KLA-Tencor stockholder. If I do not make any election as to the form of consideration that I will receive in the merger, what will I receive in the merger?

A: You will receive the mixed consideration.

Q: I am a KLA-Tencor stockholder. Can I make one election for some of my shares and another election or elections for the rest?

A: No. Your election will be effective as to all of the shares of KLA-Tencor common stock held by you.

Q: I am a KLA-Tencor stockholder. Can I change my election after submitting an initial election?

A: Yes. You may change your election by submitting a subsequently dated election form to the exchange agent by the election deadline.

Q: I am a KLA-Tencor stockholder. If I elect all-stock consideration or all-cash consideration, is my election subject to proration?

A: Yes, elections for all-stock consideration and all-cash consideration are subject to proration as follows:

The aggregate amount of cash that Lam Research is obligated to pay to KLA-Tencor stockholders in the merger will not exceed \$32.00 multiplied by the number of shares of KLA-Tencor common stock outstanding immediately prior to the effective time of the merger (excluding shares owned by Lam Research, KLA-Tencor or any subsidiary of Lam Research or KLA-Tencor at such time). The aggregate number of shares of Lam Research common stock that Lam Research is obligated to issue to KLA-Tencor stockholders in the merger will not exceed 0.5 multiplied by the number of shares of KLA-Tencor common stock outstanding immediately prior to the effective time (excluding shares owned by Lam Research, KLA-Tencor or any subsidiary of Lam Research or KLA-Tencor at such time).

Cash and stock will first be allocated to satisfy elections of KLA-Tencor stockholders who have elected to receive the mixed consideration or who made no election (and who will accordingly receive the mixed consideration), such that each such KLA-Tencor stockholder (other than a KLA-Tencor stockholder that perfects appraisal rights) receives 0.5 shares of Lam Research common stock and \$32.00 in cash for each share of KLA-Tencor stock held. The remaining available cash and shares of Lam Research common stock to be paid as merger consideration will thereafter be allocated among the KLA-Tencor stockholders who have elected to receive the all-stock consideration or the all-cash consideration.

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If the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-cash consideration multiplied by the amount of the all-cash consideration exceeds the remaining cash

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available to fully satisfy such elections (after payment of cash in respect of shares of KLA-Tencor common stock that are subject to elections to receive the mixed consideration, or no election), then:

holders of KLA-Tencor common stock who elected to receive the all-cash consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger (1) the amount of cash remaining available to fully satisfy such all cash-elections, divided by the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-cash consideration; and (2) a number of shares of Lam Research common stock that is determined by dividing the difference between the all-cash consideration (determined without regard to any proration) less the all-cash consideration after the foregoing proration, by the five-trading day VWAP; and

holders of KLA-Tencor common stock who elected to receive the all-stock consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive, for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger, the all-stock consideration.

If the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-stock consideration multiplied by the all-stock consideration exceeds the remaining shares of Lam Research common stock available for issuance to fully satisfy such elections (after the issuance of shares of Lam Research common stock in respect of shares of KLA-Tencor common stock that are subject to elections to receive the mixed consideration, or no election), then:

holders of KLA-Tencor common stock who elected to receive the all-stock consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger (1) the number of shares of Lam Research common stock remaining available to fully satisfy such all-stock elections, divided by the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-stock consideration; and (2) an amount of cash that is equal to the difference between the all-cash consideration and the product of the five-trading day VWAP and the number of shares of Lam Research common stock determined in the foregoing clause (1); and

holders of KLA-Tencor common stock who elected to receive the all-cash consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive, for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger, the all-cash consideration.

Q: What is the value of the merger consideration?

A: The value of the merger consideration that KLA-Tencor stockholders receive will depend on the five-trading day VWAP and on the price per share of Lam Research common stock when the shares are issued to KLA-Tencor stockholders. Because the effective time of the merger will occur and the five-trading day VWAP will be calculated sometime after the respective special meetings, the value of the merger consideration that KLA-Tencor stockholders receive will not be known at the time of the special meetings and may be greater than, less than or the same as the current price or the price at the time of the special meetings. We urge you to obtain current market quotations of Lam Research common stock and KLA-Tencor common stock.

Q: What will happen to my Lam Research stock options and other equity awards in the merger?

A: The completion of the merger will not accelerate the vesting or settlement of any outstanding stock options or other equity awards granted under any of Lam Research's equity incentive plans, and all such stock options and other equity awards will continue to vest in accordance

with their applicable terms.

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Q: What will happen to my KLA-Tencor options or KLA-Tencor restricted stock units in the merger?

A: Under the terms of the merger agreement, at the effective time of the merger:

Lam Research will convert each then-outstanding restricted stock unit representing a right to receive shares of KLA-Tencor common stock, which is referred to as a KLA-Tencor RSU, that is unvested (including performance-based restricted stock units) and that is held by an individual who will continue in the service of Lam Research or KLA-Tencor as of the effective time of the merger, each such individual is referred to as a continuing service provider, into a restricted stock unit representing a right to receive Lam Research common stock, which is referred to as a Lam Research RSU, with economically equivalent terms as applied immediately prior to the effective time of the merger;

each share of KLA-Tencor common stock underlying a KLA-Tencor RSU that is vested (after taking into account any acceleration of vesting that occurs at the effective time of the merger) but which such share of stock has not yet been issued will be issued as of immediately prior to the effective time of the merger, treated as KLA-Tencor common stock in the merger and converted into the right to receive the merger consideration; and

each KLA-Tencor stock option will be cancelled and converted into the right to receive an amount of cash (without interest) equal to the product of (a) the number of shares of KLA-Tencor common stock subject to such KLA-Tencor stock option multiplied by (b) (i) the all-cash consideration less (ii) the exercise price per share for such KLA-Tencor stock option.

See the section entitled The Merger Agreement Treatment of KLA-Tencor Equity Awards for a discussion of these awards.

At the effective time of the merger, each KLA-Tencor RSU that is unvested (after applying any rights to accelerated vesting in connection with the mergers) and held by an individual who is not a continuing service provider will be cancelled without payment of any consideration.

Q: What happens if the merger is not completed?

A: If the Merger proposal is not approved by KLA-Tencor stockholders, the Share Issuance proposal is not approved by Lam Research stockholders or if the merger is not completed for any other reason, KLA-Tencor stockholders will not receive any payment for their shares of KLA-Tencor common stock pursuant to the merger agreement. Instead, KLA-Tencor will remain an independent public company and its common stock will continue to be listed and traded on the NASDAQ Global Select Market. If the merger agreement is terminated under specified circumstances, KLA-Tencor may be required to pay Lam Research a termination fee of \$290 million, and if the merger agreement is terminated under certain other circumstances, Lam Research may be required to pay KLA-Tencor a termination fee of \$290 million. See the section entitled The Merger Agreement Expenses and Termination Fees; Liability for Breach for a more detailed discussion of the termination fees. The Charter Amendment proposal, if approved by Lam Research stockholders at the special meeting, will not be given effect if the mergers are not consummated.

Q: How does the Lam Research Board recommend that Lam Research stockholders vote?

A: After careful consideration, the Lam Research Board unanimously approved the merger agreement and the transactions contemplated by the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. For more information regarding the factors considered by the Lam Research Board in reaching its decision to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, see the section entitled The Merger Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board. **The Lam Research Board unanimously recommends that Lam Research stockholders vote (1) FOR the**

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Share Issuance proposal; (2) FOR the Lam Research Adjournment Proposal; and (3) FOR the Charter Amendment proposal.

Q: How does the KLA-Tencor Board recommend that KLA-Tencor stockholders vote?

A: After careful consideration, the KLA-Tencor Board has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders; and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. For more information regarding the factors considered by the KLA-Tencor Board in reaching its decision to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, see the section entitled *The Merger KLA-Tencor's Reasons for the Merger; Recommendation of the KLA-Tencor Board*. **The KLA-Tencor Board unanimously recommends that KLA-Tencor stockholders vote FOR the Merger proposal, FOR the KLA-Tencor Adjournment proposal, FOR the Merger-Related Compensation proposal and FOR the Director Compensation proposal.**

Q: When do you expect the mergers to be completed?

A: Lam Research and KLA-Tencor hope to complete the mergers as soon as reasonably possible and, as of the date of this joint proxy statement/prospectus, expect the closing to occur in mid-calendar year 2016. However, the mergers are subject to various regulatory clearances and the satisfaction or waiver of other conditions, and factors outside the control of Lam Research and KLA-Tencor could result in the mergers being completed earlier, later or not at all. Several months or longer may elapse between the Lam Research and KLA-Tencor special meetings and the completion of the mergers.

Q: Are stockholders entitled to appraisal or dissenters' rights?

A: *Lam Research stockholders:* No. Lam Research stockholders are not entitled to appraisal or dissenters' rights in connection with the mergers.

KLA-Tencor stockholders: Yes. Under Section 262 of the Delaware General Corporation Law, which is referred to as the DGCL, if the merger is completed, KLA-Tencor stockholders who do not vote in favor of the Merger proposal and who otherwise comply with the procedures for exercising appraisal rights under Section 262 of the DGCL will be entitled, in lieu of receiving the merger consideration, to obtain payment in cash of the fair value of their shares of KLA-Tencor common stock as determined by the Court of Chancery of the State of Delaware, which is referred to as the Court of Chancery. The right to seek appraisal will be lost if a KLA-Tencor stockholder votes FOR the Merger proposal. However, voting AGAINST the Merger proposal (including a broker non-vote or abstention which has the effect of a vote AGAINST the Merger proposal) is not in itself sufficient to perfect appraisal rights because additional actions must also be taken to perfect such rights. See the section entitled *Appraisal Rights* for more information. KLA-Tencor stockholders who wish to exercise appraisal rights must follow the procedures prescribed by the DGCL. In addition, a copy of Section 262 of the DGCL is included as Annex D to this joint proxy statement/prospectus. Failure to comply with the provisions of Section 262 of the DGCL will result in loss of appraisal rights and receipt of the merger consideration payable as a mixed election, unless another election was timely and validly made, in which case, the former dissenting KLA-Tencor stockholder will receive the same form of merger consideration as the other KLA-Tencor stockholders that made such election.

Q: What are the conditions to the completion of the mergers?

A: Completion of the mergers is subject to certain closing conditions, including but not limited to (1) approval of the Share Issuance proposal by Lam Research stockholders; (2) approval of the Merger proposal by KLA-Tencor stockholders; (3) receipt of all required regulatory approvals; and (4) satisfaction of other

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customary conditions. See the section entitled "The Merger Agreement - Conditions to Completion of the Merger" for more information. The consummation of the mergers is not subject to a financing condition.

Q: What is the amount of financing to be incurred in connection with the merger?

A: Lam Research has entered into (1) a senior unsecured term loan agreement which provides up to \$900 million in term loans, subject to certain conditions; and (2) a debt commitment letter which provides for a senior unsecured 364-day bridge facility in a principal amount of up to \$3.3 billion, subject to certain conditions. Lam Research has also entered into an amendment and restatement of its existing revolving credit agreement pursuant to which, among other things, the revolving lenders agreed to increase their aggregate commitments under the revolving credit agreement from \$300 million to \$750 million.

Lam Research intends to fund the cash component of the merger consideration and related fees and expenses and to prepay KLA-Tencor's \$671 million term loan with a combination of approximately \$1.9 billion of the combined companies' balance sheet cash and proceeds of approximately \$3.9 billion under the term loans, the revolving credit agreement and from the issuance of debt securities or, to the extent necessary, borrowings under the bridge facility. Lam Research also expects to guarantee KLA-Tencor's existing notes in the aggregate principal amount of \$2.5 billion.

Q: Is the completion of the merger subject to a financing condition?

A: No. The receipt of financing by Lam Research is not a condition to completion of the merger and, accordingly, Lam Research will be required to complete the merger (assuming that all of the conditions to its obligations to complete the merger under the merger agreement are satisfied) whether or not debt financing or other financing is available on acceptable terms or at all.

Q: What are the material U.S. federal income tax consequences of the mergers to U.S. holders of KLA-Tencor common stock?

A: The mergers, taken together as an integrated transaction, are intended to qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which is referred to as the "Code." Assuming that the mergers qualify as a reorganization, a U.S. holder of KLA-Tencor common stock who surrenders such stock solely in exchange for Lam Research common stock pursuant to the merger generally will not recognize gain or loss for U.S. federal income tax purposes, except with respect to cash received in lieu of any fractional share. A U.S. holder of KLA-Tencor common stock who surrenders such stock solely in exchange for cash in the merger will generally recognize gain or loss on such exchange. Finally, a U.S. holder of KLA-Tencor common stock will generally recognize gain, but not loss, if the U.S. holder surrenders its shares of KLA-Tencor common stock in exchange for a combination of Lam Research common stock and cash. In such case, that U.S. holder will generally recognize gain equal to the lesser of (1) the cash received (other than cash in lieu of any fractional share) and (2) the excess of the sum of the cash received (other than cash in lieu of any fractional share) and the fair market value (on the date of the merger) of the Lam Research common stock received (including any fractional share for which cash was paid) over such U.S. holder's adjusted tax basis in the shares of KLA-Tencor common stock surrendered by such U.S. holder in the merger. Such U.S. holder will generally recognize gain or loss on the receipt of cash in lieu of any fractional share. See the section entitled "Material U.S. Federal Income Tax Consequences" for more information.

Questions and Answers About the Special Meetings

Q: When and where will the special meetings be held?

A: *Lam Research Stockholders:* The special meeting of Lam Research stockholders will be held at the principal executive offices of Lam Research, which are located at 4650 Cushing Parkway, Fremont, California 94538, on [], at [], Pacific time.

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KLA-Tencor Stockholders: The special meeting of KLA-Tencor stockholders will be held in Building Three of KLA-Tencor's Milpitas facility, located at Three Technology Drive, Milpitas, California, 95035, on [], at [], Pacific time.

Q: Who is entitled to vote at the special meetings?

A: *Lam Research Stockholders:* Only holders of record of Lam Research common stock at the close of business on [], which is referred to as the Lam Research record date, are entitled to notice of, and to vote at, the Lam Research special meeting or any adjournment or postponement of the Lam Research special meeting.

KLA-Tencor Stockholders: Only holders of record of KLA-Tencor common stock as of the KLA-Tencor record date are entitled to notice of, and to vote at, the KLA-Tencor special meeting or any adjournment or postponement of the KLA-Tencor special meeting.

Q: What constitutes a quorum at the special meetings?

A: *Lam Research Stockholders:* Stockholders who hold shares representing a majority of the Lam Research common stock issued and outstanding on the record date for the Lam Research special meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the Lam Research special meeting. Whether or not a quorum is present, the chairman of the Lam Research special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy may adjourn such meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

Abstentions will be included in the calculation of the number of shares of Lam Research common stock represented at the Lam Research special meeting for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the calculation of the number of shares of Lam Research common stock represented at the Lam Research special meeting for purposes of determining whether a quorum has been achieved.

KLA-Tencor Stockholders: Stockholders who hold shares representing a majority of the KLA-Tencor common stock issued and outstanding on the record date for the KLA-Tencor special meeting must be present in person or represented by proxy to constitute a quorum for the transaction of business at the KLA-Tencor special meeting. Whether or not a quorum is present, the chairman of the KLA-Tencor special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy may adjourn such meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

Abstentions will be included in the calculation of the number of shares of KLA-Tencor common stock represented at the KLA-Tencor special meeting for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the tabulation of the number of shares of KLA-Tencor common stock represented at the KLA-Tencor special meeting for purposes of determining whether a quorum has been achieved.

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Q: How do I vote if I am a stockholder of record?

A: *Lam Research Stockholders.* If you are a stockholder of record of Lam Research as of the Lam Research record date you may vote in person by ballot by attending the Lam Research special meeting. To ensure your shares are represented at the Lam Research special meeting, you may authorize a proxy to vote by:

accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet anytime up to [] p.m. Pacific time on [];

dialing [] and following the instructions provided in the recorded message anytime up to [] p.m. Pacific time on []; or

signing and returning your proxy card in the postage-paid envelope provided.

If you hold Lam Research shares in street name through a stock brokerage account or through a bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee to ensure that your shares are represented at the Lam Research special meeting. If you hold shares through an employee plan provided by Lam Research, please see the question below How are my employee plan shares voted?

If you hold shares of Lam Research common stock in your name as of the Lam Research record date and plan to attend the Lam Research special meeting, please be prepared to provide valid government-issued photo identification (e.g., a driver's license or a passport) to gain admission to the Lam Research special meeting.

If you hold Lam Research shares in street name through a stock brokerage account or through a bank or other nominee at the Lam Research record date and you plan to attend the Lam Research special meeting, in addition to proper identification, you will also need to provide proof of beneficial ownership at the Lam Research record date to be admitted to the Lam Research special meeting. A brokerage statement or letter from a bank or broker are examples of proof of beneficial ownership. If you wish to vote your shares of Lam Research common stock held in street name in person at the Lam Research special meeting, you will have to obtain a written legal proxy in your name from the broker, bank or other nominee holder of record who holds your shares.

KLA-Tencor Stockholders. If you are a holder of record of KLA-Tencor common stock as of the KLA-Tencor record date, you may vote in person by ballot by attending the KLA-Tencor special meeting. To ensure your shares are represented at the KLA-Tencor special meeting, you may authorize a proxy to vote by:

accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet anytime up to [] p.m. Pacific time on [];

dialing [] and following the instructions provided in the recorded message anytime up to [] p.m. Pacific time on []; or

signing and returning your proxy card in the postage-paid envelope provided.

If you hold shares of KLA-Tencor common stock in street name through a stock brokerage account or through a bank or other nominee, please follow the voting instructions provided by your broker, bank or other nominee to ensure that your shares are represented at the KLA-Tencor special meeting.

If you hold shares of KLA-Tencor common stock in your name at the KLA-Tencor record date and plan to attend the KLA-Tencor special meeting, please be prepared to provide valid government-issued photo identification (e.g., a driver's license or a passport) to gain admission to the KLA-Tencor special meeting.

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If you hold KLA-Tencor shares in street name through a stock brokerage account or through a bank or other nominee at the record date and you plan to attend the KLA-Tencor special meeting, in addition to proper identification, you will also need to provide proof of beneficial ownership at the KLA-Tencor record date to be admitted to the KLA-Tencor special meeting. A brokerage statement or letter from a bank or

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broker are examples of proof of beneficial ownership. If you wish to vote your shares of KLA-Tencor common stock held in street name in person at the KLA-Tencor special meeting, you will have to obtain a written legal proxy in your name from the broker, bank or other nominee holder of record who holds your shares.

Q: How many votes do I have?

A: *Lam Research Stockholders:* Holders of Lam Research common stock are entitled to one vote for each share of Lam Research common stock owned as of the close of business on the Lam Research record date. On the Lam Research record date, there were [] shares of Lam Research common stock outstanding and entitled to vote at the Lam Research special meeting.

KLA-Tencor Stockholders: Holders of KLA-Tencor common stock are entitled to one vote for each share of KLA-Tencor common stock owned as of the close of business on the KLA-Tencor record date. On the KLA-Tencor record date, there were [] shares of KLA-Tencor common stock outstanding and entitled to vote at the KLA-Tencor special meeting.

Q: What vote is required to approve each proposal?

A: *Lam Research Stockholders:* Approval of the Share Issuance proposal and the Lam Research Adjournment proposal at the Lam Research special meeting each requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal. Approval of the Charter Amendment proposal requires the affirmative vote of holders of a majority of the shares of Lam Research common stock outstanding on the Lam Research record date. Abstentions are treated the same as votes against each such proposal. Failures to vote and broker non-votes, which are described below, will have no effect on the Share Issuance proposal or the Lam Research Adjournment proposal (assuming a quorum is present), but will have the effect of a vote against the Charter Amendment proposal.

KLA-Tencor Stockholders: Approval of the Merger proposal requires the affirmative vote of holders of a majority of the shares of KLA-Tencor common stock outstanding on the KLA-Tencor record date. Failures to vote, abstentions and broker non-votes will have the effect of a vote against the Merger proposal. Approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal each requires the affirmative vote of a majority of the votes cast at the KLA-Tencor special meeting. Abstentions, failures to vote and broker non-votes will have no effect on the KLA-Tencor Adjournment proposal (assuming a quorum is present), the Merger-Related Compensation proposal (assuming a quorum is present) or the Director Compensation proposal (assuming a quorum is present).

Q: My shares are held in street name by my broker, bank or other nominee. Will my broker, bank or other nominee automatically vote my shares for me?

A: No. If your shares are held in the name of a broker, bank or other nominee, you are considered the beneficial holder of the shares held for you in what is known as street name. You are not the record holder of such shares. If this is the case, this joint proxy statement/prospectus has been forwarded to you by your broker, bank or other nominee. As the beneficial holder, unless your broker, bank or other nominee has discretionary authority over your shares, you generally have the right to direct your broker, bank or other nominee as to how to vote your shares. You can contact your broker to obtain instructions on how to instruct them with respect to the voting of your shares. If you do not provide voting instructions, your shares will not be voted on any proposal on which your broker, bank or other nominee does not have discretionary authority. This is often called a broker non-vote.

In connection with the Lam Research special meeting, broker non-votes will have no effect on the Share Issuance proposal (assuming a quorum is present) or the Lam Research Adjournment proposal (assuming a quorum is present) but will have the same effect as votes AGAINST the Charter Amendment proposal.

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In connection with the KLA-Tencor special meeting, broker non-votes will have the effect of a vote AGAINST the Merger proposal, but will not be sufficient for stockholders seeking to perfect their appraisal rights. See the section entitled Appraisal Rights for more information. Broker non-votes will have no effect on the outcome of the KLA-Tencor Adjournment proposal (assuming a quorum is present), the Merger-Related Compensation proposal (assuming a quorum is present) or the Director Compensation proposal (assuming a quorum is present).

You should therefore provide your broker, bank or other nominee with instructions as to how to vote your shares of Lam Research common stock or KLA-Tencor common stock.

Please follow the voting instructions provided by your broker, bank or other nominee so that it may vote your shares on your behalf. Please note that you may not vote shares held in street name by returning a proxy card directly to Lam Research or KLA-Tencor or by voting in person at the applicable special meeting unless you first obtain a proxy from your broker, bank or other nominee.

Q: How are my employee plan shares voted?

A: *Employees of Lam Research:* If you participate in the Savings Plus Plan, Lam Research 401(k) Plan, which is referred to as the 401(k) Plan, and hold Lam Research common stock in your personal 401(k) Plan account as of the Lam Research record date, then you may vote, by proxy, your interest in Lam Research common stock held by the 401(k) Plan. The trustee of the 401(k) Plan, Fidelity Management Trust, which is referred to as the 401(k) Plan trustee, will aggregate and vote proxies in accordance with the instructions in the proxies of employee participants that they receive. You may instruct the 401(k) Plan trustee, in a confidential manner, how to vote (including an instruction not to vote) the shares allocated to your 401(k) Plan account by one of the following three methods:

accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet anytime up to [] p.m. Pacific time on [];

dialing [] and following the instructions provided in the recorded message, anytime up to [] p.m. Pacific time on []; or

marking, signing and mailing your proxy card to the address indicated on your proxy card. Your proxy card must be received by the 401(k) Plan trustee at [], no later than [] p.m. Pacific time on [], to ensure that the trustee is able to vote your shares in accordance with your wishes.

In addition, since only the trustee can vote the shares of Lam Research common stock allocated to your 401(k) Plan account, you will not be able to vote those shares personally at the Lam Research special meeting. Please note that the applicable trust agreement governing the 401(k) Plan provides that if the trustee does not receive your voting instructions, the trustee will not vote the shares allocated to your 401(k) Plan account unless the trustee is required to do so by applicable law.

If you are a participant (or a beneficiary of a deceased participant) in the 401(k) Plan and you also own other shares of Lam Research common stock outside of your 401(k) Plan account, you should receive a proxy card for shares credited to your account in the 401(k) Plan and a separate proxy card if you are a record holder of additional shares of Lam Research common stock or voting instruction card if you hold additional shares of Lam Research common stock through a broker, bank or other nominee. You must vote shares that you hold as a stockholder of record, shares that you hold through a broker, bank or other nominee and shares that are allocated to your 401(k) Plan account separately in accordance with each of the proxy cards and voting instruction cards you receive with respect to such shares of Lam Research common stock.

Q: What will happen if I fail to vote or I abstain from voting?

A: For purposes of each of the Lam Research special meeting and the KLA-Tencor special meeting, an abstention occurs when a respective stockholder attends the applicable special meeting in person and does not vote or returns a proxy with an abstain vote.

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Lam Research Stockholders:

Share Issuance proposal. If you attend the Lam Research special meeting in person but fail to vote, or you mark your proxy or voting instructions to abstain, it will have the same effect as a vote AGAINST the Share Issuance proposal. If you fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Share Issuance proposal (assuming a quorum is present).

Lam Research Adjournment proposal. If you attend the Lam Research special meeting in person but fail to vote, or you mark your proxy or voting instructions to abstain, it will have the same effect as a vote AGAINST the Lam Research Adjournment proposal. If you fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Lam Research Adjournment proposal (assuming a quorum is present).

Charter Amendment proposal. If you attend the Lam Research special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have the same effect as a vote AGAINST the Charter Amendment proposal.

If you are a Lam Research stockholder through the 401(k) Plan and fail to instruct the 401(k) Plan trustee how to vote, the trustee will not vote the shares of Lam Research common stock allocated to your 401(k) Plan account, as described above under the question How are my employee plan shares voted?

KLA-Tencor Stockholders:

Merger proposal. If you attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have the same effect as a vote AGAINST the Merger proposal. Voting against, abstaining from voting on, or failing to vote on the Merger proposal will not in and of itself be sufficient for stockholders seeking to perfect their appraisal rights to obtain appraisal rights for their shares of KLA-Tencor common stock. See the section entitled Appraisal Rights for more information.

KLA-Tencor Adjournment proposal. If you attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the KLA-Tencor Adjournment proposal (assuming a quorum is present).

Merger-Related Compensation proposal. If you attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Merger-Related Compensation proposal (assuming a quorum is present).

Director Compensation proposal. If you attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Director Compensation proposal (assuming a quorum is present).

Q: What will happen if I return my proxy card without indicating how to vote?

A: *Lam Research Stockholders:* If you properly complete and sign your proxy card but do not indicate how your shares of Lam Research common stock should be voted on a matter, the shares of Lam Research

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common stock represented by your proxy will be voted as the Lam Research Board recommends and, therefore, FOR the Share Issuance proposal, FOR the Lam Research Adjournment proposal and FOR the Charter Amendment proposal.

KLA-Tencor Stockholders: If you properly complete and sign your proxy card but do not indicate how your shares of KLA-Tencor common stock should be voted on a matter, the shares of KLA-Tencor common stock represented by your proxy will be voted as the KLA-Tencor Board recommends and, therefore, FOR the Merger proposal, FOR the KLA-Tencor Adjournment proposal, FOR the Merger-Related Compensation proposal and FOR the Director Compensation proposal.

Q: Can I change my vote or revoke my proxy after I have returned a proxy or voting instruction card?

A: Yes.

If you are the holder of record of either Lam Research common stock or KLA-Tencor common stock: If you are the holder of record of either Lam Research common stock or KLA-Tencor common stock, you can change your vote or revoke your proxy at any time before your proxy is voted at your special meeting. You can do this in one of three ways:

you can grant a new, valid proxy bearing a later date (including by telephone or through the Internet);

you can send a signed notice of revocation; or

you can attend your special meeting and vote in person, which will automatically cancel any proxy previously given, or you may revoke your proxy in person. Simply attending the Lam Research special meeting or the KLA-Tencor special meeting without voting or affirmatively revoking any proxy previously given will not revoke any proxy that you have previously given, or change your vote. If you choose either of the first two methods, your notice of revocation or your new proxy must be received by Lam Research or KLA-Tencor, as applicable, no later than the beginning of the applicable special meeting. If you have submitted a proxy for your shares by telephone or via the Internet, you may revoke your prior telephone or Internet proxy by any manner described above.

If you hold shares of either Lam Research common stock or KLA-Tencor common stock in street name: If your shares are held in street name, you must contact your broker, bank or other nominee to change your vote.

If you hold shares of Lam Research in the 401(k) Plan: If you hold interests in shares of Lam Research common stock in the 401(k) Plan, you may revoke your instructions to the 401(k) Plan trustee and change your vote with respect to voting the shares allocated to you in the 401(k) Plan by submitting new voting instructions under any one of the three methods described above under the question How are my employee plan shares voted? The latest dated instructions actually received by the 401(k) Plan trustee in accordance with the instructions for voting set forth in this joint proxy statement/prospectus, before [] p.m. Pacific time on [], will be the instructions that are followed, and all earlier instructions will be revoked.

Q: Do I need to do anything with my shares of common stock other than voting on the proposals at the special meeting?

A: *Lam Research Stockholders:* If you are a Lam Research stockholder, after the merger is completed, you are not required to take any action with respect to your shares of Lam Research common stock.

KLA-Tencor Stockholders: If you are a KLA-Tencor stockholder, after the merger is completed, each share of KLA-Tencor common stock you hold will be converted automatically into the right to receive the merger consideration, subject to the terms of the merger agreement, including the ability to elect to receive either the mixed consideration, the all-stock consideration or the all-cash consideration, together with cash in lieu of any fractional shares. You will receive instructions at that time regarding exchanging your shares of KLA-Tencor common stock for shares of Lam Research common stock. You do not need to take any action at this time. Please do not send your KLA-Tencor stock certificates with your

proxy card.

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Q: Should I send in my stock certificates now?

A: No. KLA-Tencor stockholders should not send in their stock certificates at this time. After completion of the merger, Lam Research's exchange agent will send you a letter of transmittal and instructions for exchanging your shares of KLA-Tencor common stock for the merger consideration. The shares of Lam Research common stock that you receive in the merger will be issued in book-entry form unless a physical certificate is requested by a KLA-Tencor stockholder or otherwise required under applicable law. See the section entitled "The Merger Agreement Election Procedures and Proration" for more information. Lam Research stockholders will keep their existing stock certificates, if any, and will not be required to take any action with respect to their certificates.

Q: What happens if I sell my shares of Lam Research common stock or KLA-Tencor common stock before the applicable special meeting?

A: *Lam Research stockholders:* The Lam Research record date is earlier than the date of the Lam Research special meeting. If you transfer your shares of Lam Research common stock after the Lam Research record date but before the Lam Research special meeting, you will retain your right to vote at the Lam Research special meeting.

KLA-Tencor stockholders: The KLA-Tencor record date is earlier than the date of the KLA-Tencor special meeting and the date that the mergers are expected to be completed. If you transfer your KLA-Tencor shares after the KLA-Tencor record date but before the KLA-Tencor special meeting, you will retain your right to vote at the KLA-Tencor special meeting, but will have transferred the right to receive the merger consideration in the merger. In order to receive the merger consideration, you must hold your shares through the effective date of the merger.

Q: What if I hold shares in both Lam Research and KLA-Tencor?

A: If you are a stockholder of Lam Research and a stockholder of KLA-Tencor, you will receive two separate packages of proxy materials. A vote cast as a Lam Research stockholder will not count as a vote cast as a KLA-Tencor stockholder, and a vote cast as a KLA-Tencor stockholder will not count as a vote cast as a Lam Research stockholder. Therefore, please separately submit a proxy for each of your Lam Research and KLA-Tencor shares.

Q: Who can help answer my questions?

A: Lam Research stockholders or KLA-Tencor stockholders who have questions about the mergers, the other matters to be voted on at the special meetings, or how to submit a proxy or desire additional copies of this joint proxy statement/prospectus or additional proxy cards should contact:

If you are a Lam Research stockholder:

[]

or

Lam Research Corporation

If you are a KLA-Tencor stockholder:

[]

or

KLA-Tencor Corporation

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4650 Cushing Parkway

Fremont, California 94538

Telephone: 510-572-0200

Attn: Investor Relations

One Technology Drive

Milpitas, CA 95035

(408) 875-3000

Attn: Investor Relations

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SUMMARY

This summary highlights selected information contained elsewhere in this joint proxy statement/prospectus and may not contain all the information that is important to you with respect to the mergers and the other matters to be considered at the Lam Research and KLA-Tencor special meetings. Lam Research and KLA-Tencor urge you to read the remainder of this joint proxy statement/prospectus carefully, including the attached Annexes, and the other documents to which we have referred you. See also the section entitled "Where You Can Find More Information." We have included page references in this summary to direct you to more complete descriptions of the topics presented below.

The Companies

Lam Research Corporation

Lam Research Corporation, a Delaware corporation, has been a global supplier of innovative wafer fabrication equipment and services to the semiconductor industry for more than 35 years. Lam Research designs, manufactures, markets, refurbishes and services semiconductor processing systems that are used in the fabrication of integrated circuits. Its market-leading products are designed to help its customers build smaller, faster, more powerful and more power-efficient devices that are used in a variety of electronic products, including cell phones, tablets, computers, storage devices and networking equipment. Lam Research's customers include semiconductor manufacturers that make memory, microprocessors and other logic integrated circuits for a wide range of electronics, including cell phones, computers, tablets, storage devices and networking equipment.

Lam Research's common stock is traded on the NASDAQ Global Select Market under the symbol LRCX.

The principal executive offices of Lam Research are located at 4650 Cushing Parkway, Fremont, CA 94538, and its telephone number is (510) 572-0200.

KLA-Tencor Corporation

KLA-Tencor Corporation, a Delaware corporation, is a leading supplier of process control and yield management solutions for the semiconductor and related nanoelectronics industries. KLA-Tencor's broad portfolio of defect inspection and metrology products, and related service, software and other offerings primarily supports integrated circuit, which is referred to as an IC or chip, manufacturers throughout the entire semiconductor fabrication process, from research and development to final volume production. KLA-Tencor provides leading-edge equipment, software and support that enable IC manufacturers to identify, resolve and manage significant advanced technology manufacturing process challenges and obtain higher finished product yields at lower overall cost. In addition to serving the semiconductor industry, KLA-Tencor also provides a range of technology solutions to a number of other high technology industries, including the LED and data storage industries, as well as general materials research.

KLA-Tencor's common stock is traded on the NASDAQ Global Select Market under the symbol KLAC.

The principal executive offices of KLA-Tencor are located at One Technology Drive, Milpitas, California, 95035, and its telephone number is (408) 875-3000.

Topeka Merger Sub 1, Inc.

Topeka Merger Sub 1, Inc., a wholly owned subsidiary of Lam Research, is a Delaware corporation that was formed on October 16, 2015 for the sole purpose of effecting the merger. In the merger, Merger Sub 1 will be merged with and into KLA-Tencor, with KLA-Tencor surviving as a wholly owned subsidiary of Lam Research.

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Topeka Merger Sub 2, Inc.

Topeka Merger Sub 2, Inc., a wholly owned subsidiary of Lam Research, is a Delaware corporation that was formed on October 16, 2015 for the sole purpose of effecting the subsequent merger. In the subsequent merger, KLA-Tencor will be merged with and into Merger Sub 2, with Merger Sub 2 surviving as a wholly owned subsidiary of Lam Research.

The Merger

A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. Lam Research and KLA-Tencor encourage you to read the entire merger agreement carefully, because it is the principal document governing the merger. For more information on the merger agreement, see the section entitled The Merger Agreement.

Structure of the Mergers (see page 105)

In the merger, Merger Sub 1 will be merged with and into KLA-Tencor. KLA-Tencor will be the surviving corporation in the merger, will be a wholly owned subsidiary of Lam Research following completion of the merger, and will no longer be a publicly held corporation. Immediately following the effective time of the merger, KLA-Tencor will be merged with and into Merger Sub 2. Merger Sub 2 will be the surviving corporation in the subsequent merger and a wholly owned subsidiary of Lam Research. Immediately following the effective time of the merger, two members of the KLA-Tencor Board will be appointed to the Lam Research Board.

Merger Consideration (see page 106)

If the merger is completed, each KLA-Tencor stockholder may elect to receive, for all shares of KLA-Tencor common stock held, one of the following forms of the merger consideration:

mixed consideration, consisting of 0.5 shares of Lam Research common stock and \$32.00 in cash;

all-stock consideration, consisting of (1) a number of shares of Lam Research common stock equal to 0.5 plus (2) a number of shares of Lam Research common stock equal to \$32.00 divided by the five-trading day VWAP, subject to proration as described below under the section entitled Proration Mechanism; or

all-cash consideration, consisting of (1) \$32.00 in cash plus (2) an amount in cash equal to 0.5 times the five-trading day VWAP, subject to proration as described below under the section entitled Proration Mechanism.

