PDF SOLUTIONS INC Form 4 July 21, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

OMB

OMB APPROVAL

Number:

3235-0287

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January 31, 2005

0.5

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if no longer subject to Section 16. Form 4 or Form 5 obligations

may continue.

See Instruction

Check this box

SECURITIES Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,

Section 17(a) of the Public Utility Holding Company Act of 1935 or Section

30(h) of the Investment Company Act of 1940

1(b).

(City)

(Print or Type Responses)

| 1. Name and Ad KIBARIAN | • | _ | 2. Issuer Name and Ticker or Trading Symbol PDF SOLUTIONS INC [PDFS] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | | |
|----------------------------|----------|----------|---|---|--|--|--|
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction | | | | |
| | | | (Month/Day/Year) | X Director 10% Owner | | | |
| 333 WEST SAN CARLOS | | | 07/19/2006X_ Officer (give title below) | | | | |
| STREET, SUITE 700 | | | | CEO, President | | | |
| | (Street) | | 4. If Amendment, Date Original | 6. Individual or Joint/Group Filing(Check | | | |
| | | | Filed(Month/Day/Year) | Applicable Line) | | | |
| | | | | _X_ Form filed by One Reporting Person | | | |
| SAN JOSE, | CA 95110 | | | Form filed by More than One Reporting | | | |

| (City) | (State) | (Zip) Tabl | e I - Non-l | Derivative | Secu | rities Acqui | red, Disposed of, | or Beneficiall | y Owned |
|--------------------------------------|--------------------------------------|---|--|--------------|--------|---------------|--|--|---|
| 1.Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transactio Code (Instr. 8) | | sed of | ` ' | 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) |
| Common Stock | 07/19/2006 | | Code V $S_{\underline{(1)}}$ | Amount 1,700 | (D) | Price \$ 12 | 2,499,056 | D | |
| Common Stock | 07/19/2006 | | S | 2,100 | D | \$ 12.0024 | 2,496,956 | D | |
| Common Stock | 07/19/2006 | | S | 200 | D | \$ 12.08 | 2,496,756 | D | |

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

(7:n)

(State)

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number.

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

| 1. Tit | le of | 2. | 3. Transaction Date | 3A. Deemed | 4. | 5. | 6. Date Exerc | cisable and | 7. Title | e and | 8. Price of | 9. Nu |
|--------|-------|-------------|---------------------|--------------------|------------|------------|---------------|-------------|----------|--------------|-------------|--------|
| Deriv | ative | Conversion | (Month/Day/Year) | Execution Date, if | Transacti | orNumber | Expiration D | ate | Amou | nt of | Derivative | Deriv |
| Secur | ity | or Exercise | | any | Code | of | (Month/Day/ | Year) | Under | lying | Security | Secui |
| (Instr | . 3) | Price of | | (Month/Day/Year) | (Instr. 8) | Derivative | e | | Securi | ties | (Instr. 5) | Bene |
| | | Derivative | | | | Securities | | | (Instr. | 3 and 4) | | Owne |
| | | Security | | | | Acquired | | | | | | Follo |
| | | • | | | | (A) or | | | | | | Repo |
| | | | | | | Disposed | | | | | | Trans |
| | | | | | | of (D) | | | | | | (Instr |
| | | | | | | (Instr. 3, | | | | | | |
| | | | | | | 4, and 5) | | | | | | |
| | | | | | | | | | | Amount | | |
| | | | | | | | | | | Amount | | |
| | | | | | | | Date | Expiration | | Or | | |
| | | | | | | | Exercisable | Date | | Number of | | |
| | | | | | C-J- V | (A) (D) | | | | | | |
| | | | | | Code V | (A) (D) | | | | Shares | | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | | | |
|---|---------------|-----------|----------------|-------|--|--|
| • 0 | Director | 10% Owner | Officer | Other | | |
| KIBARIAN JOHN KACHIG 333 WEST SAN CARLOS STREET SUITE 700 SAN JOSE, CA 95110 | X | | CEO, President | | | |

Signatures

/s/ P. STEVEN MELMAN, Attorney-in-Fact for John K. Kibarian 07/21/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * 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).
- (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.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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