

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

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of Earliest Event Reported): August 1, 2005

**PDF SOLUTIONS, INC.**

(Exact name of Company as specified in its charter)

000-31311  
(Commission File Number)

Delaware  
(State or Other Jurisdiction of  
Incorporation)

25-1701361  
(I.R.S. Employer Identification No.)

**333 West San Carlos Street, Suite 700**  
**San Jose, CA 95110**  
(Address of principal executive offices, with zip code)

**(408) 280-7900**  
(Company's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the Company under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
- 
- 

**TABLE OF CONTENTS**

[Item 1.01. Entry into a Material Definitive Agreement.](#)

[Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.](#)

[Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.](#)

[Item 9.01. Financial Statements and Exhibits.](#)

[SIGNATURES](#)

[EXHIBIT INDEX](#)

[EXHIBIT 99.1](#)

---

**Item 1.01. Entry into a Material Definitive Agreement.**

On August 1, 2005, PDF Solutions, Inc. (the “Company”) entered into its standard form Indemnity Agreement with R. Stephen Heinrichs and with Dr. Albert Y. C. Yu, the Company’s newly elected directors as described below. The agreement requires the Company to indemnify these individuals against any liabilities that may arise by reason of their status or service as a director of the Company subject to customary exclusions and provisions, including advancement of expenses in certain circumstances. The foregoing description of the agreement is a general description only and is qualified in its entirety by reference to the Company’s standard form of Indemnification Agreement, a copy of which is attached as Exhibit 10.7 to the Company’s Registration Statement on Form S-1 filed on August 7, 2000, and is incorporated herein by reference.

**Item 5.02. Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

(b) Departure of Director.

Effective as of August 1, 2005, Donald L. Lucas resigned from the Company’s Board of Directors.

(d) Election of Directors.

Effective as of August 1, 2005, the Company’s Board of Directors elected R. Stephen Heinrichs and Dr. Albert Y. C. Yu to the Company’s Board of Directors to fill vacancies thereon. Both Mr. Heinrichs and Mr. Yu will serve as Class I directors with a term ending on the annual meeting of the Company’s stockholders that occurs after the fiscal year ending December 31, 2007 or until their successors have been duly elected and qualified.

Effective as of August 1, 2005, Mr. Heinrichs was appointed to serve as Chairman of the Audit Committee and was designated as an “Audit Committee Financial Expert” within the meaning of such term as defined in the Securities Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder. Effective as of August 1, 2005, Mr. Yu was appointed to serve on the Compensation Committee of the Company’s Board of Directors.

**Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.**

(a) Amendment of Bylaws.

Effective as of August 1, 2005, the Company’s Board of Directors amended the Company’s Bylaws to increase the number of authorized members of the Company’s Board of Directors from six to seven.

---

[Table of Contents](#)

**Item 9.01. Financial Statements and Exhibits.**

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	The following exhibit is being furnished, not filed, herewith pursuant to Item 5.02 of Form 8-K:  Press Release, dated August 4, 2005, entitled "Dr. Albert Y. C. Yu and R. Stephen Heinrichs Join PDF Solutions Board of Directors."

---

**SIGNATURES**

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

PDF SOLUTIONS, INC.  
(Company)

By: /s/ P. Steven Melman  
P. Steven Melman  
*Vice President, Finance and Administration and  
Chief Financial Officer*

Dated: August 5, 2005

---

**EXHIBIT INDEX**

<b>Exhibit No.</b>	<b>Description</b>
99.1	The following exhibit is being furnished, not filed, herewith pursuant to Item 5.02 of Form 8-K:  Press Release, dated August 4, 2005, entitled "Dr. Albert Y. C. Yu and R. Stephen Heinrichs Join PDF Solutions Board of Directors."

## ***News Release***

Investor Relations Contact:  
Sonia Segovia, IR Coordinator  
PDF Solutions, Inc.  
Tel: (408) 938-6491  
Email: [sonia.segovia@pdf.com](mailto:sonia.segovia@pdf.com)

Corporate Communications Contact:  
Abbie Kendall, Principal  
Armstrong Kendall, Inc.  
Tel: (503) 672-4681  
Email: [abbie@akipr.com](mailto:abbie@akipr.com)

# **Dr. Albert Y.C. Yu and R. Stephen Heinrichs Join PDF Solutions® Board of Directors**

*Donald L. Lucas resigns from the Board of Directors*

SAN JOSE, Calif.—August 4, 2005—PDF Solutions, Inc. (Nasdaq: PDFS) the leading provider of process-design integration technologies to enhance IC manufacturability, today announced the addition of Dr. Albert Y.C. Yu and R. Stephen Heinrichs to its Board of Directors and the resignation of Donald L. Lucas.

Dr. Yu currently is active in private venture investing and serves on several high technology company boards. Dr. Yu had been employed with Intel Corporation for almost 30 years until his retirement in 2002. At Intel, he held numerous technical and executive management positions, most recently as a Senior Vice President and a member of the Corporate Management Committee, with responsibilities for corporate strategy, microprocessors, chipsets, and software. Dr. Yu received a B.S. from the California Institute of Technology, and an M.S. and Ph.D. from Stanford University, all in electrical engineering.

Mr. Heinrichs, who has been appointed Chairman of the Audit Committee, currently is a private investor and serves on a number of public and private company boards. He brings over 30 years experience in finance and operations through positions held in public accounting and, most recently, before his retirement in 2001, as Chief Financial Officer of Avistar Communications Corporation, a publicly-held video communications company he co-founded and for which he presently serves as a director. From January 2003, until the company was acquired in 2005, Mr. Heinrichs was a member of the board of directors of Artisan Components

*-more-*

---

and was its audit committee chairman. Mr. Heinrichs received a B.S. in Accounting from California State University Fresno and is a Certified Public Accountant.

“We are pleased to have Albert and Stephen join our board at this time,” stated John K. Kibarian, PDF Solutions Chief Executive Officer and President. “Their individual insights and experience are a great opportunity for PDF Solutions as it continues defining, and leading, the process-design integration market.”

Mr. Lucas had served on the PDF Solutions Board of Directors since May 1999. “We thank Don for his contribution to the growth of PDF Solutions over the last six years and wish him well in his future endeavors,” added John K. Kibarian.

#### **About PDF Solutions**

PDF Solutions, Inc. (Nasdaq: PDFS) is the leading provider of process-design integration technologies for manufacturing integrated circuits (ICs). PDF Solutions’ software, methodologies and services enable semiconductor companies to create IC designs that can be more easily manufactured using manufacturing processes that are more capable. By simulating deep sub-micron product and process interactions, the PDF solution offers clients reduced time to market, increased IC yield and performance, and enhanced product reliability and profitability. Headquartered in San Jose, Calif., PDF Solutions operates worldwide with additional offices in Europe and Japan. For more information, visit [www.pdf.com](http://www.pdf.com).

PDF Solutions® is a registered trademark of PDF Solutions, Inc.