KLA-Tencor stockholders that do not make an election will be deemed to have elected to receive the mixed consideration. KLA-Tencor stockholders will not receive any fractional shares of Lam Research common stock in the merger. Instead, Lam Research will, at its option, pay cash or distribute proceeds from sales of fractional shares in lieu of delivering any fractional shares of Lam Research common stock that a KLA-Tencor stockholder would otherwise have been entitled to receive.

Proration Mechanism (see page 106)

Elections for all-stock consideration and all-cash consideration are subject to proration as follows:

The aggregate amount of cash that Lam Research is obligated to pay to KLA-Tencor stockholders in the merger will not exceed \$32.00 multiplied by the number of shares of KLA-Tencor common stock outstanding immediately prior to the effective time of the merger (excluding shares owned by Lam Research, KLA-Tencor or any subsidiary of Lam Research or KLA-Tencor at such time). The aggregate number of shares of Lam Research common stock that Lam Research is obligated to issue to KLA-Tencor stockholders in the merger will not exceed 0.5 multiplied by the number of shares of

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KLA-Tencor common stock outstanding immediately prior to the effective time (excluding shares owned by Lam Research, KLA-Tencor or any subsidiary of Lam Research or KLA-Tencor at such time).

Cash and stock will first be allocated to satisfy elections of KLA-Tencor stockholders who have elected to receive the mixed consideration or who made no election (and who will accordingly receive the mixed consideration), such that each such KLA-Tencor stockholder (other than a KLA-Tencor stockholder that perfects appraisal rights) receives 0.5 shares of Lam Research common stock and \$32.00 in cash for each share of KLA-Tencor common stock held. The remaining available cash and shares of Lam Research common stock to be paid as merger consideration will thereafter be allocated among the KLA-Tencor stockholders who have elected to receive the all-stock consideration or the all-cash consideration.

If the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-cash consideration multiplied by the amount of the all-cash consideration exceeds the remaining cash available to fully satisfy such elections (after payment of cash in respect of shares of KLA-Tencor common stock that are subject to elections to receive the mixed consideration, or no election), then:

holders of KLA-Tencor common stock who elected to receive the all-cash consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger (1) the amount of cash remaining available to fully satisfy such all cash-elections, divided by the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-cash consideration; and (2) a number of shares of Lam Research common stock that is determined by dividing the difference between the all-cash consideration (determined without regard to any proration) less the all-cash consideration after the foregoing proration, by the five-trading day VWAP; and

holders of KLA-Tencor common stock who elected to receive the all-stock consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive, for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger, the all-stock consideration.

If the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-stock consideration multiplied by the all-stock consideration exceeds the remaining shares of Lam Research common stock available for issuance to fully satisfy such elections (after the issuance of shares of Lam Research common stock in respect of shares of KLA-Tencor common stock that are subject to elections to receive the mixed consideration, or no election), then:

holders of KLA-Tencor common stock who elected to receive the all-stock consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger (1) the number of shares of Lam Research common stock remaining available to fully satisfy such all-stock elections, divided by the number of shares of KLA-Tencor common stock that are subject to elections to receive the all-stock consideration; and (2) an amount of cash that is equal to the difference between the all-cash consideration and the product of the five-trading day VWAP and the number of shares of Lam Research common stock determined in the foregoing clause (1); and

holders of KLA-Tencor common stock who elected to receive the all-cash consideration (other than a KLA-Tencor stockholder that perfects appraisal rights) will receive, for each share of KLA-Tencor common stock held immediately prior to the effective time of the merger, the all-cash consideration.

Table of Contents**Material U.S. Federal Income Tax Consequences (see page 126)**

It is a condition to the completion of the mergers that each of Jones Day, tax counsel to Lam Research, and Wilson Sonsini Goodrich & Rosati, Professional Corporation, tax counsel to KLA-Tencor, deliver an opinion, dated on the closing date of the mergers, to the effect that the mergers will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. Each party may waive the requirement to receive an opinion from its tax counsel as a condition to such party's obligation to complete the mergers. Assuming that the mergers qualify as a reorganization, a U.S. holder of KLA-Tencor common stock who surrenders such stock solely in exchange for Lam Research common stock pursuant to the merger generally will not recognize gain or loss for U.S. federal income tax purposes, except with respect to cash received in lieu of fractional shares. A U.S. holder of KLA-Tencor common stock who surrenders such stock solely in exchange for cash in the merger will generally recognize gain or loss on such exchange. A U.S. holder of KLA-Tencor common stock will generally recognize gain, but not loss, if the U.S. holder surrenders its shares of KLA-Tencor common stock in exchange for a combination of Lam Research common stock and cash. In such case, that U.S. holder will generally recognize gain equal to the lesser of (1) the cash received (other than cash in lieu of any fractional share) and (2) the excess of the sum of the cash received (other than cash in lieu of any fractional share) and the fair market value (on the date of the merger) of the Lam Research common stock received (including any fractional share for which cash was paid) over such U.S. holder's adjusted tax basis in the shares of KLA-Tencor common stock surrendered by such U.S. holder in the merger. Such U.S. holder will generally recognize gain or loss on the receipt of cash in lieu of any fractional share.

The tax opinions regarding the mergers will not address any state, local or foreign tax consequences of the mergers. The opinions will be based on certain assumptions and representations as to factual matters from Lam Research and KLA-Tencor, as well as certain covenants and undertakings by Lam Research and KLA-Tencor, substantially in the forms set forth in the disclosure letters contained in the schedules to the merger agreement. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated prior to the effective time of the merger, one or both of the opinions may not be delivered and, if delivered, the conclusions reached by counsel in their opinions cannot be relied upon. In such case, the tax consequences of the mergers could differ from those described in this joint proxy statement/prospectus. Neither Lam Research nor KLA-Tencor is currently aware of, nor expects, any facts or circumstances that would cause any of the assumptions, representations, covenants or undertakings set forth in the form letters attached to the merger agreement to be incorrect, incomplete, inaccurate or violated.

An opinion of counsel represents such counsel's best legal judgment but is not binding on the Internal Revenue Service, which is referred to as the IRS, or any court, so there can be no certainty that the IRS will not challenge the conclusions reflected in the opinion or that a court would not sustain such a challenge.

You should consult your own tax advisor regarding the particular tax consequences to you of the mergers.

Recommendation of the Lam Research Board (see page 63)

After careful consideration, the Lam Research Board unanimously approved the merger agreement and the transactions contemplated by the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. For more information regarding the factors considered by the Lam Research Board in reaching its decision to approve the merger agreement and to authorize the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, see the section entitled "The Merger - Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board." **The Lam Research Board unanimously recommends that Lam Research stockholders vote FOR the Share Issuance proposal, FOR the Lam Research Adjournment proposal and FOR the Charter Amendment proposal.**

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Recommendation of the KLA-Tencor Board (see page 60)

After careful consideration, the KLA-Tencor Board has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders; and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. For more information regarding the factors considered by the KLA-Tencor Board in reaching its decision to approve the merger agreement, the merger and the other transactions contemplated by the merger agreement, see the section entitled *The Merger KLA-Tencor's Reasons for the Merger; Recommendation of the KLA-Tencor Board*. **The KLA-Tencor Board unanimously recommends that KLA-Tencor stockholders vote FOR the Merger proposal, FOR the KLA-Tencor Adjournment proposal, FOR the Merger-Related Compensation proposal and FOR the Director Compensation proposal.**

Opinion of Lam Research's Financial Advisor (see page 67)

At a meeting of the Lam Research Board on October 20, 2015, Goldman, Sachs & Co., which is referred to as *Goldman Sachs*, delivered its oral opinion to the Lam Research Board, which was subsequently confirmed in writing, that, as of October 20, 2015 and based upon and subject to the factors and assumptions set forth in *Goldman Sachs' written opinion*, the aggregate merger consideration to be paid by Lam Research pursuant to the merger agreement was fair from a financial point of view to Lam Research.

The full text of the written opinion of *Goldman Sachs*, dated October 20, 2015, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as *Annex B* and is incorporated into this joint proxy statement/prospectus by reference. *Goldman Sachs* provided its opinion for the information and assistance of the Lam Research Board in connection with its consideration of the mergers. The *Goldman Sachs* opinion is not a recommendation as to how any holder of Lam Research common stock should vote with respect to the merger or any other matter. Pursuant to an engagement letter between Lam Research and *Goldman Sachs*, Lam Research has agreed to pay *Goldman Sachs* a transaction fee of \$35 million, a portion of which is payable upon the consummation of the merger. In addition, the engagement letter provides that Lam Research may pay *Goldman Sachs* an additional transaction fee of \$5 million at Lam Research's sole discretion.

Opinion of KLA-Tencor's Financial Advisor (see page 75)

KLA-Tencor retained *Qatalyst Partners LP*, which is referred to as *Qatalyst Partners*, to act as its financial advisor in connection with the mergers. KLA-Tencor selected *Qatalyst Partners* to act as its financial advisor based on *Qatalyst Partners' qualifications, expertise, reputation and knowledge of its business and affairs and the industry in which it operates*. At a meeting of the KLA-Tencor Board on October 20, 2015, *Qatalyst Partners* rendered its oral opinion to the KLA-Tencor Board, which was subsequently confirmed in writing, that as of October 20, 2015 and based upon and subject to the various limitations, qualifications, assumptions and other matters set forth in its written opinion, the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement was fair, from a financial point of view, to such holders.

The full text of the written opinion of *Qatalyst Partners*, dated October 20, 2015, is attached to this joint proxy statement/prospectus as *Annex C* and is incorporated into this joint proxy statement/prospectus by reference. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by *Qatalyst Partners* in rendering its opinion. You should read the opinion carefully in its entirety. *Qatalyst Partners' opinion* was provided to the KLA-Tencor Board and addressed only, as of the date of the opinion, the fairness from a financial point of view of the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement. It does not address any other

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aspect of the mergers and does not constitute a recommendation as to how any holder of shares of KLA-Tencor common stock or any holder of shares of Lam Research common stock should vote with respect to the mergers or any other matter. For a further discussion of Qatalyst Partners opinion, see the section entitled *The Merger Opinion of KLA-Tencor's Financial Advisor*. Pursuant to an engagement letter between KLA-Tencor and Qatalyst Partners, KLA-Tencor has agreed to pay Qatalyst Partners a fee of approximately \$[], \$100,000 of which was payable upon the execution of such engagement letter and \$5,000,000 of which was payable upon delivery of its opinion, and the remaining portion of which will be paid upon, and subject to, consummation of the merger (provided that the final actual fee will be, in part, based on an average of the closing prices of Lam Research common stock over ten trading days approaching the closing of the merger).

Interests of KLA-Tencor Directors and Executive Officers in the Merger (see page 88)

KLA-Tencor's directors and executive officers have economic interests in the merger that may be different from, or in addition to, those of KLA-Tencor stockholders generally. As described in more detail under the section entitled *The Merger Interests of KLA-Tencor Directors and Executive Officers in the Merger*, these interests include, but are not limited to, certain payments and benefits that are expected to be provided to the executive officers upon consummation of the merger or in connection with termination of their employment under certain circumstances prior to or following the merger.

The KLA-Tencor Board was aware of and considered these interests, among other matters, in reaching its decisions to adopt and approve the merger agreement, the merger and the other transactions contemplated by the merger agreement (except for the interests of Ms. Higashi and Messrs. Moore and Rango that will arise if the KLA-Tencor stockholders approve the Director Compensation proposal).

Board of Directors Following the Merger (see page 96)

Immediately following the effective time of the merger, two directors from the KLA-Tencor Board, to be mutually designated by Lam Research and KLA-Tencor, will become members of the Lam Research Board. Upon appointment, each director will receive prorated annual compensation for his or her service as a director consistent with Lam Research's policies for compensation of non-employee directors. Lam Research has agreed to indemnify the designated directors on the same terms as the other non-employee directors of Lam Research.

Treatment of Lam Research Stock Options and Other Equity Awards (see page 97)

The completion of the merger will not accelerate the vesting or settlement of any outstanding stock options or other equity awards granted under any of Lam Research's equity incentive plans, and all such stock options and other equity awards will continue to vest in accordance with their applicable terms.

Treatment of KLA-Tencor Equity Awards (see page 97)

Under the terms of the merger agreement, at the effective time of the merger, (1) Lam Research will convert each then-unvested KLA-Tencor RSU (including performance-based restricted stock units) that is held by a continuing service provider into a Lam Research RSU with economically equivalent terms as applied immediately prior to the effective time of the merger; (2) each share of KLA-Tencor common stock underlying KLA-Tencor RSUs that is vested (after taking into account any acceleration of vesting that occurs at the effective time of the merger) but as to which such share of stock has not yet been issued will be issued as of immediately prior to the effective time of the merger, treated as KLA-Tencor common stock in the merger and converted into the right to receive the merger consideration; and (3) each KLA-Tencor stock option will be cancelled and converted into the right to receive an amount of cash (without interest) equal to the product of (a) the number of shares of KLA-Tencor common stock subject to such KLA-Tencor stock option multiplied by (b) (i) the all-cash consideration less (ii) the exercise price per share for such KLA-Tencor option. At the effective time of the

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merger, each KLA-Tencor RSU that is unvested and held by an individual who is not a continuing service provider will be cancelled without payment of any consideration. See the section entitled "The Merger Agreement Treatment of KLA-Tencor Equity Awards" for a discussion of these awards.

Regulatory Clearances Required for the Merger (see page 125)

Lam Research and KLA-Tencor are required to submit notifications to various competition authorities prior to completing the merger. Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, which is referred to as the "HSR Act," Lam Research and KLA-Tencor must file notifications with the Federal Trade Commission and the Antitrust Division of the Department of Justice and observe a mandatory pre-merger waiting period before completing the merger. In addition, Lam Research and KLA-Tencor are required to submit notifications with competition authorities in China, Germany, Ireland, Israel, Japan, Korea and Taiwan.

Although Lam Research and KLA-Tencor expect to obtain all required regulatory clearances, Lam Research and KLA-Tencor cannot assure you that the antitrust regulators or other government agencies, including state attorneys general or private parties, will not initiate actions to challenge the merger before or after it is completed. Any such challenge to the merger could result in an administrative or court order enjoining the merger or in restrictions or conditions that would have a material adverse effect on the combined company if the mergers are completed. Such restrictions and conditions could include requiring the divestiture or spin-off of assets or businesses, the required licensing of intellectual property rights, or limitations on the ability of the combined company to operate its business as it sees fit. Neither Lam Research nor KLA-Tencor can provide assurance that any such conditions, terms, obligations or restrictions will not result in the delay or abandonment of the mergers.

Expected Timing of the Mergers

Lam Research and KLA-Tencor currently expect the closing of the mergers to occur in mid-calendar year 2016. However, the merger is subject to various regulatory clearances and the satisfaction or waiver of other conditions as described in the merger agreement, and it is possible that factors outside the control of Lam Research and KLA-Tencor could result in the mergers being completed earlier, later or not at all.

Conditions to Completion of the Mergers (see page 119)

As more fully described in this joint proxy statement/prospectus and in the merger agreement, the obligations of Lam Research and the Merger Subs, on the one hand, and KLA-Tencor, on the other hand, to complete the merger are subject to the satisfaction of a number of conditions, including the following:

approval of the Merger proposal;

approval of the Share Issuance proposal;

effectiveness of the registration statement of which this joint proxy statement/prospectus forms a part and the absence of a stop order or proceedings threatened or initiated by the SEC relating thereto;

absence of any law or any temporary restraining order, injunction or other order issued by any court of competent jurisdiction prohibiting, making illegal or preventing the consummation of the merger;

the waiting period (or any extension thereof) applicable to the merger under the antitrust laws of the United States having expired or been earlier terminated;

any required waiting periods or affirmative approvals under certain foreign antitrust laws having expired or been obtained;

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authorization for the listing on the NASDAQ Global Select Market of the shares of Lam Research common stock to be issued to KLA-Tencor stockholders pursuant to the merger;

accuracy of the representations and warranties made in the merger agreement by the other party, subject to certain materiality thresholds;

the other party having performed or complied with, in all material respects, all its obligations under the merger agreement required to be performed or complied with on or prior to the closing date of the merger;

the absence since the date of the merger agreement of any event or condition that has had or would reasonably be expected to have a material adverse effect on the other party;

the receipt of a customary closing certificate executed by the other party; and

receipt of a tax opinion from such party's tax counsel to the effect that the merger will qualify as a reorganization within the meaning of Section 368(a) of the Code.

No Solicitation of Alternative Proposals (see page 113)

The merger agreement prohibits Lam Research and KLA-Tencor from soliciting or engaging in discussions or negotiations with a third party with respect to a proposal for a competing transaction, including the acquisition of a significant interest in Lam Research's or KLA-Tencor's common stock or assets. Notwithstanding those restrictions, prior to obtaining the relevant stockholder approval, each of the Lam Research Board and KLA-Tencor Board is permitted to furnish information with respect to Lam Research or KLA-Tencor, respectively, and enter into discussions with, and only with, a person who has made an unsolicited bona fide written acquisition proposal if the board of directors of such party (1) determines in good faith (after consultation with its outside legal and financial advisors) that such acquisition proposal constitutes or is reasonably likely to result in a superior proposal; and (2) obtains from such person an executed confidentiality agreement.

Termination of the Merger Agreement (see page 120)

Lam Research and KLA-Tencor may mutually agree to terminate the merger agreement at any time. Either party may also terminate the merger agreement if the merger is not consummated by July 20, 2016, subject to extension by mutual agreement of the parties or in the event that certain regulatory clearances have not yet been obtained, provided that in no event shall any such extension be to a date that is later than October 20, 2016 unless both of Lam Research and KLA-Tencor agree. See the section entitled "The Merger Agreement Termination of the Merger Agreement" for a discussion of these and other rights of each of Lam Research and KLA-Tencor to terminate the merger agreement.

Expenses and Termination Fees (see page 122)

Generally, all fees and expenses incurred in connection with the merger agreement and the transactions contemplated in the merger agreement will be paid by the party incurring those expenses, subject to the specific exceptions discussed in this joint proxy statement/prospectus where Lam Research or KLA-Tencor, as the case may be, may be required to pay a termination fee of \$290 million. See the section entitled "The Merger Agreement Expenses and Termination Fees; Liability for Breach" for a discussion of the circumstances under which such termination fees will be required to be paid. Lam Research and KLA-Tencor have agreed to share equally all fees and expenses relating to printing, filing and distributing this joint proxy statement/prospectus, all SEC and other regulatory filing fees incurred in connection with this joint proxy statement/prospectus and the registration statement of which it is a part, and any documentary, sales, use, real property transfer, real property gains, registration, value-added, transfer, stamp, recording and other similar taxes.

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Accounting Treatment (see page 131)

Lam Research prepares its financial statements under existing U.S. generally accepted accounting principles, which are referred to as GAAP standards, which are subject to change and interpretation. The mergers will be accounted for using the acquisition method of accounting with Lam Research being considered the acquiror of KLA-Tencor for accounting purposes.

Appraisal Rights (see page 169)

Under Section 262 of the DGCL, KLA-Tencor stockholders who do not vote in favor of the Merger proposal, who continuously hold their shares of KLA-Tencor common stock through the effective time of the merger and who otherwise comply with the applicable requirements of Section 262 of the DGCL have the right to seek appraisal of the fair value of their shares of KLA-Tencor common stock, as determined by the Court of Chancery if the merger is completed. The fair value of shares of KLA-Tencor common stock as determined by the Court of Chancery could be greater than, the same as, or less than the value of the merger consideration that a stockholder of KLA-Tencor would otherwise be entitled to receive under the terms of the merger agreement.

The right to seek appraisal will be lost if a KLA-Tencor stockholder votes FOR the Merger proposal. However, voting AGAINST the Merger proposal (including a broker non-vote or abstention which has the effect of a vote AGAINST the Merger proposal) is not in itself sufficient to perfect appraisal rights because additional actions must also be taken to perfect such rights.

KLA-Tencor stockholders who wish to exercise their right to seek appraisal of their shares under the DGCL must so advise KLA-Tencor by submitting a written demand for appraisal in the form described in this joint proxy statement/prospectus prior to the vote on the Merger proposal, and must otherwise follow the procedures prescribed by Section 262 of the DGCL. These procedures are summarized in this joint proxy statement/prospectus. See the section entitled Appraisal Rights for more information. A person having a beneficial interest in shares of KLA-Tencor common stock held of record in the name of another person, such as a bank, broker or other nominee, must act promptly to cause the record holder to follow the steps summarized in this joint proxy statement/prospectus and in a timely manner to perfect appraisal rights. In view of the complexity of Section 262 of the DGCL, KLA-Tencor stockholders who may wish to pursue appraisal rights should consult their legal and financial advisors.

In addition, a copy of Section 262 of the DGCL is included as Annex D to this joint proxy statement/prospectus. Failure to comply with the provisions of Section 262 of the DGCL will result in loss of appraisal rights and receipt of the merger consideration payable as the mixed election, unless another election was timely and validly made, in which case, the former dissenting KLA-Tencor stockholder will receive the same per share consideration as the other KLA-Tencor stockholders that made such election.

Lam Research stockholders are not entitled to appraisal or dissenters' rights in connection with the mergers under Delaware law.

Comparison of Rights of Lam Research Stockholders and KLA-Tencor Stockholders (see page 155)

KLA-Tencor stockholders receiving Lam Research common stock as all or part of their merger consideration will have different rights once they become stockholders of Lam Research due to differences between the governing corporate documents of KLA-Tencor and the governing corporate documents of Lam Research. These differences are described in detail under the section entitled Comparison of Rights of Lam Research Stockholders and KLA-Tencor Stockholders.

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Listing of Additional Shares of Lam Research Common Stock; Delisting and Deregistration of Shares of KLA-Tencor Common Stock (see page 98)

It is a condition to the completion of the merger that the shares of Lam Research common stock to be issued to KLA-Tencor stockholders pursuant to the merger agreement be authorized for listing on the NASDAQ Global Select Market at the effective time of the merger. Upon completion of the merger, shares of KLA-Tencor common stock currently listed on the NASDAQ Global Select Market will cease to be listed on the NASDAQ Global Select Market and will be subsequently deregistered under the Exchange Act.

Description of Financing Transactions (see page 100)

Lam Research has entered into (1) a senior unsecured term loan agreement which provides up to \$900 million in term loans, subject to certain conditions; and (2) a debt commitment letter which provides for a senior unsecured 364-day bridge facility in a principal amount of up to \$3.3 billion, subject to certain conditions. Lam Research has also entered into an amendment and restatement of its existing revolving credit agreement pursuant to which, among other things, the revolving lenders agreed to increase their aggregate commitments under the revolving credit agreement from \$300 million to \$750 million.

Lam Research intends to fund the cash component of the merger consideration and related fees and expenses and to prepay KLA-Tencor's \$671 million term loan with a combination of approximately \$1.9 billion of the combined companies' balance sheet cash and proceeds of approximately \$3.9 billion under the term loans, the revolving credit agreement and from the issuance of debt securities or, to the extent necessary, borrowings under the bridge facility. Lam Research also expects to guarantee KLA-Tencor's existing notes in the aggregate principal amount of \$2.5 billion.

Lam Research intends to pursue financing that would replace or supplement financing available under the bridge facility. There can be no assurance that any replacement or supplemental financing will be available to Lam Research at all or on acceptable terms.

The Meetings

The Lam Research Special Meeting (see page 32)

The Lam Research special meeting will be held at the principal executive offices of Lam Research, which are located at 4650 Cushing Parkway, Fremont, California 94538, on [], at [] Pacific time. The Lam Research special meeting is being held to consider and vote on:

the *Share Issuance proposal*, which is the proposal to approve the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, a copy of which is included as Annex A to this joint proxy statement/prospectus;

the *Lam Research Adjournment proposal*, which is the proposal to adjourn the Lam Research special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Share Issuance proposal; and

the *Charter Amendment proposal*, which is the proposal to approve the amendment to the Lam Research certificate of incorporation, as amended, to increase the number of authorized shares of Lam Research stock from 405,000,000 to 590,000,000 and the number of authorized shares of Lam Research common stock from 400,000,000 to 585,000,000, the full text of which is attached as Annex G to this joint proxy statement/prospectus.

Completion of the merger is conditioned on the approval of the Share Issuance proposal, but not on the approval of the Lam Research Adjournment proposal or the Charter Amendment proposal.

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Only holders of record of Lam Research common stock at the close of business on [], which is referred to as the Lam Research record date, are entitled to receive notice of, and to vote at, the Lam Research special meeting or any adjournments or postponements thereof. On the Lam Research record date, [] shares of Lam Research common stock were issued and outstanding, approximately []% of which were owned and entitled to be voted by Lam Research directors and executive officers or their affiliates. Lam Research currently expects that Lam Research's directors and executive officers will vote their shares in favor of the Share Issuance proposal, the Lam Research Adjournment proposal and the Charter Amendment proposal, although none of them has entered into any agreement obligating them to do so.

Required Vote (see page 33)

You may cast one vote for each share of Lam Research common stock that you own. Approval of the Share Issuance proposal and the Lam Research Adjournment proposal each requires the affirmative vote of holders of a majority of the shares of Lam Research common stock present in person or represented by proxy and entitled to vote on the proposal. Approval of the Charter Amendment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock on the Lam Research record date.

If necessary or appropriate to solicit additional proxies if there are not sufficient votes to approve the Share Issuance proposal, the chairman of the Lam Research special meeting or the holders of a majority of the shares entitled to vote and present in person or by proxy, whether or not a quorum is present, may adjourn the meeting to another place, date or time. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

How Proxies are Counted; Failure to Vote; Abstentions and Broker Non-Votes (see page 34)

Share Issuance proposal. If you are a Lam Research stockholder and attend the Lam Research special meeting in person but fail to vote, or you mark your proxy or voting instructions to abstain, it will have the same effect as a vote **AGAINST** the Share Issuance proposal. If you are a Lam Research stockholder and fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Share Issuance proposal (assuming a quorum is present).

Lam Research Adjournment proposal. If you are a Lam Research stockholder and attend the Lam Research special meeting in person but fail to vote, or you mark your proxy or voting instructions to abstain, it will have the same effect as a vote **AGAINST** the Lam Research Adjournment proposal. If you are a Lam Research stockholder and fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Lam Research Adjournment proposal (assuming a quorum is present).

Charter Amendment proposal. If you are a Lam Research stockholder and attend the Lam Research special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have the same effect as a vote **AGAINST** the Charter Amendment proposal.

If you are a Lam Research stockholder through the 401(k) Plan and fail to instruct the 401(k) Plan trustee how to vote, the trustee will not vote the shares of Lam Research common stock allocated to your 401(k) Plan account.

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The KLA-Tencor Special Meeting (see page 41)

The KLA-Tencor special meeting is scheduled to be held at Building Three of KLA-Tencor's Milpitas facility, located at Three Technology Drive, Milpitas, California, 95035, on [] at [], Pacific time, to consider and vote on:

the *Merger proposal*, which is the proposal to adopt the merger agreement, a copy of which is included as Annex A to the joint proxy statement/prospectus, pursuant to which Merger Sub 1 will merge with and into KLA-Tencor, with KLA-Tencor as the surviving corporation, and then KLA-Tencor will merge with and into Merger Sub 2, with Merger Sub 2 as the ultimate surviving corporation;

the *KLA-Tencor Adjournment proposal*, which is the proposal to adjourn the KLA-Tencor special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Merger proposal;

the *Merger-Related Compensation proposal*, which is the proposal to approve by a non-binding, advisory vote the compensation of KLA-Tencor's named executive officers that is based on or otherwise relates to the merger; and

the *Director Compensation proposal*, which is a proposal to extend the applicability of KLA-Tencor's outside director vesting acceleration policy to outside members of the KLA-Tencor Board who have served on the KLA-Tencor Board for less than six years as of their termination date, such that the vesting of all restricted stock units held by outside directors who have served on the KLA-Tencor Board for less than six years will accelerate on a pro rata basis upon a separation from service with KLA-Tencor and Lam Research. The restricted stock units granted to the outside directors of the KLA-Tencor Board are the largest component of the annual director compensation program, which consists of a combination of restricted stock units and cash that the Compensation Committee of the KLA-Tencor Board has determined to be competitive with companies similarly situated with KLA-Tencor based on market data provided to it.

Only holders of record of KLA-Tencor common stock as of the KLA-Tencor record date are entitled to notice of, and to vote at, the KLA-Tencor special meeting or any adjournments or postponements thereof. On the KLA-Tencor record date, [] shares were issued and outstanding, approximately []% of which were owned and entitled to be voted by KLA-Tencor's directors, executive officers or their affiliates. KLA-Tencor currently expects that its directors and executive officers will vote their shares in favor of the Merger proposal, the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal.

Required Vote (see page 42)

You may cast one vote for each share of KLA-Tencor common stock you own. Approval of the Merger proposal requires the affirmative vote of holders of a majority of the outstanding shares of KLA-Tencor common stock entitled to vote on the proposal. Approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal each requires the affirmative vote of a majority of the votes cast at the special meeting, assuming that a quorum is present. Whether or not KLA-Tencor stockholders approve the KLA-Tencor Adjournment proposal, and whether or not a quorum is present, the chairman of the KLA-Tencor special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy will have the power to adjourn the KLA-Tencor special meeting to another place, date or time. If necessary or appropriate to solicit additional proxies if there are not sufficient votes to approve the Merger proposal, the special meeting may be adjourned to another time or place without further notice unless the adjournment is for more than 30 days or if after the adjournment a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

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How Proxies are Counted; Failure to Vote; Abstentions and Broker Non-Votes (see page 43)

Merger proposal. If you are a KLA-Tencor stockholder and attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have the same effect as a vote AGAINST the Merger proposal. Voting against, abstaining from voting on, or failing to vote on the Merger proposal will not in and of itself be sufficient for stockholders seeking to perfect their appraisal rights to obtain appraisal rights for their shares of KLA-Tencor common stock. See the section entitled Appraisal Rights for more information.

KLA-Tencor Adjournment proposal. If you are a KLA-Tencor stockholder and attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the KLA-Tencor Adjournment proposal (assuming a quorum is present).

Merger-Related Compensation proposal. If you are a KLA-Tencor stockholder and attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Merger-Related Compensation proposal (assuming a quorum is present).

Director Compensation proposal. If you are a KLA-Tencor stockholder and attend the KLA-Tencor special meeting in person but fail to vote, you mark your proxy or voting instructions to abstain, you fail to vote by not attending the KLA-Tencor special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote, it will have no effect on the Director Compensation proposal (assuming a quorum is present).

Summary Consolidated Historical Financial Data

Summary Consolidated Historical Financial Data of Lam Research

The following statement of operations data for the fiscal years ended June 28, 2015, June 29, 2014 and June 30, 2013 and the balance sheet data as of June 28, 2015 and June 29, 2014 have been derived from the audited consolidated financial statements of Lam Research contained in its Annual Report on Form 10-K for the fiscal year ended June 28, 2015, which statements are incorporated by reference into this joint proxy statement/prospectus. The statement of operations data for the fiscal years ended June 24, 2012 and June 26, 2011 and the balance sheet data as of June 30, 2013, June 24, 2012 and June 26, 2011 have been derived from Lam Research's audited consolidated financial statements for such periods, which statements have not been incorporated by reference into this joint proxy statement/prospectus.

The statement of operations data for the three months ended September 27, 2015 and September 28, 2014, and the balance sheet data as of September 27, 2015 have been derived from Lam Research's unaudited interim condensed consolidated financial statements contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 27, 2015, which statements are incorporated by reference into this joint proxy statement/prospectus. The balance sheet data as of September 28, 2014 has been derived from Lam Research's unaudited condensed consolidated financial statements for such period, which statements have not been incorporated by reference into this joint proxy statement/prospectus. These financial statements are unaudited, but, in the opinion of Lam Research's management, contain all adjustments necessary to present fairly Lam Research's financial position, results of operations and cash flows for the periods indicated.

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You should read this summary consolidated historical financial data together with the financial statements that are incorporated by reference into this joint proxy statement/prospectus and their accompanying notes and management's discussion and analysis of financial condition and results of operations contained in the periodic reports incorporated by reference into this joint proxy statement/prospectus.

Statement of Operations Data of Lam Research:

	Three Months Ended		Year Ended				
	September 27, 2015 ⁽¹⁾	September 28, 2014 ⁽¹⁾	June 28, 2015 ⁽¹⁾	June 29, 2014 ⁽¹⁾	June 30, 2013 ⁽¹⁾	June 24, 2012 ⁽¹⁾	June 26, 2011
	(in thousands, except per share data)						
Revenue	\$ 1,600,043	\$ 1,152,368	\$ 5,259,312	\$ 4,607,309	\$ 3,598,916	\$ 2,665,192	\$ 3,237,693
Gross margin	722,363	505,539	2,284,336	2,007,481	1,403,059	1,084,069	1,497,232
Goodwill impairment ⁽²⁾			79,444				
Restructuring charges, net					1,813	1,725	11,579
Operating income	335,428	168,298	788,039	677,669	118,071	237,733	804,285
Net income	288,679	141,081	655,577	632,289	113,879	168,723	723,748
Net income per share:							
Basic	\$ 1.82	\$ 0.87	\$ 4.11	\$ 3.84	\$ 0.67	\$ 1.36	\$ 5.86
Diluted	\$ 1.66	\$ 0.80	\$ 3.70	\$ 3.62	\$ 0.66	\$ 1.35	\$ 5.79
Cash dividends declared per common share	\$ 0.30	\$ 0.18	\$ 0.84	\$ 0.18	\$	\$	\$

Balance Sheet Data of Lam Research:

	September 27, 2015	September 28, 2014	June 28, 2015	June 29, 2014	June 30, 2013	June 24, 2012	June 26, 2011
	(in thousands, except per share data)						
Working capital	\$ 4,234,040	\$ 3,091,351	\$ 3,639,488	\$ 3,201,661	\$ 2,389,354	\$ 2,988,181	\$ 2,592,506
Total assets	9,594,431	7,893,828	9,364,648	7,993,306	7,250,315	8,004,652	4,053,867
Long-term obligations, less current portion	1,775,670	1,221,098	1,388,335	1,198,221	1,170,048	1,228,500	903,263
Current portion of long-term debt and capital leases	969,392	519,099	1,359,650	518,267	514,655	511,139	4,782

- (1) Amount includes operating results of Novellus Systems, Inc., which is referred to as Novellus. Fiscal year 2012 amounts include 20 days of operating results of Novellus from the acquisition date of June 4, 2012. The Novellus acquisition was accounted for as a business combination in accordance with applicable accounting guidance.
- (2) Goodwill impairment analysis during fiscal year 2015 resulted in a non-cash impairment charge upon Lam Research's single-wafer clean reporting unit, extinguishing the goodwill ascribed to the reporting unit.

Summary Consolidated Historical Financial Data of KLA-Tencor

The following statement of operations data for the fiscal years ended June 30, 2015, June 30, 2014, and June 30, 2013 and the balance sheet data as of June 30, 2015 and June 30, 2014 have been derived from the audited consolidated financial statements of KLA-Tencor contained in its Annual Report on Form 10-K for the fiscal year ended June 30, 2015, which statements are incorporated by reference into this joint proxy statement/prospectus. The statement of operations data for the fiscal years ended June 30, 2012 and June 30, 2011 and the

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balance sheet data as of June 30, 2013, June 30, 2012 and June 30, 2011 have been derived from KLA-Tencor's audited consolidated financial statements for such periods, which statements have not been incorporated by reference into this joint proxy statement/prospectus.

The statement of operations data for the three months ended September 30, 2015 and September 30, 2014, and the balance sheet data as of September 30, 2015 have been derived from KLA-Tencor's unaudited interim consolidated financial statements contained in its Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2015, which statements are incorporated by reference into this joint proxy statement/prospectus. The balance sheet data as of September 30, 2014 has been derived from KLA-Tencor's unaudited condensed consolidated financial statements for such period, which statements have not been incorporated by reference into this joint proxy statement/prospectus. These financial statements are unaudited, but, in the opinion of KLA-Tencor's management, contain all adjustments necessary to present fairly KLA-Tencor's financial position, results of operations and cash flows for the periods indicated.

You should read this summary consolidated historical financial data together with the financial statements that are incorporated by reference into this joint proxy statement/prospectus and their accompanying notes and management's discussion and analysis of financial condition and results of operations contained in the period reports incorporated by reference into this joint proxy statement/prospectus.

