

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

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

<b>1. Name and Address of Reporting Person*</b> <u>KIBARIAN JOHN KACHIG</u>  (Last) (First) (Middle) 333 WEST SAN CARLOS STREET SUITE 700  (Street) SAN JOSE CA 95110  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b> PDF SOLUTIONS INC [ PDFS ]	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable)  <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <p style="text-align: center;">CEO, President</p>
	<b>3. Date of Earliest Transaction (Month/Day/Year)</b> 01/18/2006	
<b>4. If Amendment, Date of Original Filed (Month/Day/Year)</b>		

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/18/2006		S <sup>(1)</sup>		200	D	\$18.49	2,592,556	D	
Common Stock	01/18/2006		S		100	D	\$18.57	2,592,456	D	
Common Stock	01/18/2006		S		100	D	\$18.68	2,592,356	D	
Common Stock	01/18/2006		S		100	D	\$18.89	2,592,256	D	
Common Stock	01/18/2006		S		100	D	\$18.9	2,592,156	D	
Common Stock	01/18/2006		S		94	D	\$18.91	2,592,062	D	
Common Stock	01/18/2006		S		55	D	\$18.94	2,592,007	D	
Common Stock	01/18/2006		S		299	D	\$18.95	2,591,708	D	
Common Stock	01/18/2006		S		300	D	\$18.96	2,591,408	D	
Common Stock	01/18/2006		S		200	D	\$18.97	2,591,208	D	
Common Stock	01/18/2006		S		200	D	\$18.985	2,591,008	D	
Common Stock	01/18/2006		S		200	D	\$19	2,590,808	D	
Common Stock	01/18/2006		S		300	D	\$19.01	2,590,508	D	
Common Stock	01/18/2006		S		100	D	\$19.02	2,590,408	D	
Common Stock	01/18/2006		S		156	D	\$19.03	2,590,252	D	
Common Stock	01/18/2006		S		97	D	\$19.04	2,590,155	D	
Common Stock	01/18/2006		S		100	D	\$19.05	2,590,055	D	
Common Stock	01/18/2006		S		100	D	\$19.07	2,589,955	D	
Common Stock	01/18/2006		S		453	D	\$19.08	2,589,502	D	
Common Stock	01/18/2006		S		295	D	\$19.09	2,589,207	D	
Common Stock	01/18/2006		S		100	D	\$19.11	2,589,107	D	
Common Stock	01/18/2006		S		100	D	\$19.12	2,589,007	D	
Common Stock	01/18/2006		S		200	D	\$19.135	2,588,807	D	
Common Stock	01/18/2006		S		51	D	\$19.18	2,588,756	D	

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				

**Explanation of Responses:**

1. All sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 sales plan dated August 26, 2005 between the Reporting Person and Goldman, Sachs & Co.

**Remarks:**

[/s/P. Steven Melman,](#)  
[Attorney-in-Fact for John K. Kibarian](#)     01/19/2006

\*\* Signature of Reporting Person     Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**