## FORM 4

## UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

OMB APPROVAL
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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 Ad    | dress of Reportin      | g Person <sup>*</sup> | 2. Issuer Name and Ticker or Trading Symbol PDF SOLUTIONS INC [PDFS] |                  | ( all applicable)   | ( )   |  |
|-------------------|------------------------|-----------------------|--|------------------|---|---|--|
| (Last)            | (First)<br>AN CARLOS S | (Middle)<br>TREET     | 3. Date of Earliest Transaction (Month/Day/Year)<br>12/05/2005       | x                | Officer (give title Other (<br>below) below)     VP of Software Developmen  dividual or Joint/Group Filing (Check A     Form filed by One Reporting Pers     Form filed by More than One Rep     Person | 10% Owner<br>Other (specify<br>below)<br>evelopment |  |
| SUITE 700         |                        |                       | 4. If Amendment, Date of Original Filed (Month/Day/Year)             | 6. Indi<br>Line) | vidual or Joint/Group Fil   | ing (Check Applicable                               |  |
| (Street)          |                        |                       |  | X                | Form filed by One Re  | porting Person                                      |  |
| SAN JOSE CA 95110 |                        | 95110                 |  |                  | Form filed by More than One Reporting<br>Person   |   |  |
| (City)            | (State)                | (Zip)                 |  |                  |   |   |  |
|                   |                        | Table I - Non-D       | erivative Securities Acquired, Disposed of, or Ben                   | eficially        | Owned   |   |  |

| 1. Title of Security (Instr. 3) | 2. Transaction<br>Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code (Instr.<br>8) |   | 4. Securities<br>Disposed O<br>5) |               |          | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I) | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership |
|---------------------------------|--|---|---|---|-----------------------------------|---------------|----------|--|--|---|
|                                 |  |   | Code                                    | v | Amount                            | (A) or<br>(D) | Price    | Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4)      | (Instr. 4)   | (Instr. 4)  |
| Common Stock                    | 12/05/2005                                 |   | <b>S</b> <sup>(1)</sup>                 |   | 100                               | D             | \$15.59  | 1,328,106  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 700                               | D             | \$15.6   | 1,327,406  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 600                               | D             | \$15.605 | 1,326,806  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 400                               | D             | \$15.61  | 1,326,406  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 200                               | D             | \$15.615 | 1,326,206  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 500                               | D             | \$15.62  | 1,325,706  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 200                               | D             | \$15.625 | 1,325,506  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 400                               | D             | \$15.63  | 1,325,106  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 300                               | D             | \$15.64  | 1,324,806  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 1                                 | D             | \$15.65  | 1,324,805  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 1,000                             | D             | \$16.655 | 1,323,805  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 400                               | D             | \$15.66  | 1,323,405  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 400                               | D             | \$15.67  | 1,323,005  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 200                               | D             | \$15.675 | 1,322,805  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 1,700                             | D             | \$15.68  | 1,321,105  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 400                               | D             | \$15.685 | 1,320,705  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 800                               | D             | \$15.69  | 1,319,905  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 1,100                             | D             | \$15.7   | 1,318,805  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 100                               | D             | \$15.71  | 1,318,705  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 988                               | D             | \$15.72  | 1,317,717  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 200                               | D             | \$15.725 | 1,317,517  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       | Í | 330                               | D             | \$15.73  | 1,317,187  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 100                               | D             | \$15.74  | 1,317,087  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       |   | 200                               | D             | \$15.76  | 1,316,887  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       | ĺ | 200                               | D             | \$15.77  | 1,316,687  | D  |   |
| Common Stock                    | 12/05/2005                                 |   | S                                       | Ť | 200                               | D             | \$15.78  | 1,316,487  | D  |   |

| Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned |  |   |   |   |                                   |               |         |  |  |   |  |  |
|--|--|---|---|---|-----------------------------------|---------------|---------|--|--|---|--|--|
| 1. Title of Security (Instr. 3)  | 2. Transaction<br>Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 3.<br>Transaction<br>Code (Instr.<br>8) |   | 4. Securities<br>Disposed O<br>5) |               |         | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following | 6. Ownership<br>Form: Direct<br>(D) or<br>Indirect (I)<br>(Instr. 4) | 7. Nature<br>of Indirect<br>Beneficial<br>Ownership |  |  |
|  |  |   | Code                                    | v | Amount                            | (A) or<br>(D) | Price   | Reported<br>Transaction(s)<br>(Instr. 3 and 4)                   | (1150.4)   | (Instr. 4)  |  |  |
| Common Stock   | 12/05/2005                                 |   | S                                       |   | 100                               | D             | \$15.79 | 1,316,387  | D  |   |  |  |
| Common Stock   | 12/05/2005                                 |   | S                                       |   | 100                               | D             | \$15.8  | 1,316,287  | D  |   |  |  |
| Common Stock   | 12/05/2005                                 |   | S                                       |   | 25                                | D             | \$15.83 | 1,316,262  | D  |   |  |  |
| Common Stock   | 12/05/2005                                 |   | S                                       |   | 193                               | D             | \$15.84 | 1,316,069  | D  |   |  |  |

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction<br>Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date,<br>if any<br>(Month/Day/Year) | 4.<br>Transaction<br>Code (Instr.<br>8) |   |     |     | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) |                    | Amount of<br>Securities<br>Underlying<br>Derivative<br>Security (Instr.<br>3 and 4) |  | 8. Price<br>of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 4) | Ownership<br>Form:<br>Direct (D)<br>or Indirect<br>(I) (Instr.<br>4) | Beneficial<br>Ownership |
|---|---|--|---|---|---|-----|-----|--|--------------------|---|--|--|--|--|-------------------------|
|   |   |  |   | Code                                    | v | (A) | (D) | Date<br>Exercisable  | Expiration<br>Date | Title   | Amount<br>or<br>Number<br>of<br>Shares |  |  |  |                         |

### Explanation of Responses:

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.

### Remarks:

This Form 4 is the first of two Form 4 reports filed on December 7, 2005 regarding the Reporting Person's sale of Common Stock on December 5, 2005 and December 6, 2005 per his 10b5-1 sales plan dated August 26, 2005.



\*\* Signature of Reporting Person Date

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

 $^{\ast}$  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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