Statement of Operations Data of KLA-Tencor:

(in thousands, except per share data)	Three Months Ended				Year Ended			
	September 30, 2015	September 30, 2014	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011	
Consolidated Statement of Operations:								
Revenue	\$ 642,644	\$ 642,901	\$ 2,814,049	\$ 2,929,408	\$ 2,842,781	\$ 3,171,944	\$ 3,175,167	
Net income ⁽¹⁾	104,897	72,233	366,158	582,755	543,149	756,015	794,488	
Cash dividend declared per common share (including a special cash dividend of \$16.50 per share declared during the three months ended December 31, 2014)								
	\$ 0.52	\$ 0.50	\$ 18.50	\$ 1.80	\$ 1.60	\$ 1.40	\$ 1.00	
Net income per share:								
Basic	\$ 0.67	\$ 0.44	\$ 2.26	\$ 3.51	\$ 3.27	\$ 4.53	\$ 4.75	
Diluted	\$ 0.66	\$ 0.43	\$ 2.24	\$ 3.47	\$ 3.21	\$ 4.44	\$ 4.66	

Balance Sheet Data of KLA-Tencor:

(in thousands)	September 30, 2015	September 30, 2014	June 30, 2015	June 30, 2014	June 30, 2013	June 30, 2012	June 30, 2011
Consolidated Balance Sheets:							
Cash, cash equivalents and marketable securities							
	\$ 2,269,447	\$ 2,942,492	\$ 2,387,111	\$ 3,152,637	\$ 2,918,881	\$ 2,534,444	\$ 2,038,535
Working capital	2,760,177	3,563,700	2,902,813	3,690,484	3,489,236	3,300,401	2,796,414
Total assets ⁽³⁾	4,571,323	5,301,572	4,826,012	5,535,846	5,283,804	5,096,020	4,670,498
Long-term debt ⁽²⁾⁽³⁾	3,151,046	748,054	3,173,435	745,101	743,823	742,545	741,267
Total stockholders' equity ⁽²⁾	294,441	3,529,720	421,439	3,669,346	3,482,152	3,315,595	2,860,893

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- (1) Net income decreased to \$366.2 million in the fiscal year ended June 30, 2015, primarily as a result of the impact of the pre-tax net loss of \$131.7 million for the loss on extinguishment of debt and certain one-time expenses of \$2.5 million associated with the leveraged recapitalization that was completed during the three months ended December 31, 2014.
- (2) Long-term debt increased to \$3.17 billion at the end of fiscal year ended June 30, 2015, because, as part of the leveraged recapitalization plan, KLA-Tencor issued \$2.50 billion aggregate principal amount of senior, unsecured long-term notes, entered into \$750 million of five-year senior unsecured pre-payable term loans and a \$500 million unfunded revolving credit facility and redeemed the \$750 million aggregate principal amount of 6.900% Senior Notes due in 2018. Refer to Note 7 of the KLA-Tencor June 30, 2015 Consolidated Financial Statements, Debt for additional details, which are incorporated by reference into this joint proxy statement/prospectus. KLA-Tencor's total stockholders' equity decreased to \$421.4 million at the end of fiscal year ended June 30, 2015, because, as part of KLA-Tencor's leveraged recapitalization plan, KLA-Tencor declared a special cash dividend of approximately \$2.76 billion. Refer to Note 8 of the KLA-Tencor June 30, 2015 Consolidated Financial Statements, Equity and Long-term Incentive Compensation Plans for additional details, which are incorporated by reference into this joint proxy statement/prospectus.
- (3) KLA-Tencor early adopted the accounting standard update regarding simplification of the presentation of debt issuance costs, which requires that debt issuance costs related to a recognized debt liability be presented on the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. Accordingly, KLA-Tencor applied the accounting standard update on a retrospective basis by reclassifying the presentation of the debt issuance costs which was originally included in other current and other non-current assets against the long-term debt on the KLA-Tencor Consolidated Balance Sheets as of June 30, 2014, 2013, 2012 and 2011. The change in the classification of the debt issuance costs reduced total assets and total liabilities by \$2.8 million, \$3.6 million, \$4.3 million and \$5.0 million as of June 30, 2014, 2013, 2012 and 2011, respectively. There is no impact to the KLA-Tencor Consolidated Statements of Operations, Comprehensive Income, Stockholders' Equity and Cash Flows for the fiscal years ended June 30, 2014, 2013, 2012 and 2011.

Summary Unaudited Pro Forma Condensed Combined Financial Information of Lam Research and KLA-Tencor

The following table presents selected unaudited pro forma combined financial information about Lam Research's consolidated balance sheet and statements of operations, after giving effect to the merger with KLA-Tencor. The information under Statement of Operations Data in the table below assumes the merger had been consummated on June 30, 2014, the beginning of the earliest period presented. The information under Balance Sheet Data in the table below assumes the merger had been consummated on September 27, 2015. This unaudited pro forma condensed combined financial information was prepared using the acquisition method of accounting with Lam Research considered the acquirer of KLA-Tencor. See the section entitled Accounting Treatment for more information.

The unaudited pro forma condensed combined financial information includes adjustments which are preliminary and may be revised. There can be no assurance that such revisions will not result in material changes. The information presented below should be read in conjunction with the historical consolidated financial statements of each of Lam Research and KLA-Tencor, including the related notes, filed by each of them with the SEC, and with the pro forma condensed combined financial statements of Lam Research and KLA-Tencor, including the related notes, appearing elsewhere in this joint proxy statement/prospectus. See the sections entitled Where You Can Find More Information and Unaudited Pro Forma Condensed Combined Financial Information for more information. The unaudited pro forma condensed combined financial data are not necessarily indicative of results that actually would have occurred or that may occur in the future had the merger been completed on the dates indicated.

Table of Contents**Statement of Operations Data:**

(in thousands, except per share data)	Three Months Ended September 27, 2015	Fiscal Year Ended June 28, 2015
Revenue	\$ 2,239,867	\$ 8,068,960
Gross Margin	1,017,014	3,576,477
Operating Income	334,193	810,782
Net Income	244,861	428,518
Net Income per share:		
Basic	\$ 1.03	\$ 1.79
Diluted	\$ 0.96	\$ 1.67

Balance Sheet Data:

(in thousands)	September 27, 2015
Working Capital	\$ 5,471,404
Total Assets	24,410,976
Long-term obligations, less current portion	7,681,995
Current portion of long-term debt and capital leases	1,114,392

Table of Contents**Unaudited Comparative Per Share Data**

Presented below are Lam Research's historical per share data for the three months ended September 27, 2015 and the year ended June 28, 2015, KLA-Tencor's historical per share data for the three months ended September 30, 2015 and the year ended June 30, 2015, unaudited pro forma combined per share data for the three months ended September 27, 2015 and the year ended June 28, 2015, and unaudited pro forma equivalent data for the three months ended September 27, 2015 and the year ended June 28, 2015. This information should be read together with the consolidated financial statements and related notes of Lam Research and KLA-Tencor that are incorporated by reference into this joint proxy statement/prospectus and with the unaudited pro forma condensed combined financial data included under the section entitled "Unaudited Pro Forma Condensed Combined Financial Information." The pro forma information is presented for illustrative purposes only and is not necessarily indicative of the operating results or financial position that would have occurred if the merger had been completed as of the beginning of the periods presented or on the dates presented, nor is it necessarily indicative of the future operating results or financial position of the combined company. The historical book value per share is computed by dividing total stockholders' equity by the number of diluted shares of common stock outstanding at the end of the period. The pro forma net income per share of the combined company is computed by dividing the pro forma net income by the pro forma weighted average number of diluted shares outstanding. The pro forma book value per share of the combined company is computed by dividing total pro forma stockholders' equity by the pro forma number of shares of common stock outstanding at the end of the period.

	Three Months Ended September 27, 2015	Fiscal Year Ended June 28, 2015
LAM RESEARCH HISTORICAL DATA		
Historical diluted per common share		
Net income per share	\$ 1.66	\$ 3.70
Book value per share	\$ 30.73	\$ 28.82
	Three Months Ended September 30, 2015	Fiscal Year Ended June 30, 2015
KLA-TENCOR HISTORICAL DATA		
Historical diluted per common share		
Net income per share	\$ 0.66	\$ 2.24
Book value per share	\$ 1.86	\$ 2.57
	Three Months Ended September 27, 2015	Fiscal Year Ended June 28, 2015
LAM RESEARCH PRO FORMA COMBINED DATA		
Unaudited diluted pro forma per common share		
Net income per share	\$ 0.96	\$ 1.67
Book value per share ⁽¹⁾	\$ 45.14	n/m
	Three Months Ended September 27, 2015	Fiscal Year Ended June 28, 2015
KLA-TENCOR PRO FORMA EQUIVALENT		
Unaudited diluted pro forma per common share		
Net income per share	\$ 0.48	\$ 0.83
Book value per share ⁽¹⁾	\$ 22.57	n/m

- (1) Pro forma book value per share as of June 28, 2015 is not meaningful as purchase accounting adjustments were calculated as of September 27, 2015.

Table of Contents**Unaudited Comparative Market Value and Dividend Information**

The following table presents trading information for Lam Research and KLA-Tencor common stock on the NASDAQ Global Select Market on October 20, 2015, the last trading day before announcement of the merger and November 30, 2015, the most recent practicable trading day before the date of this joint proxy statement/prospectus. For illustrative purposes, the following table also provides KLA-Tencor equivalent per share information, assuming the mixed election, which is equal to (1) 0.5 of a share of Lam Research common stock plus (2) \$32.00 in cash for each share of KLA-Tencor common stock outstanding.

Date	Lam Research Common Stock			KLA-Tencor Common Stock			Equivalent Per-Share Value		
	High	Low	Close	High	Low	Close	High	Low	Close
October 20, 2015	\$ 71.99	\$ 66.50	\$ 70.03	\$ 54.82	\$ 52.89	\$ 53.86	\$ 68.00	\$ 65.25	\$ 67.02
November 30, 2015	\$ 78.51	\$ 77.28	\$ 78.20	\$ 67.12	\$ 66.45	\$ 66.47	\$ 71.26	\$ 70.64	\$ 71.10

The market prices of shares of Lam Research and KLA-Tencor common stock fluctuate, and the value of the merger consideration will fluctuate with the market price of the Lam Research common stock. As a result, we urge you to obtain current market quotations of Lam Research and KLA-Tencor common stock.

The table below sets forth, for the fiscal quarters indicated, quarterly dividends paid per share of Lam Research common stock, in U.S. dollars per share. On the Lam Research record date, there were [] shares of Lam Research common stock outstanding. Lam Research instituted a quarterly dividend in June 2014.

Fiscal Period:	Date Paid	\$ Per Share
Fiscal Year 2016		
Second Quarter	September 30	\$ 0.30
First Quarter	July 1	\$ 0.30
Fiscal Year 2015		
Fourth Quarter	April 1	\$ 0.18
Third Quarter	January 1	\$ 0.18
Second Quarter	October 1	\$ 0.18
First Quarter	July 2	\$ 0.18

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The table below sets forth, for the fiscal quarters indicated, quarterly dividends paid per share of KLA-Tencor common stock, in U.S. dollars per share. On the KLA-Tencor record date, there were [] shares of KLA-Tencor common stock outstanding.

Fiscal Period:	Date Paid	\$ Per Share
Fiscal Year 2016		
First Quarter	September 1	\$ 0.52
Fiscal Year 2015		
Fourth Quarter	June 1	\$ 0.50
Third Quarter	March 2	\$ 0.50
Second Quarter (special dividend)	December 9	\$ 16.50
Second Quarter	December 1	\$ 0.50
First Quarter	September 2	\$ 0.50
Fiscal Year 2014		
Fourth Quarter	June 2	\$ 0.45
Third Quarter	March 3	\$ 0.45
Second Quarter	December 2	\$ 0.45
First Quarter	September 3	\$ 0.45
Fiscal Year 2013		
Fourth Quarter	June 3	\$ 0.40
Third Quarter	March 1	\$ 0.40
Second Quarter	December 3	\$ 0.40
First Quarter	September 4	\$ 0.40
Fiscal Year 2012		
Fourth Quarter	June 1	\$ 0.35
Third Quarter	March 1	\$ 0.35
Second Quarter	December 1	\$ 0.35
First Quarter	September 1	\$ 0.35

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This joint proxy statement/prospectus and the documents incorporated by reference into this joint proxy statement/prospectus contain forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 that are not limited to historical facts, but reflect Lam Research's and KLA-Tencor's current beliefs, expectations or intentions regarding future events. Words such as may, will, could, should, expect, plan, project, intend, anticipate, believe, estimate, predict, potential, pursue, and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, Lam Research's and KLA-Tencor's expectations with respect to the synergies, costs and other anticipated financial impacts of the proposed mergers; future financial and operating results of the combined company; financial projections of KLA-Tencor and Lam Research; the combined company's plans, objectives, expectations and intentions with respect to future operations and services; approval of the proposed mergers by stockholders and by governmental regulatory authorities; the methods that Lam Research will use to finance the merger and the satisfaction of the closing conditions to the proposed merger; and the timing of the completion of the proposed mergers. Without limiting the generality of the preceding sentence, certain statements contained in the sections "The Merger Background of the Merger," "The Merger Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board," "The Merger KLA-Tencor's Reasons for the Merger; Recommendation of the KLA-Tencor Board," and "The Merger Certain Projections of Lam Research and KLA-Tencor" contain forward-looking statements.

All forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, many of which are generally outside the control of Lam Research and KLA-Tencor and are difficult to predict. In addition to the risks and uncertainties described in the section entitled "Risk Factors" and those described in any documents that are incorporated by reference into this joint proxy statement/prospectus, such risks and uncertainties include, among others: (1) the risk that the conditions to the closing of the mergers are not satisfied, including the risk that required approvals for the mergers from governmental authorities or the stockholders of KLA-Tencor or Lam Research are not obtained; (2) litigation relating to the mergers; (3) uncertainties as to the timing of the consummation of the mergers and the ability of each party to consummate the mergers; (4) risks that the proposed mergers disrupt the current plans and operations of KLA-Tencor or Lam Research; (5) the ability of KLA-Tencor and Lam Research to retain and hire key personnel; (6) competitive responses to the proposed mergers and the impact of competitive products; (7) unexpected costs, charges or expenses resulting from the mergers; (8) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the mergers; (9) the combined company's ability to achieve the financial and operating results, growth prospects and synergies expected from the mergers, as well as delays, challenges and expenses associated with integrating the existing businesses of Lam Research and KLA-Tencor; (10) the combined company's ability to maintain and improve relationships with customers, suppliers and other third parties following the mergers; (11) the terms and availability of the indebtedness planned to be incurred in connection with the merger; and (12) legislative, regulatory and economic developments, including changing business conditions in the semiconductor industry and overall economy as well as the financial performance and expectations of Lam Research's and KLA-Tencor's existing and prospective customers.

Lam Research and KLA-Tencor caution that the foregoing list of factors is not exclusive and that you should not place undue reliance on any forward-looking statement. All subsequent written and oral forward-looking statements concerning Lam Research, KLA-Tencor, the proposed mergers or other matters and attributable to Lam Research or KLA-Tencor or any person acting on their behalf are expressly qualified in their entirety by the cautionary statements above. All forward-looking statements contained in this joint proxy statement/prospectus and the documents incorporated by reference herein are made only as of the date of the document in which they are contained and neither Lam Research nor KLA-Tencor undertakes any obligation to update publicly any of these forward-looking statements to reflect events or circumstances that may arise after the date hereof.

Table of Contents**RISK FACTORS**

*In addition to the other information included and incorporated by reference into this joint proxy statement/prospectus, including the matters addressed in the section entitled **Special Note Regarding Forward-Looking Statements**, you should carefully consider the following risks before deciding whether to vote for the Merger proposal, in the case of KLA-Tencor stockholders, or for the Share Issuance proposal, in the case of Lam Research stockholders. In addition, you should read and consider the risks associated with each of the businesses of Lam Research and KLA-Tencor because these risks will also affect the combined company. These risks can be found in the Annual Reports on Form 10-K for the fiscal year ended June 28, 2015, for Lam Research, and June 30, 2015, for KLA-Tencor, and any amendments thereto, as such risks may be updated or supplemented in each company's subsequently filed Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, which will be incorporated by reference into this joint proxy statement/prospectus as they are filed. You should also read and consider the other information in this joint proxy statement/prospectus and the other documents incorporated by reference into this joint proxy statement/prospectus. See the section entitled **Where You Can Find More Information**.*

Risk Factors Relating to the Merger

The value of the merger consideration that KLA-Tencor stockholders will receive in the merger will vary and will not be known until completion of the merger.

The value of the merger consideration that KLA-Tencor stockholders will receive will depend on the five-trading day VWAP and on the price per share of Lam Research common stock at the effective time of the merger. The prices of Lam Research common stock and KLA-Tencor common stock at the closing of the merger may vary from their prices on the date the merger agreement was executed, on the date of this joint proxy statement/prospectus and on the date of each special meeting. As a result, the value of the merger consideration will also vary. These variations could result from changes in the business, operations or prospects of Lam Research or KLA-Tencor prior to or following the merger, regulatory considerations, general market and economic conditions and other factors both within and beyond the control of Lam Research or KLA-Tencor. Lam Research and KLA-Tencor will likely complete the merger a considerable period of time after the date of both the Lam Research special meeting and the KLA-Tencor special meeting. Therefore, at the time of the KLA-Tencor special meeting, KLA-Tencor stockholders will not know with certainty the value of any shares of Lam Research common stock that they may receive upon completion of the merger, and the value may be less than the current price or the price at the time of the KLA-Tencor special meeting.

The merger consideration will not be adjusted for changes in the market price of either Lam Research common stock or KLA-Tencor common stock between the date of signing the merger agreement and completion of the merger.

Current Lam Research stockholders and KLA-Tencor stockholders will generally have a reduced ownership and voting interest after the merger.

Lam Research expects to issue or reserve for issuance 80,762,759 shares of Lam Research common stock to KLA-Tencor stockholders in the merger (including shares of Lam Research common stock issuable in connection with outstanding KLA-Tencor equity awards). Based on the number of shares of common stock of Lam Research and KLA-Tencor outstanding as of the Lam Research record date and the KLA-Tencor record date, upon the completion of the merger, current Lam Research stockholders and former KLA-Tencor stockholders would own approximately []% and []% of the common stock of Lam Research, respectively.

Lam Research stockholders and KLA-Tencor stockholders currently have the right to vote for their respective directors and on other matters affecting their respective companies. When the merger occurs, each KLA-Tencor stockholder that receives shares of Lam Research common stock and is not already a stockholder of Lam Research will become a stockholder of Lam Research with a percentage ownership of the combined

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company that will be smaller than such stockholder's percentage ownership of KLA-Tencor prior to the merger. Correspondingly, each Lam Research stockholder will remain a stockholder of Lam Research with a percentage ownership of the combined company that will generally be smaller than such stockholder's percentage of Lam Research prior to the merger. As a result of these reduced ownership percentages, Lam Research stockholders will generally have less voting power in the combined company than they now have with respect to Lam Research, and former KLA-Tencor stockholders will generally have less voting power in the combined company than they now have with respect to KLA-Tencor.

The merger is subject to the receipt of consents and clearances from domestic and foreign regulatory authorities that may impose conditions that could have an adverse effect on Lam Research, KLA-Tencor or the combined company or, if not obtained, could prevent completion of the merger.

Before the merger may be completed, applicable waiting periods must expire or terminate under antitrust and competition laws and various approvals or consents must be obtained from regulatory entities. In deciding whether to grant antitrust or regulatory clearances, the relevant governmental entities will consider the effect of the merger on competition within their relevant jurisdiction. The terms and conditions of any approvals that are granted may impose requirements, limitations or costs or place restrictions on the conduct of the combined company's business. The merger agreement may require Lam Research and KLA-Tencor to comply with conditions imposed by regulatory entities and, in certain circumstances, either company may refuse to close the merger on the basis of those regulatory conditions. There can be no assurance that regulators will not impose conditions, terms, obligations or restrictions, or that such conditions, terms, obligations or restrictions will not have the effect of delaying completion of the merger or imposing additional material costs on or materially limiting the revenues of the combined company following the merger. In addition, neither Lam Research nor KLA-Tencor can provide assurance that any such conditions, terms, obligations or restrictions will not result in the delay or abandonment of the merger. For a more detailed description of the regulatory review process, see the section entitled "The Merger Regulatory Clearances Required for the Merger."

The consummation of the merger is conditioned on there being no material adverse effect on either of Lam Research's or KLA-Tencor's businesses. Ongoing changes in the technology industry, and the semiconductor industry in particular, could expose Lam Research's and KLA-Tencor's businesses to significant risks, which may result in a material adverse effect.

Each of Lam Research's and KLA-Tencor's obligations to consummate the merger is subject to certain customary conditions, including that there be no material adverse effect (as defined in the merger agreement) on the other's business. There is no assurance that this condition to the merger will be satisfied in a timely manner or at all.

In addition, the semiconductor equipment industry and other industries that Lam Research and KLA-Tencor serve are constantly developing and changing. Many of the risks associated with operating in these industries are comparable to the risks faced by all technology companies, such as the uncertainty of future growth rates, pricing trends and changes in customers' capital spending patterns. If either Lam Research or KLA-Tencor fails to appropriately adjust their respective cost structure and operations to adapt to any of these trends, or respond to new technological advances, Lam Research or KLA-Tencor could experience a material adverse effect on their respective businesses, financial condition and operating results.

Any delay in completing the merger may reduce or eliminate the benefits expected to be achieved thereunder.

In addition to the required regulatory clearances, the merger is subject to a number of other conditions beyond Lam Research's and KLA-Tencor's control that may prevent, delay or otherwise materially adversely affect its completion. We cannot predict whether and when these other conditions will be satisfied. Furthermore, the requirements for obtaining the required clearances and approvals could delay the completion of the merger.

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for a significant period of time or prevent it from occurring. Any delay in completing the merger could cause the combined company not to realize some or all of the synergies that Lam Research and KLA-Tencor expect to achieve if the merger is successfully completed within its expected time frame. Neither Lam Research nor KLA-Tencor will be obligated to close the merger if the merger is not consummated by July 20, 2016, which deadline may be extended under certain circumstances to October 20, 2016. See the section entitled *The Merger Agreement* *Conditions to Completion of the Merger* for more information.

Uncertainties associated with the merger may cause a loss of management personnel and other key employees which could adversely affect the future business and operations of the combined company.

Lam Research and KLA-Tencor are dependent on the experience and industry knowledge of their officers and other key employees to execute their business plans. The combined company's success after the merger will depend in part upon its ability to retain key management personnel and other key employees. Current and prospective employees of Lam Research and KLA-Tencor may experience uncertainty about their roles within the combined company following the merger or other concerns regarding the timing and completion of the merger or the operations of the combined company, any of which may have an adverse effect on the ability of each of Lam Research and KLA-Tencor to attract or retain key management and other key personnel. Accordingly, no assurance can be given that the combined company will be able to attract or retain key management personnel and other key employees of Lam Research and KLA-Tencor to the same extent that Lam Research and KLA-Tencor have previously been able to attract or retain their own employees.

Several lawsuits have been filed against Lam Research and KLA-Tencor challenging the merger and an adverse ruling may prevent the merger from being completed.

Lam Research, KLA-Tencor, Merger Sub 1 and Merger Sub 2, as well as the members of the KLA-Tencor Board, have been named as defendants in several lawsuits brought by KLA-Tencor stockholders. Additional lawsuits may be filed against Lam Research, KLA-Tencor, Merger Sub 1, Merger Sub 2 and the directors of one of the foregoing companies in connection with the merger. See the section entitled *The Merger* *Litigation Related to the Merger* for more information about the lawsuits that have been filed related to the merger.

One of the conditions to the closing of the merger is that no order, injunction, decree or other legal restraint or prohibition shall be in effect that prevents completion of the merger. Consequently, if a settlement or other resolution is not reached in the lawsuits referenced above and the plaintiffs secure injunctive or other relief prohibiting, delaying or otherwise adversely affecting the defendants' ability to complete the merger, then such injunctive or other relief may prevent the merger from becoming effective within the expected time frame or at all.

If the mergers do not qualify as a reorganization under Section 368(a) of the Code, the stockholders of KLA-Tencor may be required to pay substantial U.S. federal income taxes.

It is a condition to the completion of the mergers that each of Jones Day, tax counsel to Lam Research, and Wilson Sonsini Goodrich & Rosati, Professional Corporation, tax counsel to KLA-Tencor, deliver an opinion, dated on the closing date of the mergers, to the effect that the mergers will qualify for U.S. federal income tax purposes as a reorganization within the meaning of Section 368(a) of the Code. Each party may waive the requirement to receive an opinion from its tax counsel as a condition to such party's obligation to complete the mergers. These opinions will be based on certain assumptions and representations as to factual matters from Lam Research and KLA-Tencor, as well as certain covenants and undertakings by Lam Research and KLA-Tencor, all of which must continue to be true and accurate as of the effective time of the merger. If any of the assumptions, representations, covenants or undertakings is incorrect, incomplete, inaccurate or is violated, one or both of the opinions may not be delivered and, if delivered, the conclusions reached by counsel in their opinions cannot be relied upon and the tax consequences of the mergers could differ from those described in this joint proxy statement/prospectus. Additionally, an opinion of counsel represents counsel's best legal judgment but is not binding on the IRS or any court, so there can be no certainty that the IRS will not challenge the conclusions

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reflected in the opinions or that a court will not sustain such a challenge. If the IRS or a court determines that the mergers do not qualify as a reorganization, a U.S. holder of KLA-Tencor common stock would generally recognize taxable gain or loss for U.S. federal income tax purposes upon the exchange of KLA-Tencor common stock for Lam Research common stock, cash, or a combination thereof pursuant to the merger. See the section entitled "Material U.S. Federal Income Tax Consequences" for more information.

Failure to complete the merger could negatively impact the stock prices and the future business and financial results of Lam Research and KLA-Tencor.

If the merger is not completed, the ongoing businesses of Lam Research and KLA-Tencor may be adversely affected, and Lam Research and KLA-Tencor will be subject to several risks, including the following:

being required to pay a termination fee of up to \$290 million under certain circumstances provided in the merger agreement;

having to pay certain costs relating to the merger, such as legal, accounting, financial advisor and printing fees;

having had the focus of each company's management on the merger instead of on pursuing other opportunities that could have been beneficial to the companies;

having a potential effect on the relationships with employees, customers, suppliers, distributors and regulators;

having had the restrictions on the conduct of the respective businesses pursuant to the terms of the merger agreement, potentially delaying or preventing the respective companies from undertaking business opportunities that, absent the merger agreement, may have been pursued; and

having had the potential benefits of the merger reflected in their respective stock prices, which could lead to stock price volatility and declines if the merger is not completed.

There can be no assurance that Lam Research will be able to secure the financing it intends to use to pay the cash component of the merger consideration.

Lam Research has entered into (1) a senior unsecured term loan agreement which provides up to \$900 million in term loans, subject to certain conditions; and (2) a debt commitment letter which provides for a senior unsecured 364-day bridge facility in a principal amount of up to \$3.3 billion, subject to certain conditions. Lam Research has also entered into an amendment and restatement of its existing revolving credit agreement pursuant to which, among other things, the revolving lenders agreed to increase their aggregate commitments under the revolving credit agreement from \$300 million to \$750 million.

Lam Research intends to fund the cash component of the merger consideration and related fees and expenses and to prepay KLA-Tencor's \$671 million term loan with a combination of approximately \$1.9 billion of the combined companies' balance sheet cash and proceeds of approximately \$3.9 billion under the term loans, the revolving credit agreement and from the issuance of debt securities or, to the extent necessary, borrowings under the bridge facility. Lam Research also expects to guarantee KLA-Tencor's existing notes in the aggregate principal amount of \$2.5 billion. Lam Research intends to pursue financing that would replace or supplement financing available under the bridge facility.

The availability of the term loans and any debt financing pursuant to the bridge commitment letter is, and other financing Lam Research might arrange will be, subject to certain conditions precedent. In addition, the commitments under the bridge facility commitment letter will terminate upon the first to occur of (i) the execution and delivery of definitive financing documentation for the bridge facility; (ii) the consummation of the merger without using the bridge facility; (iii) the termination of the obligations of Lam Research or Merger Sub 1 to consummate the merger pursuant to the merger agreement, and (iv) July 20, 2016 (or, to the extent this date is extended in accordance with the merger agreement, such extended date occurring on or prior to October 20,

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2016). Therefore, no assurance can be given that the financing pursuant to the term loans, the bridge facility or debt securities described above will be available.

Lam Research's obligation to complete the merger is not subject to a financing contingency. In the event that the term loans, bridge facility or the replacement financing is not available, other financing may not be available on acceptable terms, in a timely manner, or at all. If Lam Research is unable to secure alternative financing, the merger may not be completed and Lam Research could be liable to KLA-Tencor for breach of the merger agreement in connection with its failure to consummate the merger.

The merger agreement contains provisions that could discourage a potential competing acquiror of either Lam Research or KLA-Tencor.

The merger agreement contains no shop provisions that, subject to limited exceptions, restrict each of Lam Research's and KLA-Tencor's ability to solicit, initiate or knowingly encourage and facilitate competing third-party proposals for the acquisition of their respective company's stock or assets. Further, even if the Lam Research Board or the KLA-Tencor Board withdraws or qualifies its recommendation with respect to the merger, Lam Research or KLA-Tencor, as the case may be, will still be required to submit each of their merger-related proposals to a vote at their special meeting, unless the merger agreement is earlier terminated. In addition, the other party generally has an opportunity to offer to modify the terms of the merger in response to any competing acquisition proposals before the board of directors of the company that has received a third-party proposal may withdraw or qualify its recommendation with respect to the merger. The merger agreement further provides that, upon termination of the merger agreement under specified circumstances, including certain terminations in connection with an alternative business combination transaction as permitted by the terms of the merger agreement, either Lam Research or KLA-Tencor may be required to pay the other a termination fee of \$290 million. See the sections entitled "The Merger Agreement - No Solicitation of Alternative Proposals," "The Merger Agreement - Termination of the Merger Agreement" and "The Merger Agreement - Expenses and Termination Fees; Liability for Breach" for more information.

These provisions could discourage a potential third-party acquiror that might have an interest in acquiring all or a significant portion of Lam Research or KLA-Tencor from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the market value proposed to be received or realized in the merger. These provisions might also result in a potential third-party acquiror proposing to pay a lower price to the stockholders than it might otherwise have proposed to pay because of the added expense of the \$290 million termination fee that may become payable in certain circumstances.

If the merger agreement is terminated and either Lam Research or KLA-Tencor determines to seek another business combination, it may not be able to negotiate a transaction with another party on terms comparable to, or better than, the terms of the merger.

The opinions obtained by the boards of directors of Lam Research and KLA-Tencor from their respective financial advisors will not reflect changes in circumstances between signing the merger agreement and the completion of the merger.

Neither the Lam Research Board nor the KLA-Tencor Board has obtained an updated opinion as of the date of this joint proxy statement/prospectus from Goldman Sachs, Lam Research's financial advisor, or Qatalyst Partners, KLA-Tencor's financial advisor, nor have they requested such an update at any time in the future. These opinions were necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to the financial advisors as of, the date of such opinions. Developments subsequent to the date of such opinions, including changes in the operations and prospects of Lam Research or KLA-Tencor, general market and economic conditions and other factors that may be beyond the control of Lam Research and KLA-Tencor, may affect such opinions. The opinions do not speak as of the time of the special meetings, as of the time the merger will be completed or as of any date other than the dates of such opinions. The opinions are included as Annexes B and C to this joint proxy statement/prospectus.

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For a description of the opinion that the Lam Research Board received from its financial advisor and a summary of the material financial analyses it provided to the Lam Research Board in connection with rendering such opinion, see the section entitled “The Merger Opinion of Lam Research’s Financial Advisor.” For a description of the opinion that the KLA-Tencor Board received from its financial advisor and a summary of the material financial analyses it provided to the KLA-Tencor Board in connection with rendering such opinion, see the section entitled “The Merger Opinion of KLA-Tencor’s Financial Advisor.” For a description of the other factors considered by the Lam Research Board in determining to approve the merger agreement and the merger, see the section entitled “The Merger Lam Research’s Reasons for the Merger; Recommendation of the Lam Research Board.” For a description of the other factors considered by the KLA-Tencor Board in determining to approve the merger agreement and the merger, see the section entitled “The Merger KLA-Tencor’s Reasons for the Merger; Recommendation of the KLA-Tencor Board.”

Future results of the combined company may differ materially from the unaudited pro forma financial statements included in this joint proxy statement/prospectus and the financial forecasts prepared by Lam Research and KLA-Tencor in connection with the discussions concerning the merger.

The pro forma financial statements contained in this joint proxy statement/prospectus are presented for illustrative purposes only, are based on various adjustments, assumptions and preliminary estimates and may not be an indication of the combined company’s financial condition or results of operations following the merger for several reasons. See the section entitled “Unaudited Pro Forma Condensed Combined Financial Information” for more information. The actual financial condition and results of operations of the combined company following the merger may not be consistent with, or evident from, these pro forma financial statements or the financial forecasts prepared by Lam Research and KLA-Tencor. In addition, the assumptions used in preparing the pro forma financial information may not prove to be accurate, and other factors may affect the combined company’s financial condition or results of operations following the merger. Any potential decline in the combined company’s financial condition or results of operations may cause significant variations in the stock price of the combined company.

KLA-Tencor’s executive officers and directors have interests in the merger that may be different from, or in addition to, the interests of KLA-Tencor stockholders generally.

KLA-Tencor’s executive officers and directors have interests in the merger that may be different from, or in addition to, the interests of KLA-Tencor stockholders generally. KLA-Tencor’s executive officers negotiated the terms of the merger agreement. Certain of KLA-Tencor’s compensation and benefit plans and arrangements in which KLA-Tencor’s executive officers and directors participate provide for payment or accelerated vesting or distribution of certain rights or benefits upon completion of the merger. Executive officers and directors of KLA-Tencor also have rights to indemnification and directors’ and officers’ liability insurance that will survive completion of the merger.

The KLA-Tencor Board was aware of these interests at the time it approved the merger agreement and the merger (except for the interests of Ms. Higashi and Messrs. Moore and Rango that will arise if the KLA-Tencor stockholders approve the Director Compensation proposal as the KLA-Tencor Board did not determine to submit the Director Compensation proposal to KLA-Tencor stockholders until after it had approved the merger agreement). These interests may cause KLA-Tencor’s directors and executive officers to view the merger differently and more favorably than you may view it. See the section entitled “The Merger Interests of KLA-Tencor Directors and Executive Officers in the Merger” for more information.

The shares of Lam Research common stock to be received by KLA-Tencor stockholders upon completion of the merger will have different rights from shares of KLA-Tencor common stock.

Upon completion of the merger, KLA-Tencor stockholders will no longer be stockholders of KLA-Tencor. Instead, former KLA-Tencor stockholders who receive Lam Research stock will become stockholders of Lam Research and their rights as Lam Research stockholders will be governed by the terms of Lam Research’s certificate of incorporation, as amended, and Lam Research’s amended and restated bylaws. The terms of Lam

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Research's certificate of incorporation, as amended, and amended and restated bylaws are in some respects materially different than the terms of KLA-Tencor's amended and restated certificate of incorporation, as amended, and amended and restated bylaws, which currently govern the rights of KLA-Tencor stockholders. See the section entitled "Comparison of Rights of Lam Research Stockholders and KLA-Tencor Stockholders" for a discussion of the different rights associated with shares of Lam Research common stock and shares of KLA-Tencor common stock.

Risk Factors Relating to the Combined Company Following the Merger

The combined company may be unable to integrate the businesses of Lam Research and KLA-Tencor successfully or realize the anticipated benefits of the merger.

The merger involves the combination of two companies that currently operate as independent public companies. The combined company will be required to devote significant management attention and resources to integrating the business practices and operations of Lam Research and KLA-Tencor. Potential difficulties that the combined company may encounter as part of the integration process include the following:

the inability to successfully combine the businesses of Lam Research and KLA-Tencor in a manner that permits the combined company to achieve the full revenue and cost synergies and other benefits anticipated to result from the merger;

complexities associated with managing the combined businesses, including difficulty addressing possible differences in corporate cultures and management philosophies and the challenge of integrating complex systems, technology, networks and other assets of each of the companies in a seamless manner that minimizes any adverse impact on customers, suppliers, employees and other constituencies; and

potential unknown liabilities and unforeseen increased expenses or delays associated with the merger.

