

CHARTER OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF CYMER, INC.

PURPOSE:

The purpose of the Nominating and Corporate Governance Committee (the "Committee") of the Board of Directors (the "Board") of Cymer, Inc. ("Cymer"), established pursuant to this charter, is to aid the Board of Directors in meeting its responsibilities with regard to identifying individuals qualified to become directors and recommending that the Board select the candidates for all directorships to be filled by the Board of Directors or by the shareholders; to oversee the composition, structure and evaluation of the Board and each of its committees, to ensure that the Board is properly constituted to meet its fiduciary obligations to Cymer and its shareholders; to oversee Board compensation; to develop and maintain a set of corporate governance principles applicable to Cymer, Inc., and oversee that Cymer has and follows appropriate governance standards, and otherwise take a leadership role in shaping Cymer's corporate governance. Corporate Governance may be defined as the relationships of the Board, the shareholders, and management in determining Cymer's direction and performance.

MEMBERSHIP:

The Nominating and Corporate Governance Committee shall consist of at least three outside members of the Board of Directors. Each Committee member shall be an "independent director," as defined in Rule 4200 of the Nasdaq Marketplace Rules. One Committee member shall be the chair, and will be chosen by the members of the Committee subject to the requirements set forth in Cymer's Bylaws. The members of the Nominating and Corporate Governance Committee are appointed by and serve at the discretion of the Board of Directors, and may be removed by the Board at any time.

RESPONSIBILITIES:

The Nominating and Corporate Governance Committee shall be charged with carrying out the responsibilities listed below. These should serve as guidelines for the Committee, with the understanding that it may carry out additional responsibilities and adopt additional policies and procedures that may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it from time to time by the Board of Directors, related to the Committee's purposes listed above.

The Committee shall be charged with the following functions:

1. To evaluate the current composition, organization and governance of the Board of Directors and its committees, determine future requirements, and make recommendations to the Board for approval regarding the size and composition of the Board in order to ensure the Board has the requisite

expertise and its membership consists of persons with sufficiently independent backgrounds.

2. To review from time to time the skills and characteristics necessary and appropriate for directors in the context of the Board's current composition, including such factors as business experience, international background, and knowledge of technology, manufacturing, operations, finance and/or marketing, and other skills that would enhance the Board's effectiveness, to establish criteria for the selection of new directors to serve on the Board, and make recommendations for the appropriate term of office for directors.
3. To identify qualified candidates for the Board, evaluate candidates, and approve director nominees to be recommended for election by shareholders at Cymer's Annual Meeting of Stockholders. In addition, the Committee shall evaluate any candidates nominated by Cymer stockholders for election to the Board. Director nominees shall have the highest personal and professional integrity, shall have demonstrated exceptional ability and judgment, and, together with other nominees, shall effectively serve stockholder' long-term interests and contribute to the achievement of Cymer's overall corporate goals.
4. To conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates.
5. To establish policies regarding the number of boards of other public companies on which Cymer directors may serve.
6. To arrange for and oversee appropriate orientation sessions for new directors, as well as continuing director education programs to enhance the knowledge and performance of the Board.
7. To evaluate the performance of the Board of Directors and, when appropriate, recommend termination of membership of any individual director in accordance with the Board of Directors' governance principles, for cause or for other appropriate reasons.
8. To recommend members of the Board of Directors to serve on the committees of the Board, and recommend the member to serve as the chair of each committee, in light of the criteria for service on each committee as set forth in its charter, as well as any other factors the Committee considers relevant, and where appropriate, recommend the removal of any committee member.
9. To establish, monitor and recommend the purpose, structure and responsibilities of the various Board committees, the qualifications and criteria for membership on each of the committees, and make any recommendations regarding periodic rotation of directors among the committees, and any term limits for service on any committee.

10. To review periodically the charter, composition and performance of each of the Board committees, to ensure best practice corporate governance standards are being followed for Cymer and shareholders, and recommend to the Board the creation of any additional, or elimination of existing, Board committees.
11. To review, evaluate and make recommendations from time to time regarding the adequacy and effectiveness of compensation to the Board of Directors as compared to other U.S. companies of a similar size, including annual retainer, attendance fees, committee fees, committee chair fees, reimbursable expenses and option grants.
12. To develop and recommend to the Board for its approval a set of corporate governance guidelines, and to be aware of current developments with regard to corporate governance to enable the Committee to make appropriate recommendations to the Board in light of these developments. The Committee shall review these guidelines regularly, and at least annually, recommend changes as necessary or appropriate.
13. To review and evaluate Cymer's compliance with its Code of Conduct and Corporate Governance, and to review and evaluate the compliance of the chief executive officer, chief financial officer and chief accounting officer with the Executive Code of Ethics.
14. To oversee communication of Cymer's stockholders with the Board and its committees.
15. To review Cymer's articles of incorporation and bylaws and recommend to the Board, as conditions warrant, that it propose amendments to the articles of incorporation and bylaws.
16. To monitor and safeguard the independence of the Board, assuring that the majority of the Board continues to be independent and review any possible conflict of interest between a director and Cymer, or any possible conflict of interest for any executive officer.
17. In fulfilling its responsibilities, as set forth in this charter, the Committee shall have authority to delegate its authority to subcommittees, including subcommittees consisting solely of one or more Cymer employees, in each case to the extent permitted by applicable law, and subject to such reporting to or ratification by the Committee as the Committee shall direct.
18. To perform such other functions and have such other powers as may be necessary or convenient in the efficient discharge of the foregoing.
19. To report to the Board of Directors from time to time, or whenever it shall be called upon to do so

20. Annually review and assess the performance of the Nominating and Corporate Governance Committee as a whole and review and reassess the adequacy of its charter and recommend any changes to the full Board.

MEETINGS:

The Nominating and Corporate Governance Committee will meet at least once each quarter and hold additional meetings, as the Committee deems appropriate, including by written consent. However, the Nominating and Corporate Governance Committee may establish its own schedule, which it will provide to the Board of Directors in advance. When necessary, the Committee shall meet in executive session outside of the presence of any of Cymer's senior executive officers. The Chair of the Nominating and Corporate Governance Committee shall report on activities of the Committee to the full Board.

MINUTES:

The Nominating and Corporate Governance Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors, and will be prepared and distributed to each of Cymer's directors after each meeting.

ACCESS TO NECESSARY RESOURCES

In fulfilling its responsibilities, the Nominating and Corporate Governance Committee shall have the authority to contact and utilize the services and expertise of Cymer employees and management and outside consultants, and shall be afforded resources sufficient, to engage any search firm used to assist it in identifying candidates to serve as Cymer directors, or other independent consultants or legal advisers when determined by the Committee to be necessary or appropriate. The Committee shall have sole authority to retain and terminate any such consultant or legal adviser, including sole authority to approve the fees and other retention terms.

The operation of the Nominating and Corporate Governance Committee shall be subject to the Bylaws as in effect from time to time and Section 78.125 of the Nevada General Corporation Law.