

FORM 5

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL	
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ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Form 3 Holdings Reported.

Form 4 Transactions Reported.

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* <u>MICHAELS KIMON</u> (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 <u>PDF SOLUTIONS INC [PDFS]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Co-VP of Client Services</u>
	3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year) <u>12/31/2008</u>	
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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
				Amount	(A) or (D)	Price			
Common Stock							1,412,276	D	
Common Stock							63,694 ⁽¹⁾	I	By Spouse

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)
					(A)	(D)	Date Exercisable	Expiration Date					
2001 Stock Plan Option (right to buy)	\$6.55	04/01/2003		J	12,500		(2)	03/31/2013	Common Stock 12,500	\$0.00	12,500	I	By Spouse
2001 Stock Plan Option (right to buy)	\$9.59	05/03/2004		J	19,000		(2)	05/02/2014	Common Stock 19,000	\$0.00	19,000	I	By Spouse
2001 Stock Plan Option (right to buy)	\$8.92	11/07/2007		J	20,000		(3)	11/06/2017	Common Stock 20,000	\$0.00	20,000	I	By Spouse
Restricted Stock Right	(4)	08/19/2008		J	8,664		(5)	(5)	Common Stock 8,664	\$0.00	8,664	I	By Spouse
Restricted Stock Right	(4)	08/19/2008		J	1,668		(6)	(6)	Common Stock 1,668	\$0.00	1,668	I	By Spouse
Restricted Stock Right	(4)	08/19/2008		J	3,334		(7)	(7)	Common Stock 3,334	\$0.00	3,334	I	By Spouse

Explanation of Responses:

1. See remarks.

2. These options are currently fully vested and exercisable.
3. 12/48ths of the total number of shares subject to the option (the "Total Shares") vested on November 7, 2008 and 1/48th of the Total Shares vest on the 8th day of each month thereafter.
4. Each restricted stock right ("RSR") represents a bookkeeping entry equal in value to one (1) share of common stock of PDF Solutions, Inc.
5. 50% of the total number of rights will vest on May 15, 2009 and 50% will vest six (6) months thereafter, subject to continued service with PDF Solutions, Inc., or an eligible affiliate thereof, through each vesting date and subject to accelerated vesting in certain circumstances. The Restricted Stock Right ("RSR") will be automatically settled in shares upon vesting of the RSR.
6. 16.7% of the total number of rights will vest on May 15, 2009 and 16.66% will vest every six (6) months thereafter, subject to continued service with PDF Solutions, Inc., or an eligible affiliate thereof, through each vesting date and subject to accelerated vesting in certain circumstances. The RSR will be automatically settled in shares upon vesting of the RSR.
7. 12.5% of the total number of rights will vest on May 15, 2009 and 12.5% will vest every six (6) months thereafter, subject to continued service with PDF Solutions, Inc., or an eligible affiliate thereof, through each vesting date and subject to accelerated vesting in certain circumstances. The RSR will be automatically settled in shares upon vesting of the RSR.

Remarks:

This Form 5 is filed only for the purpose of updating the Reporting Person's beneficial ownership to reflect the stock and options held by his spouse.

/s/ Kimon Michaels 02/14/2009

** 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.