In addition, Lam Research and KLA-Tencor have operated and, until the completion of the merger will continue to operate, independently. It is possible that the integration process could result in:

diversion of the attention of each company's management; and

the disruption of, or the loss of momentum in, each company's ongoing businesses or inconsistencies in standards, controls, procedures and policies,

any of which could adversely affect each company's ability to maintain relationships with customers, suppliers, employees and other constituencies or Lam Research's and KLA-Tencor's ability to achieve the anticipated benefits of the merger, or could reduce each company's earnings or otherwise adversely affect the business and financial results of the combined company.

The future results of the combined company will suffer if the combined company does not effectively manage its expanded operations following the merger.

Following the merger, the size of the business of the combined company will increase significantly beyond the current size of either Lam Research's or KLA-Tencor's business. The combined company's future success depends, in part, upon its ability to manage this expanded business, which will pose substantial challenges for management, including challenges related to the management and monitoring of new operations and associated increased costs and complexity. There can be no assurances that the combined company will be successful or that it will realize the expected operating efficiencies, cost savings, revenue enhancements or other benefits currently anticipated from the merger.

Table of Contents***The combined company is expected to incur substantial expenses related to the merger and the integration of Lam Research and KLA-Tencor.***

The combined company is expected to incur substantial expenses in connection with the merger and the integration of Lam Research and KLA-Tencor. There are a large number of processes, policies, procedures, operations, technologies and systems that may need to be integrated, including purchasing, accounting and finance, sales, payroll, pricing, marketing and benefits. While Lam Research and KLA-Tencor have assumed that a certain level of expenses will be incurred, there are many factors beyond their control that could affect the total amount or the timing of the integration expenses. Moreover, many of the expenses that will be incurred are, by their nature, difficult to estimate accurately. These expenses could, particularly in the near term, exceed the savings that the combined company expects to achieve from the elimination of duplicative expenses and the realization of economies of scale and cost savings. These integration expenses likely will result in the combined company taking significant charges against earnings following the completion of the merger, and the amount and timing of such charges are uncertain at present.

The merger may result in a loss of customers or strategic alliances.

As a result of the merger, some of the customers, potential customers or strategic partners of Lam Research or KLA-Tencor may terminate or scale back their business relationship with the combined company. Some customers may not wish to source a larger percentage of their needs from a single company, or may feel that Lam Research or KLA-Tencor, as applicable, and thus the combined company is too closely allied with one of their competitors. Potential customers or strategic partners may delay entering into, or decide not to enter into, a business relationship with the combined company because of the merger. If customer relationships or strategic alliances are adversely affected by the merger, the combined company's business and financial performance could suffer.

Third parties may terminate or alter existing contracts with KLA-Tencor.

KLA-Tencor has contracts with suppliers, distributors, customers, licensors, licensees, lessors and other business partners that have change of control or similar clauses that allow the counterparty to terminate or change the terms of their contract upon the closing of the transactions contemplated by the merger agreement. Lam Research or KLA-Tencor may seek to obtain consent from these other parties, but if these third party consents are not obtained, or are obtained on unfavorable terms, the combined company may lose the benefit of such contracts, including benefits that may be material to the business of the combined company.

The indebtedness of Lam Research following completion of the mergers will be substantially greater than Lam Research's indebtedness on a stand-alone basis and greater than the combined indebtedness of Lam Research and KLA-Tencor existing prior to the mergers. This increased level of indebtedness could adversely affect Lam Research, including by decreasing Lam Research's business flexibility, and will increase its borrowing costs. Downgrades in Lam Research's ratings could adversely affect Lam Research's business, cash flows, financial condition and operating results.

Lam Research intends to fund the cash component of the merger consideration and related fees and expenses and to prepay KLA-Tencor's \$671 million term loan with a combination of approximately \$1.9 billion of the combined companies' balance sheet cash and proceeds of approximately \$3.9 billion under the term loans, the revolving credit agreement and from the issuance of debt securities or, to the extent necessary, borrowings under the bridge facility. Lam Research also expects to guarantee KLA-Tencor's existing notes in the aggregate principal amount of \$2.5 billion. Lam Research's substantially increased indebtedness and higher debt-to-equity ratio following completion of the mergers in comparison to that of Lam Research prior to the merger will have the effect, among other things, of reducing Lam Research's flexibility to respond to changing business and economic conditions and will increase Lam Research's borrowing costs. In addition, the amount of cash required to service Lam Research's increased indebtedness levels and thus the demands on Lam Research's cash resources will be greater than the amount of cash flows required to service the indebtedness of Lam Research or KLA-

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Tencor individually prior to the merger. The increased levels of indebtedness could also reduce funds available for Lam Research's investments in product development as well as capital expenditures, dividends, share repurchases and other activities and may create competitive disadvantages for Lam Research relative to other companies with lower debt levels.

In addition, Lam Research's credit ratings impact the cost and availability of future borrowings, and, as a result, Lam Research's cost of capital. Lam Research's ratings reflect each rating organization's opinion of Lam Research's financial strength, operating performance and ability to meet Lam Research's debt obligations or obligations to Lam Research's insureds. Each of the ratings organizations reviews Lam Research's ratings periodically, and there can be no assurance that Lam Research's current ratings will be maintained in the future. Downgrades in Lam Research's ratings could adversely affect Lam Research's business, cash flows, financial condition and operating results.

Other Risk Factors of Lam Research and KLA-Tencor

Lam Research's and KLA-Tencor's businesses are and will be subject to the risks described above. In addition, Lam Research and KLA-Tencor are, and will continue to be, subject to the risks described in Lam Research's Annual Report on Form 10-K for the fiscal year ended June 28, 2015, and KLA-Tencor's Annual Report on Form 10-K for the fiscal year ended June 30, 2015, as updated by subsequent Quarterly Reports on Form 10-Q, all of which are filed with the SEC and incorporated by reference into this joint proxy statement/prospectus. See the section entitled "Where You Can Find More Information" for the location of information incorporated by reference into this joint proxy statement/prospectus.

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THE COMPANIES

Lam Research Corporation

Lam Research Corporation, a Delaware corporation, has been a global supplier of innovative wafer fabrication equipment and services to the semiconductor industry for more than 35 years. Lam Research designs, manufactures, markets, refurbishes and services semiconductor processing systems that are used in the fabrication of integrated circuits. Its market-leading products are designed to help its customers build smaller, faster, more powerful and more power-efficient devices that are used in a variety of electronic products, including cell phones, tablets, computers, storage devices and networking equipment. Lam Research's customers include semiconductor manufacturers that make memory, microprocessors, and other logic integrated circuits for a wide range of electronics; including cell phones, computers, tablets, storage devices and networking equipment.

Lam Research's common stock is traded on the NASDAQ Global Select Market under the symbol LRCX.

The principal executive offices of Lam Research are located at 4650 Cushing Parkway, Fremont, CA 94538, and its telephone number is (510) 572-0200.

KLA-Tencor Corporation

KLA-Tencor Corporation, a Delaware corporation, is a leading supplier of process control and yield management solutions for the semiconductor and related nanoelectronics industries. KLA-Tencor's broad portfolio of defect inspection and metrology products, and related service, software and other offerings primarily supports chip manufacturers throughout the entire semiconductor fabrication process, from research and development to final volume production. KLA-Tencor provides leading-edge equipment, software and support that enable IC manufacturers to identify, resolve and manage significant advanced technology manufacturing process challenges and obtain higher finished product yields at lower overall cost. In addition to serving the semiconductor industry, KLA-Tencor also provides a range of technology solutions to a number of other high technology industries, including the LED and data storage industries, as well as general materials research.

KLA-Tencor's common stock is traded on the NASDAQ Global Select Market under the symbol KLAC.

The principal executive offices of KLA-Tencor are located at One Technology Drive, Milpitas, California, 95035, and its telephone number is (408) 875-3000.

Topeka Merger Sub 1, Inc.

Topeka Merger Sub 1, Inc., a wholly owned subsidiary of Lam Research, is a Delaware corporation that was formed on October 16, 2015 for the sole purpose of effecting the merger. In the merger, Merger Sub 1 will be merged with and into KLA-Tencor, with KLA-Tencor surviving as a wholly owned subsidiary of Lam Research.

Topeka Merger Sub 2, Inc.

Topeka Merger Sub 2, Inc., a wholly owned subsidiary of Lam Research, is a Delaware corporation that was formed on October 16, 2015 for the sole purpose of effecting the subsequent merger. In the subsequent merger, KLA-Tencor will be merged with and into Merger Sub 2, with Merger Sub 2 surviving as a wholly owned subsidiary of Lam Research.

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THE LAM RESEARCH SPECIAL MEETING

This joint proxy statement/prospectus is being provided to the Lam Research stockholders as part of a solicitation of proxies by the Lam Research Board for use at the Lam Research special meeting to be held at the time and place specified below, and at any properly convened meeting following an adjournment or postponement thereof. This joint proxy statement/prospectus provides Lam Research stockholders with the information they need to know to be able to vote or instruct their vote to be cast at the Lam Research special meeting.

Date, Time and Place

The Lam Research special meeting will be held at the principal executive offices of Lam Research, which are located at 4650 Cushing Parkway, Fremont, California 94538, at [] Pacific time on [].

Purpose of the Lam Research Special Meeting

At the Lam Research special meeting, Lam Research stockholders will be asked to consider and vote on:

the *Share Issuance proposal*, which is the proposal to approve the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, a copy of which is included as Annex A to this joint proxy statement/prospectus;

the *Lam Research Adjournment proposal*, which is the proposal to adjourn the Lam Research special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Share Issuance proposal; and

the *Charter Amendment proposal*, which is the proposal to approve the amendment to the Lam Research certificate of incorporation, as amended, to increase the number of authorized shares of Lam Research stock from 405,000,000 to 590,000,000 and the number of authorized shares of Lam Research common stock from 400,000,000 to 585,000,000, the full text of which is attached as Annex G to this joint proxy statement/prospectus.

Completion of the merger is conditioned on the approval of the Share Issuance proposal, but not upon the approval of the Lam Research Adjournment proposal or the Charter Amendment proposal.

Recommendation of the Board of Directors of Lam Research

After careful consideration, the Lam Research Board unanimously approved the merger agreement and the transactions contemplated by the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. For more information regarding the factors considered by the Lam Research Board in reaching its decision to approve the merger agreement and to authorize the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement, see the section entitled "The Merger - Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board."

The Lam Research Board unanimously recommends that Lam Research stockholders vote FOR the Share Issuance proposal, FOR the Lam Research Adjournment proposal and FOR the Charter Amendment proposal.

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Lam Research Record Date; Stockholders Entitled to Vote

Only Lam Research stockholders on the Lam Research record date are entitled to notice of, and to vote at, the Lam Research special meeting or any adjournments or postponements thereof.

On the Lam Research record date, there were [] shares of Lam Research common stock issued and outstanding and entitled to vote at the Lam Research special meeting. Lam Research stockholders will have one vote for each share of Lam Research common stock they owned on the Lam Research record date. A list of stockholders of Lam Research will be available for review for any purpose germane to the special meeting at the principal executive offices of Lam Research, which are located at 4650 Cushing Parkway, Fremont, CA 94538, during ordinary business hours for a period of 10 days before the special meeting. The list will also be available at the special meeting for examination by any stockholder of record present at the special meeting.

Voting by Lam Research's Directors and Executive Officers

On the Lam Research record date, directors and executive officers of Lam Research or their affiliates were entitled to vote [] shares of Lam Research common stock, or approximately []% of the shares of Lam Research common stock outstanding on that date. We currently expect that Lam Research directors and executive officers will vote their shares in favor of the Share Issuance proposal, the Lam Research Adjournment proposal and the Charter Amendment proposal, although none of them has entered into any agreement obligating them to do so.

Quorum

A quorum is necessary to hold a valid special meeting of Lam Research stockholders. The presence in person or by proxy of a majority of the shares of Lam Research common stock entitled to vote at the special meeting will constitute a quorum for the transaction of business at the special meeting. If a quorum is not present, or if fewer shares of Lam Research common stock are voted in favor of the Share Issuance proposal than the number required for its approval, the special meeting may be adjourned to allow additional time for obtaining additional proxies or votes. At any subsequent reconvening of the special meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent meeting.

Abstentions (shares of Lam Research common stock for which proxies have been received but for which the holders have abstained from voting) will be included in the calculation of the number of shares of Lam Research common stock represented at the Lam Research special meeting for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the calculation of the number of shares of Lam Research common stock represented at the Lam Research special meeting for purposes of determining whether a quorum has been achieved.

Required Vote

The Share Issuance proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal.

The Lam Research Adjournment proposal requires the affirmative vote of holders of a majority of the outstanding shares of Lam Research common stock present in person or represented by proxy at the Lam Research special meeting and entitled to vote on the proposal.

The Charter Amendment proposal requires the affirmative vote of the holders of a majority of the outstanding shares of Lam Research common stock on the Lam Research record date.

Completion of the merger is conditioned on the approval of the Share Issuance proposal, but not upon the approval of the Lam Research Adjournment proposal or the Charter Amendment proposal.

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Broker Non-Votes

The proposals to be considered at the Lam Research special meeting are non-routine matters, and banks, brokers and other nominees who hold shares of Lam Research common stock in street name for their customers, but do not have discretionary authority to vote the shares, may not exercise their voting discretion with respect to the Share Issuance proposal, the Lam Research Adjournment proposal or the Charter Amendment proposal. Accordingly, if banks, brokers or other nominees do not receive specific voting instructions from the beneficial owner of such shares, they may not vote such shares with respect to the foregoing proposals.

In connection with the Lam Research special meeting, broker non-votes will have no effect on the Share Issuance proposal (assuming a quorum is present) or the Lam Research Adjournment proposal (assuming a quorum is present) but will have the same effect as votes AGAINST the Charter Amendment proposal.

You should therefore provide your broker, bank or other nominee with instructions as to how to vote your shares of Lam Research common stock.

Please follow the voting instructions provided by your broker, bank or other nominee so that it may vote your shares on your behalf. Please note that you may not vote shares held in street name by returning a proxy card directly to Lam Research or by voting in person at the applicable special meeting unless you first obtain a proxy from your broker, bank or other nominee.

How Proxies are Counted; Failure to Vote; Abstentions

All shares of Lam Research common stock represented by properly executed proxies received in time for the Lam Research special meeting will be voted at the special meeting in the manner specified by the stockholders giving those proxies. Properly executed proxies that do not contain voting instructions will be voted FOR the Share Issuance proposal, FOR the Lam Research Adjournment proposal and FOR the Charter Amendment proposal.

Only shares of Lam Research common stock affirmatively voted FOR the proposals, and properly executed proxies that do not contain voting instructions, will be counted as favorable votes for the foregoing proposals. For shares of Lam Research common stock held in street name, only shares of Lam Research common stock affirmatively voted FOR the proposals will be counted as favorable votes for such proposals.

If you are a Lam Research stockholder that attends the Lam Research special meeting in person but fail to vote, or you mark your proxy or voting instructions to abstain with respect to each proposal, it will have the same effect as a vote AGAINST the Share Issuance proposal, the Lam Research Adjournment Proposal and the Charter Amendment Proposal. If you are a Lam Research stockholder and fail to vote by not attending the Lam Research special meeting, in person or by proxy, or you fail to instruct your broker, bank or other nominee to vote it will have no effect on the Share Issuance proposal (assuming a quorum is present) or the Lam Research Adjournment proposal (assuming a quorum is present) and will have the same effect as a vote AGAINST the Charter Amendment proposal.

If you are a Lam Research stockholder through the 401(k) Plan and fail to instruct the 401(k) Plan trustee how to vote, the trustee will not vote the shares of Lam Research common stock allocated to your 401(k) Plan account.

Voting at the Special Meeting

Whether or not you plan to attend the Lam Research special meeting, please vote your shares. If you are a registered or record holder, which means your shares of Lam Research common stock are registered in your name with Lam Research's transfer agent and registrar, you may vote in person at the special meeting or by

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proxy. If your shares of Lam Research common stock are held in street name, which means your shares are held of record in an account with a broker, bank or other nominee, you must follow the instructions from your broker, bank or other nominee in order to vote.

In addition, if you are a stockholder of record, please be prepared to provide proper identification, such as a driver's license. If you hold your shares in street name, you will need to provide proof of ownership, such as a proxy executed in your favor from your bank, broker or other nominee, along with proper identification.

Voting in Person

If you plan to attend the Lam Research special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares of Lam Research common stock are held in street name, and you wish to vote at the special meeting, you must bring to the special meeting a proxy executed in your favor from the record holder (your broker, bank or other nominee) of the shares authorizing you to vote at the special meeting.

Voting by Proxies

If you are a stockholder of record on the Lam Research record date, a proxy card is enclosed for your use. Lam Research requests that you submit a proxy via the Internet by accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card at any time up to [] p.m. Pacific time on [], by telephone by dialing [] and following the instructions provided in the recorded message at any time up to [] p.m. Pacific time on [], or by signing the accompanying proxy card and returning it promptly in the postage-paid envelope provided.

Your vote is important. Lam Research stockholders should sign and return the enclosed proxy card whether or not they plan to attend the Lam Research special meeting in person. You can always change your vote at the special meeting. Proxies submitted through the specified Internet website or by phone must be received by [] p.m. Pacific time on [].

Voting of Shares Held in the Lam Research 401(k) Plan

If you participate in the 401(k) Plan and hold Lam Research common stock in your personal 401(k) Plan account as of the Lam Research record date, then you may vote, by proxy, your interest in Lam Research common stock held by the 401(k) Plan. The 401(k) Plan trustee will aggregate and vote proxies in accordance with the instructions in the proxies of employee participants that they receive. You may instruct the 401(k) Plan trustee, in a confidential manner, how to vote (including an instruction not to vote) the shares allocated to your 401(k) Plan account by one of the following three methods:

accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card to vote over the Internet anytime up to [] p.m. Pacific time on [];

dialing [] and following the instructions provided in the recorded message, anytime up to [] p.m. Pacific time on []; or

marking, signing and mailing your proxy card to the address indicated on your proxy card. Your proxy card must be received by the 401(k) Plan trustee at [], no later than [] p.m. Pacific time on [], to ensure that the trustee is able to vote your shares in accordance with your wishes.

In addition, since only the trustee can vote the shares of Lam Research common stock allocated to your 401(k) Plan account, you will not be able to vote those shares personally at the Lam Research special meeting. Please note that the applicable trust agreement governing the 401(k) Plan provides that if the trustee does not receive your voting instructions, the trustee will not vote the shares allocated to your 401(k) Plan account unless the trustee is required to do so by applicable law.

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If you are a participant (or a beneficiary of a deceased participant) in the 401(k) Plan and you also own other shares of Lam Research common stock outside of your 401(k) Plan account, you should receive a proxy card for shares credited to your account in the 401(k) Plan and a separate proxy card if you are a record holder of additional shares of Lam Research common stock or voting instruction card if you hold additional shares of Lam Research common stock through a broker, bank or other nominee. You must vote shares that you hold as a stockholder of record, shares that you hold through a broker, bank or other nominee and shares that are allocated to your 401(k) Plan account separately in accordance with each of the proxy cards and voting instruction cards you receive with respect to such shares of Lam Research common stock.

Revocation of Proxies

If you are a record holder of Lam Research common stock on the Lam Research record date, you can change your vote or revoke your proxy at any time before your proxy is voted at the Lam Research special meeting. You can do this in one of three ways:

timely delivering a signed notice of revocation to the Secretary of Lam Research;

timely delivering a new, valid proxy bearing a later date by submitting instructions through the Internet, by telephone or by mail as described on the proxy card; or

attending the Lam Research special meeting and voting in person, which will automatically cancel any proxy previously given, or you can revoke your proxy in person. Simply attending the Lam Research special meeting without voting will not revoke any proxy that you have previously given or change your vote.

A registered stockholder may revoke a proxy by any of these methods, regardless of the method used to deliver the stockholder's previous proxy. If you choose either of the first two methods, your notice of revocation of your new proxy must be received by Lam Research no later than [] Pacific time on []. Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows:

Secretary

Lam Research Corporation

4650 Cushing Parkway

Fremont, California, 94538

Please note that if your shares of Lam Research common stock are held in street name through a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or nominee in accordance with its established procedures. If your shares of Lam Research common stock are held in the name of a broker, bank or other nominee and you decide to change your vote by attending the special meeting and voting in person, your vote in person at the special meeting will not be effective unless you have obtained and present an executed proxy issued in your name from the record holder (your broker, bank or nominee).

Solicitation of Proxies

Lam Research is soliciting proxies for the Lam Research special meeting and the cost of proxy solicitation will be borne by Lam Research. In addition to solicitation by use of mails, proxies may be solicited by Lam Research directors, officers and employees in person, by telephone or by other means of communication. These individuals will not be additionally compensated, but may be reimbursed for out-of-pocket expenses associated with solicitation. Arrangements will also be made with custodians, nominees and fiduciaries for forwarding of proxy solicitation material to beneficial owners of Lam Research common stock held of record, and Lam Research may reimburse these individuals for their reasonable expenses. To help assure the presence in person or by proxy of the largest number of Lam Research stockholders possible, Lam Research has engaged [], a proxy solicitation firm, to solicit proxies on Lam Research's behalf. Lam Research has agreed to pay [] a proxy solicitation fee not to exceed \$[]. Lam Research will also reimburse [] for its reasonable out-of-pocket costs and expenses.

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Adjournments

Whether or not a quorum is present, the chairman of the Lam Research special meeting or the holders of a majority of the shares entitled to vote and present in person or represented by proxy may adjourn such meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

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THE LAM RESEARCH PROPOSALS

Proposal 1. The Share Issuance Proposal (Proposal 1 on the Lam Research Proxy Card)

Companies listed on the NASDAQ Global Select Market, as Lam Research is, must comply with a series of rules adopted by The NASDAQ Stock Exchange in order to remain listed. Under one of those rules, Listing Rule 5635(a), a listed company is required to obtain stockholder approval prior to the issuance of common stock, or of securities convertible into or exercisable for common stock, in connection with the acquisition of the stock or assets of another company if the number of shares of common stock to be issued equals or exceeds 20% of the number of shares of common stock outstanding before the issuance. If the merger is completed, it is currently estimated that Lam Research will issue or reserve for issuance 80,762,759 shares of Lam Research common stock in connection with the merger, including shares of Lam Research common stock issuable in respect of KLA-Tencor RSUs. On an as-converted basis, the aggregate number of shares of Lam Research common stock to be issued in the merger will exceed 20% of the shares of Lam Research common stock outstanding before such issuance and for this reason Lam Research must obtain the approval of Lam Research stockholders for the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger agreement.

Lam Research is asking its stockholders to approve the Share Issuance proposal. The issuance of these securities to KLA-Tencor stockholders is necessary to effect the merger and the approval of the Share Issuance proposal is required for completion of the merger and is a condition to the completion of the merger.

The Lam Research Board *unanimously* recommends a vote FOR the Share Issuance proposal (Proposal 1).

Proposal 2. The Lam Research Adjournment Proposal (Proposal 2 on the Lam Research Proxy Card)

In the Lam Research Adjournment proposal, Lam Research is asking its stockholders to authorize the holder of any proxy solicited by the Lam Research Board to vote in favor of granting authority to the proxy holders, and each of them individually, to adjourn the Lam Research special meeting to another time and place from time to time for the purpose of soliciting additional proxies. If the Lam Research stockholders approve the Lam Research Adjournment proposal, Lam Research could adjourn the Lam Research special meeting and any adjourned session of the Lam Research special meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from Lam Research stockholders who have previously voted.

If a quorum is not present at the Lam Research special meeting, then the chairman of the meeting or Lam Research stockholders present in person or represented by proxy at the Lam Research special meeting and entitled to vote thereat may adjourn such meeting to another time and place. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

The Lam Research Board *unanimously* recommends a vote FOR the Lam Research Adjournment proposal (Proposal 2).

Proposal 3. The Charter Amendment Proposal (Proposal 3 on the Lam Research Proxy Card)

Overview

Lam Research's certificate of incorporation, as amended, currently provides that the total number of shares of Lam Research capital stock that Lam Research has authority to issue is 405,000,000 shares, consisting of (1) 400,000,000 shares of common stock and (2) 5,000,000 shares of preferred stock.

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Lam Research has proposed to increase the authorized shares of Lam Research common stock from 400,000,000 shares of common stock to 585,000,000 shares of common stock and, in order to effect this change, to increase the total number of shares of capital stock authorized in the Lam Research certificate of incorporation, as amended, from 405,000,000 to 590,000,000, which changes are referred to collectively as the Charter Amendment. As of November 30, 2015 and after giving effect to the mergers and these amendments to Lam Research's certificate of incorporation, as amended, Lam Research expects to have 345,788,384 shares of authorized but unissued shares of common stock immediately following the effective time of the mergers (with 98,189,581 treasury shares counted as unissued). Of this amount, 104,697,968 shares are reserved for issuance.

In December 2015, the Lam Research Board acted unanimously to adopt the Charter Amendment and to recommend to the Lam Research stockholders that they approve the adoption of the Charter Amendment, subject to completion of the merger. The Charter Amendment will only be filed if the merger is completed. Under the DGCL, Lam Research is required to obtain approval from the Lam Research stockholders to amend the Lam Research certificate of incorporation, as amended, to increase the number of shares of common stock authorized for issuance. If the Charter Amendment proposal is approved by the Lam Research stockholders at the special meeting, the Charter Amendment will be effective upon the filing of a certificate of amendment setting forth such amendment with the Secretary of State of the State of Delaware (or at such later time as may be specified therein), which filing is expected to occur promptly after the merger is completed. The full text of the form of the Charter Amendment, which would replace the first paragraph of Article FOURTH of the Lam Research certificate of incorporation, as amended, in its entirety, is attached as Annex G to this joint proxy statement/prospectus.

The approval of the Charter Amendment proposal is not required to complete the mergers. The Charter Amendment proposal, if approved by Lam Research stockholders at the Lam Research special meeting, will not be given effect if the mergers are not consummated.

Reasons for the Charter Amendment Proposal

The Lam Research certificate of incorporation, as amended, currently authorizes Lam Research to issue up to 405,000,000 shares of capital stock, consisting of 400,000,000 shares of Lam Research common stock and 5,000,000 shares of Lam Research preferred stock. As of November 30, 2015, (1) 158,448,857 shares of Lam Research common stock were outstanding and no shares of Lam Research preferred stock were outstanding; (2) 98,189,581 shares of Lam Research common stock were held in Lam Research's treasury; (3) 783,449 shares of Lam Research common stock were subject to outstanding options to purchase Lam Research's common stock, of which 577,327 such options were exercisable; (4) 1,369,712 shares of Lam Research common stock were subject to outstanding performance-based restricted stock units; (5) 3,067,355 shares of Lam Research common stock were subject to outstanding restricted stock units; (6) 7,118,517 shares of Lam Research common stock were reserved for issuance pursuant to Lam Research's employee stock purchase plan; (7) 19,211,268 shares of Lam Research common stock were reserved for issuance pursuant to Lam Research's stock incentive plans; (8) 40,084,003 shares of Lam Research common stock were reserved for issuance upon conversion of Lam Research's 0.5% Convertible Senior Notes due May 2016 and 1.25% Convertible Senior Notes due May 2018 and the Novellus Systems, Inc. 2.625% Convertible Senior Notes due May 2041; and (9) 28,563,664 shares of Lam Research common stock were reserved for issuance upon the exercise of the warrants issued by Lam Research in connection with the Lam Research convertible notes. In addition, Lam Research expects to issue 80,762,759 additional shares of Lam Research common stock to former holders of KLA-Tencor common stock, which includes additional shares of Lam Research common stock underlying Lam Research RSUs into which certain KLA-Tencor RSUs will be substituted upon consummation of the merger, and reserve approximately 4,500,000 additional shares of Lam Research common stock for issuance following the consummation of the merger under the KLA-Tencor 2004 Equity Incentive Plan. As a result, as of November 30, 2015 and after giving effect to the expected shares to be issued or reserved in connection with the mergers, Lam Research had 56,090,416 shares of Lam Research common stock available for future issuance in excess of the outstanding Lam Research common stock, Lam Research's future obligations to issue Lam Research common stock, and other

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shares of Lam Research common stock that Lam Research had reserved or expected to reserve under existing stock plans.

The Lam Research Board believes that it is important to have available for issuance a number of authorized shares of Lam Research common stock that will be adequate to provide for future stock issuances to meet future corporate needs. In connection with Lam Research's acquisition of Novellus, Lam Research did not propose an increase in its authorized shares. The increase pursuant to the Charter Amendment proposal approximates, and is intended to replace, the shares issued by Lam Research in the Novellus acquisition, including shares that may be issued upon the conversion of debt assumed in that transaction, and proposed to be issued pursuant to the merger, and not to replace other share issuances or reservations. The additional authorized shares would be available for issuance from time to time in the discretion of the Lam Research Board, without further stockholder action except as may be required for a particular transaction by law or the rules and regulations of the NASDAQ Global Select Market. The shares of Lam Research common stock would be issuable for any proper corporate purpose, including future acquisitions, capital raising transactions consisting of either equity or convertible debt, stock dividends, stock splits, or issuances under current and future stock plans. The Lam Research Board believes that these additional shares will provide Lam Research with needed flexibility to issue shares in the future without potential expense and delay incident to obtaining stockholder approval for a particular issuance. Except to the extent of Lam Research's existing obligations on the date of mailing of this joint proxy statement/prospectus and as otherwise described in this joint proxy statement/prospectus, Lam Research does not currently have any plans, understandings or agreements for the issuance or use of the additional shares of Lam Research common stock to be approved under this proposal.

Principal Effects on Outstanding Common Stock

Holders of Lam Research common stock are entitled to one vote per share on all matters submitted to a vote of Lam Research stockholders and to receive ratably dividends, if any, as may be declared from time to time by the Lam Research Board from funds legally available therefor, subject to the payment of any outstanding preferential dividends declared with respect to any Lam Research preferred stock that from time to time may be outstanding. Upon Lam Research's liquidation, dissolution or winding up, holders of Lam Research common stock are entitled to share ratably in any assets available for distribution to Lam Research stockholders after payment of all of Lam Research's obligations, subject to the rights to receive preferential distributions of the holders of any Lam Research preferred stock then outstanding.

The proposed amendment to Lam Research's certificate of incorporation, as amended, to increase the number of shares of authorized Lam Research common stock would not affect the rights of existing holders of Lam Research common stock except to the extent that future issuances of Lam Research common stock will reduce each existing Lam Research stockholder's proportionate ownership. Holders of Lam Research common stock do not have any preemptive rights to subscribe for the purchase of any shares of Lam Research common stock, which means that current holders of Lam Research common stock do not have a prior right to purchase any new issue of Lam Research common stock in order to maintain their proportionate ownership.

The issuance of additional shares of Lam Research common stock could have the effect of making it more difficult for a third party to acquire, or discouraging a third party from attempting to acquire, control of Lam Research.

The Lam Research Board unanimously recommends a vote FOR the Charter Amendment proposal (Proposal 3).

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THE KLA-TENCOR SPECIAL MEETING

This joint proxy statement/prospectus is being provided to the KLA-Tencor stockholders as part of a solicitation of proxies by the KLA-Tencor Board for use at the KLA-Tencor special meeting to be held at the time and place specified below, and at any properly convened meeting following an adjournment or postponement thereof. This joint proxy statement/prospectus provides KLA-Tencor stockholders with the information they need to know to be able to vote or instruct their vote to be cast at the KLA-Tencor special meeting.

Date, Time and Place

The KLA-Tencor special meeting is scheduled to be held at Building Three of KLA-Tencor's Milpitas facility, located at Three Technology Drive, Milpitas, California, 95035, on [] at [], Pacific time.

Purpose of the KLA-Tencor Special Meeting

At the KLA-Tencor special meeting, KLA-Tencor stockholders will be asked to consider and vote on the following proposals:

the *Merger proposal*, which is the proposal to adopt the merger agreement, a copy of which is included as Annex A to the joint proxy statement/prospectus, pursuant to which Merger Sub 1 will merge with and into KLA-Tencor, with KLA-Tencor as the surviving corporation, and then KLA-Tencor will merge with and into Merger Sub 2, with Merger Sub 2 as the ultimate surviving corporation;

the *KLA-Tencor Adjournment proposal*, which is the proposal to adjourn the KLA-Tencor special meeting, if necessary or appropriate, to solicit additional proxies if there are not sufficient votes to approve the Merger proposal;

the *Merger-Related Compensation proposal*, which is the proposal to approve by a non-binding, advisory vote the compensation of KLA-Tencor's named executive officers that is based on or otherwise relates to the merger; and

the *Director Compensation proposal*, which is a proposal to extend the applicability of KLA-Tencor's outside director vesting acceleration policy to outside members of the KLA-Tencor Board who have served on the KLA-Tencor Board for less than six years as of their termination date, such that the vesting of all restricted stock units held by outside directors who have served on the KLA-Tencor Board for less than six years will accelerate on a pro rata basis upon a separation from service with KLA-Tencor and Lam Research. The restricted stock units granted to the outside directors of the KLA-Tencor Board are the largest component of the annual director compensation program, which consists of a combination of restricted stock units and cash that the Compensation Committee of the KLA-Tencor Board has determined to be competitive with companies similarly situated with KLA-Tencor based on market data provided to it.

Completion of the merger is conditioned on the approval of the Merger proposal, but not upon the approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal or the Director Compensation proposal.

Recommendation of the Board of Directors of KLA-Tencor

After careful consideration, the KLA-Tencor Board has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders; and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement.

The KLA-Tencor Board unanimously recommends that KLA-Tencor stockholders vote FOR the Merger proposal, FOR the KLA-Tencor Adjournment proposal, FOR the Merger-Related Compensation proposal and FOR the Director Compensation proposal.

KLA-Tencor Record Date; Stockholders Entitled to Vote

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Only KLA-Tencor stockholders of record at the close of business on the KLA-Tencor record date are entitled to notice of, and to vote at, the KLA-Tencor special meeting and at any adjournment or postponement thereof.

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On the KLA-Tencor record date, there were [] shares of KLA-Tencor common stock issued and outstanding and entitled to vote at the KLA-Tencor special meeting. KLA-Tencor stockholders will have one vote for each share of KLA-Tencor common stock they owned on the KLA-Tencor record date. A list of stockholders of KLA-Tencor will be available for review for any purpose germane to the special meeting at the principal executive offices of KLA-Tencor, which are located at One Technology Drive, Milpitas, CA 95035, during ordinary business hours for a period of 10 days before the special meeting. The list will also be available at the special meeting for examination by any stockholder of record present at the special meeting.

Voting by KLA-Tencor's Directors and Executive Officers

On the KLA-Tencor record date, directors and executive officers of KLA-Tencor or their affiliates were entitled to vote [] shares of KLA-Tencor common stock, or approximately []% of the shares of KLA-Tencor common stock outstanding on that date. We currently expect that KLA-Tencor directors and executive officers will vote their shares in favor of the Merger proposal, the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal and the Director Compensation proposal although none of them has entered into any agreement obligating them to do so.

Quorum

A quorum is necessary to hold a valid special meeting of KLA-Tencor stockholders. The presence in person or by proxy of a majority of the shares of KLA-Tencor common stock entitled to vote at the special meeting will constitute a quorum for the transaction of business at the special meeting. If a quorum is not present, or if fewer shares of KLA-Tencor common stock are voted in favor of the Merger proposal than the number required for its approval, the special meeting may be adjourned to allow additional time for obtaining additional proxies or votes. At any subsequent reconvening of the special meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent meeting.

Abstentions (shares of KLA-Tencor common stock for which proxies have been received but for which the holders have abstained from voting) will be included in the calculation of the number of shares of KLA-Tencor common stock represented at the KLA-Tencor special meeting for purposes of determining whether a quorum has been achieved. Broker non-votes will not be included in the tabulation of the number of shares of KLA-Tencor common stock represented at the KLA-Tencor special meeting for purposes of determining whether a quorum has been achieved.

Required Vote

The Merger proposal requires the affirmative vote of the holders of a majority of the outstanding shares of KLA-Tencor common stock on the KLA-Tencor record date.

The KLA-Tencor Adjournment proposal requires the affirmative vote of a majority of the votes cast at the KLA-Tencor special meeting, assuming that a quorum is present.

The Merger-Related Compensation proposal requires the affirmative vote of a majority of the votes cast at the KLA-Tencor special meeting, assuming that a quorum is present.

The Director Compensation proposal requires the affirmative vote of a majority of the votes cast at the KLA-Tencor special meeting, assuming that a quorum is present.

Completion of the merger is conditioned on the approval of the Merger proposal, but not upon the approval of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal or the Director Compensation proposal.

