

Audit Committee Charter
National Instruments Corporation
(as amended on March 16, 2005)

Purposes

The Audit Committee shall provide assistance to the Board of Directors in fulfilling its responsibility to the shareholders relating to corporate accounting, financial reporting practices of National Instruments Corporation (NI), and the quality and integrity of the financial reports of NI. The purposes of the Audit Committee of the Board of Directors shall include overseeing the accounting and financial reporting processes of NI and the audits of the financial statements of NI. It is the responsibility of the audit committee to maintain a free and open means of communication between the directors, the independent auditors, the internal auditor, and the financial management of NI.

Membership Requirements

The Board shall elect from its members an Audit Committee of at least three members. The Board shall also appoint a Chairman of the Audit Committee. The Audit Committee members must meet the following requirements (as well as any other criteria required by the SEC or Nasdaq):

Independence.

- Each member will be an independent director, as defined in (i) Nasdaq Rule 4200, (ii) Section 10(A)(m)(3) of the Securities Exchange Act of 1934, as amended, and (iii) the rules and regulations of the SEC. Without limiting the foregoing:
 1. Members must not be an employee of NI or any affiliate within the past three years.
 2. Members must not be an immediate family member of an NI executive officer who currently serves in that role or did so in any of the past three years.
 3. Members may not receive compensation (including consulting, advisory or other compensatory fees), other than compensation for board or board committee service.
 4. Members must not be a partner, controlling shareholder, or executive officer of any for-profit business that receives payments from NI. This applies where the payments, other than solely from the investments in NI's securities, in any of the past three years exceeded the greater of 5% of either organization's consolidated gross revenues for the year or \$200,000.
 5. A member must not be an executive of another corporation that has on its compensation committee an NI executive.

Qualifications.

- Each member will be able to read and understand fundamental financial statements, including a balance sheet, income statement, and cash flow statement.
- At least one member is required to have extensive financial knowledge, including being or having been a chief executive, chief financial, or other senior officer with financial oversight responsibilities.

Audit Committee Financial Expert.

- At least one member will qualify as a financial expert, under the Nasdaq and SEC rules and regulations. As more fully defined by applicable SEC requirements, an "audit committee financial expert" shall have all of the following attributes:
 1. An understanding of generally accepted accounting principles and financial statements;
 2. The ability to assess the general application of such principles in connection with the accounting for estimates, accruals, and reserves;

3. Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by NI's financial statements, or experience actively supervising one or more persons engaged in such activities;
4. An understanding of internal controls and procedures for financial reporting; and
5. An understanding of audit committee functions.

Responsibilities

It shall be the duty of the Audit Committee to:

1. Appoint, compensate, retain and oversee the work of any independent public accountant engaged (including resolution of disagreements between management and the auditor regarding financial reporting) for the purpose of preparing or using an audit report or performing other audit review or attest services for NI and the independent auditors must report directly to the Audit Committee;
2. Ensure the receipt from the independent auditors of a formal written statement delineating all relationships between the auditor and NI, consistent with Independence Standards Board Standard 1. The Audit Committee is responsible for actively engaging in a dialogue with the auditor with respect to any disclosed relationships or services that may impact auditor objectivity and independence of the auditor and for taking, or recommending that the full Board of Directors take, appropriate action to oversee the independence of the outside auditor;
3. Administer the engagement of the independent accountants. The Committee shall routinely review services provided by the independent accountants and pre-approve audit and non-audit services provided to NI by the independent accountants. In this regard, prior to the engagement of the independent accountants for any audit or non-audit service, the engagement must be either (i) approved by the Audit Committee (or an authorized member of the Audit Committee) or (ii) entered into pursuant to pre-approval policies and procedures established by the Audit Committee, provided the policies and procedures are detailed as to the service, the Audit Committee is informed of each service, and such policies and procedures do not include delegation of the Audit Committee's responsibilities to management.
4. Review with NI's independent public accountants and management, the nature and adequacy of NI's accounting system and practices and its systems of internal controls;
5. Review with independent public accountants and management the adequacy of internal and external audit activities to provide reasonable assurance that material instances of fraud, illegality, errors, and irregularities are detected and appropriately corrected;
6. Review the internal audit function of NI including the independence and authority of its reporting obligations, the proposed audit plans for the coming year, and the coordination of such plans with the independent auditors;
7. Review NI's audited financial statements with management and the independent public accountants including any changes in the audit plan or expansion of audit scope and any disputes and difficulties in the audit. Review the nature and extent of any significant changes in accounting principles or the application thereof, reserves established or adjustments reflected therein;
8. As applicable, review with the independent public accountants their comments, both written and oral, to management regarding the annual examination and the adequacy of management's response;
9. Exercise general oversight of NI's financial reporting processes; maintain general familiarity with financial reporting practices and accounting standards and principles followed by NI; review with the independent public accounts and management significant developments in accounting and financial reporting standards and requirements and their impact upon NI. Inquire about any significant risks or exposures and assess the steps management has taken to minimize such risk to NI, including adequacy of insurance coverage, management of foreign currency risk, and other risks.
10. Maintain free and open communication with the independent public accountants and legal counsel; insure that the independent public accountants are instructed to communicate directly with the Committee regarding any matter which, in their judgment, has not been satisfactorily resolved with management; also independent auditors are to communicate all matters necessary as required by SAS 61, *Communications with Audit Committees*;

