

**EXPLANATORY NOTES TO THE AGENDA
for the Annual General Meeting of Shareholders (“AGM”) of
ASML Holding N.V. (the “Company” or “ASML”) to be held on
Thursday March 26, 2009**

The agenda items 3, 4, 5, 7, 8, a and b, 9 a, b and c, 11 a, b, c, d and e, 12 a, b,c and d, 13, 14, and 15, will be put to the vote of the AGM.

The explanatory notes to the agenda contain a further description of the agenda¹.

Agenda Items:

3. Discussion of the Annual Report 2008 and adoption of the financial statements for the financial year 2008, as prepared in accordance with Dutch law¹. (Voting item)

In line with practice, ASML has prepared two sets of annual accounts for the financial year 2008: one in accordance with Dutch (IFRS) rules and one in accordance with the ‘U.S. GAAP’ rules. The annual accounts prepared in accordance with the U.S. GAAP rules are included in Form 20-F as prescribed by the SEC. The annual accounts as prepared under Dutch law (using IFRS rules) are the statutory annual accounts that are being submitted to the AGM for adoption. These accounts were prepared by the Board of Management and audited and provided with an unqualified auditor’s report by Deloitte, ASML’s external accountants.

The Annual Report 2008, including the annual accounts, as prepared in accordance with Dutch law is published on ASML’s website (www.asml.com) and is also available via the Company.

4,5. Discharge of the members of the Board of Management (item 4) and the members of the Supervisory Board (item 5). (Voting items)

In these agenda items it is proposed to discharge the members of the Board of Management from liability in respect of their management during the previous financial year, and to discharge the members of the Supervisory Board from liability in respect of their supervision during the previous financial year.

6. Clarification of the Company’s reserves and dividend policy. (Discussion item)

In previous communications related to this subject, the Company has explained that its business is of a cyclical nature and that therefore a certain level of cash (“liquidity buffer”) is needed to provide for the necessary inventory and resources, especially in upturns. As communicated before, ASML’s liquidity buffer target is between EUR 1 and 1.5 billion. ASML has expressed its policy to return cash to its shareholders when gross cash is above its liquidity buffer target.

Although share buy backs remain a preferred way to return cash to our shareholders, as we believe that they deliver long term value and allow us to be flexible with opportunities to reward our investors, we decided last year to return cash to ASML’s shareholders by means of a dividend pay out. Although the current economic situation does have a significant impact on ASML’s results, ASML’s current cash position is such that it is foreseen that gross cash, even

¹ The document that is referred to is available at the Company (email: angela.van.de.kerkhof@asml.com or telephone: (+31)(0)40-268-3977) and at JPMorgan Chase & Co., email: jpmorgan.adr@wellsfargo.com or tel. (800) 990-1135 (US) or (651) 453-2128 (from outside the US) and will be sent to you free of charge upon request. This document is also available on ASML’s website (address: www.asml.com/agm2009).

after dividend pay out in H1 2009, will be within ASML's liquidity buffer target. ASML has therefore decided to execute a dividend pay out in 2009.

As communicated previously, the new reserves and dividend policy will also enable ASML to execute future share buybacks in a tax-efficient way.

Although the current intention is to declare a dividend annually going forward, the actual payment may vary from year to year and, in certain years, we may not declare a dividend at all. Further, ASML may revise its dividend and reserve policy in the future which may have an impact on dividends.

7. Proposal to adopt a dividend of EUR 0.20 per ordinary share of EUR 0.09. (Voting item)

In view of the reserves and dividend policy as described above, ASML proposes to distribute a dividend of EUR 0.20 per ordinary share of EUR 0.09, representing 27 percent of the net income (over the financial year 2008) per ordinary share, compared with a dividend of EUR 0.25 per ordinary share paid in 2008, representing 17 percent of the net income (over the financial year 2007) per ordinary share.