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Broker Non-Votes

The proposals to be considered at the KLA-Tencor special meeting are non-routine matters, and banks, brokers and other nominees who hold shares of KLA-Tencor common stock in street name for their customers, but do not have discretionary authority to vote the shares, may not exercise their voting discretion with respect to the Merger proposal, the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal or the Director Compensation proposal. Accordingly, if banks, brokers or other nominees do not receive specific voting instructions from the beneficial owner of such shares, they may not vote such shares with respect to the foregoing proposals.

Broker non-votes will have the effect as a vote AGAINST the Merger proposal, but will not be sufficient for stockholders seeking to perfect their appraisal rights. See the section entitled Appraisal Rights for more information. Broker non-votes will have no effect on the outcome of the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal or the Director Compensation proposal.

You should therefore provide your broker, bank or other nominee with instructions as to how to vote your shares of KLA-Tencor common stock.

How Proxies are Counted; Failure to Vote; Abstentions

All shares of KLA-Tencor common stock represented by properly executed proxies received in time for the KLA-Tencor special meeting will be voted at the special meeting in the manner specified by the stockholders giving those proxies. Properly executed proxies that do not contain voting instructions will be voted FOR the Merger proposal, FOR the KLA-Tencor Adjournment proposal, FOR the Merger-Related Compensation proposal and FOR the Director Compensation proposal.

Only shares of KLA-Tencor common stock affirmatively voted FOR the proposals, and properly executed proxies that do not contain voting instructions, will be counted as favorable votes for the foregoing proposals. For shares of KLA-Tencor common stock held in street name, only shares of KLA-Tencor common stock affirmatively voted FOR the proposals will be counted as favorable votes for such proposals.

Failure to submit a proxy card (including via the internet or by telephone) or to vote in person at the special meeting and abstentions will have the same effect as a vote AGAINST the approval of the Merger proposal, but will not be sufficient for stockholders seeking to perfect their appraisal rights (see the section entitled Appraisal Rights for more information). Abstentions will have no effect on the outcome of the vote on the KLA-Tencor Adjournment proposal, the Merger-Related Compensation proposal or the Director Compensation proposal.

Voting at the Special Meeting

Whether or not you plan to attend the KLA-Tencor special meeting, please vote your shares. If you are a registered or record holder, which means your shares of KLA-Tencor common stock are registered in your name with KLA-Tencor's transfer agent and registrar, you may vote in person at the special meeting or by proxy. If your shares of KLA-Tencor common stock are held in street name, which means your shares are held of record in an account with a broker, bank or other nominee, you must follow the instructions from your broker, bank or other nominee in order to vote.

In addition, if you are a stockholder of record, please be prepared to provide proper identification, such as a driver's license. If you hold your shares in street name, you will need to provide proof of ownership, such as a proxy executed in your favor from your bank, broker or other nominee, along with proper identification.

Voting in Person

If you plan to attend the KLA-Tencor special meeting and wish to vote in person, you will be given a ballot at the special meeting. Please note, however, that if your shares of KLA-Tencor common stock are held in street

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name, and you wish to vote at the special meeting, you must bring to the special meeting a proxy executed in your favor from the record holder (your broker, bank or other nominee) of the shares authorizing you to vote at the special meeting.

Voting by Proxies

If you are a stockholder of record on the KLA-Tencor record date, a proxy card is enclosed for your use. KLA-Tencor requests that you submit a proxy via Internet by accessing the website located at [] and following the instructions on that site using the control number provided on your proxy card at anytime up to [] p.m. Pacific time on [], by telephone by dialing [] and following the instructions provided in the recorded message at anytime up to [] p.m. Pacific time on [], or by signing the accompanying proxy card and returning it promptly in the postage-paid envelope provided.

If you hold your shares of KLA-Tencor common stock in street name, you will receive instructions from your broker, bank or other nominee that you must follow in order to vote your shares.

Your vote is important. KLA-Tencor stockholders should sign and return the enclosed proxy card whether or not they plan to attend the KLA-Tencor special meeting in person. You can always change your vote at the special meeting. Proxies submitted through the specified Internet website or by phone must be received by [] p.m. Pacific time on [].

Revocation of Proxies

If you are a holder of record of shares of KLA-Tencor common stock on the KLA-Tencor record date, you can change your vote or revoke your proxy at any time before your proxy is voted at the KLA-Tencor special meeting. You can do this in one of three ways:

timely delivering a signed notice of revocation to the Corporate Secretary of KLA-Tencor;

timely delivering a new, valid proxy bearing a later date by submitting instructions through the Internet, by telephone or by mail as described on the proxy card; or

attending the KLA-Tencor special meeting and voting in person, which will automatically cancel any proxy previously given, or you can revoke your proxy in person. Simply attending the KLA-Tencor special meeting without voting will not revoke any proxy that you have previously given or change your vote.

A registered stockholder may revoke a proxy by any of these methods, regardless of the method used to deliver the stockholder's previous proxy. If you choose either of the first two methods, your notice of revocation of your new proxy must be received by KLA-Tencor no later than [] Pacific time on []. Written notices of revocation and other communications with respect to the revocation of proxies should be addressed as follows:

Corporate Secretary

KLA-Tencor Corporation

One Technology Drive

Milpitas, California, 95035

Please note that if your shares of KLA-Tencor common stock are held in street name through a broker, bank or other nominee, you may change your vote by submitting new voting instructions to your broker, bank or nominee in accordance with its established procedures. If your shares of KLA-Tencor common stock are held in the name of a broker, bank or other nominee and you decide to change your vote by attending the special meeting and voting in person, your vote in person at the special meeting will not be effective unless you have obtained and present an executed proxy issued in your name from the record holder (your broker, bank or nominee).

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Solicitation of Proxies

KLA-Tencor is soliciting proxies for the KLA-Tencor special meeting and the cost of proxy solicitation will be borne by KLA-Tencor. In addition to solicitation by use of the mails, proxies may be solicited by KLA-Tencor directors, officers and employees in person, by telephone or by other means of communication. These individuals will not be additionally compensated, but may be reimbursed for out-of-pocket expenses associated with solicitation. Arrangements will also be made with custodians, nominees and fiduciaries for forwarding of proxy solicitation material to beneficial owners of KLA-Tencor common stock held of record, and KLA-Tencor may reimburse these individuals for their reasonable expenses. To help assure the presence in person or by proxy of the largest number of KLA-Tencor stockholders possible, KLA-Tencor has engaged [], a proxy solicitation firm, to solicit proxies on KLA-Tencor's behalf. KLA-Tencor has agreed to pay [] a proxy solicitation fee not to exceed \$[]. KLA-Tencor will also reimburse [] for its reasonable out-of-pocket costs and expenses.

Adjournments

Whether or not a quorum is present at the KLA-Tencor special meeting, the chairman of the KLA-Tencor special meeting or the KLA-Tencor stockholders, by the affirmative vote of the holders of a majority of the shares of KLA-Tencor common stock entitled to vote and present in person or represented by proxy at the KLA-Tencor special meeting may adjourn the KLA-Tencor special meeting to another place, date or time. At any such adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken, unless the adjournment is for more than 30 days, or if after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the adjourned meeting.

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THE KLA-TENCOR PROPOSALS

Proposal 1. The Merger Proposal (Proposal 1 on the KLA-Tencor Proxy Card)

KLA-Tencor is asking its stockholders to adopt the merger agreement. For a summary of and detailed information regarding this proposal, see the information about the merger agreement throughout this joint proxy statement/prospectus, including the information set forth in the sections of this joint proxy statement/prospectus entitled *The Merger Agreement* and *The Merger KLA-Tencor's Reasons for the Merger; Recommendation of the KLA-Tencor Board*. A copy of the merger agreement is attached as Annex A to this joint proxy statement/prospectus. You are urged to read the merger agreement carefully and in its entirety.

The KLA-Tencor Board unanimously recommends a vote FOR the Merger proposal (Proposal 1).

Proposal 2 The KLA-Tencor Adjournment Proposal (Proposal 2 on the KLA-Tencor Proxy Card)

The KLA-Tencor special meeting may be adjourned to another time or place from time to time, if necessary or appropriate, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the KLA-Tencor special meeting to approve the Merger proposal.

If, at the KLA-Tencor special meeting, the number of shares of KLA-Tencor common stock present or represented and voting in favor of the Merger proposal is insufficient to approve the Merger proposal, KLA-Tencor intends to adjourn the KLA-Tencor special meeting from time to time in order to enable the KLA-Tencor Board to solicit additional proxies for approval of the Merger proposal.

In the KLA-Tencor Adjournment proposal, KLA-Tencor is asking its stockholders to authorize the holder of any proxy solicited by the KLA-Tencor Board to vote in favor of granting authority to the proxy holders, and each of them individually, to adjourn the KLA-Tencor special meeting to another time and place from time to time for the purpose of soliciting additional proxies. If the KLA-Tencor stockholders approve the KLA-Tencor Adjournment proposal, KLA-Tencor could adjourn the KLA-Tencor special meeting and any adjourned session of the KLA-Tencor special meeting and use the additional time to solicit additional proxies, including the solicitation of proxies from KLA-Tencor stockholders who have previously voted. Whether or not KLA-Tencor stockholders approve the KLA-Tencor Adjournment proposal, and whether or not a quorum is present, the chairman of the KLA-Tencor special meeting may adjourn such meeting to another place, date or time. If a quorum is not present, the KLA-Tencor stockholders, by the affirmative vote of the holders of a majority of the shares entitled to vote and present in person or represented by proxy, may adjourn the KLA-Tencor special meeting to another place, date or time.

The KLA-Tencor Board unanimously recommends a vote FOR the KLA-Tencor Adjournment proposal (Proposal 2)

Proposal 3 The Merger-Related Compensation Proposal (Proposal 3 on the KLA-Tencor Proxy Card)

KLA-Tencor is required pursuant to Section 14A of the Exchange Act to include in this joint proxy statement/prospectus a non-binding, advisory vote on the compensation payable to each of its named executive officers, as determined in accordance with Item 402(t) of Regulation S-K, in connection with the proposed merger pursuant to arrangements entered into with KLA-Tencor, and KLA-Tencor is therefore asking its stockholders to approve the following resolution:

RESOLVED, that the stockholders of KLA-Tencor hereby approve, on an advisory, non-binding basis, the compensation that will or may become payable by KLA-Tencor to the named executive officers of KLA-Tencor as disclosed pursuant to Item 402(t) of Regulations S-K in the table entitled *Golden Parachute Compensation* and the accompanying footnotes.

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The description of the payments contained in the section entitled "The Merger Interests of KLA-Tencor's Directors and Executive Officers in the Merger" as well as the table entitled "Golden Parachute Compensation" therein are intended to comply with Item 402(t) of Regulation S-K, which requires disclosure of information about compensation for each of KLA-Tencor's named executive officers that is based on or otherwise relates to the merger and will or may become payable either by KLA-Tencor or Lam Research. KLA-Tencor is asking its stockholders to approve on an advisory, non-binding basis, the compensation that will or may become payable by KLA-Tencor to each of its named executive officers as set forth in the section entitled "The Merger Interests of KLA-Tencor's Directors and Executive Officers in the Merger" as well as the table entitled "Golden Parachute Compensation" therein.

Effect of Advisory Vote

The vote regarding the Merger-Related Compensation proposal is a vote separate and apart from the vote on the Merger proposal. Accordingly, KLA-Tencor stockholders may vote to approve the Merger proposal and vote not to approve the Merger-Related Compensation proposal and vice versa.

Because the vote regarding the Merger-Related Compensation proposal is advisory only, it will not be binding on either KLA-Tencor or Lam Research. Accordingly, if the Merger proposal is approved and the merger is completed, the compensation will be payable, subject only to the conditions applicable thereto, regardless of the outcome of the non-binding, advisory vote of KLA-Tencor stockholders on the Merger-Related Compensation proposal.

The KLA-Tencor Board unanimously recommends a vote FOR the Merger-Related Compensation proposal (Proposal 3).

Proposal 4. The Director Compensation Proposal (Proposal 4 on the KLA-Tencor Proxy Card)

As described in the section entitled "The Merger Interests of KLA-Tencor's Directors and Executive Officers in the Merger," KLA-Tencor has had in effect since 2008 a policy of providing prorated vesting acceleration of restricted stock units held by outside directors of the KLA-Tencor Board who are in good standing, who terminate their service before their restricted stock units are fully vested and who, at the time of termination, have served on the KLA-Tencor Board for six years (the "Outside Director Accelerated Vesting Policy"). Under the existing Outside Director Accelerated Vesting Policy, six KLA-Tencor outside directors have served on the KLA-Tencor Board for at least six years and are therefore eligible for prorated vesting acceleration of their unvested restricted stock units granted at the KLA-Tencor 2015 annual meeting, as further described below, if their service terminates prior to November 4, 2016, the date these restricted stock units otherwise vest. KLA-Tencor currently expects that, subject to the satisfaction of the conditions to the merger, the merger will be completed prior to the scheduled vesting date of these awards. If an eligible director joins the Lam Research Board, or otherwise provide services to Lam Research or KLA-Tencor as of the effective time of the merger, the director would not have a separation from service arising from the merger. After the KLA-Tencor Board adopted and approved the merger agreement on October 20, 2015, it was determined that three members of the KLA-Tencor Board are not eligible for this prorated vesting acceleration of their outstanding restricted stock units under the Outside Director Accelerated Vesting Policy because those directors are unlikely to reach the six year service requirement prior to the expected completion of the merger.

KLA-Tencor is asking its stockholders to approve an extension of its existing Outside Director Accelerated Vesting Policy to outside directors who have served on the KLA-Tencor Board for less than six years at the time their service to KLA-Tencor or Lam Research terminates. Emiko Higashi, Gary B. Moore, and Robert A. Rango have each been directors of KLA-Tencor for less than six years. Ms. Higashi commenced her service on the KLA-Tencor Board on November 3, 2010, while Messrs. Moore and Rango commenced their service on the KLA-Tencor Board on November 5, 2014. The restricted stock units granted to the outside directors of the KLA-Tencor Board on November 4, 2015 are the largest component of the annual director compensation program,

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which consists of a combination of restricted stock units and cash that the Compensation Committee of the KLA-Tencor Board has determined to be competitive with companies similarly situated with KLA-Tencor based on market data provided to it.

If KLA-Tencor stockholders approve the Director Compensation proposal, restricted stock units that were granted to Ms. Higashi and Messrs. Moore and Rango at KLA-Tencor's 2015 annual meeting as part of KLA-Tencor's outside director compensation program will be eligible for the same treatment as restricted stock units that were granted to the other six outside directors of the KLA-Tencor Board at the KLA-Tencor 2015 annual meeting. Specifically, the outside directors who remain in good standing at the closing of the merger and who do not continue to provide services to Lam Research or KLA-Tencor as of the effective time of the merger, including as a member of the Lam Research Board, will receive acceleration of vesting on a prorated basis. The pro rata portion is calculated based on the number of quarters between the grant date for the restricted stock units and the director's termination date, rounded up for any partially-completed quarter of the director's service.

Each outside director not serving as chairman of the KLA-Tencor Board received 2,394 restricted stock units at the KLA-Tencor 2015 annual meeting that normally would vest in one single installment on November 4, 2016 if the director continues in service through that date. The chart below illustrates the percentage of these November 4, 2015 restricted stock units that would vest under the Outside Director Accelerated Vesting Policy as well as the maximum amount that each of these outside directors could potentially receive (based on a value of \$66.90 per share of KLA-Tencor common stock, as described below, but excluding the value of dividend equivalent rights) for these restricted stock units based on the date of their termination of service.

Termination Date	Prorated Vesting Acceleration			
	25%	50%	75%	100%
November 4, 2015 – February 4, 2016	\$40,006.20	\$80,079.30	\$120,085.50	\$160,158.60
February 5, 2016 – May 4, 2016				
May 5, 2016 – August 4, 2016				
August 5, 2016 – November 3, 2016				

Without stockholder approval of this Director Compensation proposal, if Ms. Higashi or either of Messrs. Moore or Rango do not continue in service with Lam Research or KLA-Tencor as of the effective time of the merger, then his or her KLA-Tencor restricted stock unit awards will terminate without becoming vested upon their resignation from the KLA-Tencor Board, and they will each forfeit the entire value of those shares. If stockholders approve this Director Compensation proposal, then as illustrated in the table above, each of Ms. Higashi and Messrs. Moore and Rango would be eligible to vest in restricted stock units having a maximum value of \$160,158.60 (based on such value of \$66.90 per share of KLA-Tencor common stock but excluding the value of dividend equivalent rights), with the actual number of restricted stock units that vest being determined by the period of service to the stockholders of KLA-Tencor through the director's resignation date.

The KLA-Tencor Board recommends the stockholders approve the Director Compensation proposal so that all outside directors are compensated commensurately in connection with their service on the KLA-Tencor Board. KLA-Tencor believes extending this Outside Director Accelerated Vesting Policy to Ms. Higashi and Messrs. Moore and Rango is appropriate for the following reasons:

If the KLA-Tencor stockholders do not approve the Director Compensation proposal, and if Ms. Higashi and Messrs. Moore and Rango are required to resign without being offered the opportunity to continue in service with Lam Research or KLA-Tencor as of the effective time of the merger, each will forfeit all of his or her unvested restricted stock unit awards, which represent a majority of his or her annual compensation. Assuming each of these directors has otherwise served and fulfilled his or her obligations as members of the KLA-Tencor Board, he or she will not receive the equity compensation that KLA-Tencor intended to provide them. Instead, these directors will only receive their cash director fees under KLA-Tencor's outside director compensation program.

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In considering this extension of the Outside Director Accelerated Vesting Policy to outside directors who have provided fewer than six years of service, the KLA-Tencor Board relied on its compensation advisors at Semler Brossy who have advised the KLA-Tencor Board that accelerated vesting of equity awards for non-continuing outside directors, regardless of time served, is a typical market provision in connection with mergers of similar size and scope as the merger.

KLA-Tencor believes that because new outside directors of the KLA-Tencor Board are otherwise treated the same as existing outside directors of the KLA-Tencor Board, all of its outside directors should be treated the same under the Outside Director Accelerated Vesting Policy, regardless of their tenure on the KLA-Tencor Board.

KLA-Tencor's Compensation Committee unanimously approved the extension of KLA-Tencor's Outside Director Accelerated Vesting Policy to outside directors who have served for less than six years as of their termination date, subject to the approval of the Director Compensation proposal by KLA-Tencor's stockholders at this special meeting.

The three outside directors who have not served on the KLA-Tencor Board for six years, Ms. Higashi and Messrs. Moore and Rango, have an interest in this proposal. Please refer to the section entitled "The Merger Interests of KLA-Tencor's Directors and Executive Officers in the Merger" for the number of restricted stock units subject to each director's restricted stock unit awards.

Effect of Vote

Approval of the Director Compensation proposal is not required to complete the merger. The vote regarding the Director Compensation proposal is a vote separate and apart from the vote on the Merger proposal. Accordingly, KLA-Tencor stockholders may vote to approve the Merger proposal and vote not to approve the Director Compensation proposal and vice versa.

The vote regarding the Director Compensation proposal is binding on KLA-Tencor. Accordingly, if (1) the Merger proposal is approved, (2) this Director Compensation proposal is not approved, (3) any of Ms. Higashi and Messrs. Moore and Rango resigns from the KLA-Tencor Board at the closing of the merger before the director's restricted stock unit award is fully vested and (4) the director is not appointed to the Lam Research Board and otherwise does not provide services to Lam Research or KLA-Tencor as of the effective time of the merger, the award held by any of Ms. Higashi or Messrs. Moore and Rango will be completely forfeited and the director will not receive payment of the merger consideration in respect of the shares of KLA-Tencor common stock subject to the November 2015 restricted stock unit award.

The KLA-Tencor Board unanimously recommends a vote FOR the Director Compensation proposal (Proposal 4).

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THE MERGER

Effects of the Merger

At the effective time of the merger, Merger Sub 1, a wholly owned subsidiary of Lam Research that was formed for the sole purpose of effecting the merger, will merge with and into KLA-Tencor. KLA-Tencor will survive the merger and become a wholly owned subsidiary of Lam Research.

At the effective time of the merger, each outstanding share of KLA-Tencor common stock (other than shares owned by Lam Research or any subsidiary of Lam Research or KLA-Tencor, which will be canceled and cease to exist, and shares held by KLA-Tencor stockholders who have not voted in favor of the Merger proposal and are entitled to and who have properly exercised and not withdrawn a demand for, or lost their right to, appraisal rights under the DGCL, who will have the right to receive the payment described in the section entitled "Appraisal Rights") will be converted into the right to receive the merger consideration, with cash paid in lieu of fractional shares (as applicable) plus the amount of any dividends or other distributions with a record date after the date of the merger agreement. Lam Research stockholders will continue to hold their existing shares of Lam Research common stock, which, after the merger, will represent equity interests in the combined company.

At the effective time of the subsequent merger, KLA-Tencor will be merged with and into Merger Sub 2, with Merger Sub 2 surviving as a wholly owned subsidiary of Lam Research.

Background of the Merger

Each of the Lam Research Board and KLA-Tencor Board regularly evaluates the strategic direction and ongoing business plans of their respective companies with a view toward strengthening their businesses and enhancing stockholder value. As part of this evaluation, each of the Lam Research Board and KLA-Tencor Board has from time to time considered a variety of strategic alternatives, including, among others, (1) the continuation of their current business plan; (2) potential expansion opportunities into new business lines through licensing, and acquisitions and combinations with other businesses; and (3) investment in and development of new products. In addition, Lam Research and KLA-Tencor have ongoing collaborative projects to enable more compelling products for their end-customers and, from time to time, representatives of Lam Research and KLA-Tencor meet to discuss those projects.

Beginning in December 2013, Lam Research engaged KLA-Tencor in preliminary discussions concerning a possible merger-of-equals business combination transaction under a pre-existing confidentiality agreement between the parties. To facilitate the exchange of additional due diligence materials and further detailed discussions, on April 17, 2014, KLA-Tencor and Lam Research entered into a transaction-specific confidentiality agreement. In connection with this process, in April 2014, KLA-Tencor retained Qatalyst Partners to act as its financial advisor. The confidentiality agreement between KLA-Tencor and Lam Research was amended on May 30, 2014 to include a standstill provision that prohibited either company from making a public acquisition proposal for the other for a period of one year.

On May 10, 2014, KLA-Tencor sent to Lam Research a letter indicating that it was not prepared to move forward with a merger-of-equals transaction, and making a non-binding proposal for KLA-Tencor to acquire Lam Research. KLA-Tencor and Lam Research continued to engage in discussions regarding a business combination until June 2014.

On June 12, 2014, Lam Research sent a letter to KLA-Tencor stating that it was not likely to continue discussions unless KLA-Tencor was prepared to increase its offer for Lam Research.

On June 16, 2014, Richard P. Wallace, the President and Chief Executive Officer of KLA-Tencor, called Martin Anstice, the President and Chief Executive Officer of Lam Research, to inform him that KLA-Tencor was not in a position to increase its offer. Following that call, the parties terminated discussions regarding a business combination.

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In May 2015, members of Lam Research management began to consider making an offer for a possible acquisition of KLA-Tencor. This was the first time that Lam Research management had actively considered making an offer for an acquisition of KLA-Tencor following the termination of discussions between the parties in June 2014.

On May 13 and May 14, 2015, the Lam Research Board held a regularly scheduled meeting. Members of Lam Research management were also in attendance. As part of a review and discussion of Lam Research's strategic plans, Lam Research management discussed with the Lam Research Board a potential business combination transaction with KLA-Tencor. This discussion, and the discussion that followed in subsequent meetings of the Lam Research Board, included certain of the items noted below in the section entitled "Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board of Directors." At the meeting, the Lam Research Board approved the engagement of Goldman Sachs as Lam Research's financial advisor for the potential business combination transaction and preliminary discussions by members of Lam Research management with members of KLA-Tencor management regarding the potential business combination transaction.

After May 14, 2015, members of Lam Research management met with representatives of Goldman Sachs and Jones Day, Lam Research's outside legal advisor, to discuss possible approaches and strategies for engaging in discussions with KLA-Tencor. During the following weeks, representatives of Lam Research management, Goldman Sachs and Jones Day held internal discussions and analyzed such an acquisition.

On June 15, 2015, the Lam Research Board held a special meeting to discuss a potential business combination with KLA-Tencor. Members of Lam Research management made a presentation regarding the strategic rationale for, and information relevant to, a possible business combination transaction with KLA-Tencor, including a review of (1) the strategic benefits of a transaction, (2) the industry position of both companies and (3) potential cost and revenue synergies of a business combination. Representatives of Jones Day made a presentation regarding the fiduciary duties of the members of the Lam Research Board in assessing any potential transaction. Representatives of Goldman Sachs discussed financial aspects of a potential transaction with KLA-Tencor. Lam Research management then discussed with the members of the Lam Research Board the anticipated process and timing if Lam Research were to make a proposal for a business combination transaction with KLA-Tencor. During the course of that meeting, the Lam Research Board determined that Lam Research management should continue to monitor KLA-Tencor's stock price and business developments and consider engaging in formal discussions with KLA-Tencor regarding a potential business combination in August 2015.

On August 7, 2015, the Lam Research Board held a special meeting to again consider a business combination with KLA-Tencor. At the meeting, members of Lam Research management reviewed the strategic rationale for a potential business combination with KLA-Tencor, including the potential benefits to stockholders and customers, potential synergies, and risks to achieving those synergies. Representatives of Goldman Sachs reviewed with the Lam Research Board developments in the stock market since the June 15, 2015, Lam Research Board meeting, the impact of those developments on a potential business combination transaction, and forecasts for Lam Research's business on a standalone basis prepared by Lam Research management, which forecasts would form the basis of the Lam Research Projections, as defined below in the section entitled

"Opinion of KLA-Tencor's Financial Advisor." Following discussion, the Lam Research Board authorized Mr. Anstice to discuss with Mr. Wallace due diligence and to provide a preliminary indication of interest to acquire KLA-Tencor.

On August 13, 2015, Messrs. Wallace and Anstice spoke at Mr. Anstice's request. During this meeting, Mr. Anstice stated that Lam Research was interested in acquiring KLA-Tencor but did not propose an acquisition price or other terms. Mr. Anstice further stated that (1) the matter had been discussed with the members of the Lam Research Board and they were supportive of the transaction; and (2) Lam Research had engaged in preliminary work related to obtaining the financing necessary to consummate the acquisition. Mr. Wallace told Mr. Anstice that he would discuss the matter with the KLA-Tencor Board.

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On August 14, 2015, Mr. Wallace discussed with Edward W. Barnholt, the chairman of the KLA-Tencor Board, his conversation with Mr. Anstice that had occurred the previous day. Messrs. Barnholt and Wallace agreed to convene a meeting of the KLA-Tencor Board in the following week to discuss the matter further.

Also on August 14, 2015, KLA-Tencor contacted Qatalyst Partners regarding retaining Qatalyst Partners, in light of the proposal from Lam Research, with respect to the evaluation of a potential change-of-control transaction for KLA-Tencor.

On August 15, 2015, Qatalyst Partners delivered a proposed engagement letter to KLA-Tencor.

Also on August 15, 2015, Messrs. Anstice and Wallace coordinated a process by which each company's management team would engage in preliminary diligence and acquisition discussions with the other.

During the week of August 17, 2015, representatives of KLA-Tencor management and Lam Research management met and exchanged business and financial information for the purpose of allowing each company to (1) better understand the other's prospects; (2) become more familiar with the other; and (3) determine whether the perceived strategic benefits of a business combination between the parties were supported. Following these meetings, Mr. Anstice told Mr. Wallace that Lam Research was preparing a formal proposal to acquire KLA-Tencor.

Also during the week of August 17, 2015, representatives of KLA-Tencor management and Lam Research management discussed amending the confidentiality agreement originally signed on April 17, 2014, to include a new standstill provision that would prevent either company from making a public acquisition proposal of the other for a period of one year.

On August 20, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini Goodrich & Rosati, Professional Corporation, outside legal counsel to KLA-Tencor, which is referred to as Wilson Sonsini, in attendance. Mr. Wallace reported to the KLA-Tencor Board on his conversations with Mr. Anstice. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board their fiduciary duties, including in the context of a potential sale of KLA-Tencor. The KLA-Tencor Board determined to form a committee of independent directors to (1) advise and direct KLA-Tencor management, including Mr. Wallace, with respect to the exploration, evaluation and negotiation of any strategic transactions; and (2) report to the KLA-Tencor Board on a regular basis regarding the status of KLA-Tencor management's progress. The KLA-Tencor Board retained the power to approve any strategic transaction. Mr. Barnholt, Robert M. Calderoni and Kevin J. Kennedy were appointed to this committee, which is referred to as the KLA Transactions Subcommittee. The KLA-Tencor Board also directed KLA-Tencor management to conduct additional work to assist the KLA-Tencor Board in better understanding both companies' long-term prospects.

On August 22, 2015, Mr. Anstice, on behalf of Lam Research, sent to Mr. Wallace, on behalf of KLA-Tencor, a non-binding proposal for Lam Research to acquire KLA-Tencor for \$30.00 in cash and 0.4946 of a share of Lam Research common stock for each share of KLA-Tencor common stock, implying a value of \$64.50 per KLA-Tencor share based on the closing price of Lam Research common stock on August 21, 2015. Lam Research's proposal stated that the implied pro-forma ownership of the combined company by KLA-Tencor stockholders would be approximately 31%. Messrs. Anstice and Wallace also discussed the proposal by phone.

On August 24, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed and approved the terms of the engagement letter between KLA-Tencor and Qatalyst Partners. At that point, representatives of Qatalyst Partners joined the meeting and reviewed the August 22, 2015, proposal from Lam Research with the

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KLA Transactions Subcommittee. The KLA Transactions Subcommittee instructed Mr. Wallace to advise Mr. Anstice that Lam Research's August 22, 2015, proposal would be considered by the KLA-Tencor Board at an upcoming special meeting.

On August 25, 2015, KLA-Tencor signed the engagement letter with Qatalyst Partners.

On August 25 and August 26, 2015, the Lam Research Board held a regularly scheduled meeting. Members of Lam Research's management and representatives of Goldman Sachs and Jones Day also attended for portions of the meeting during which the Lam Research Board discussed a potential business combination with KLA-Tencor. Mr. Anstice discussed with the Lam Research Board his delivery to Mr. Wallace of the August 22, 2015, proposal. Lam Research management (1) updated the Lam Research Board on the status of its due diligence review of KLA-Tencor; (2) reiterated the strategic rationale for a business combination; and (3) confirmed that due diligence to date continued to support that rationale. Representatives of Goldman Sachs discussed with the Lam Research Board the August 22, 2015, proposal, as well as a preliminary draft of the Lam Research Projections prepared by Lam Research management and financial aspects of the potential business combination transaction. At the meeting, the Lam Research Board then discussed and approved an amendment to the confidentiality agreement providing for a one year standstill with the same terms as the prior standstill.

On August 26, 2015, KLA-Tencor and Lam Research signed an amendment to the confidentiality agreement providing for a one year standstill with the same terms as the prior standstill.

On August 28, 2015, the KLA Transactions Subcommittee met with representatives of KLA-Tencor management and Wilson Sonsini in attendance. The KLA Transactions Subcommittee reviewed and approved the KLA-Tencor Projections, as defined below in the section entitled "Opinion of KLA-Tencor's Financial Advisor," to be shared with Qatalyst Partners for the purpose of allowing it to assist in the evaluation of a potential sale of KLA-Tencor. Mr. Wallace informed the KLA Transactions Subcommittee that he told Mr. Anstice that the KLA-Tencor Board would review Lam Research's August 22, 2015 proposal at a special meeting during the week of August 31, 2015.

On September 1, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. The representatives of KLA-Tencor management discussed the KLA-Tencor Projections with the KLA-Tencor Board. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board their fiduciary duties. Representatives of Qatalyst Partners reviewed with the members of the KLA-Tencor Board a preliminary financial presentation concerning Lam Research's proposal. Representatives of Qatalyst Partners also discussed other strategic alternatives that might potentially be available to KLA-Tencor, including other companies that KLA-Tencor could contact if it wished to engage in a wider sale process. The KLA-Tencor Board discussed the likelihood that various other parties would be interested in and capable of pursuing an acquisition of KLA-Tencor and the risks associated with contacting these parties. Following the discussion, the KLA-Tencor Board instructed Mr. Wallace to formulate a response to Mr. Anstice, with the guidance of the KLA Transactions Subcommittee and the assistance of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini that indicated that the financial terms of Lam Research's proposal should be improved.

Later on September 1, 2015, following the meeting of the KLA-Tencor Board, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. During this meeting, the KLA Transactions Subcommittee discussed KLA-Tencor's proposed response to Lam Research.

On September 2, 2015, Messrs. Wallace and Anstice spoke. Mr. Wallace informed Mr. Anstice that Lam Research needed to improve the terms of its proposal before the KLA-Tencor Board would be interested in entering into additional discussions and suggested that there was a high degree of certainty for support of a proposal that valued KLA-Tencor in the mid-\$70s per share range. Mr. Anstice said that he would discuss the matter further with the Lam Research Board but that Lam Research would require more detailed financial information to have a basis to consider an increase in the value of its proposal.

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Later on September 2, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. At the meeting, members of Lam Research management reviewed with the Lam Research Board a five-year financial plan for Lam Research, which included the Lam Research Projections and was approved by the Lam Research Board. Representatives of Goldman Sachs discussed with the Lam Research board financial aspects of the five-year financial plan and a business combination with KLA-Tencor. Mr. Anstice updated the Lam Research Board on his discussions with Mr. Wallace earlier in the day. The Lam Research Board approved sending a letter to KLA-Tencor reiterating Lam Research's interest and requesting additional information.

On September 5, 2015, Mr. Anstice, on behalf of Lam Research, sent Mr. Wallace, on behalf of KLA-Tencor, a letter reiterating Lam Research's interest and requesting certain due diligence materials to permit Lam Research to understand the valuation of KLA-Tencor in additional detail. The Lam Research Projections were included with the letter.

On September 8, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed Lam Research's September 5, 2015, letter and determined to provide Lam Research with Case 2 of the KLA-Tencor Projections, as defined below in the section entitled "Certain Projections of Lam Research and KLA-Tencor - Certain Projections Reviewed by the KLA-Tencor Board - Projections for KLA-Tencor Prepared by KLA-Tencor."

On September 9, 2015, Messrs. Wallace and Anstice spoke to discuss additional due diligence matters and the synergy model that Lam Research was developing.

On September 12, 2015, representatives of KLA-Tencor management and Lam Research management met to further discuss the long term management plans of both companies.

On September 17, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and of Jones Day were also in attendance. Members of Lam Research management updated the Lam Research Board on the status of discussions with KLA-Tencor, and reviewed with the Lam Research Board the strategic value of a transaction with KLA-Tencor, the financial models relating to a transaction, and the anticipated cost and revenue synergies of a transaction. Members of Lam Research management then discussed with the Lam Research Board a potential increase in Lam Research's offer, after which the Lam Research Board authorized Lam Research management to propose to KLA-Tencor an increase in the offer.

On September 18, 2015, Messrs. Wallace and Anstice spoke. During this conversation, Mr. Anstice requested a meeting with Mr. Wallace and other representatives of KLA-Tencor management to discuss Lam Research's current thinking regarding an acquisition of KLA-Tencor. Messrs. Wallace and Anstice agreed to meet during the morning of September 21, 2015.

On September 19, 2015, a representative of KLA-Tencor management spoke with a representative of Lam Research management regarding the meeting to be held on September 21, 2015. During this conversation, the representative of KLA-Tencor management stressed the importance of Lam Research improving the terms of its offer to acquire KLA-Tencor.

