

MONOLITHIC POWER SYSTEMS INC  
 Form 4  
 February 23, 2007

**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 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)  
 02/22/2007

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

SAN JOSE, CA 95120

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

(City) (State) (Zip)

**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	(D)	Price
Common Stock	02/22/2007 <sup>(1)</sup>		M		45,000	A	\$ 1.32 867,144
Common Stock	02/22/2007		S		45,000	D	\$ 13.6229 822,144
Common Stock	02/23/2007 <sup>(1)</sup>		M		46,667	A	\$ 1.32 868,811
Common Stock	02/23/2007		S		46,667	D	\$ 13.3568 822,144
	02/23/2007 <sup>(1)</sup>		M		18,333	A	\$ 1.32 840,477

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Common Stock									
Common Stock	02/23/2007		S	18,333	D	\$ 13.3568 (2)	822,144	D	
Common Stock							280,897	I	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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(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 and Underlying (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Incentive Stock Option (right to buy)	\$ 1.32	02/23/2007		M	18,333	07/17/2003 <sup>(3)</sup>	07/17/2007 <sup>(4)</sup>	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 1.32	02/22/2007		M	45,000	07/17/2003 <sup>(3)</sup>	07/17/2007 <sup>(4)</sup>	Common Stock
Non-Qualified Stock Option (right to buy)	\$ 1.32	02/23/2007		M	46,667	07/17/2003 <sup>(3)</sup>	07/17/2007 <sup>(4)</sup>	Common Stock

## 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                      02/23/2007

\_\_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.

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.