8. Approval of the number of shares for the Board of Management. (Two voting items)

Introduction:

This authorization is a separate authorization from the authorization to issue shares as referred to in agenda item 12, and will be requested for the period starting from the AGM held on March 26, 2009 and continuing up until the AGM to be held in 2010.

This agenda item consists of the following two voting items:

a. Approval of the number of performance stock for the Board of Management, and authorization of the Board of Management to issue the performance stock, subject to the approval of the Supervisory Board.

The 2008 AGM approved the performance stock arrangement for the Board of Management, based on the Remuneration Policy 2008², for the financial year 2008 and subsequent years. For more information on the details of the performance stock arrangement for the Board of Management, reference is made to the Remuneration Policy 2008.

The maximum number of performance stock to be awarded conditionally for the financial year 2009 (based on the maximum achievable value of 96.25% of base salary divided by the fair value of the performance stock) will be equal to the maximum number of performance stock as approved for the financial year 2008. However, as it is ASML's intention to return to a five member Board of Management, it is proposed to increase the maximum aggregate number of performance stock for the financial year 2009 from 163,000 to 200,000.

² The Remuneration Policy for the Board of Management 2008 is available at ASML's website, www.asml.com.

b. Approval of the maximum number of 50,000 sign-on stock, and authorization of the Board of Management to issue the sign-on stock, subject to the approval of the Supervisory Board.

The Supervisory Board deems it advisable to already provide for a budget for sign-on stock in connection with a possible extension of the Board of Management as referred to above. In this respect, it is noted that the purpose of sign-on grants is to compensate for loss of equity built up at the previous employer of a potential new Board of Management member. The number of sign-on stock to be ultimately awarded is not determined yet, but the Supervisory Board is of the opinion that a maximum budget of 50,000 sign-on stock is appropriate.

9. Approval of the number of stock options for Board of Management and the number of stock options, respectively shares, for employees. (Three voting items)

Introduction:

This authorization is a separate authorization from the authorization as referred to in agenda item 12, and will be requested for the period starting from the AGM held on March 26, 2009 and continuing up until the AGM to be held in 2010.

This agenda item consists of the following three voting items:

a. Approval of the number of performance stock options available for the Board of Management and authorization of the Board of Management to issue the performance stock options, subject to the approval of the Supervisory Board.

The Annual General Meeting of Shareholders held on March 23, 2006, approved the performance stock option arrangement for the Board of Management for 2006 and subsequent years. The performance stock option arrangement as per the Remuneration Policy 2008 is the same as the performance stock option arrangement as per the Remuneration Policy 2006.

However, per the Remuneration Policy 2008, the maximum number of performance stock options to be granted conditionally will be a fixed number for a period of two years. This fixed number is based on the fair value calculation made in the first year of the two year benchmarked period.

This means that the maximum number of performance stock options to be granted conditionally for the financial year 2008, (based on the maximum achievable value of 50% of base salary divided by the fair value of the performance stock option) was calculated at the beginning of the performance period of the first year, i.e. in 2008. The same maximum number of performance stock options will therefore be granted conditionally for the performance period of this year, i.e. 2009. However, given the potential extension of ASML's Board of Management as mentioned above, it is proposed to increase the maximum aggregate number of performance stock options for the financial year 2009 from 242,000 to 300,000.

b. Approval of the maximum number of 50,000 sign-on stock options, and authorization of the Board of Management to issue the sign-on stock options, subject to the approval of the Supervisory Board.

The Supervisory Board deems it advisable to already provide for a budget for sign-on stock options in connection with a possible extension of the Board of Management as referred to

above. Again, it is noted that the purpose of sign-on grants is to compensate for loss of equity built up at the previous employer. The number of sign-on stock options to be ultimately awarded is not determined yet, but the Supervisory Board is of the opinion that a maximum budget of 50,000 sign-on stock is appropriate.

c. Approval of the number of stock options, respectively shares, available for ASML employees, other than members of the Board of Management, and authorization of the Board of Management to issue the stock options or shares, subject to the approval of the Supervisory Board.