On September 21, 2015, representatives of KLA-Tencor management, including Mr. Wallace, met with representatives of Lam Research management, including Mr. Anstice, to further discuss a business combination of KLA-Tencor and Lam Research. During this meeting, Messrs. Wallace and Anstice met separately to discuss Lam Research potentially increasing its offer for KLA-Tencor. Mr. Wallace proposed that Lam Research increase its offer to at least \$31.00 and 0.55 of a share of Lam Research common stock for each outstanding share of KLA-Tencor common stock. Mr. Wallace further proposed that, in view of the significant portion of the combined company to be owned by KLA-Tencor stockholders, Lam Research should appoint two directors currently serving on the KLA-Tencor Board to the Lam Research Board upon completion of the transaction. In a

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subsequent discussion on that day, Mr. Anstice stated that the Lam Research Board had not approved the submission of a revised proposal at that level, but that he would recommend that Lam Research make a proposal to acquire KLA-Tencor for \$31.50 in cash and 0.5 of a share of Lam Research common stock for each share of KLA-Tencor common stock, implying a value of \$65.54 per share based on the closing price of Lam Research common stock on September 21, 2015. Mr. Anstice also stated that he was supportive of two members of the KLA-Tencor Board joining the Lam Research Board. Mr. Anstice informed Mr. Wallace that, as a condition to Lam Research conducting additional discussions, KLA-Tencor would need to agree to negotiate exclusively with Lam Research for a period of time. Mr. Anstice also stated Lam Research's (1) desire to announce the acquisition prior to the time that both companies reported their quarterly earnings near the end of October 2015; and (2) interest in concluding discussions with KLA-Tencor on an expedited basis so that it could pursue other strategic opportunities if a transaction with KLA-Tencor was not feasible. Mr. Wallace stated that he would relay this conversation to the KLA-Tencor Board.

During the afternoon of September 21, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board their fiduciary duties. Representatives of Qatalyst Partners reviewed with the members of the KLA-Tencor Board a preliminary financial presentation concerning the proposal outlined by Mr. Anstice earlier that day. Following discussion, the KLA-Tencor Board instructed Mr. Wallace to obtain a revised written non-binding proposal from Lam Research that was approved by the Lam Research Board. Further, the KLA-Tencor Board instructed Mr. Wallace to seek additional improvements to the financial terms of any formal proposal to be made by Lam Research.

Later on September 21, 2015, Messrs. Wallace and Anstice met. During this meeting, Mr. Wallace requested that Lam Research provide a new written indication of interest that had been approved by the Lam Research Board and setting forth an increased price per share from its prior written indication. In addition, Mr. Wallace requested that Lam Research further improve its offer beyond the terms outlined by Mr. Anstice earlier that day. Mr. Wallace informed Mr. Anstice that he would recommend to the KLA-Tencor Board that it accept a proposal for Lam Research to acquire KLA-Tencor for \$32.50 and 0.5 shares of Lam Research common stock for each share of KLA-Tencor common stock.

On September 22, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. At the meeting, members of Lam Research management updated the Lam Research Board on meetings between members of Lam Research management and members of KLA-Tencor management, and discussed with the Lam Research Board the proposals from Mr. Wallace (1) regarding an increase in Lam Research's offer; and (2) that two KLA-Tencor directors join the combined company's board of directors. Members of Lam Research management then reviewed with the Lam Research Board the company's available cash and the feasibility of increasing the cash component of Lam Research's offer for KLA-Tencor. The Lam Research Board then authorized Mr. Anstice to submit a revised proposal to Mr. Wallace.

Later on September 22, 2015, Messrs. Wallace and Anstice spoke. During this conversation, Mr. Anstice stated that the Lam Research Board had approved the submission of a revised non-binding proposal to acquire KLA-Tencor for \$32.00 in cash and 0.5 of a share of Lam Research common stock for each share of KLA-Tencor common stock, implying a value of \$64.82 per share based on the closing price of Lam Research common stock on September 22, 2015. In addition, two members of the KLA-Tencor Board would join the Lam Research Board upon completion of the transaction. Mr. Anstice stated that this was Lam Research's best and final proposal and that Lam Research would pursue other strategic opportunities if its proposal was not accepted.

Later on September 22, 2015, Mr. Anstice, on behalf of Lam Research, sent Mr. Wallace a letter confirming the terms of Lam Research's proposal made earlier that day. The letter included a draft exclusivity agreement obligating KLA-Tencor to negotiate exclusively with Lam Research for 40 days.

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On September 23, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board their fiduciary duties. Representatives of Qatalyst Partners reviewed with the members of the KLA-Tencor Board a preliminary financial presentation concerning Lam Research's latest proposal. The members of the KLA-Tencor Board also discussed with the representatives of Qatalyst Partners other strategic alternatives that might potentially be available to KLA-Tencor, including other companies and financial sponsors that KLA-Tencor could contact if it wished to engage in a wider sale process. In this regard, the representatives of Qatalyst Partners discussed the concerns that financial sponsors may have concerning an acquisition of KLA-Tencor due to (1) the amount of leverage that could be added to KLA-Tencor's balance sheet; and (2) their future ability to achieve a liquidity event for their investment in KLA-Tencor. With the representatives of Qatalyst Partners and Wilson Sonsini, the members of the KLA-Tencor Board also reviewed the various actions taken and alternatives considered by the KLA-Tencor Board over the past several years in support of the KLA-Tencor Board's ongoing efforts to increase stockholder value. After discussion, the KLA-Tencor Board concluded that the best opportunity to maximize stockholder value at this time would be to proceed with Lam Research on an exclusive basis because, among other things, (1) there were only a small number of parties that might be interested in acquiring KLA-Tencor; (2) engaging in a wider sale process could result in rumors that might impact KLA-Tencor's relationships with customers, suppliers, business partners and employees; (3) conducting a wider sale process created too much risk that the proposal from Lam Research might be withdrawn; and (4) any definitive agreement with Lam Research would contain an ability for the KLA-Tencor Board to respond to unsolicited superior proposals. In view of these considerations, the KLA-Tencor Board determined (1) not to authorize Qatalyst Partners to contact other parties to determine their interest in a potential acquisition of KLA-Tencor; and (2) to authorize KLA-Tencor management to negotiate and enter into an exclusivity agreement with Lam Research.

On September 23, 2015, and September 24, 2015, Wilson Sonsini negotiated the terms of the exclusivity agreement with Jones Day.

On September 24, 2015, KLA-Tencor and Lam Research signed the exclusivity agreement. The exclusivity agreement provided that KLA-Tencor would not solicit or enter into other proposals to acquire more than 15% of the stock or assets of KLA-Tencor until the earlier to occur of (1) October 28, 2015; and (2) execution of a definitive agreement providing for the acquisition of KLA-Tencor by Lam Research.

Beginning on September 29, 2015, through October 20, 2015, KLA-Tencor and Lam Research engaged in ongoing mutual due diligence in numerous meetings. KLA-Tencor and Lam Research also made available due diligence materials to each other in virtual data rooms during this period. During the same period, representatives of KLA-Tencor and Lam Research also engaged in numerous meetings to discuss communication plans and overall deal coordination.

On September 29, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed the status of the proposed acquisition. In this and other meetings, the members of the KLA Transactions Subcommittee discussed with the representatives of Qatalyst Partners and Wilson Sonsini the impact that movements in the respective stock prices of KLA-Tencor and Lam Research had on the notional value of the proposed acquisition. The Transactions Committee ultimately determined to monitor this matter but take no action until the KLA-Tencor Board was prepared to make a final decision on entering into an acquisition with Lam Research due to continued movement in stock prices.

On October 1, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. At the meeting, members of Lam Research management updated the Lam Research Board on meetings between members of Lam Research management and members of KLA-Tencor management and on the execution of the exclusivity agreement. Mr. Anstice discussed with the Lam Research Board that Mr. Wallace had indicated to Mr. Anstice

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that as a result of Lam Research's most recent proposal, KLA-Tencor was prepared to continue discussions and negotiations of a business combination with Lam Research. Members of Lam Research management discussed with the Lam Research Board the expected process and timing to execute definitive agreements. The Lam Research Board then approved the engagement of Goldman Sachs in respect of the potential transaction with KLA-Tencor and in respect of the financing arrangements that would be undertaken to fund the purchase price. Members of Lam Research management then reviewed with the Lam Research Board (1) the status of discussions regarding the proposed financing arrangements; (2) the status and results of due diligence activities; (3) the proposed terms of the draft merger agreement; and (4) a communications strategy in connection with the proposed acquisition.

Also on October 1, 2015, Lam Research signed the engagement letter with Goldman Sachs.

On October 3, 2015, a representative of KLA-Tencor management discussed with a representative of Lam Research management potential terms of a cash and stock election mechanism that could be included in the draft merger agreement.

On October 4, 2015, Jones Day, on behalf of Lam Research, provided Wilson Sonsini, on behalf of KLA-Tencor, with a draft merger agreement. The draft merger agreement, among other things, (1) included a proposed \$300 million termination fee payable by KLA-Tencor to Lam Research if KLA-Tencor, among other things, terminated the merger agreement to accept a superior offer, with a reciprocal fee payable by Lam Research to KLA-Tencor if Lam Research terminated the merger agreement to, among other things, accept a superior offer; (2) provided for the reimbursement by KLA-Tencor of up to \$100 million of Lam Research's expenses if the merger agreement were terminated because it was not approved by KLA-Tencor stockholders, with a reciprocal expenses reimbursement by Lam Research to KLA-Tencor if the merger agreement were terminated because it was not approved by Lam Research stockholders; and (3) provided that Lam Research would use its reasonable best efforts to consummate the acquisition, subject to certain limitations.

On October 7, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed the status of the proposed acquisition. Representatives of Wilson Sonsini reviewed with the members of the KLA Transactions Subcommittee the principal terms of the draft merger agreement.

On October 8, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. At the meeting, representatives of Goldman Sachs provided a market update of the two companies' relative trading prices and the value and implied premium of Lam Research's proposal. The Lam Research Board evaluated the current value implied by the proposal as reviewed by the representatives of Goldman Sachs and determined to closely monitor the relative trading prices of the companies but make no changes to the proposal at that time. Members of Lam Research management then reviewed with the Lam Research Board (1) the proposed communications plan in connection with the proposed acquisition; (2) the proposed equity and debt capitalization of the combined company; (3) the status of discussions with rating agencies concerning the combined company's debt; (4) the terms and costs of the proposed financing arrangements; (5) an update on the draft merger agreement; and (6) an update on due diligence activities.

On October 9, 2015, Wilson Sonsini, on behalf of KLA-Tencor, provided Jones Day, on behalf of Lam Research, with comments to the draft merger agreement. The comments to the merger agreement, among other things, (1) noted that the termination fees to be paid by KLA-Tencor and Lam Research were still under negotiation; (2) removed the concept of expense reimbursement if the stockholders of either party failed to approve the acquisition; and (3) narrowed the scope of the limitations on Lam Research's obligation to use its reasonable best efforts to consummate the acquisition.

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On October 12, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed the status of the proposed acquisition. Representatives of Wilson Sonsini reviewed with the members of the KLA Transactions Subcommittee their fiduciary duties.

Later on October 12, 2015, Messrs. Wallace and Anstice met to discuss the status of the proposed acquisition.

Later on October 12, 2015, Jones Day and Wilson Sonsini met to negotiate certain of the terms of the merger agreement.

On October 13, 2015, representatives of KLA-Tencor management, including Mr. Wallace, met with representatives of Lam Research management, including Mr. Anstice, to discuss the (1) 2016 operating plans of KLA-Tencor and Lam Research; (2) preliminary financial results for each company for the quarter ending in September 2015; and (3) preliminary financial guidance for each company for the quarter ending in December 2015.

Later on October 13, 2015, the KLA Transactions Subcommittee met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. The KLA Transactions Subcommittee discussed the status of the proposed acquisition, including the terms of the draft merger agreement and the meeting of the two companies' management teams that occurred earlier that day. After discussing the meeting of the two companies' management teams earlier in the day, the KLA Transactions Subcommittee concluded to continue working toward an announcement of the acquisition in late October 2015. With the representatives of Qatalyst Partners and Wilson Sonsini, the members of the KLA Transactions Subcommittee engaged in a general discussion of the process of choosing the members of the KLA-Tencor Board who would join the Lam Research Board.

On October 15, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. Members of Lam Research management provided (1) an analysis of the potential cost and revenue synergies and updates on due diligence activities; (2) the status of negotiations of the merger agreement, (3) the terms and costs of the proposed financing arrangements and (4) an update on discussions with rating agencies.

Later on October 15, 2015, Jones Day, on behalf of Lam Research, provided Wilson Sonsini, on behalf of KLA-Tencor, with comments to the draft merger agreement. The comments to the merger agreement, among other things, (1) noted that the termination fees to be paid by KLA-Tencor and Lam Research were still under negotiation; (2) noted that the concept of expense reimbursement if the stockholders of either party failed to approve the acquisition was still under negotiation; and (3) provided that Lam Research's obligation to use its reasonable best efforts to consummate the acquisition would be subject to certain limitations.

Also on October 15, 2015, KLA-Tencor provided Lam Research with Case 1 of the KLA-Tencor Projections, as defined below in the section entitled "Certain Projections of Lam Research and KLA-Tencor" and "Certain Projections Reviewed by the KLA-Tencor Board" and "Projections for KLA-Tencor Prepared by KLA-Tencor."

On October 16, 2015, Wilson Sonsini, on behalf of KLA-Tencor, provided Jones Day, on behalf of Lam Research, with comments to the draft merger agreement. The comments to the merger agreement, among other things, (1) proposed termination fees to be paid by KLA-Tencor and Lam Research of \$290 million; (2) removed the concept of expense reimbursement if the stockholders of either party failed to approve the acquisition; and (3) narrowed the scope of the limitations on Lam Research's obligation to use its reasonable best efforts to consummate the acquisition. The parties also discussed the terms of a retention bonus plan proposed to be implemented by KLA-Tencor for KLA-Tencor employees.

On October 17, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and of Jones Day were also in attendance. Members of Lam

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Research management updated the Lam Research Board on the (1) planned communications activity; (2) status and results of due diligence activities; (3) status of negotiations of the merger agreement; and (4) terms and costs of the proposed financing arrangements. Representatives of Goldman Sachs reviewed with the Lam Research Board the financial analysis of the merger consideration to be paid by Lam Research pursuant to the proposed merger agreement. Representatives of Jones Day reviewed again with the members of the Lam Research Board their fiduciary duties in connection with the potential transaction. Representatives of Jones Day also reviewed the terms of the draft merger agreement and the remaining points of negotiation of the merger agreement, as well as the legal terms of Lam Research's proposed financing arrangements. The Lam Research Board indicated that management, Goldman Sachs and Jones Day should work to finalize the definitive merger agreement.

On October 18, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners, Wilson Sonsini and Davis Polk & Wardwell LLP, special antitrust and competition law counsel to KLA-Tencor, in attendance. The representatives of KLA-Tencor management discussed with the members of the KLA-Tencor Board the results of the due diligence performed by KLA-Tencor on Lam Research. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board (1) their fiduciary duties; (2) their decision to negotiate with Lam Research on an exclusive basis; and (3) the terms of the draft merger agreement, including the KLA-Tencor Board's ability to terminate the merger agreement to accept a superior offer in conjunction with paying Lam Research a termination fee and Lam Research's right to match a superior offer. Representatives of Wilson Sonsini also reviewed the remaining points of negotiation in the merger agreement. Representatives of Qatalyst Partners reviewed with the members of the KLA-Tencor Board a financial presentation concerning Lam Research's proposal. The members of the KLA-Tencor Board discussed the terms of the proposed acquisition. Following discussion, the KLA-Tencor Board determined to proceed with Lam Research's proposal and instructed KLA-Tencor management to finalize the merger agreement.

Later on October 18, 2015, Messrs. Wallace and Anstice discussed the status of the proposed acquisition.

On October 19 and 20, 2015, Wilson Sonsini, on behalf of KLA-Tencor, negotiated the final terms of the merger agreement with Jones Day, on behalf of Lam Research.

On October 20, 2015, the Lam Research Board held a special meeting. Members of Lam Research management and representatives of Goldman Sachs and Jones Day were also in attendance. Members of Lam Research management discussed with the Lam Research Board the (1) completion of due diligence; (2) negotiation of the final terms of the merger agreement; and (3) planned communications activity. Representatives of Jones Day updated the Lam Research Board on changes, since the last meeting of the Lam Research Board, in the legal terms of the merger agreement and the proposed financing arrangements. Representatives of Goldman Sachs reviewed with the Lam Research Board an update to the financial analysis of the merger consideration to be paid by Lam Research pursuant to the merger agreement. At the conclusion of its review, Goldman Sachs rendered Goldman Sachs' oral opinion, subsequently confirmed by delivery of a written opinion dated October 20, 2015, that as of October 20, 2015, and based upon and subject to the factors and assumptions set forth in Goldman Sachs' written opinion, the merger consideration to be paid by Lam Research pursuant to the merger agreement was fair from a financial point of view to Lam Research. For more information about Goldman Sachs' opinion, see the section below entitled "Opinion of Lam Research's Financial Advisor." The Lam Research Board then discussed potential reasons for and against entering into an acquisition with KLA-Tencor. After this discussion, the Lam Research Board unanimously (1) determined that the merger agreement and the transactions contemplated by the merger agreement were fair to, and in the best interests of, Lam Research and its stockholders, and were advisable; (2) approved the merger agreement; (3) authorized the issuance of Lam Research common stock as contemplated by the merger agreement; and (4) recommended to the Lam Research stockholders that they approve the issuance of Lam Research common stock in connection with the merger.

Later on October 20, 2015, the KLA-Tencor Board met, with representatives of KLA-Tencor management, Qatalyst Partners and Wilson Sonsini in attendance. Representatives of Wilson Sonsini reviewed with the members of the KLA-Tencor Board their fiduciary duties. Representatives of Qatalyst Partners reviewed with the

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members of the KLA-Tencor Board Qatalyst Partners' financial analysis of Lam Research's proposal. Following this, Qatalyst Partners rendered its oral opinion, subsequently confirmed in writing, that as of October 20, 2015, and based upon and subject to the various limitations, qualifications, assumptions and other matters set forth in its written opinion, the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement was fair, from a financial point of view, to such holders. For more information about Qatalyst Partners' opinion, see the section below entitled "Opinion of KLA-Tencor's Financial Advisor." Following this, the KLA-Tencor Board discussed potential reasons for and against entering into an acquisition with Lam Research. After this discussion, the KLA-Tencor Board unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement were fair to, advisable and in the best interests of KLA-Tencor and KLA-Tencor stockholders; (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement; and (3) recommended that KLA-Tencor stockholders vote in favor of adoption of the merger agreement at any meeting of KLA-Tencor stockholders to be called for the purposes of acting on that recommendation.

Later on October 20, 2015, Lam Research and KLA-Tencor executed the merger agreement.

On October 21, 2015, prior to the opening of trading of the common stock on the NASDAQ Global Select Market, Lam Research and KLA-Tencor issued a joint press release announcing the entry into the merger agreement.

KLA-Tencor's Reasons for the Merger; Recommendation of the KLA-Tencor Board

In adopting and approving the merger agreement and recommending that KLA-Tencor stockholders approve the Merger proposal, the KLA-Tencor Board considered a number of factors, including the factors described below, and a substantial amount of information, including information regarding certain of the factors described below, was reviewed and discussed with KLA-Tencor's management and legal and financial advisors.

The following discussion of the information and factors considered by the KLA-Tencor Board in reaching its conclusions and recommendation includes the material factors considered, but is not intended to be exhaustive. In view of the wide variety of factors considered in connection with its evaluation of the merger and the complexity of these matters, the KLA-Tencor Board did not find it practicable, and did not attempt, to quantify, rank or assign any relative or specific weights to the various factors that it considered in reaching its determination to adopt and approve the merger agreement and to recommend that KLA-Tencor stockholders approve the Merger proposal. In considering the factors described below, individual members of the KLA-Tencor Board may have given differing weights to different factors.

The principal factors that the KLA-Tencor Board believes support its approval and recommendation of the approval of the Merger proposal include the following:

Merger Consideration. The fact that the merger consideration provides KLA-Tencor stockholders with a combination of cash and Lam Research common stock or an opportunity to elect either all-cash or all-stock consideration, subject to the proration procedures, giving KLA-Tencor stockholders an opportunity to receive liquidity for their KLA-Tencor common stock, an interest in the combined company at closing, or both. This provides KLA-Tencor stockholders a level of price certainty, liquidity and downside protection while simultaneously providing them with the opportunity for a substantial ownership interest in Lam Research following the completion of the merger.

The implied value of the per-share merger consideration of \$32.00 in cash and 0.5 shares of Lam Research common stock compares favorably to the per-share value of KLA-Tencor common stock implied by KLA-Tencor's risk-adjusted standalone plan, in light of the anticipated consolidation in KLA-Tencor's customer and supplier base and KLA-Tencor's anticipated increase in research and development costs in order to bring new products to market on an annual basis that meet customer demands. The implied value of the merger consideration also represents: (1) an approximate premium

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of 24% based on the unaffected closing prices per share of KLA-Tencor and Lam Research common stock on October 20, 2015, the day prior to announcement of the merger agreement; and (2) an approximate premium of 31% based on the average closing price per share of KLA-Tencor common stock over the 30-trading-day period ended October 20, 2015 and the average closing price per share of Lam Research common stock over the 30-trading-day period ended October 20, 2015.

Strategic Considerations. The KLA-Tencor Board's belief that the merger will provide a number of strategic opportunities for the combined company, including the combined company's (1) complementary capabilities in wafer processing and process control; (2) increased scale, enabling more comprehensive support capabilities tailored to customers' needs; (3) acceleration of innovation through increased opportunity and capability to address customers' escalating technical and economic challenges; (4) product line diversification; and (5) management depth and breadth.

Participation in Future Appreciation. The fact that a portion of the merger consideration will be paid in shares of Lam Research common stock, which will provide KLA-Tencor stockholders who elect the mixed consideration or the all-stock consideration, or who elect the cash consideration but are subject to proration, with ownership of approximately 32% of the combined company after the closing of the merger. In evaluating the potential of the combined company, the KLA-Tencor Board considered the business, operations, financial condition, earnings and prospects of both KLA-Tencor and Lam Research, taking into account the results of KLA-Tencor's due diligence review of Lam Research. Ownership in the combined company will enable KLA-Tencor stockholders to share in:

The annualized cost synergies expected to be realized by Lam Research of approximately \$250 million within 18 to 24 months of closing of the merger; and

The anticipated \$600 million in incremental annual revenue expected to be realized by Lam Research by 2020 as a result of improved differentiation of each company's products and creation of new capabilities.

Integration. The KLA-Tencor Board's belief that given the similarities in core values, cultures, geographic presence, complementary product lines, and customer acceptance, integration of the two companies would be successful, thereby enabling the combined company to achieve the anticipated synergies and incremental revenue from the merger, and provide opportunities for employees of KLA-Tencor.

Board Representation. The fact that the terms of the merger agreement provide that two members of the KLA-Tencor Board will be appointed to the Lam Research Board, effective as of immediately after the closing of the merger.

Fixed Lam Research Common Stock Component. The fact that the stock portion of the merger consideration is a fixed number of shares of Lam Research common stock that will not fluctuate as a result of changes in the price of KLA-Tencor common stock or Lam Research common stock prior to the merger, which provides certainty to KLA-Tencor stockholders as to their ownership interest in Lam Research following completion of the merger.

Election Procedure. The fact that the election mechanism in the merger agreement offers KLA-Tencor stockholders the opportunity to seek their desired form of consideration, subject to proration, providing KLA-Tencor stockholders the flexibility to elect all-cash, all-stock or mixed consideration, depending on their individual specific requirements and preferences.

Tax-Free Reorganization. The fact that the mergers are expected to qualify as a tax-free transaction to KLA-Tencor stockholders in respect of the shares of Lam Research common stock they may receive upon the exchange of such holder's shares of KLA-Tencor

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common stock for U.S. federal income tax purposes.

Opinion of Financial Advisor. The opinion of Qatalyst Partners, dated October 20, 2015, delivered to the KLA-Tencor Board that, as of the date of the opinion and based upon and subject to the various limitations, qualifications, assumptions and other matters set forth therein, the merger consideration to

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be received by the holders of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, was fair, from a financial point of view, to such holders, as more fully described below in the section entitled **Opinion of KLA-Tencor's Financial Advisor**.

Superior Proposals. The fact that the KLA-Tencor Board has the ability to change its recommendation in favor of the merger upon receipt of a superior proposal if the failure to take such action would be reasonably likely to be inconsistent with the fiduciary duties of the members of the KLA-Tencor Board under applicable law and after compliance with the requirements set forth in the merger agreement. The KLA-Tencor Board believes that the termination fee, equal to approximately 2.7% of the equity value of the merger, is reasonable and will not unduly impede the ability of a third party to make a superior proposal.

Strategic Alternatives. The perceived risks and expected risk-adjusted value of continuing as a standalone public company or pursuing other alternatives, including potential expansion opportunities into new business lines through licensing, acquisitions and combinations with other businesses, investment in and development of new products, and the likelihood that other parties would propose, and be able to successfully complete, an alternative transaction that would provide superior value to that of the merger.

Fiduciary Duties. The fiduciary duties of the members of the KLA-Tencor Board in light of the foregoing.

The KLA-Tencor Board also considered a variety of risks and other potentially negative factors concerning the merger agreement and the merger, including the following:

the risk of not capturing all of the anticipated operational synergies and cost savings between KLA-Tencor and Lam Research and the risk that other anticipated benefits might not be realized in the expected timeframe or at all;

the risk that failure to complete the merger could negatively affect the price of KLA-Tencor common stock and future business and financial results of KLA-Tencor;

the potential risk of disruption to and attrition of the KLA-Tencor employee base during the pendency of the merger;

the potential risk of diverting management focus and resources from operational matters and other strategic opportunities while working to implement the merger;

the substantial costs to be incurred in connection with the merger, including the costs of integrating the businesses of KLA-Tencor and Lam Research and the expenses arising from the merger;

the fact that under the terms of the merger agreement, KLA-Tencor is unable to solicit other acquisition proposals during the pendency of the merger;

the restrictions on the conduct of KLA-Tencor's business prior to the consummation of the merger, including the requirement that KLA-Tencor conduct its business in the ordinary course, subject to specific limitations, which may delay or prevent KLA-Tencor from undertaking business opportunities that may arise before the completion of the merger and that, absent the merger agreement, KLA-Tencor may have pursued;

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the obligation to pay to Lam Research a termination fee of \$290 million if the merger agreement is terminated under certain circumstances as provided in the merger agreement;

the risk that governmental entities may not approve the merger or may impose conditions on KLA-Tencor or Lam Research in order to gain approval for the merger that may adversely impact the ability of the combined company to realize the synergies that are projected to occur in connection with the merger;

the possibility that the merger may not be completed, or that completion may be unduly delayed, for reasons that include the failure of a majority of the outstanding shares of KLA-Tencor to adopt the

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merger agreement or the failure of Lam Research stockholders to approve the issuance of shares of Lam Research common stock in connection with the merger, or for other reasons beyond the control of KLA-Tencor or Lam Research;

the fact that the stock portion of the merger consideration is a fixed number of shares of Lam Research common stock that will not fluctuate as a result of changes in the price of KLA-Tencor common stock or Lam Research common stock prior to the merger, which means that the value of the merger consideration could decrease prior to the merger if the trading price of Lam Research common stock decreases;

the potential effect of the announcement of the merger on KLA-Tencor's business and relationships with customers, suppliers and the communities in which it operates;

the risk that key members of senior management might choose not to remain employed with KLA-Tencor prior to the completion of the merger or with the combined company after the merger; and

the risks of the type and nature described under the section entitled Risk Factors, and the matters described under the section entitled Special Note Regarding Forward-Looking Statements.

The KLA-Tencor Board also was apprised of certain interests in the merger of executive officers and the directors that may be different from, or in addition to, the interests of KLA-Tencor stockholders generally as discussed below in the section entitled Interests of KLA-Tencor Directors and Executive Officers in the Merger.

The KLA-Tencor Board has unanimously (1) determined that the merger agreement, the merger and the other transactions contemplated by the merger agreement are fair to, advisable and in the best interests of KLA-Tencor and its stockholders; and (2) adopted and approved the merger agreement, the merger and the other transactions contemplated by the merger agreement. The KLA-Tencor Board unanimously recommends that KLA-Tencor stockholders vote FOR the Merger proposal.

Lam Research's Reasons for the Merger; Recommendation of the Lam Research Board

The Lam Research Board considered many factors in making its determination that the terms of the merger agreement are fair to, and in the best interests of, Lam Research stockholders, to approve the merger agreement and the transactions contemplated by the merger agreement, and to recommend that Lam Research stockholders approve the Share Issuance proposal.

Positive Factors

In arriving at its determination, the Lam Research Board consulted with Lam Research's management, as well as with Lam Research's legal and financial advisors, reviewed a significant amount of information and considered a number of factors that it viewed as supporting its decisions, including (not in any relative order of importance) the following:

Benefits to Customers:

Complementary Product Portfolio and Future Product Opportunities. The pairing of Lam Research's capabilities in deposition, etch and single-wafer clean, and KLA-Tencor's products in inspection and metrology, is expected to create a premier semiconductor equipment company with industry leading and complementary capabilities, and provide a strong platform for continuing industry outperformance. The combined company will have the capability to better understand the unit process technical performance and interdependencies of adjacent technologies and product portfolios to deliver products and services to customers that neither company could offer independently. In addition, the combined company will have an enhanced capability to invest in new technologies, products and services at the intersection of process and process control.

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More Opportunities and Better Ability to Meet Customer Challenges and Demands. The pairing of Lam Research and KLA-Tencor brings together industry leadership in process and process control, increasing the combined company's opportunities and capability to address customers' escalating technical and economic challenges, which are driven by market demand for lower power, higher performance and smaller form factor devices, and by the technical challenge to extend Moore's Law by improving uniformity, reducing variability and accelerating yield.

Future Market Opportunities. This is an opportune time to bring Lam Research and KLA-Tencor together because customer product development roadmaps will continue to require enhanced collaboration and innovation by semiconductor equipment manufacturers as the complexity of semiconductor-dependent devices increases due to continuing technology scaling and its associated escalating challenges, and continued expansion in areas such as the internet of things, mobile devices and cloud computing.

Benefits to Stockholders:

Broad Market Relevance, Sustained Growth through Market Cycles and Market Expansion. The combined company will have a comprehensive presence, drawn from complementary products and technologies, across geographies, memory and logic/foundry market segments, and customers. It is expected to provide opportunities to expand the available market served by the combined company's products, and to provide value creating opportunities with every major semiconductor manufacturing company.

Best Strategic Alternative. The Lam Research Board believes that the benefits from the merger and related transactions are superior to alternatives reasonably available to Lam Research, including recapitalizations, restructurings, strategic alliances and other acquisition candidates, and the ability of Lam Research to achieve its strategic goals will be enhanced by completing the merger, as compared to remaining a stand-alone company.

Expected Cost Synergies. The transaction is expected to generate approximately \$250 million in annual on-going pre-tax cost synergies within 18 to 24 months after completing the merger.

Expected Revenue Synergies. The transaction is expected to generate approximately \$600 million in annual revenue synergies by 2020, through strengthening unit process performance and realizing benefits from the complementary strengths of the combined company.

Expected to be Accretive to Financial Performance. The transaction is expected to be accretive to Lam Research's non-GAAP earnings and free cash flow per share during the first 12 months after completing the merger.

Compatible Corporate Cultures. The Lam Research Board believes that integration of Lam Research and KLA-Tencor should be successful because the geographic proximity and compatible corporate culture of the two companies. The two companies share a similar focus on technology leadership and innovative business spirit with a foundation of operational excellence.

Implied Ownership of the Combined Company Allows for Significant Participation in the Combined Company. Upon completion of the merger, Lam Research stockholders will own approximately 67% of the combined company, providing them significant opportunity to participate in the future performance of the combined company, including the expected synergies.

Sufficiency of Resources of the Combined Company. The anticipated market capitalization, liquidity and capital structure of the combined company should well position the combined company to compete, and to invest in the combined company's growth.

Favorable Debt Financing; Availability. The terms of the debt financing expected to be obtained in connection with the merger are favorable, and it is likely that the necessary financing will be obtained given the financing commitments obtained in connection with the merger.

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Analyses and Opinion of Financial Advisor. The Lam Research Board reviewed financial analyses presented by Goldman Sachs to the Lam Research Board, as described below under *Opinion of Lam Research's Financial Advisor*, and the opinion of Goldman Sachs rendered to the Lam Research Board to the effect that, as of October 20, 2015 and based upon and subject to the factors and assumptions set forth in its written opinion, the consideration to be paid by Lam Research pursuant to the merger agreement was fair from a financial point of view to Lam Research. See the section below entitled *Opinion of Lam Research's Financial Advisor*.

Due Diligence Investigation Results. The Lam Research Board's knowledge and understanding of Lam Research's business, operations, management, financial condition, earnings and prospects, and of KLA-Tencor's business, operations, management, financial condition, earnings and prospects (taking into account the results of Lam Research's due diligence review of KLA-Tencor), support the Lam Research Board's evaluation that the merger could reasonably be expected to have significant benefits for Lam Research and its stockholders (including cost synergies, revenue synergies, earnings accretion, and an enhanced ability to deliver solutions to customers), and the Lam Research Board's evaluation of the relative values of Lam Research and KLA-Tencor in connection with a determination of the appropriate merger consideration.

Tax-Free Nature of Reorganization. The Lam Research Board believes that the transaction should be attractive to KLA-Tencor stockholders because the merger consideration will consist of a mix of cash and Lam Research stock, and it is expected that payment of the stock portion of the merger may be exchanged for KLA-Tencor common stock on a tax free basis.

Cash/Stock Election. The Lam Research Board believes that the merger should be attractive to KLA-Tencor stockholders because the KLA-Tencor stockholders will be offered an opportunity to elect all-cash, all-stock or mixed consideration (subject, in the case of the all-cash and all-stock elections, to proration), with the total aggregate cash to be paid and Lam Research stock to be issued limited to fixed amounts.

Experience with Acquisition and Integration. The Lam Research Board believes that Lam Research will successfully integrate KLA-Tencor and the combined company will achieve the expected synergies given Lam Research's past experience with successfully acquiring and integrating Novellus Systems, Inc., and in achieving the projected synergies of the Novellus acquisition.

Terms of the Merger Agreement. The Lam Research Board believes that the conditions to Lam Research's obligation to complete the merger and Lam Research's ability under certain circumstances to terminate the merger agreement are fair to the Lam Research stockholders, and believes that there are no material impediments to completing the transaction as proposed.

Enhanced Opportunities for Employees. The increased scale of the combined company provides opportunities for innovation, achievement and professional growth, enhancing the combined company's opportunity to attract, motivate and retain top talent.

Potentially Negative Factors, Uncertainties and Risks

The Lam Research Board weighed the foregoing against a number of potentially negative factors, uncertainties and risks, including (not in any relative order of importance):

Risks of Failure to Complete the Merger. The risk that the merger may not be completed despite the parties' efforts, including the possibility that the conditions to the parties' obligations to complete the merger may not be satisfied, and the potential resulting disruption to Lam Research's business.

Challenges Relating to Combining the Companies. The challenges inherent in combining the businesses, operations and workforces of two major semiconductor equipment manufacturers, including the potential for (1) unforeseen difficulties in integrating operations and systems; (2) the possible distraction of management attention for an extended period of time; and (3) difficulties in retaining and

assimilating employees.

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Risks Relating to the Benefits of the Merger, Including Synergies. The risk of not capturing all the anticipated operational and revenue synergies expected as a result of the merger, or that the actual financial condition and results of operations of the combined company may not be consistent with the pro forma financial statements or financial forecasts prepared by Lam Research and KLA-Tencor, and the risk that other anticipated benefits may not be realized, including the impact of any such developments on the financial attractiveness of the merger to Lam Research stockholders.

Risks Relating to Diversion of Management Focus and Resources. The risk of diverting Lam Research management's focus and resources from other strategic opportunities and from operational matters while working to implement the merger.

Costs of the Merger and Integration. The substantial costs to be incurred in connection with the merger, including costs to integrate the businesses of Lam Research and KLA-Tencor.

Risks Relating to Governmental Approvals or Imposition of Conditions. The risk that governmental entities may delay, oppose or refuse to approve the merger or impose conditions on Lam Research and/or KLA-Tencor prior to approving the merger that may adversely impact the ability of the combined company to realize synergies and other benefits that are projected to occur in connection with the merger.

Risks Relating to Retention of Key Personnel. The risk that, despite the combined efforts of Lam Research and KLA-Tencor prior to and after the consummation of the merger, the combined company may lose key personnel.

Risks Relating to Retention of Customers and Suppliers. The risk of loss of customers or suppliers prior to and following the merger.

Dilution. The dilution associated with the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger.

Risks Relating to Termination Fee and Other Deal Protections. The risk that Lam Research would be required to pay a termination fee of \$290 million under certain circumstances and the risk that the requirement to pay the termination fee, as well as other terms of the merger agreement, could have the effect of discouraging other parties that would otherwise be interested in a transaction with Lam Research from proposing such a transaction.

