

WALKER CLIFFORD  
Form 4  
December 11, 2007

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

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**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 \*  
WALKER CLIFFORD

2. Issuer Name and Ticker or Trading Symbol  
POWER INTEGRATIONS INC  
[POWI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
5245 HELLYER AVE  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
12/07/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
VP of Corporate Dev

SAN JOSE, CA 95138

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 or Price		
Common Stock	12/07/2007		M		100 A \$ 12.1	10,052	D
Common Stock	12/07/2007		S		100 D \$ 29.82	9,952	D
Common Stock	12/07/2007		M		100 A \$ 12.1	10,052	D
Common Stock	12/07/2007		S		100 D \$ 29.83	9,952	D
Common Stock	12/07/2007		M		200 A \$ 12.1	10,152	D

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Common Stock	12/07/2007	S	200	D	\$ 29.84	9,952	D
Common Stock	12/07/2007	M	361	A	\$ 12.1	10,313	D
Common Stock	12/07/2007	S	361	D	\$ 29.85	9,952	D
Common Stock	12/07/2007	M	39	A	\$ 12.1	9,991	D
Common Stock	12/07/2007	S	39	D	\$ 29.85	9,952	D
Common Stock	12/07/2007	M	100	A	\$ 12.1	10,052	D
Common Stock	12/07/2007	S	100	D	\$ 29.86	9,952	D
Common Stock	12/07/2007	M	300	A	\$ 12.1	10,252	D
Common Stock	12/07/2007	S	300	D	\$ 29.89	9,952	D
Common Stock	12/07/2007	M	314	A	\$ 12.1	10,266	D
Common Stock	12/07/2007	S	314	D	\$ 29.9	9,952	D
Common Stock	12/07/2007	M	269	A	\$ 12.1	10,221	D
Common Stock	12/07/2007	S	269	D	\$ 29.91	9,952	D
Common Stock	12/07/2007	M	331	A	\$ 12.1	10,283	D
Common Stock	12/07/2007	S	331	D	\$ 29.92	9,952	D
Common Stock	12/07/2007	M	200	A	\$ 12.1	10,152	D
Common Stock	12/07/2007	S	200	D	\$ 29.93	9,952	D
Common Stock	12/07/2007	M	100	A	\$ 12.1	10,052	D
Common Stock	12/07/2007	S	100	D	\$ 29.94	9,952	D
Common Stock	12/07/2007	M	400	A	\$ 12.1	10,352	D
	12/07/2007	S	400	D		9,952	D

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Common Stock						\$ 29.95		
Common Stock	12/07/2007		M	400	A	\$ 12.1	10,352	D
Common Stock	12/07/2007		S	400	D	\$ 29.98	9,952	D
Common Stock	12/07/2007		M	332	A	\$ 12.1	10,284	D
Common Stock	12/07/2007		S	332	D	\$ 30	9,952	D

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

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**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 Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M	100 (1)	05/31/2001 05/31/2011	Common Stock	100	
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M	100 (1)	05/31/2001 05/31/2011	Common Stock	100	
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M	200 (1)	05/31/2001 05/31/2011	Common Stock	200	
	\$ 12.1	12/07/2007		M		05/31/2001 05/31/2011		361	

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Non-Qualified Stock Option(right to buy)								361 <u>(1)</u>		Common Stock	
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				39 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 39
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				100 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 100
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				300 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 300
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				314 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 314
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				269 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 269
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				331 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 331
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				200 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 200
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				100 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 100
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				400 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 400
Non-Qualified Stock Option(right to buy)	\$ 12.1	12/07/2007		M				400 <u>(1)</u>	05/31/2001	05/31/2011	Common Stock 400
	\$ 12.1	12/07/2007		M					05/31/2001	05/31/2011	332

