

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

1. Name and Address of Reporting Person* MELMAN P STEVEN (Last) (First) (Middle) 333 WEST SAN CARLOS STREET SUITE 700 (Street) SAN JOSE CA 95110 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol PDF SOLUTIONS INC [PDFS]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) VP Investor Relations
	3. Date of Earliest Transaction (Month/Day/Year) 01/31/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/31/2006		M		10,000	A	\$6.39	179,967 ⁽¹⁾	D	
Common Stock	01/31/2006		S		10,000	D	\$17.01	169,967	D	
Common Stock	01/31/2006		M		7,500	A	\$12.87	177,467	D	
Common Stock	01/31/2006		S		7,500	D	\$17.05	169,967	D	
Common Stock	01/31/2006		M		37,500	A	\$12.87	207,467	D	
Common Stock	01/31/2006		S		37,500	D	\$17.1	169,967	D	
Common Stock	01/31/2006		M		10,000	A	\$12.87	179,967	D	
Common Stock	01/31/2006		S		10,000	D	\$17.125	169,967	D	
Common Stock	01/31/2006		M		5,000	A	\$12.87	174,967	D	
Common Stock	01/31/2006		S		5,000	D	\$17.15	169,967	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
2001 Stock Plan Option (Right to Buy)	\$12.87	01/31/2006		M			7,500	(2)	05/06/2012	Common Stock	7,500	\$12.87	72,500	D	
2001 Stock Plan Option (Right to Buy)	\$12.87	01/31/2006		M			37,500	(2)	05/06/2012	Common Stock	37,500	\$12.87	35,000	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				
2001 Stock Plan Option (Right to Buy)	\$12.87	01/31/2006		M			10,000	(2)	05/06/2012	Common Stock	10,000	\$12.87	25,000	D	
2001 Stock Plan Option (Right to Buy)	\$12.87	01/31/2006		M			5,000	(2)	05/06/2012	Common Stock	5,000	\$12.87	20,000	D	
2001 Stock Plan Option (Right to Buy)	\$6.39	01/31/2006		M			10,000		04/21/2004 04/20/2013	Common Stock	10,000	\$6.39	30,000	D	

Explanation of Responses:

- Includes 335 shares of Common Stock that were purchased on December 31, 2005 under the PDFS Employee Stock Purchase Plan.
- The original stock option grant awarded on May 7, 2002 granted the Reporting Person the right to buy 80,000 shares of common stock of PDFS (the "Total Shares"). 20,000 of the Total Shares vested on May 7, 2003 and 1/48th of the Total Shares continued to vest on the 7th day of each month thereafter. Currently 73,332 shares of the Total Shares are exercisable.

Remarks:

/s/ P. Steven Melman 02/01/2006

** 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.

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