Restrictions on the Conduct of Business. The restrictions on the conduct of Lam Research's business during the period between execution of the merger agreement and the consummation of the merger, including the degree to which the merger agreement will limit the ability of Lam Research to carry out capital transactions, to conduct other significant acquisitions, or take other significant actions outside the ordinary course of business.

The Absence of a Financing Condition. The absence of a financing condition to Lam Research's obligation to complete the merger, and KLA-Tencor's ability to specifically enforce Lam Research's obligations under the merger agreement.

Risks Relating to the KLA-Tencor Board's Ability to Change Its Recommendation. The ability of the KLA-Tencor Board, under certain circumstances and subject to certain conditions, to change its recommendation in favor of the transactions in response to a superior proposal or an intervening event, if the KLA-Tencor Board determines in good faith and in consultation with its outside legal counsel that failure to take such action would be reasonably likely to be inconsistent with its fiduciary duties.

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Other Risk and Uncertainties. Other risks and uncertainties of the type and nature described in the section entitled Risk Factors, and the matters described in the section entitled Special Note Regarding Forward-Looking Statements. This discussion of the information and factors considered by the Lam Research Board in reaching its conclusions and recommendation is not intended to be exhaustive, but rather includes material factors considered

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by the Lam Research Board. In view of the wide variety of factors considered in connection with its evaluation of the merger and the merger agreement and the complexity of these matters, the Lam Research Board did not find it useful and did not attempt to assign any relative or specific weights to the various factors that it considered in reaching its determination to approve the merger agreement and the transactions contemplated by the merger agreement and to recommend that Lam Research stockholders vote FOR the Share Issuance proposal. In addition, individual members of the Lam Research Board may have assigned different weights to different factors. The Lam Research Board conducted an overall analysis of the factors described above, including through discussions with, and questioning of, Lam Research's management and outside legal and financial advisors.

The Lam Research Board unanimously approved the merger agreement and the transactions contemplated by the merger agreement and determined that the merger agreement and the transactions contemplated thereby, including the merger and the issuance of shares of Lam Research common stock to KLA-Tencor stockholders pursuant to the merger, are fair to, and in the best interests of, Lam Research and its stockholders, and are advisable. The Lam Research Board unanimously recommends that the Lam Research stockholders vote FOR the Share Issuance proposal.

Opinion of Lam Research's Financial Advisor

On October 20, 2015, at a meeting of the Lam Research Board, Goldman Sachs rendered its oral opinion, subsequently confirmed in writing, to the effect that, as of October 20, 2015 and based upon and subject to the factors and assumptions set forth in Goldman Sachs's written opinion, the aggregate merger consideration to be paid by Lam Research pursuant to the merger agreement was fair from a financial point of view to Lam Research.

The full text of the written opinion of Goldman Sachs, dated October 20, 2015, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Annex B. Goldman Sachs provided its opinion for the information and assistance of the Lam Research Board in connection with its consideration of the merger. The Goldman Sachs opinion is not a recommendation as to how any holder of KLA-Tencor common stock or any holder of Lam Research common stock should vote with respect to the merger, or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, Goldman Sachs reviewed, among other things:

the merger agreement;

annual reports to stockholders and Annual Reports on Form 10-K of Lam Research for the five fiscal years ended June 28, 2015;

annual reports to stockholders and Annual Reports on Form 10-K of KLA-Tencor for the five fiscal years ended June 30, 2015;

certain interim reports to stockholders and Quarterly Reports on Form 10-Q of Lam Research and KLA-Tencor;

certain other communications from Lam Research and KLA-Tencor to their respective stockholders;

certain publicly available research analyst reports for Lam Research and KLA-Tencor;

certain internal financial analyses and forecasts for KLA-Tencor prepared by its management; and

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certain internal financial analyses and forecasts for Lam Research and certain financial analyses and forecasts for KLA-Tencor, in each case, as prepared by the management of Lam Research and approved for Goldman Sachs use by Lam Research, which are referred to as the Forecasts, including certain operating synergies projected by the managements of Lam Research and KLA-Tencor to result from the merger, as approved for Goldman Sachs use by Lam Research, which are referred to as the Lam Research Synergies. See the section below entitled Certain Projections of Lam Research and KLA-Tencor Certain Projections Reviewed by the Lam Research Board.

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Goldman Sachs also held discussions with members of the senior managements of Lam Research and KLA-Tencor regarding their assessment of the past and current business operations, financial condition and future prospects of KLA-Tencor and with the members of senior management of Lam Research regarding their assessment of the past and current business operations, financial condition and future prospects of Lam Research and the strategic rationale for, and the potential benefits of, the merger; reviewed the reported price and trading activity for the shares of Lam Research common stock and the shares of KLA-Tencor common stock; compared certain information for Lam Research and KLA-Tencor with similar information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain recent business combinations in the semiconductor industry and in other industries; and performed such other studies and analyses, and considered such other factors, as it deemed appropriate.

For purposes of rendering its opinion, Goldman Sachs, with Lam Research's consent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, it, without assuming any responsibility for independent verification thereof. In that regard, Goldman Sachs assumed with Lam Research's consent that the Forecasts, including the Lam Research Synergies, were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the management of Lam Research. Goldman Sachs did not make an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance-sheet assets and liabilities) of Lam Research or KLA-Tencor or any of their respective subsidiaries and it was not furnished with any such evaluation or appraisal. Goldman Sachs assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the merger will be obtained without any adverse effect on Lam Research or the KLA-Tencor or on the expected benefits of the merger in any way meaningful to its analysis. Goldman Sachs has also assumed that the merger will be consummated on the terms set forth in the merger agreement, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Goldman Sachs' opinion does not address the underlying business decision of Lam Research to engage in the merger, or the relative merits of the merger as compared to any strategic alternatives that may be available to Lam Research; nor does it address any legal, regulatory, tax or accounting matters. Goldman Sachs' opinion addresses only the fairness from a financial point of view to Lam Research, as of the date of the opinion, of the aggregate merger consideration to be paid by Lam Research pursuant to the merger agreement. Goldman Sachs' opinion does not express any view on, and does not address, any other term or aspect of the merger agreement or the merger or any term or aspect of any other agreement or instrument contemplated by the merger agreement or entered into or amended in connection with the merger, including the fairness of the merger to, or any consideration received in connection therewith by, the holders of any other class of securities, creditors, or other constituencies of Lam Research, nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Lam Research or KLA-Tencor, or any class of such persons in connection with the merger, whether relative to the aggregate merger consideration to be paid by Lam Research pursuant to the merger agreement or otherwise. Goldman Sachs does not express any opinion as to the prices at which shares of Lam Research common stock will trade at any time or as to the impact of the merger on the solvency or viability of Lam Research or KLA-Tencor or the ability of Lam Research or KLA-Tencor to pay their respective obligations when they come due. In addition, Goldman Sachs' opinion was necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to it as of, the date of the opinion and Goldman Sachs assumed no responsibility for updating, revising or reaffirming its opinion based on circumstances, developments or events occurring after the date of its opinion. Goldman Sachs' advisory services and the opinion expressed in the opinion are provided for the information and assistance of the Lam Research Board in connection with its consideration of the merger and such opinion does not constitute a recommendation as to how any holder of Lam Research common stock should vote on the Share Issuance proposal or any other matter. Goldman Sachs' opinion was approved by a fairness committee of Goldman Sachs.

The following is a summary of the material financial analyses delivered by Goldman Sachs to the Lam Research Board in connection with rendering the opinion described above. The following summary, however,

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does not purport to be a complete description of the financial analyses performed by Goldman Sachs, nor does the order of analyses described represent relative importance or weight given to those analyses by Goldman Sachs. Some of the summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of Goldman Sachs' financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before October 19, 2015, and is not necessarily indicative of current market conditions.

Historical Stock Trading Analysis

Goldman Sachs analyzed the consideration to be paid to holders of KLA-Tencor common stock pursuant to the merger agreement in relation to the closing market price as of October 19, 2015, the 10-day, 1-month and the 52-week trading average and 52-week high market price of KLA-Tencor common stock. The implied value of the per share consideration for each share of KLA-Tencor common stock represents the sum of \$32.00, the cash portion of the per-share merger consideration, plus 0.5 shares of Lam Research common stock, the stock portion of the per-share merger consideration, which, based on the closing price of \$67.64 on October 19, 2015 for Lam Research common stock, results in an implied value of consideration to KLA-Tencor common shareholders of \$65.82.

This analysis indicated that the price per share to be paid to KLA-Tencor stockholders pursuant to the merger agreement represented:

a premium of 23.9% based on the closing market price as of October 19, 2015 of \$53.12 per share;

a premium of 25.1% based on the latest 10-day trading average price of \$52.62 per share;

a premium of 29.3% based on the latest 1-month trading average price of \$50.91 per share;

a premium of 11.1% based on the latest 52-week trading average price of \$59.23 per share; and

a discount of 9.4% based on the latest 52-week high market price of \$72.63 per share.

Illustrative Discounted Cash Flow Analysis

KLA-Tencor Standalone. Using the Forecasts, Goldman Sachs performed an illustrative discounted cash flow analysis on KLA-Tencor on a standalone basis to derive a range of illustrative present values per share of KLA-Tencor common stock. Using discount rates ranging from 11.0% to 13.0%, reflecting an estimate of KLA-Tencor's weighted average cost of capital, Goldman Sachs discounted to present value as of September 30, 2015, (1) estimates of the unlevered free cash flow for KLA-Tencor during the period from the last quarter of calendar year 2015 through calendar year 2020 reflected in the Forecasts; and (2) a range of illustrative terminal values for KLA-Tencor as of December 31, 2020 calculated by applying perpetuity growth rates ranging from 1.5% to 3.5% to a terminal year estimate of the unlevered free cash flow to be generated by KLA-Tencor as reflected in the Forecasts. Goldman Sachs derived ranges of illustrative enterprise values for KLA-Tencor by adding the ranges of present values it derived based on the estimated unlevered free cash flows of KLA-Tencor for the period from the last quarter of calendar year 2015 through calendar year 2020 to the ranges of present value it derived based on the illustrative terminal values for KLA-Tencor as of December 31, 2020. Goldman Sachs subtracted from the range of illustrative enterprise values it derived for KLA-Tencor net debt (total debt minus total cash) (based on face value) of KLA-Tencor as of September 30, 2015 to derive a range of illustrative equity values for KLA-Tencor as of September 30, 2015. Goldman Sachs then divided the range of illustrative equity values it derived by an implied number of fully diluted outstanding shares of KLA-Tencor common stock (calculated on a treasury method basis based on information provided by KLA-Tencor management) to derive a range of illustrative present values per share of KLA-Tencor common stock ranging from \$49.04 to \$73.40.

Lam Research Standalone. Using the Forecasts, Goldman Sachs also performed an illustrative discounted cash flow analysis on Lam Research on a standalone basis to derive a range of illustrative present values per share of Lam Research common stock. Using discount rates ranging from 13.0% to 15.0% for Lam Research on a

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standalone basis, which reflects an estimate of Lam Research's weighted average cost of capital on a standalone basis, Goldman Sachs discounted to present value as of September 30, 2015, (1) estimates of the unlevered free cash flow for Lam Research during the period from the last quarter of calendar year 2015 through calendar year 2020 reflected in the Forecasts; and (2) a range of illustrative terminal values for Lam Research as of December 31, 2020 calculated by applying perpetuity growth rates ranging from 1.5% to 3.5% to a terminal year estimate of the unlevered free cash flow to be generated by Lam Research on a standalone basis, as applicable, as reflected in the Forecasts. Goldman Sachs derived ranges of illustrative enterprise values for Lam Research by adding the ranges of present values it derived based on the estimated unlevered free cash flows of Lam Research on the applicable basis for the period from the last quarter of calendar year 2015 through calendar year 2020 to the ranges of present value it derived based on the illustrative terminal values for Lam Research as of December 31, 2020. Goldman Sachs subtracted from the range of illustrative enterprise values it derived for Lam Research net debt (total debt minus total cash) (based on face value) of Lam Research as of September 27, 2015 to derive a range of illustrative equity values for Lam Research on the applicable basis, as of September 30, 2015. Goldman Sachs then divided the range of illustrative equity values it derived by an implied number of fully diluted outstanding shares of Lam Research common stock (calculated on a treasury method basis), based on information provided by Lam Research management, on the applicable basis, to derive a range of illustrative present values per share of Lam Research common stock ranging from \$79.40 to \$99.70.

Pro Forma Combined Company. Goldman Sachs also performed an illustrative discounted cash flow analysis on the pro forma combined company to derive a range of illustrative present values per share of Lam Research common stock, taking into account consummation of the merger. Using discount rates ranging from 12.0% to 14.0% for the pro forma combined business, which reflects an estimate of weighted average cost of capital of Lam Research taking into account consummation of the merger, Goldman Sachs discounted to present value as of September 30, 2015, (1) estimates of the unlevered free cash flow to be generated by Lam Research, taking into account consummation of the merger, during the period from the last quarter of calendar year 2015 through calendar year 2020 reflected in the Forecasts including the Lam Research Synergies; and (2) a range of illustrative terminal values for Lam Research, taking into account consummation of the merger, as of December 31, 2020 calculated by applying perpetuity growth rates ranging from 1.5% to 3.5% to a terminal year estimate of the unlevered free cash flow for Lam Research, taking into account consummation of the merger, except for the Lam Research Synergies to which growth rates of 1.0%-3.0% were applied, as applicable, as reflected in the Forecasts. Goldman Sachs derived ranges of illustrative enterprise values for the pro forma combined company by adding the ranges of present values it derived based on the estimated unlevered free cash flows of the pro forma combined company on the applicable basis for the period from the last quarter of calendar year 2015 through calendar year 2020 to the ranges of present value it derived based on the illustrative terminal values for the pro forma combined company as of December 31, 2020. Goldman Sachs subtracted from the range of illustrative enterprise values it derived for Lam Research, taking into account consummation of the merger, net debt (total debt minus total cash) (based on face value) of Lam Research as of September 27, 2015, KLA-Tencor as of September 30, 2015 and taking into account the consummation of the merger to derive a range of illustrative equity values for Lam Research on the applicable basis, as of September 30, 2015. Goldman Sachs then divided the range of illustrative equity values it derived by an implied number of fully diluted outstanding shares of Lam Research common stock (calculated on a treasury method basis), based on information provided by Lam Research management, taking into account the consummation of the merger, on the applicable basis, to derive a range of illustrative present values per Lam Research common stock ranging from \$76.47 to \$110.18 on a pro forma combined basis. As described above, the implied value per share of Lam Research common stock on a standalone basis ranges from \$79.40 to \$99.70.

Illustrative Present Value of Future Share Price Analysis

Lam Research Standalone. Goldman Sachs performed an illustrative analysis of the implied present value of Lam Research's future value per share of Lam Research common stock, which is designed to provide an indication of the present value of a theoretical future value of a company's equity as a function of such company's estimated future earnings and its assumed price to future earnings per share multiple. For this

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analysis, Goldman Sachs used the Forecasts to calculate the implied values per share of Lam Research common stock as of December 31 for each of the calendar years 2017 through 2019, by applying illustrative price to one-year forward earnings multiples of 11.0x to 15.0x to earnings per share estimates for Lam Research on a standalone basis for each of the calendar years 2018 through 2020, and then discounted to present values as of September 30, 2015, using an illustrative discount rate of 12.4% reflecting an estimate of Lam Research's cost of equity, the sum of (1) these theoretical future values of Lam Research common stock plus (2) per share dividends forecasted by Lam Research management. This analysis resulted in a range of implied present values of \$78.35-\$117.37 per share of Lam Research common stock.

Pro Forma Combined Company. Goldman Sachs performed an illustrative analysis of the implied present value of Lam Research's future value per share of common stock, taking into account the consummation of the merger, which is designed to provide an indication of the present value of a theoretical future value of a company's equity as a function of such company's estimated future earnings and its assumed price to future earnings per share multiple. For this analysis, Goldman Sachs used the forecasts including the Lam Research Synergies to calculate the implied values per share of Lam Research common stock, taking into account consummation of the merger, as of December 31 for each of the calendar years 2017 through 2019, by applying illustrative price to one-year forward earnings multiples of 11.0x to 15.0x to earnings per share estimates for Lam Research, taking into account consummation of the merger, for each of the calendar years 2018 through 2020, and then discounted to present values as of September 30, 2015, using an illustrative discount rate of 12.3% reflecting an estimate of Lam Research's cost of equity taking into account consummation of the merger, the sum of (1) these theoretical future values of Lam Research common stock plus (2) per share dividends forecasted by Lam Research management. This analysis resulted in a range of implied present values of \$85.68-\$119.39 per share of Lam Research common stock. As described above, the implied value per share of Lam Research common stock on a standalone basis ranged from \$78.35 to \$117.37.

Illustrative Pro Forma Accretion/Dilution Analysis

Goldman Sachs performed illustrative pro forma analyses of the potential financial impact of the merger on earnings per share of Lam Research using the Forecasts and the Lam Research Synergies. For the estimated calendar years 2017 to 2020, Goldman Sachs compared the projected non-GAAP earnings per share of Lam Research common stock, on a standalone basis, to the projected non-GAAP earnings per share of Lam Research common stock, taking into account consummation of the merger, with and without the Lam Research Synergies. Based on such analyses, the proposed transaction would be accretive to Lam Research's stockholders on a non-GAAP earnings per share basis for each of calendar years 2017 to 2020 with the Lam Research Synergies, and dilutive to Lam Research's stockholders on a non-GAAP earnings per share basis for each of calendar years 2017 to 2020 without the Lam Research Synergies.

Selected Transactions Analysis

Goldman Sachs analyzed certain information relating to the following selected transactions in the semiconductor industry after Lam Research's acquisition of Novellus in December 2011.

For each of the selected transactions, Goldman Sachs calculated and compared the offer price as a multiple of Institutional Brokers' Estimate System, which is referred to as IBES, estimated next fiscal year earnings before interest, taxes, and depreciation and amortization, which is referred to as EBITDA (including stock-based compensation, which is referred to as SBC) and earnings per share (including SBC) at the time of announcement.

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Although none of the selected transactions is directly comparable to the merger, the target companies in the selected transaction are involved in the semiconductor industry such that, for the purposes of analysis, the selected transaction may be considered similar to the merger.

Announcement Date	Acquirer	Target
9/20/2015	Dialog Semiconductor plc	Atmel Corporation
5/27/2015	Avago Technologies Limited	Broadcom Corporation
3/2/2015	NXP Semiconductors N.V.	Freescale Semiconductor, Ltd.
12/1/2014	Cypress Semiconductor Corporation	Spansion Inc.
2/24/2014	RFMD	TriQuint
12/14/2011	Lam Research Corporation	Novellus Systems, Inc.

	Next Fiscal year Multiple:	Next Fiscal year Multiple:
Average	EBITDA (Incl. SBC) 17.2x	Net Income (Incl. SBC) 30.8x
Median	15.6x	20.6x
Lam Research / KLA-Tencor ¹	12.6x	17.7x

(1) Lam Research / KLA-Tencor transaction value calculated using closing share price as of October 19, 2015 and net debt (total debt minus total cash) (based on face value) of KLA-Tencor as of September 30, 2015. Using IBES estimates for the next fiscal year EBITDA (including SBC) and net income (including SBC).

Premia Analysis

Goldman Sachs reviewed and analyzed the acquisition premia for certain publicly disclosed transactions with mixed consideration since 2009 in which a majority stake was acquired, excluding any transaction with a premium in excess of 150% or a negative premium of less than 50%, calculated relative to the target's closing share price one day prior to announcement, based on information obtained from Thomson Reuters. Using such data, for each year for the years 2009 to 2015 (through October 19, 2015), Goldman Sachs calculated the annual average acquisition premia for these transactions for each applicable year. The results of this analysis are summarized as follows:

Year	Average Acquisition Premium One Day Prior to Announcement
2009	32%
2010	37%
2011	30%
2012	34%
2013	22%
2014	26%
2015 (through October 19, 2015)	30%
Median (for all years)	30%
Lam Research / KLA-Tencor Premium Over Undisturbed ¹	24%

(1) Lam Research / KLA-Tencor transaction premium calculated using closing share price as of October 19, 2015.

Table of Contents**Selected Companies Analysis**

Goldman Sachs reviewed and compared certain financial information for Lam Research and KLA-Tencor to corresponding financial information, ratios and public market multiples for the following publicly traded corporations in the semiconductor capital equipment industry, which are collectively referred to as the selected companies:

ASML Holding

Applied Materials Inc.

Tokyo Electron Ltd.

ASM International N.V.

Although none of the selected companies is directly comparable to Lam Research or KLA-Tencor, the companies included were chosen because they are publicly traded companies with operations that for purposes of analysis may be considered similar to certain operations of Lam Research and KLA-Tencor.

Goldman Sachs also calculated and compared various financial multiples and ratios based on estimates from IBES and Bloomberg, and market information, in each case as of October 19, 2015. The multiples and ratios for Lam Research and KLA-Tencor were based on the Forecasts as well as IBES estimates. The multiples and ratios for each of the selected companies were based on IBES estimates. With respect to the selected companies, Goldman Sachs calculated:

enterprise value as a multiple of estimated sales for calendar years 2015 to 2017; and

enterprise value as a multiple of estimated EBITDA for calendar years 2015 to 2017.

The results of these analyses are summarized as follows:

Enterprise value as a multiple of:	Selected Companies		Lam Research (Street/Management)	KLA-Tencor (Street/Management)
	Range	Median		
CY2015E Sales	1.1x - 5.2x	2.1x	1.8x/1.7x	3.3x/3.3x
CY2016E Sales	1.1x - 4.9x	2.1x	1.6x/1.5x	3.2x/3.0x
CY2017E Sales	1.1x - 4.3x	2.2x	1.6x/1.3x	3.0x/2.7x
CY2015E EBITDA	6.2x - 17.7x	10.1x	7.3x/7.1x	11.5x/11.0x
CY2016E EBITDA	5.7x - 16.4x	9.4x	6.3x/6.1x	10.3x/9.2x
CY2017E EBITDA	5.5x - 13.2x	9.5x	6.0x/4.8x	9.1x/7.9x

Goldman Sachs also calculated the selected companies price to earnings ratios for:

calendar years 2015 to 2017, which is referred to as Calendarized; and

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calendar years 2015 to 2017 less the value of cash, cash equivalents, short-term and long-term investments, which is referred to as Cash Adjusted.

Price/Earnings Ratio:	Selected Companies		Lam Research	KLA-Tencor
	Range	Median	(Street/Management)	(Street/Management)
CY2015E Calendarized	11.3x - 24.6x	14.1x	12.3x/11.3x	17.0x/16.0x
CY2016E Calendarized	11.0x - 21.5x	12.7x	11.0x/9.7x	14.3x/12.6x
CY2017E Calendarized	9.4x - 16.6x	12.9x	10.0x/7.7x	12.2x/10.5x
CY2015E Cash Adjusted	9.2x - 22.7x	10.7x	7.6x/7.0x	12.4x/11.6x
CY2016E Cash Adjusted	9.0x - 19.8x	9.5x	6.7x/5.9x	10.4x/9.2x
CY2017E Cash Adjusted	7.7x - 15.3x	9.1x	6.1x/4.7x	8.9x/7.7x

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Goldman Sachs also considered five-year compound annual growth rate. The following table presents the results of this analysis:

	Selected Companies		Lam Research	KLA-Tencor
	Range	Median	(Street/Management)	(Street)/Management
5 Year EPS Compound Annual Growth Rate	8.0% - 22.0%	15.6%	11.5%/11.3%	21.2%/14.0%

General

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying Goldman Sachs' opinion. In arriving at its fairness determination, Goldman Sachs considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Goldman Sachs made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Lam Research or KLA-Tencor or the contemplated transaction.

Goldman Sachs prepared these analyses for purposes of Goldman Sachs' providing its opinion to the Lam Research Board as to the fairness from a financial point of view of the aggregate merger consideration to be paid by Lam Research pursuant to the merger agreement. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Lam Research, KLA-Tencor, Goldman Sachs or any other person assumes responsibility if future results are materially different from those forecast.

The merger consideration was determined through arm's-length negotiations between Lam Research and KLA-Tencor and was approved by the Lam Research Board. Goldman Sachs provided advice to Lam Research during these negotiations. Goldman Sachs did not, however, recommend any specific amount of consideration to Lam Research or the Lam Research Board or that any specific amount of consideration constituted the only appropriate consideration for the merger.

As described above, Goldman Sachs' opinion to the Lam Research Board was one of many factors taken into consideration by the Lam Research Board in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by Goldman Sachs in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of Goldman Sachs attached to this joint proxy statement/prospectus as Annex B.

Goldman Sachs and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. Goldman Sachs and its affiliates and employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of Lam Research, KLA-Tencor and any of their respective affiliates and third parties, or any currency or commodity that may be involved in the transactions contemplated by the merger agreement. Goldman Sachs acted as financial advisor to Lam Research in connection with, and participated in certain of the negotiations leading to, the merger. At Lam Research's request, affiliates of Goldman Sachs entered into financing commitments and agreements concurrently with the execution of the merger agreement to provide Lam Research with bridge financing in connection with the consummation of the

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merger, in each case subject to the terms of such commitments and agreements. At Lam Research's request, affiliates of Goldman Sachs are also participating as term lenders pursuant to the term loan agreement and revolving lenders pursuant to the revolving credit agreement, and are expected to participate as lead left bookrunners in connection with the issuance of debt securities in connection with the financing of the cash component of the merger consideration. See the section below entitled Description of Financing Transactions. In connection with the above-referenced financing activities associated with consummation of the transactions contemplated by the merger agreement, affiliates of Goldman Sachs have been paid customary fees by Lam Research in connection with the execution of the bridge commitment letter and its participation as term lenders and revolving lenders and would expect to receive customary compensation for services in connection with the issuance of debt securities or, to the extent necessary, borrowings under the bridge commitment letter. Goldman Sachs, acting as principal, entered into bond hedge transactions and issuer warrant transactions with Lam Research in connection with Lam Research's 0.50% Convertible Senior Notes due May 2016 (initial aggregate principal amount of \$450,000,000) and Lam Research's 1.25% Convertible Senior Notes due May 2018 (initial aggregate principal amount of \$450,000,000). The issuer warrant transactions may be adjusted by Goldman Sachs, as calculation agent, as a result of the announcement and/or consummation of the merger in accordance with the terms thereof in order to preserve the fair value of the issuer warrant transactions to Goldman Sachs in light of the effect of the announcement and/or consummation of the merger on the theoretical value of Lam Research's shares or such issuer warrant transactions. Such adjustments may compensate Goldman Sachs for any diminution in the value of the issuer warrant transactions to it that would otherwise result from the announcement and/or consummation of the merger. Prior to Lam Research's entry into the merger agreement, Goldman Sachs also provided Lam Research with certain estimates and analyses concerning the impact of the merger on the issuer warrant transactions, based on various assumptions concerning the mergers and market conditions and other information available at the time. Such estimates and analyses were prepared by the Investment Banking Division of Goldman Sachs without consultation with the derivatives trading personnel responsible for Goldman Sachs's position as principal in the issuer warrant transactions. Goldman Sachs has provided certain financial advisory and/or underwriting services to Lam Research and/or its affiliates from time to time for which the Investment Banking Division of Goldman Sachs has received, and may receive, compensation, including having acted as co-manager in Lam Research's investment grade notes offering in March 2015. Goldman Sachs may also in the future provide financial advisory and/or underwriting services to Lam Research, KLA-Tencor, and their respective affiliates for which the Investment Banking Division of Goldman Sachs may receive compensation. During the two year period ended October 20, 2015, the Investment Banking Division of Goldman Sachs has received compensation for financial advisory and/or underwriting services provided to Lam Research and/or its affiliates of approximately \$350,000. During the two year period ended October 20, 2015, Goldman Sachs has not been engaged by KLA-Tencor or its affiliates to provide financial advisory or underwriting services for which the Investment Banking Division of Goldman Sachs has received compensation.

The Lam Research Board selected Goldman Sachs as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to a letter agreement dated September 28, 2015, Lam Research engaged Goldman Sachs to act as its financial advisor in connection with a contemplated transaction. The engagement letter between Lam Research and Goldman Sachs provides for a transaction fee of \$35 million, \$8.75 million of which became payable at the execution of the merger agreement, and the remainder of which is contingent upon consummation of the transactions contemplated by the merger agreement. In addition, the engagement letter provides that Lam Research may pay Goldman Sachs an additional transaction fee of \$5 million at Lam Research's sole discretion. In addition, Lam Research has agreed to reimburse Goldman Sachs for certain of its expenses, including attorneys fees and disbursements, and to indemnify Goldman Sachs and related persons against various liabilities, including certain liabilities under the federal securities laws.

Opinion of KLA-Tencor's Financial Advisor

KLA-Tencor retained Qatalyst Partners to act as financial advisor to the KLA-Tencor Board in connection with a potential transaction and to evaluate whether the merger consideration to be received by the holders of

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shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement was fair, from a financial point of view, to such holders. KLA-Tencor selected Qatalyst Partners to act as its financial advisor based on Qatalyst Partners qualifications, expertise, reputation and knowledge of the business and affairs of KLA-Tencor and the industry in which it operates. Qatalyst Partners has provided its written consent to the reproduction of Qatalyst Partners' opinion in this joint proxy statement/prospectus. At the meeting of the KLA-Tencor Board on October 20, 2015, Qatalyst Partners rendered its oral opinion that, as of such date and based upon and subject to the various limitations, qualifications, assumptions and other matters set forth in its written opinion, the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement was fair, from a financial point of view, to such holders. Qatalyst Partners delivered its written opinion, dated October 20, 2015, to the KLA-Tencor Board following the meeting of the KLA-Tencor Board.

The full text of Qatalyst Partners' written opinion, dated October 20, 2015, to the KLA-Tencor Board is attached hereto as Annex C and is incorporated by reference herein. The opinion sets forth, among other things, the assumptions made, procedures followed, matters considered and limitations and qualifications of the review undertaken by Qatalyst Partners in rendering its opinion. You should read the opinion carefully in its entirety. Qatalyst Partners' opinion was provided to the KLA-Tencor Board and addressed only, as of the date of the opinion, the fairness from a financial point of view of the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement, and it did not address any other aspect of the mergers. It does not constitute a recommendation as to how any holder of shares of KLA-Tencor common stock or any holder of shares of Lam Research common stock should vote with respect to the mergers or any other matter including, without limitation, whether any holder of shares of KLA-Tencor common stock should elect to receive the all-cash consideration, the all-stock consideration or the mixed consideration or make no election with respect to such holder's shares of KLA-Tencor common stock, and does not in any manner address the price at which KLA-Tencor common stock or Lam Research common stock will trade at any time. The summary of Qatalyst Partners' opinion set forth herein is qualified in its entirety by reference to the full text of the opinion.

For purposes of its opinion, Qatalyst Partners reviewed the merger agreement, certain related documents and certain publicly available financial statements and other business and financial information of KLA-Tencor and Lam Research. Qatalyst Partners also reviewed (1) certain forward-looking information relating to KLA-Tencor prepared by the management of KLA-Tencor, including financial projections and operating data of KLA-Tencor, which are described below in the section entitled "Certain Projections of Lam Research and KLA-Tencor - Certain Projections Reviewed by the KLA-Tencor Board - Projections for KLA-Tencor Prepared by KLA-Tencor" and are referred to as the "KLA-Tencor Projections"; (2) certain forward-looking information relating to Lam Research prepared by the management of Lam Research, including financial projections and operating data of Lam Research prepared by the management of Lam Research, which are described below in the section entitled "Certain Projections of Lam Research and KLA-Tencor - Certain Projections Reviewed by the Lam Research Board - Projections for Lam Research Prepared by Lam Research" and are referred to as the "Lam Research Projections"; (3) certain forward-looking information relating to Lam Research prepared by the management of Lam Research, including financial projections and operating data of Lam Research prepared by the management of Lam Research and adjusted by the management of KLA-Tencor, which is referred to as the "Adjusted Lam Research Projections"; and (4) information relating to certain strategic, financial and operational benefits anticipated from the mergers prepared by the managements of Lam Research and KLA-Tencor, each described below in the section entitled "Certain Projections of Lam Research and KLA-Tencor." Additionally, Qatalyst Partners discussed the past and current operations and financial condition and the prospects of KLA-Tencor and Lam Research, including information relating to certain strategic, financial and operational benefits anticipated from the mergers, with senior executives of KLA-Tencor and Lam Research. Qatalyst Partners also reviewed the historical market prices and trading activity for KLA-Tencor common stock and Lam Research common stock and compared the financial performance of KLA-Tencor and Lam Research and the prices and trading activity of KLA-Tencor common stock and Lam Research common stock with that of certain other selected publicly-traded companies and their securities. In addition, Qatalyst Partners reviewed the financial

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terms, to the extent publicly available, of selected acquisition transactions and performed such other analyses, reviewed such other information and considered such other factors as Qatalyst Partners deemed appropriate.

In arriving at its opinion, Qatalyst Partners assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or supplied or otherwise made available to, or discussed with, Qatalyst Partners by KLA-Tencor and Lam Research. With respect to the KLA-Tencor Projections, Qatalyst Partners was advised by the management of KLA-Tencor, and Qatalyst Partners assumed, that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of KLA-Tencor of the future financial performance of KLA-Tencor and other matters covered thereby. With respect to the Lam Research Projections and the Adjusted Lam Research Projections, Qatalyst Partners was advised by the management of KLA-Tencor, and Qatalyst Partners assumed, that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Lam Research, as adjusted by the management of KLA-Tencor in the case of the Adjusted Lam Research Projections, of the future financial performance of Lam Research and other matters covered thereby. With respect to the KLA-Tencor Synergies, Qatalyst Partners was advised by the managements of Lam Research and KLA-Tencor, and Qatalyst Partners assumed, that they had been reasonably prepared on bases reflecting the best currently available estimates and judgments of the managements of Lam Research and KLA-Tencor relating to the strategic, financial and operational benefits anticipated from the mergers. Qatalyst Partners assumed that the mergers will be consummated in accordance with the terms set forth in the merger agreement, without any modification, waiver or delay. In addition, Qatalyst Partners assumed that in connection with the receipt of all the necessary approvals of the mergers, no delays, limitations, conditions or restrictions will be imposed that could have an adverse effect on KLA-Tencor, Lam Research or the contemplated benefits expected to be derived in the mergers. Qatalyst Partners also assumed that the mergers will qualify as a tax-free reorganization under the Code. Qatalyst Partners did not make any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of KLA-Tencor or Lam Research, nor was Qatalyst Partners furnished with any such evaluation or appraisal. In addition, Qatalyst Partners relied, without independent verification, upon the assessments of the managements of KLA-Tencor and Lam Research as to (1) the existing and future technology and products of KLA-Tencor and Lam Research and the risks associated with such technology and products; (2) their ability to integrate the businesses of KLA-Tencor and Lam Research; and (3) their ability to retain key employees of KLA-Tencor and Lam Research. In arriving at its opinion, Qatalyst Partners was not authorized to solicit, and did not solicit, interest from any party with respect to an acquisition, business combination or other extraordinary transaction involving KLA-Tencor. Qatalyst Partners' opinion was approved by Qatalyst Partners' opinion committee in accordance with Qatalyst Partners' customary practice.

Qatalyst Partners' opinion is necessarily based on financial, economic, market and other conditions as in effect on, and the information made available to it as of, the date of the opinion. Events occurring after the date of the opinion may affect Qatalyst Partners' opinion and the assumptions used in preparing it, and Qatalyst Partners has not assumed any obligation to update, revise or reaffirm its opinion. Qatalyst Partners' opinion does not address the underlying business decision of KLA-Tencor to engage in the mergers, or the relative merits of the mergers as compared to any strategic alternatives that may be available to KLA-Tencor. Qatalyst Partners' opinion is limited to the fairness, from a financial point of view, of the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement, and Qatalyst Partners expressed no opinion with respect to the fairness of the amount or nature of the compensation to any of the officers, directors or employees of KLA-Tencor, or any class of such persons, relative to such merger consideration.

