

SWOBODA CHARLES M
Form 4
April 20, 2005

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 *
SWOBODA CHARLES M

2. Issuer Name and Ticker or Trading Symbol
CREE INC [CREE]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
709 WALCOTT WAY
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
04/18/2005

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

CARY, NC 27519
(City) (State) (Zip)

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

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 | 04/18/2005 | | M | | 15,000 A \$ 3.8125 | 79,421 | D |
| Common Stock | 04/18/2005 | | S ⁽¹⁾ | | 3,400 D \$ 24.95 | 76,021 | D |
| Common Stock | 04/18/2005 | | S ⁽¹⁾ | | 332 D \$ 24.96 | 75,689 | D |
| Common Stock | 04/18/2005 | | S ⁽¹⁾ | | 250 D \$ 24.98 | 75,439 | D |
| Common Stock | 04/18/2005 | | S ⁽¹⁾ | | 2 D \$ 24.99 | 75,437 | D |

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| | | | | | | | |
|--------------|------------|------------------|-------|---|----------|--------|---|
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 4,881 | D | \$ 25 | 70,556 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 400 | D | \$ 25.01 | 70,156 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 100 | D | \$ 25.05 | 70,056 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 100 | D | \$ 25.06 | 69,956 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 4,800 | D | \$ 25.07 | 65,156 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 635 | D | \$ 25.1 | 64,521 | D |
| Common Stock | 04/18/2005 | S ⁽¹⁾ | 100 | D | \$ 25.11 | 64,421 | 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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|---------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of |
| Nonqualified Stock Option (Right to Buy) | \$ 3.8125 | 04/18/2005 | | M | 15,000 | 07/01/1999 ⁽²⁾ | 07/01/2008 | Common Stock | 1 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--------------------------------|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SWOBODA CHARLES M | X | | President and CEO | |

709 WALCOTT WAY
CARY, NC 27519

Signatures

Charles M.
Swoboda

04/20/2005

 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 August 4, 2004.
- (2) Option vested and became exercisable as to 20,000 shares on July 1, 1999 and as to 80,000 shares on each of July 1, 2000 and July 1, 2001.

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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