

PDF SOLUTIONS INC
Form 10-Q
August 10, 2009
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period ended June 30, 2009

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR
15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 000-31311

PDF SOLUTIONS, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

333 West San Carlos Street, Suite 700
San Jose, California
(Address of Principal Executive Offices)

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

95110
(Zip Code)

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(408) 280-7900

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

- | | |
|---|---|
| <input type="checkbox"/> Large accelerated filer | <input checked="" type="checkbox"/> Accelerated filer |
| <input type="checkbox"/> Non-accelerated filer
(Do not check if a smaller reporting company) | <input type="checkbox"/> Smaller reporting company |

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the Registrant's Common Stock as of July 31, 2009 was 26,394,159.

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	June 30, 2009		December 31, 2008
	(In thousands, except par values)		
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 36,365	\$	31,686
Short-term investments	2,000		9,051
Accounts receivable, net of allowance of \$254 in 2009 and 2008	16,911		24,989
Prepaid expenses, deferred tax assets, and other current assets	2,586		5,147
Total current assets	57,862		70,873
Property and equipment, net	2,006		2,675
Non-current investments	718		718
Intangible assets, net	3,839		4,730
Deferred tax assets and other non-current assets	974		631
Total assets	\$ 65,399	\$	79,627
LIABILITIES AND STOCKHOLDERS EQUITY			
Current liabilities:			
Current portion of long-term debt	\$ 337	\$	370
Accounts payable	1,515		1,384
Accrued compensation and related benefits	5,152		6,525
Taxes payable and other accrued liabilities	2,701		3,723
Deferred revenue	1,968		1,792
Billings in excess of recognized revenue	796		748
Total current liabilities	12,469		14,542
Long-term debt	451		512
Long-term taxes payable	3,463		3,356
Long-term other liabilities	1,562		1,447
Total liabilities	17,945		19,857
Stockholders' equity:			
Preferred stock, \$0.00015 par value, 5,000 shares authorized: no shares issued and outstanding			
Common stock, \$0.00015 par value, 70,000 shares authorized: shares issued 29,883 in 2009 and 29,339 in 2008; shares outstanding 26,394 in 2009 and 25,923 in 2008	4		4
Additional paid-in-capital	192,010		189,132
Treasury stock at cost, 3,489 shares in 2009 and 3,416 shares in 2008	(18,535)		(18,402)
Accumulated deficit	(126,579)		(112,620)
Accumulated other comprehensive income	554		1,656
Total stockholders' equity	47,454		59,770
Total liabilities and stockholders' equity	\$ 65,399	\$	79,627

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PDF SOLUTIONS, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

Three Months Ended June 30,	Six Months Ended June 30,
2009	2009
2008	2008
(In thousands, except per share amounts)	