The following is a brief summary of the material analyses performed by Qatalyst Partners in connection with its opinion dated October 20, 2015. The analyses and factors described below must be considered as a whole; considering any portion of such analyses or factors, without considering all analyses and factors, could create a misleading or incomplete view of the process underlying Qatalyst Partners' opinion. For purposes of its analyses, Qatalyst Partners utilized the consensus of third-party research analyst projections for KLA-Tencor, which is referred to as the Analyst Projections, as well as the KLA-Tencor Projections and certain forward-

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looking information related to Lam Research’s financial performance after taking into account the mergers based on the KLA-Tencor Projections, the Lam Research Projections and the Adjusted Lam Research Projections and the KLA-Tencor Synergies (in the case of the Lam Research Projections, the Pro Forma Combined Projections, and in the case of the Adjusted Lam Research Projections, the Adjusted Pro Forma Combined Projections), the KLA-Tencor Projections being described below in the section entitled “Certain Projections of Lam Research and KLA-Tencor.” Some of the summaries of the financial analyses include information presented in tabular format. The tables are not intended to stand alone, and in order to more fully understand the financial analyses used by Qatalyst Partners, the tables must be read together with the full text of each summary. Considering the data set forth below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of Qatalyst Partners’ financial analyses.

Illustrative Discounted Cash Flow Analysis

Standalone Company

Qatalyst Partners performed an illustrative discounted cash flow, which is referred to as the DCF, analysis, which is designed to imply a potential, present value of share values for KLA-Tencor common stock as of September 30, 2015 by:

adding:

1. the implied net present value of the estimated future unlevered free cash flows of KLA-Tencor, based on the KLA-Tencor Projections, for the fourth quarter of calendar year 2015 through calendar year 2019 (which implied present value was calculated by using a range of discount rates of 8.0% to 11.0%, based on an estimated weighted average cost of capital for KLA-Tencor);
2. the implied net present value of a corresponding terminal value of KLA-Tencor, calculated by multiplying the estimated net operating profit after tax, which is referred to as NOPAT, in calendar year 2020, based on the KLA-Tencor Projections, by a range of multiples of enterprise value to next-twelve-months estimated NOPAT of 11.0x to 16.0x, and discounted to present value using the same range of discount rates used in item (1) above; and
3. the cash and short-term investments of KLA-Tencor as of September 30, 2015;

subtracting debt of KLA-Tencor as of September 30, 2015;

applying a dilution factor of approximately 5% to reflect the dilution to current stockholders over the projection period due to the effect of future equity compensation grants projected by KLA-Tencor’s management; and

dividing the resulting amount by the number of fully-diluted shares of KLA-Tencor common stock outstanding, adjusted for KLA-Tencor RSUs and KLA-Tencor options outstanding, as provided by KLA-Tencor’s management, as of September 30, 2015.

Based on the calculations set forth above, this analysis implied the following ranges of approximate per share values for KLA-Tencor common stock:

**KLA-Tencor
Projections Case 1**

**KLA-Tencor
Projections Case 2**

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\$53.72	\$81.14	\$	61.89	\$93.73
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Pro Forma Combined Company

Qatalyst Partners also performed an illustrative pro forma DCF analysis with respect to Lam Research, taking into account the mergers, based on each of the Pro Forma Combined Projections and the Adjusted Pro

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Forma Combined Projections, to calculate indications of the implied pro forma present value of the Lam Research common stock constituting the stock consideration as of September 30, 2015 and thus, by addition of the cash consideration, the per share merger consideration by:

adding:

1. the implied net present value as of June 30, 2016, an assumed closing date for the merger, of the estimated future unlevered free cash flows of Lam Research, taking into account the mergers, based on each of the Pro Forma Combined Projections and the Adjusted Pro Forma Combined Projections for the second half of calendar year 2016 through calendar year 2019 (which implied present value was calculated by using a range of discount rates of 8.5% to 10.0%, based on an estimated weighted average cost of capital for Lam Research in the event the mergers are completed);
2. the implied net present value as of June 30, 2016 of a corresponding terminal value of Lam Research, taking into account the mergers, calculated by multiplying the estimated NOPAT in calendar year 2020, based on each of the Pro Forma Combined Projections and the Adjusted Pro Forma Combined Projections, by a range of multiples of enterprise value to next-twelve-months estimated NOPAT of 10.0x to 15.0x, and discounted to present value as of June 30, 2016 using the same range of discount rates used in item (1) above; and
3. the cash and short-term investments of Lam Research, taking into account the mergers, estimated as of June 30, 2016;

subtracting debt of Lam Research, including the face value of outstanding convertible debt, taking into account the mergers, estimated as of June 30, 2016;

applying a dilution factor of approximately 6% to reflect the dilution to current stockholders of Lam Research, taking into account the mergers, over the projection period due to the effect of future equity compensation grants projected by the managements of Lam Research and KLA-Tencor;

dividing the resulting amount by the number of fully-diluted outstanding shares of Lam Research common stock, adjusted for net share settlement of outstanding in-the-money convertible debt, restricted stock units and stock options outstanding, taking into account the mergers, estimated as of June 30, 2016, as provided by the managements of Lam Research and KLA-Tencor;

discounting the resulting amount to present value as of September 30, 2015 using the same range of discount rates used in item (1) above;

applying the exchange ratio of 0.500; and

adding the per share cash consideration of \$32.00 per share.

Based on the calculations set forth above, this analysis implied the following ranges of approximate per share values for the merger consideration:

Adjusted Pro

Pro Forma

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Forma Combined		Combined
Projections (KLA-		Projections (KLA-
Tencor		Tencor
Projections Case		Projections Case
1 + Adjusted Lam		2 + Lam Research
Research		Projections)
Projections)		
\$70.70	\$89.52	\$78.94 \$101.60

Selected Companies Analysis

Qatalyst Partners compared selected financial information and public market multiples for KLA-Tencor with publicly available information and public market multiples for selected companies. The companies used in

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this comparison included those companies listed below and were selected because they are publicly traded companies in KLA-Tencor's industry. Based upon research analyst consensus estimates for calendar year 2016, and using the closing prices as of October 20, 2015 for shares of the selected companies, Qatalyst Partners calculated, among other things, the price per share divided by the estimated earnings per share for calendar year 2016, which is referred to as the CY2016E EPS Multiples of the following companies:

ASML Holding N.V.
Applied Materials, Inc.
Lam Research Corporation

Based on an analysis of the CY2016E EPS Multiples for the selected companies, Qatalyst Partners selected a representative range of 12.0x to 16.0x and applied this range to KLA-Tencor's estimated calendar year 2016 earnings per share based on each of the KLA-Tencor Projections and the Analyst Projections. This analysis implied a range of values for KLA-Tencor common stock of approximately \$46.33 to \$61.78 per share based on Case 1 of the KLA-Tencor Projections, approximately \$51.05 and \$68.07 per share based on Case 2 of the KLA-Tencor Projections and approximately \$44.52 to \$59.36 per share based on the Analyst Projections.

No company included in the selected companies analysis is identical to KLA-Tencor. In evaluating the selected companies, Qatalyst Partners made judgments and assumptions with regard to industry performance, general business, economic, market and financial conditions and other matters. Many of these matters are beyond the control of KLA-Tencor, such as the impact of competition on the business of KLA-Tencor and the industry in general, industry growth and the absence of any material adverse change in the financial condition and prospects of KLA-Tencor or the industry or in the financial markets in general. Mathematical analysis, such as determining the arithmetic mean, median, or the high or low, is not in itself a meaningful method of using selected company data.

Selected Transactions Analysis

Qatalyst Partners compared selected public transactions involving companies in the semiconductor industry announced between February 2006 and April 2014. These transactions are listed below:

Announcement Date	Target	Acquiror
April 11, 2014	Zygo	AMETEK
September 24, 2013*	Tokyo Electron	Applied Materials
August 13, 2012	FSI International	Tokyo Electron
December 14, 2011	Novellus Systems	Lam Research
May 4, 2011	Varian Semiconductor	Applied Materials
November 17, 2009	Semitool	Applied Materials
February 21, 2008	Icos Vision	KLA-Tencor
December 10, 2007	SEZ Group	Lam Research
May 4, 2006	Applied Films	Applied Materials
February 23, 2006	ADE	KLA-Tencor

* Terminated

For each of the transactions listed above, Qatalyst Partners reviewed, among other things, the implied fully diluted enterprise value of the target company as a multiple of the next-twelve-months revenue of the target company as reflected in Wall Street analyst research, certain publicly available financial statements and press releases, the median of which (excluding Applied Materials' terminated acquisition of Tokyo Electron) was 2.2x. Based on the analysis of such metrics for the transactions noted above, Qatalyst Partners selected a representative range of 2.5x to 3.5x applied to KLA-Tencor's next-twelve-months revenue (calculated using the four quarters that start on July 1, 2015 and based on the Analyst Projections). Based on the calculations set forth above, then subtracting net debt of KLA-Tencor as of September 30, 2015 and then dividing the resulting amount by KLA-

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Tencor's fully-diluted shares (assuming treasury stock method), including KLA-Tencor common stock, KLA-Tencor RSUs and KLA-Tencor options outstanding as provided by management of KLA-Tencor as of September 30, 2015, this analysis implied a range of values for KLA-Tencor common stock of approximately \$38.86 to \$56.69 per share.

For each of the transactions listed above, Qatalyst Partners also reviewed, among other things, the price as a multiple of the next-twelve-months earnings per share of the target company as reflected in Wall Street analyst research, certain publicly available financial statements and press releases, the median of which (excluding Applied Materials' terminated acquisition of Tokyo Electron) was 22.4x. Based on the analysis of such metrics for the transactions noted above, Qatalyst Partners selected a representative range of 16.0x to 20.0x applied to KLA-Tencor's next-twelve-months estimated earnings per share (calculated using the four quarters that start on July 1, 2015 and based on the Analyst Projections). Based on the calculations set forth above, this analysis implied a range of values for KLA-Tencor common stock of approximately \$52.43 to \$65.54 per share.

No company or transaction utilized in the selected transactions analysis is identical to KLA-Tencor or the mergers. In evaluating the selected transactions, Qatalyst Partners made judgments and assumptions with regard to general business, market and financial conditions and other matters, many of which are beyond the control of KLA-Tencor, such as the impact of competition on the business of KLA-Tencor or the industry generally, industry growth and the absence of any material adverse change in the financial condition of KLA-Tencor or the industry or in the financial markets in general, which could affect the public trading value of the companies and the aggregate value of the transactions to which they are being compared. Because of the unique circumstances of each of these transactions and the mergers, Qatalyst Partners cautioned against placing undue reliance on this information.

Miscellaneous

In connection with the review of the mergers by the KLA-Tencor Board, Qatalyst Partners performed a variety of financial and comparative analyses for purposes of rendering its opinion. The preparation of a financial opinion is a complex process and is not necessarily amenable to a partial analysis or summary description. In arriving at its opinion, Qatalyst Partners considered the results of all of its analyses as a whole and did not attribute any particular weight to any analysis or factor it considered. Qatalyst Partners believes that selecting any portion of its analyses, without considering all analyses as a whole, could create a misleading or incomplete view of the process underlying its analyses and opinion. In addition, Qatalyst Partners may have given various analyses and factors more or less weight than other analyses and factors, and may have deemed various assumptions more or less probable than other assumptions. As a result, the ranges of valuations resulting from any particular analysis described above should not be taken to be Qatalyst Partners' view of the actual value of KLA-Tencor. In performing its analyses, Qatalyst Partners made numerous assumptions with respect to industry performance, general business, economic, market and financial conditions and other matters, many of which are beyond the control of KLA-Tencor. Any estimates contained in Qatalyst Partners' analyses are not necessarily indicative of future results or actual values, which may be significantly more or less favorable than those suggested by such estimates.

Qatalyst Partners conducted the analyses described above solely as part of its analysis of the fairness, from a financial point of view, of the merger consideration to be received by the holders of shares of KLA-Tencor common stock, other than Lam Research or any affiliates of Lam Research, pursuant to the merger agreement, and in connection with the delivery of its opinion to the KLA-Tencor Board. These analyses do not purport to be appraisals or to reflect the price at which KLA-Tencor common stock might actually trade.

Qatalyst Partners' opinion and its presentation to the KLA-Tencor Board was one of many factors considered by the KLA-Tencor Board in deciding to approve the merger agreement. Consequently, the analyses as described above should not be viewed as determinative of the opinion of the KLA-Tencor Board with respect to the merger consideration to be received by KLA-Tencor stockholders pursuant to the mergers or of whether the KLA-Tencor Board would have been willing to agree to a different consideration. The merger consideration

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was determined through arm's-length negotiations between KLA-Tencor and Lam Research and was approved by the KLA-Tencor Board. Qatalyst Partners provided advice to KLA-Tencor during these negotiations. Qatalyst Partners did not, however, recommend any specific consideration to KLA-Tencor or that any specific consideration constituted the only appropriate consideration for the mergers.

Qatalyst Partners provides investment banking and other services to a wide range of corporations and individuals, domestically and offshore, from which conflicting interests or duties may arise. In the ordinary course of these activities, affiliates of Qatalyst Partners may at any time hold long or short positions, and may trade or otherwise effect transactions in debt or equity securities or loans of KLA-Tencor, Lam Research or certain of their respective affiliates. During the two year period prior to the date of Qatalyst Partners' opinion, no material relationship existed between Qatalyst Partners and its affiliates and KLA-Tencor or Lam Research pursuant to which compensation was received by Qatalyst Partners or its affiliates other than Qatalyst Partners acting as financial advisor to KLA-Tencor in connection with a potential acquisition of Lam Research for which KLA-Tencor paid Qatalyst Partners a fee of \$100,000 in 2014; however, Qatalyst Partners and/or its affiliates may in the future provide investment banking and other financial services to KLA-Tencor and Lam Research and their respective affiliates for which it would expect to receive compensation.

Under the terms of its engagement letter, Qatalyst Partners provided KLA-Tencor with financial advisory services in connection with the mergers for which it will be paid approximately \$[], \$100,000 of which was payable upon the execution of such engagement letter and \$5,000,000 of which was payable upon delivery of its opinion (regardless of the conclusion reached in the opinion), and the remaining portion of which will be paid upon, and subject to, consummation of the mergers (provided that the final actual fee will be, in part, based on an average of the closing prices of Lam Research common stock over ten trading days approaching the closing of the merger). KLA-Tencor has also agreed to reimburse Qatalyst Partners for its expenses incurred in performing its services. KLA-Tencor has also agreed to indemnify Qatalyst Partners and its affiliates, their respective members, directors, officers, partners, agents and employees and any person controlling Qatalyst Partners or any of its affiliates against certain liabilities, including liabilities under federal securities law, and certain expenses related to or arising out of Qatalyst Partners' engagement.

Certain Projections of Lam Research and KLA-Tencor

Although each of Lam Research and KLA-Tencor has publicly issued limited short-term guidance concerning certain aspects of its expected financial performance, each company does not, as a matter of course, make public disclosure of detailed forecasts or projections of its expected financial performance for extended periods due to, among other things, (1) the inherent difficulty of accurately predicting future periods; and (2) the likelihood that the underlying assumptions and estimates may prove incorrect. However, for internal purposes and in connection with the process leading to the merger agreement, Lam Research prepared (1) certain projections and estimates of future financial and operating performance for each of Lam Research and KLA-Tencor for the calendar years 2015 through 2020; and (2) projections and estimates of future cost and revenue synergies that may be realized through a combination of Lam Research and KLA-Tencor. In addition, KLA-Tencor prepared certain projections of future financial and operating performance for each of Lam Research and KLA-Tencor for the calendar years 2015 through 2020. The projections and estimates prepared by each of the companies are, other than with respect to the estimated synergies, on a stand-alone basis and are not intended to be added together. Adding together the projections and estimates for the two companies would not represent the results that the combined company will achieve if the merger is completed, and, other than with respect to the estimated synergies, does not represent projections for the combined company. In addition, the projections and estimates do not take into account any of the transactions contemplated by the merger agreement, including the merger and associated expenses, or Lam Research's or KLA-Tencor's compliance with their respective covenants under the merger agreement. As a result, actual results likely will differ, and may differ materially, from those contained in the projections and estimates.

The projections and estimates prepared by Lam Research and KLA-Tencor summarized below were not prepared for purposes of public disclosure, and were not prepared on a basis designed to comply with published

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guidelines of the SEC, the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of projections, or GAAP. Neither KLA-Tencor's nor Lam Research's current, former or any other independent registered public accounting firm, including those listed as experts below in the section entitled "Experts," nor any other independent accountants, have compiled, examined or performed any procedures with respect to the projections or estimates summarized below, nor have they expressed any opinion or any other form of assurance on such information or its achievability. The independent registered public accounting firms' reports incorporated by reference in this joint proxy statement/prospectus relate to historical financial information. They do not extend to any prospective financial information and should not be viewed as doing so.

Although presented with numerical specificity, the projections and estimates prepared by Lam Research and KLA-Tencor (1) are subject to a wide variety of significant business, economic, and competitive risks and uncertainties; (2) are not actual facts; and (3) were based on numerous variables and assumptions, including those specifically stated below, and other matters specific to KLA-Tencor's and Lam Research's businesses. These matters are inherently uncertain, subject to change and, in many cases, are beyond the control of KLA-Tencor and Lam Research. These risks and uncertainties, include, but are not limited to, (1) changes in the spending environment for Lam Research's and KLA-Tencor's products; (2) changes in the demand for Lam Research's and KLA-Tencor's products; (3) the outcome and results of integrating the operations of Lam Research and KLA-Tencor; (4) the impact of general economic factors and other operating conditions and risks and uncertainties relating to KLA-Tencor's and Lam Research's businesses (including their ability to achieve strategic goals, objectives and targets over applicable periods, or to adopt new strategies in response to changed circumstances); and (5) other matters described in the sections entitled "Special Note Regarding Forward-Looking Statements," "Risk Factors" and Part I, Item 1A in each of Lam Research's and KLA-Tencor's respective most recent Annual Report on Form 10-K, which are incorporated by reference herein.

The inclusion of a summary of the projections in this joint proxy statement/prospectus should not be regarded as an indication that any of Lam Research, KLA-Tencor or their respective affiliates, officers, directors, financial advisors or other representatives consider the projections to be necessarily predictive of actual future events, and the projections should not be relied upon as such. None of Lam Research, KLA-Tencor or their respective affiliates, officers, directors, financial advisors or other representatives can give any stockholder of Lam Research, stockholder of KLA-Tencor or other person any assurance that actual results will not differ materially from the projections, and none of them undertakes any obligation to update or otherwise revise or reconcile the projections and estimates to reflect circumstances existing after the date the projections were generated or to reflect the occurrence of future events, even if any or all of the assumptions and estimates underlying the projections are shown to be in error. None of Lam Research, KLA-Tencor or their respective affiliates, officers, directors, financial advisors or other representatives has made, makes or is authorized in the future to make any representation to any stockholder of Lam Research, stockholder of KLA-Tencor or other person regarding Lam Research's or KLA-Tencor's ultimate performance compared to the information contained in the projections or that the projected results will be achieved. The summaries of the projections included below are not being included to influence your decision whether to vote for the merger and the transactions contemplated in connection with the merger, but are being provided solely because the projections were considered in connection with the merger. Lam Research and KLA-Tencor urge all stockholders to review Lam Research's and KLA-Tencor's most recent SEC filings for a description of Lam Research's and KLA-Tencor's reported financial results. See the section entitled "Where You Can Find More Information."

Certain Projections Reviewed by the Lam Research Board

The projections and estimates below for the calendar years ended December 31, 2015 through December 31, 2020 for Lam Research and KLA-Tencor reflect the forecasts prepared by the management of Lam Research for internal purposes of assessing the merger. In addition, Lam Research management prepared the estimates of cost and revenue synergies for the calendar years ended December 31, 2015 through December 31, 2020 that are expected to be realized following the completion of the merger. These estimated cost and revenue synergies are not reflected in the projections and estimates below for Lam Research or KLA-Tencor, which are prepared on a

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stand-alone basis. Lam Research's management prepared the prospective financial information summarized below in connection with the transaction in order to provide the Lam Research Board and Goldman Sachs with financial projections and potential synergies estimates in connection with their respective evaluation of the transaction. At the direction of the Lam Research Board and Lam Research's management, Goldman Sachs used the projections for Lam Research and KLA-Tencor and the estimated synergies for the combined company in performing its financial analysis in connection with rendering the opinion described and summarized above in Opinion of Lam Research's Financial Advisor. Lam Research also provided the projections and estimates below for Lam Research and the synergies estimates for calendar years 2015 through 2020 to KLA-Tencor. In the view of Lam Research's management, the information below was prepared on a reasonable basis and reflected the best currently available estimates and judgments at the time of preparation, and presented at the time of preparation, to Lam Research's management's knowledge and belief, reasonable projections of the future financial performances of Lam Research and KLA-Tencor. The projections have not been updated, are not statements of fact and should not be relied upon as being indicative of future results. Readers of this joint proxy statement/prospectus are cautioned not to rely on this forward-looking financial information.

Projections for Lam Research Prepared by Lam Research

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
Revenue	\$ 5,896	\$ 6,490	\$ 7,597	\$ 8,137	\$ 8,453	\$ 8,781
Non-GAAP Operating Income ⁽¹⁾	\$ 1,251	\$ 1,453	\$ 1,862	\$ 2,064	\$ 2,202	\$ 2,292
Non-GAAP Net Income ⁽¹⁾	\$ 1,038	\$ 1,211	\$ 1,515	\$ 1,715	\$ 1,802	\$ 1,886

- (1) Non-GAAP Operating Income is defined as operating income excluding pre-tax non-recurring items and amortization of intangible assets acquired in the Novellus transaction. Non-GAAP Net Income is defined as net income excluding after-tax amortization of notes discount, amortization of intangible assets acquired in the Novellus transaction and after-tax non-recurring items. Neither Non-GAAP Operating Income nor Non-GAAP Net Income is a calculation provided for under GAAP. These measures should not be considered as an alternative to operating income or net income as an indication of Lam Research's operating performance. These measures are not necessarily comparable to similarly titled measures of other companies.

Reconciliation of Non-GAAP measure to GAAP measure

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
GAAP operating income	\$ 1,004	\$ 1,304	\$ 1,713	\$ 1,925	\$ 2,132	\$ 2,245
Reconciling items:						
Amortization related to intangible assets acquired in Novellus transaction	149	149	149	139	70	47
Acquisition-related inventory fair-value impact	2					
Restructuring charges	7					
Long-lived asset impairment	10					
Goodwill Impairment	79					
Non-GAAP Operating Income	\$ 1,251	\$ 1,453	\$ 1,862	\$ 2,064	\$ 2,202	\$ 2,292
GAAP net income	\$ 808	\$ 1,063	\$ 1,370	\$ 1,585	\$ 1,737	\$ 1,841
Reconciling items:						
Operating income adjustments	247	149	149	139	70	47
Amortization of convertible note discounts	36	26	21	11	5	5
Net tax benefit on non-GAAP items	(32)	(27)	(25)	(20)	(10)	(7)
Net tax benefit on successful resolution of certain tax matters	1					
Cumulative income tax benefit due to a court ruling	(22)					
Non-GAAP Net Income	\$ 1,038	\$ 1,211	\$ 1,515	\$ 1,715	\$ 1,802	\$ 1,886

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The projections and estimates prepared by Lam Research management for KLA-Tencor were based on projections provided by KLA-Tencor's management in connection with the merger, publicly available information and certain adjustments deemed appropriate by Lam Research management.

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
Revenue	\$ 2,838	\$ 3,098	\$ 3,377	\$ 3,544	\$ 3,676	\$ 3,816
Non-GAAP Operating Income ⁽¹⁾	\$ 781	\$ 950	\$ 1,113	\$ 1,212	\$ 1,280	\$ 1,357
Non-GAAP Net Income ⁽¹⁾	\$ 526	\$ 665	\$ 795	\$ 876	\$ 939	\$ 1,011

(1) Non-GAAP Operating Income is defined as operating income excluding pre-tax non-recurring items. Non-GAAP Net Income is defined as net income excluding after-tax non-recurring items. Neither Non-GAAP Operating Income nor Non-GAAP Net Income is a calculation provided for under GAAP. These measures should not be considered as an alternative to operating income or net income as an indication of KLA-Tencor's operating performance. These measures are not necessarily comparable to similarly titled measures of other companies. In developing the above prospective financial information, Lam Research made numerous assumptions about its and KLA-Tencor's industries, markets and products, and their ability to execute on their respective business plans. In particular, Lam Research assumed that the wafer fabrication equipment market would decline by approximately 1% from 2015 to 2016, grow approximately 10% from 2016 to 2017, and then grow from approximately 1% to 3.5% annually over the remaining projection period, with each of Lam Research and KLA-Tencor increasing market share in its major business units, as well as deriving incremental revenue from new products over the projection period. Lam Research also assumed that no significant restructuring or impairment costs would be incurred during the projection period.

Illustrative Transaction Synergies

Lam Research based the estimated synergies on potential revenue and cost savings synergies that Lam Research's management projected to result from the merger, including the potential for new product offerings combining complementary technologies, realizing benefits from the complementary business model strengths of Lam Research and KLA-Tencor, access to and development of new markets, reduced cost of sales, reduced R&D costs and reduced sales, general and administrative costs.

(in millions)	2HCY2016	CY2017	CY2018	CY2019	CY2020
Net Pre-Tax Cost Synergies	\$ 50	\$ 178	\$ 226	\$ 278	\$ 338
Net Pre-Tax Revenue Synergies	\$ 0	\$ 60	\$ 90	\$ 360	\$ 600

Certain Projections Reviewed by the KLA-Tencor Board

The projections and estimates below for the calendar years ended December 31, 2015 through December 31, 2020 for KLA-Tencor and Lam Research reflect the forecasts prepared by the management of KLA-Tencor for internal purposes of assessing the merger. KLA-Tencor's management prepared the prospective financial information summarized below in connection with the transaction in order to provide the KLA-Tencor Board and Qatalyst Partners with financial projections in connection with their respective evaluations of the transaction. In addition, KLA-Tencor management prepared estimates, based on discussions between KLA-Tencor management and Lam Research management, of cost synergies for the calendar years ended December 31, 2016 through December 31, 2020 that are expected to be realized following the completion of the merger. These estimates, which are referred to as the KLA-Tencor Synergies, reflect KLA-Tencor management's best judgment at the time of preparation, and include \$200 million in cost synergies per annum beginning in 2017, with \$50 million in cost synergies achieved in the second half of 2016, and no revenue synergies. At the direction of the KLA-Tencor Board, Qatalyst Partners used the projections for KLA-Tencor and Lam Research in performing its financial analysis, including the KLA-Tencor Synergies in an illustrative pro forma DCF analysis, in connection with rendering the opinion described and summarized above in the section entitled "Opinion of KLA-Tencor's

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Financial Advisor. KLA-Tencor also provided the projections and estimates below for KLA-Tencor to Lam Research. In the view of KLA-Tencor's management, the information below was prepared on a reasonable basis and reflected the best currently available estimates and judgments at the time of preparation, and presented at the time of preparation, to KLA-Tencor's management's knowledge and belief, reasonable projections of the future financial performances of KLA-Tencor and Lam Research. The projections have not been updated, are not statements of fact and should not be relied upon as being indicative of future results. Readers of this joint proxy statement/prospectus are cautioned not to rely on this forward-looking financial information.

Projections for KLA-Tencor Prepared by KLA-Tencor

KLA-Tencor's management prepared two sets of projections, which are referred to as Case 1 and Case 2. References to the KLA-Tencor Projections refer to Case 1 and Case 2. The principal differences between Case 1 and Case 2 are the assumptions made by KLA-Tencor management regarding KLA-Tencor's revenue growth. The differences in assumptions are related to overall long-term growth in wafer fabrication equipment spending generally and process control equipment spending specifically, including assumptions related to (1) growth and rate of innovation in the semiconductor industry generally; (2) macroeconomic trends with regard to capital expenditures; and (3) the growth of specific types of semiconductor customers, specifically memory, foundry and logic. These factors cannot be forecasted with certainty. KLA-Tencor's management determined, in light of this uncertainty, that it was appropriate to model two cases: (1) Case 1 reflects a 1% growth rate in wafer fabrication and process equipment spending and (2) Case 2 reflects a higher growth rate of 3%, which is more in line with global gross domestic product growth rates, and a slightly higher process control intensity assumption (process control spending as a percentage of overall wafer fabrication equipment spending), which reflects a slightly stronger foundry/logic environment relative to Case 1.

Case 1

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
Revenue	\$ 2,838	\$ 2,993	\$ 3,318	\$ 3,415	\$ 3,517	\$ 3,622
Non-GAAP Operating Income ⁽¹⁾	\$ 781	\$ 886	\$ 1,079	\$ 1,128	\$ 1,181	\$ 1,237
Non-GAAP Net Operating Profit After Tax	\$ 614	\$ 700	\$ 852	\$ 891	\$ 933	\$ 977
Unlevered Free Cash Flow	\$ 908	\$ 792	\$ 842	\$ 957	\$ 998	\$ 1,042

- (1) Non-GAAP Operating Income is defined as operating income excluding acquisition-related, restructuring, severance and other related charges, and is not a calculation provided for under GAAP. Non-GAAP Net Operating Profit is defined as the product of Non-GAAP operating income multiplied by the applicable period's tax rate. These measures should not be considered as an alternative to operating income or net operating profit as an indication of KLA-Tencor's operating performance. These measures are not necessarily comparable to similarly titled measures of other companies.

**Reconciliation of Non-GAAP measure to GAAP measure
(totals may not add due to rounding)**

GAAP Operating Income	\$ 735	\$ 882	\$ 1,077	\$ 1,128	\$ 1,181	\$ 1,237
Adjustments:						
Acquisition related charges	\$ 12	\$ 4	\$ 2	\$	\$	\$
Restructuring, severance and other	\$ 34	\$	\$	\$	\$	\$
Non-GAAP Operating Income	\$ 781	\$ 886	\$ 1,079	\$ 1,128	\$ 1,181	\$ 1,237
Less: Income taxes on Non-GAAP Operating Income	\$ (167)	\$ (186)	\$ (227)	\$ (237)	\$ (248)	\$ (260)
Non-GAAP Net Operating Profit after tax	\$ 614	\$ 700	\$ 852	\$ 891	\$ 933	\$ 977
Less: Capital Expenditure	\$ (45)	\$ (47)	\$ (50)	\$ (52)	\$ (55)	\$ (57)
Add: Depreciation	\$ 63	\$ 60	\$ 57	\$ 54	\$ 56	\$ 57
Add: Stock Based Compensation	\$ 51	\$ 46	\$ 46	\$ 48	\$ 50	\$ 52
Add: (Increase)/Decrease in Working Capital	\$ 225	\$ 33	\$ (64)	\$ 16	\$ 14	\$ 13
Unlevered Free Cash Flow	\$ 908	\$ 792	\$ 842	\$ 957	\$ 998	\$ 1,042

Table of Contents**Case 2**

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
Revenue	\$ 2,838	\$ 3,122	\$ 3,496	\$ 3,646	\$ 3,803	\$ 3,965
Non-GAAP Operating Income ⁽¹⁾	\$ 781	\$ 964	\$ 1,186	\$ 1,265	\$ 1,350	\$ 1,439
Non-GAAP Net Operating Profit After Tax	\$ 614	\$ 762	\$ 937	\$ 999	\$ 1,067	\$ 1,137
Unlevered Free Cash Flow	\$ 908	\$ 816	\$ 910	\$ 1,047	\$ 1,115	\$ 1,186

- (1) Non-GAAP Operating Income is defined as operating income excluding acquisition-related, restructuring, severance and other related charges, and is not a calculation provided for under GAAP. Non-GAAP Net Operating Profit is defined as the product of Non-GAAP operating income multiplied by the applicable period's tax rate. These measures should not be considered as an alternative to operating income or net operating profit as an indication of KLA-Tencor's operating performance. These measures are not necessarily comparable to similarly titled measures of other companies.

**Reconciliation of Non-GAAP measure to GAAP measure
(totals may not add due to rounding)**

GAAP Operating Income	\$ 735	\$ 960	\$ 1,184	\$ 1,265	\$ 1,350	\$ 1,439
Adjustments:						
Acquisition related charges	\$ 12	\$ 4	\$ 2	\$	\$	\$
Restructuring, severance and other	\$ 34	\$	\$	\$	\$	\$
Non-GAAP Operating Income	\$ 781	\$ 964	\$ 1,186	\$ 1,265	\$ 1,350	\$ 1,439
Less: Income taxes on Non-GAAP Operating Income	\$ (167)	\$ (202)	\$ (249)	\$ (266)	\$ (283)	\$ (302)
Non-GAAP Net Operating Profit after tax	\$ 614	\$ 762	\$ 937	\$ 999	\$ 1,067	\$ 1,137
Less: Capital Expenditure	\$ (45)	\$ (47)	\$ (50)	\$ (52)	\$ (55)	\$ (57)
Add: Depreciation	\$ 63	\$ 60	\$ 57	\$ 54	\$ 56	\$ 57
Add: Stock Based Compensation	\$ 51	\$ 46	\$ 46	\$ 48	\$ 52	\$ 56
Add: (Increase)/Decrease in Working Capital	\$ 225	\$ (4)	\$ (80)	\$ (2)	\$ (5)	\$ (6)
Unlevered Free Cash Flow	\$ 908	\$ 816	\$ 910	\$ 1,047	\$ 1,115	\$ 1,186

Projections for Lam Research Prepared by KLA-Tencor

The projections and estimates prepared by KLA-Tencor management for Lam Research were based on the projections for Lam Research prepared by Lam Research, publicly available information and certain adjustments deemed appropriate by KLA-Tencor management, including giving effect to assumptions regarding revenue growth, related to overall long-term growth in wafer fabrication equipment spending generally and process control equipment spending specifically, including assumptions related to growth and rate of innovation in the semiconductor industry generally, macroeconomic trends with regard to capital expenditures, and the growth of specific types of semiconductor customers, specifically memory, foundry and logic. These projections are referred to as the Adjusted Lam Research Projections.

Adjusted Lam Research Projections

(in millions)	CY2015	CY2016	CY2017	CY2018	CY2019	CY2020
Revenue	\$ 5,893	\$ 6,189	\$ 6,860	\$ 7,252	\$ 7,537	\$ 7,834
Non-GAAP Operating Income ⁽¹⁾	\$ 1,247	\$ 1,330	\$ 1,547	\$ 1,667	\$ 1,758	\$ 1,829
Non-GAAP Net Operating Profit After Tax	\$ 1,067	\$ 1,131	\$ 1,284	\$ 1,383	\$ 1,459	\$ 1,493
Unlevered Free Cash Flow	\$ 999	\$ 1,108	\$ 1,374	\$ 1,447	\$ 1,559	\$ 1,587

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- (1) Non-GAAP Operating Income is defined as operating income excluding pre-tax charges, and is not a calculation provided for under GAAP. Non-GAAP Net Operating Profit is defined as the product of Non-GAAP operating income multiplied by the applicable period's tax rate. These measures should not be considered as an alternative to operating income or net operating profit as an indication of Lam Research's operating performance. These measures are not necessarily comparable to similarly titled measures of other companies.

Interests of KLA-Tencor Directors and Executive Officers in the Merger

In considering the recommendation of the KLA-Tencor Board that you vote to approve the Merger proposal, you should be aware that KLA-Tencor's directors and executive officers have economic interests in the merger that may be different from, or in addition to, those of KLA-Tencor stockholders generally. The KLA-Tencor Board was aware of and considered these interests, among other matters, in reaching its decisions to adopt and approve, the merger agreement, the merger and the other transactions contemplated by the merger agreement (except for the interests of Ms. Higashi and Messrs. Moore and Rango that will arise if the KLA-Tencor stockholders approve the Director Compensation proposal as the KLA-Tencor Board did not determine to submit the Director Compensation proposal to KLA-Tencor stockholders until after it had approved the merger agreement).

Treatment of KLA-Tencor Equity Awards

Other than as described in the section below entitled "KLA-Tencor Compensation Arrangements," the equity compensation held by directors and executive officers of KLA-Tencor will be treated in the merger in the same manner as similar awards held by other employees of KLA-Tencor. See "The Merger Agreement Treatment of KLA-Tencor Equity Awards" for more information.

The following table provides a summary of the unvested KLA-Tencor RSUs including performance-based restricted stock units, which are referred to as "PSUs" that are held by KLA-Tencor's directors and executive officers as of November 20, 2015 and that remain subject to single-trigger or double-trigger accelerated vesting in connection with the merger. Consequently, the following table excludes all KLA-Tencor RSUs that vested prior to November 20, 2015 under the normal (non-accelerated) vesting schedule applicable to such awards, but have not yet been settled. No KLA-Tencor director or executive officer directly or indirectly owns any stock options covering shares of KLA-Tencor stock.

	Number of Shares Subject to Outstanding and Unvested KLA-Tencor RSUs and PSUs ⁽¹⁾	Estimated Total Value (\$) ⁽²⁾
Executive Officers		