MELMAN P STEVEN

Form 4

February 02, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

January 31, 2005

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OMB APPROVAL

response...

subject to Section 16. Form 4 or Form 5 obligations may continue.

Check this box

if no longer

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 See Instruction

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * MELMAN P STEVEN			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	()		
333 WEST SAI STREET, SUIT		3	(Month/Day/Year) 01/31/2006	Director 10% Owner _X_ Officer (give title Other (specify below) VP Investor Relations		
	(Street)		4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
SAN JOSE, CA	A 95110		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

	(City)	(State)	(Zip) Tabl	e I - Non-I	Derivative	Securi	ities Acqui	red, Disposed of,	or Beneficiall	y Owned
Se	Title of ecurity nstr. 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) comp Disposed of (D) (Instr. 3, 4 and 5) (A) or		5. Amount of Securities Beneficially Owned Following Reported Transaction(s)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code V	Amount	(D)	Price	(Instr. 3 and 4)		
	ommon tock	01/31/2006		M	10,000	A	\$ 6.39	179,967 <u>(1)</u>	D	
	ommon	01/31/2006		S	10,000	D	\$ 17.01	169,967	D	
	ommon tock	01/31/2006		M	7,500	A	\$ 12.87	177,467	D	
	ommon	01/31/2006		S	7,500	D	\$ 17.05	169,967	D	
	ommon tock	01/31/2006		M	37,500	A	\$ 12.87	207,467	D	

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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

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

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SEC 1474 (9-02)

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. Transactic Code (Instr. 8)	5. Number of ctionDerivative Securities 8) 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 Underlying Securities (Instr. 3 and 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		7,500	<u>(2)</u>	05/06/2012	Common Stock	7,500
2001 Stock Plan Option (Right to Buy)	\$ 12.87	01/31/2006		M		37,500	<u>(2)</u>	05/06/2012	Common Stock	37,500
2001 Stock Plan Option	\$ 12.87	01/31/2006		M		10,000	(2)	05/06/2012	Common Stock	10,000

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(Right to Buy)								
2001 Stock Plan Option (Right to Buy)	\$ 12.87	01/31/2006	M	5,000	<u>(2)</u>	05/06/2012	Common Stock	5,000
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

Deletionshir

Reporting Owners

Reporting Owner Name / Address	Keiationsinps					
	Director	10% Owner	Officer	Other		

MELMAN P STEVEN

333 WEST SAN CARLOS STREET **SUITE 700**

SAN JOSE, CA 95110

VP Investor Relations

Signatures

/s/ P. Steven

Melman 02/01/2006 **Signature of Date Reporting Person

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) 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 (2) 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.

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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