

CARLSEN SVEND-OLAV
Form 4
December 23, 2005

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 *
CARLSEN SVEND-OLAV

2. Issuer Name and Ticker or Trading Symbol
PortalPlayer, Inc. [PLAY]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
70 W. PLUMERIA DR.

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/22/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP, Chief Financial Officer

SAN JOSE, CA 95134

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V Amount (A) or (D) Price | | | |
| Common Stock | 12/22/2005 | | M | 3,813 A \$ 2.4 | 6,537 | D | |
| Common Stock | 12/22/2005 | | S | 3,813 (1) D \$ 28.5102 | 2,724 | D | |
| Common Stock | 12/22/2005 | | M | 1,418 A \$ 2.4 | 4,142 | D | |
| Common Stock | 12/22/2005 | | S | 1,418 (1) D \$ 28.5102 | 2,724 | D | |
| Common Stock | 12/22/2005 | | M | 69 A \$ 16.68 | 2,793 | D | |

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Common Stock 12/22/2005 S 69 ⁽¹⁾ D \$ 28.5102 2,724 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 Disposed of (D) (Instr. 3, 4, and 5) | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Incentive Stock Option (right to buy) | \$ 2.4 | 12/22/2005 | | M | 3,813 | 06/10/2005 06/09/2014 | Common Stock | 3,813 |
| Non-Qualified Stock Option (right to buy) | \$ 2.4 | 12/22/2005 | | M | 1,418 | 06/10/2005 06/09/2014 | Common Stock | 1,418 |
| Non-Qualified Stock Option (right to buy) | \$ 16.68 | 12/22/2005 | | M | 69 | ⁽²⁾ 05/02/2015 | Common Stock | 69 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| CARLSEN SVEND-OLAV 70 W. PLUMERIA DR. SAN JOSE, CA 95134 | | | VP, Chief Financial Officer | |

Signatures

By: Pulay Mohun, Attorney-in-fact For: Svend Olav Carlsen 12/22/2005

__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) The sales reported on this Form 4 were effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 25, 2005.
- (2) The option vests as to 1/48th of the shares monthly over four years.

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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