

MONOLITHIC POWER SYSTEMS INC
 Form 4
 February 28, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 OF 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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Hsing Michael

2. Issuer Name and Ticker or Trading Symbol
 MONOLITHIC POWER SYSTEMS INC [MPWR]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 6409 GUADALUPE MINES ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 02/27/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
 CEO

SAN JOSE, CA 95120
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	02/28/2007 ⁽¹⁾		M		50,000	A	\$ 1.32
							952,144
Common Stock	02/28/2007		S		50,000	D	\$ 12.8758
							902,144
Common Stock	02/28/2007 ⁽¹⁾		M		25,000	A	\$ 1.32
							927,144
Common Stock	02/28/2007		S		25,000	D	\$ 12.7342
							902,144
							270,897
							I

Common Stock						By Jointly w/Spouse
Common Stock				133,040	I	By S. Hsing 04 Trust
Common Stock				133,040	I	by M Hsing 04 Trust

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. 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 (Instr. 3)
				Code V (A) (D)		Date Exercisable Expiration Date	Title
Incentive Stock Option (right to buy)	\$ 1.32	02/28/2007 ⁽³⁾		M	50,000	07/17/2006 07/17/2007 ⁽⁴⁾	Cor S
Incentive Stock Option (right to buy)	\$ 1.32	02/28/2007 ⁽³⁾		M	25,000	07/17/2006 07/17/2007 ⁽⁴⁾	Cor S
Non-Qualified Stock Option (right to buy)	\$ 12.99	02/27/2007		A	125,000	02/27/2009 ⁽⁵⁾ 02/27/2014	Cor S

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hsing Michael 6409 GUADALUPE MINES ROAD SAN JOSE, CA 95120	X		CEO	

Signatures

Michael Hsing

02/28/2007

**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) Option shares will expire if not exercised on or before July 17, 2007.
- (2) Average price per share
- (3) Shares exercised are subject to expiration on July 17, 2007.
- (4) Option shares expire five years from grant date if not exercised.

Fifty percent (50%) of the Shares subject to the Option shall vest twenty-four (24) months after the Grant Date, and 1/48 of the Shares

- (5) subject to the Option shall vest monthly thereafter on the same day of the month as the Grant Date, subject to the Optionee continuing to be a Service Provider on such dates.

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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