

OMB APPROVAL	
OMB Number:	3235-0287
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**

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 Address of Reporting Person* <u>Hsing Michael</u>  (Last) (First) (Middle) 6409 GUADALUPE MINES ROAD  (Street) SAN JOSE CA 95120  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>MONOLITHIC POWER SYSTEMS INC</u> [ MPWR ]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <p style="text-align: center;">CEO</p>
	3. Date of Earliest Transaction (Month/Day/Year) 02/26/2007	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02/26/2007 <sup>(1)</sup>		M		65,000	A	\$1.32	887,144	D	
Common Stock	02/26/2007		S		65,000	D	\$13.3728 <sup>(2)</sup>	822,144	D	
Common Stock	02/27/2007 <sup>(1)</sup>		M		70,000	A	\$1.32	892,144	D	
Common Stock	02/27/2007		S		70,000	D	\$13.0068 <sup>(2)</sup>	822,144	D	
Common Stock	02/27/2007 <sup>(1)</sup>		M		80,000	A	\$1.32	902,144	D	
Common Stock	02/26/2007		S <sup>(3)</sup>		5,000	D	\$13.419 <sup>(2)</sup>	275,897	I	By Jointly w/Spouse
Common Stock	02/27/2007		S <sup>(3)</sup>		5,000	D	\$13.0812 <sup>(2)</sup>	270,897	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

**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 Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Incentive Stock Option (right to buy)	\$1.32	02/26/2007 <sup>(4)</sup>		M			65,000	07/17/2004	07/17/2007 <sup>(5)</sup>	Common Stock	65,000	\$13.3728	225,000	D	

**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 Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Incentive Stock Option (right to buy)	\$1.32	02/27/2007 <sup>(4)</sup>		M			70,000	07/17/2005	07/17/2007 <sup>(5)</sup>	Common Stock	70,000	\$13.0068	155,000	D	
Incentive Stock Option (right to buy)	\$1.32	02/27/2007 <sup>(4)</sup>		M			80,000	07/17/2005	07/17/2007 <sup>(5)</sup>	Common Stock	80,000	\$0	75,000	D	

**Explanation of Responses:**

- Option shares will expire if not exercised on or before July 17, 2007.
- Average price per share
- In accordance with the reporting person's 10b5-1 trading plan.
- Shares exercised are subject to expiration on July 17, 2007.
- Option shares expire five years from grant date if not exercised.

Michael Hsing

02/27/2007

\*\* Signature of Reporting Person

Date

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

\* 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.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**