

BALAKRISHNAN BALU  
Form 4  
October 30, 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 \*  
BALAKRISHNAN BALU

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)

3. Date of Earliest Transaction  
(Month/Day/Year)  
10/29/2007

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ Other (specify below)  
President and CEO

C/O POWER  
INTEGRATIONS, 5245 HELLYER  
AVE

(Street)

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

SAN JOSE, CA 95138

(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 (A) or (D)		
Common Stock	10/29/2007		M		400 A \$ 14.82	4,752	D
Common Stock	10/29/2007		S		400 D \$ 33.05	4,352	D
Common Stock	10/29/2007		M		100 A \$ 14.82	4,452	D
Common Stock	10/29/2007		S		100 D \$ 33.06	4,352	D
	10/29/2007		M		500 A	4,852	D

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Common Stock						\$ 14.82		
Common Stock	10/29/2007		S	500	D	\$ 33.09	4,352	D
Common Stock	10/29/2007		M	800	A	\$ 14.82	5,152	D
Common Stock	10/29/2007		S	800	D	\$ 33.1	4,352	D
Common Stock	10/29/2007		M	100	A	\$ 14.82	4,452	D
Common Stock	10/29/2007		S	100	D	\$ 33.12	4,352	D
Common Stock	10/29/2007		M	600	A	\$ 14.82	4,952	D
Common Stock	10/29/2007		S	600	D	\$ 33.13	4,352	D
Common Stock	10/29/2007		M	100	A	\$ 14.82	4,452	D
Common Stock	10/29/2007		S	100	D	\$ 33.14	4,352	D
Common Stock	10/29/2007		M	25	A	\$ 14.82	4,377	D
Common Stock	10/29/2007		S	25	D	\$ 33.19	4,352	D
Common Stock	10/29/2007		M	2,096	A	\$ 14.82	6,448	D
Common Stock	10/29/2007		S	2,096	D	\$ 32.98	4,352	D

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	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene Own Follo Repo
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Disposed  
of (D)  
(Instr. 3,  
4, and 5)

Trans  
(Instr

Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BALAKRISHNAN BALU C/O POWER INTEGRATIONS 5245 HELLYER AVE SAN JOSE, CA 95138			President and CEO	

## Signatures

By:/s/ Rafael Torres Attorney-In-Fact For: Balu Balakrishnan	10/30/2007
**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).

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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