11. Review filings with the SEC and other published documents containing NI's financial statements and consider whether the information contained in these documents is consistent with the information contained in the financial statements;
12. Review with management and, as appropriate, the independent accountants the annual and quarterly financial results before they are filed with the SEC or made public in a press release. Review NI's process for disclosure of financial data. Review policies relating to the avoidance of conflicts of interest and review past or proposed transactions between NI, members of the Board of Directors and management as well as internal control policies and procedures with respect to officers' expense accounts and perquisites, including their use of corporate assets, and consider the results of any review of these areas by the independent accountant;
13. Monitor compliance with NI's Code of Ethics and such other NI policies as may be appropriate; and review such reports as may be required under such policies or otherwise directed by the Board;
14. Review with NI's General Counsel, independent accountants, and management litigation and other legal matters and regulatory matters which may be material to NI's financial condition or operations;
15. Review with NI's management, the reports on compliance with regulatory matters including environmental, equal employment opportunity, and SEC regulations;
16. Hold such regulatory meeting each year as may be appropriate and such special meetings as may be called by the Chairman of the Committee, or at the request of the independent public accountants, NI's Chief Financial Officer or the General Counsel;
17. Review with management any differences of opinion with the independent public accountants over a significant accounting issue which has led management to seek a second opinion from another independent public accounting firm;
18. Report through its Chairman to the Board of Directors following meetings of the Committee;
19. Meet privately with independent auditors, internal audit, and management, each of whom shall have unrestricted access to the Committee; and
20. Establish procedures for (a) receipt, retention and treatment of complaints received by NI regarding accounting, internal accounting controls or auditing matters, and (b) the confidential, anonymous submission by employees of NI of concerns regarding questionable accounting or auditing matters.

Audit Committee Disclosures

The Audit Committee must include a report over the name of each member of the Committee in the annual proxy statement containing the following information as required by SEC rules:

1. The Committee reviewed and discussed the audited financial statements with management.
2. The Committee discussed with the independent auditors the matters requiring discussion by SAS 61.
3. The Committee received written disclosures and letter from the independent auditors required by Independence Standards Board Standard No. 1, and discussed with the independent auditors their independence.
4. Based on the above, the Committee recommends to the full board that the audited financial statements be included in NI's Annual Report on Form 10-K.

The Audit Committee must disclose the following in the annual proxy:

1. A statement that NI has adopted an Audit Committee Charter and has fulfilled its responsibilities under this Charter during the latest year and include a copy of the Charter as an attachment to the proxy statement at least every three years.
2. A statement as to whether each member of the Audit Committee is an independent director and, if a director is not independent, the reason that the director is not an independent director together with an explanation of why the Board believes such director should continue to serve on the Audit Committee.

As required by applicable NASD, Nasdaq, or SEC rules, the Committee shall provide written confirmation to the NASD/AMEX on audit committee member qualifications and related board determinations, as well as the review and re-evaluation of the audit committee charter.

The Company's internal audit function shall report to the Committee and the Committee shall be responsible for appointing, replacing and setting the compensation of the Company's most senior internal audit employee, after consultation with the Company's Chief Executive Officer and Chief Financial Officer, as appropriate.

In addition, the Audit Committee shall have and may exercise all the powers and authority of the Board in connection with the performance of its duties and responsibilities, including the authority to call upon NI's officers and employees for such assistance and support as it deems appropriate, and to engage such independent counsel and other advisors as it may require to properly discharge its responsibilities. NI shall provide appropriate funding, as determined by the Audit Committee, for payment of compensation (i) to the independent auditors for the purpose of rendering or issuing an audit report or performing other audit review or attest services, (ii) to any legal, accounting or other advisors employed by the Audit Committee and (iii) for ordinary administrative expenses of the Audit Committee necessary or appropriate to carry out its duties.

Prior to the amendments to this charter on March 24, 2004, the charter has been amended on March 19, 2003, March 20, 2002, March 24, 1999, March 19, 1998 and was initially adopted by the Board on June 22, 1994.

The Audit Committee shall have such additional authority and duties as the Board by resolution shall prescribe.