The employee equity based arrangements include plans for ASML employees world wide and/or senior and executive management, other than members of the Board of Management, to: i) purchase stock options; ii) grant incentive stock options or shares for retention purposes; iii) grant performance stock options or performance shares for retention purposes; and iv) grant stock options to newly hired employees for incentive purposes.

The maximum available number of stock options, respectively shares, for ASML employees other than Board of Management members, that the Company hereby submits for approval to the AGM amounts to 2,460,000 for abovementioned period.

10. Composition of the Board of Management (Discussion item)

On October 30, 2008, the Supervisory Board announced its intention to appoint Mr. Frits J. van Hout (born in 1960) as a member of the Board of Management, subject to notification of the coming AGM. In view of his background and his experience in Research and Development, Sales, Customer Support and various efficiency programs, both within and outside ASML, the Supervisory Board is of the opinion that ASML will benefit greatly from Mr. Van Hout's contribution to ASML's Board of Management.

Mr. Van Hout's appointment as member of the Board of Management of ASML is for a definite period of four years with possibility of re-appointment. Pursuant to ASML's Articles of Association, Mr. Van Hout's term will commence as per the AGM to be held on March 26, 2009 and will expire effective the AGM to be held in 2013.

The most important elements of Mr. Van Hout's contract have been published on ASML's website. The contract itself is in line with the Tabaksblad Code, as applicable at the time of the signing of the contract and insofar as this is required. The remuneration package, including the stock option and share plans and the performance criteria, is in line with the 2008 Remuneration Policy for the Board of Management.

For more information reference is made to the notification regarding the intended appointment of Mr. F.J. van Hout.³

11. Composition of the Supervisory Board. (Five voting items)

This agenda item consists of five voting items.

³ The document that is referred to is available at the Company (email: angela.van.de.kerkhof@asml.com or telephone: (+31)(0)40-268-3977) and at JPMorgan Chase & Co., email: jpmorgan.adr@wellsfargo.com or tel. (800) 990-1135 (US) or (651) 453-2128 (from outside the US) and will be sent to you free of charge upon request. This document is also available on ASML's website (address: www.asml.com/agm2009).

As announced at the AGM held on April 3, 2008, Ms. H.C.J. van den Burg and Messrs. J.A. Dekker, O. Bilous, and J.W.B. Westerburgen, will retire by rotation at the AGM to be held on March 26, 2009. Because of expiration of Mr. Dekker's twelve year term on ASML's Supervisory Board, coming AGM, Mr. Dekker is not available for re-appointment. Ms. Van den Burg and Messrs. Bilous and Westerburgen have indicated that they are available for re-appointment. The Supervisory Board has decided to nominate Ms. Van den Burg and Messrs. Bilous and Westerburgen for re-appointment as member of the Supervisory Board.

The Supervisory Board has decided to nominate Ms. P.F.M. van der Meer Mohr for appointment as successor of Mr. R. Deusinger, who resigned in June 2008. The new position Mr. Deusinger accepted after resignation from his previous employer, made it difficult to continue his activities for ASML's Supervisory Board.

Furthermore, the Supervisory Board has decided to nominate Mr. W. Ziebart for appointment to fill the vacancy that will become available upon Mr. Dekker's resignation per the upcoming AGM.

a. Ms. H.C.J. van den Burg

Ms. Van den Burg retires by rotation effective per the AGM of March 26, 2009. Ms. Van den Burg was first appointed in 2005. Ms. Van den Burg is member of the Supervisory Board's Remuneration Committee.

Ms. Van den Burg was born in 1952 and has Dutch nationality. She is a former member of the Dutch Social and Economic Council. She also held various positions in Dutch and international trade unions and labor organizations. Ms. Van den Burg is a member of the European Parliament ("EP") and serves on the EP's Committee on Economic and Monetary Affairs and on the EP's Committee on Budget Control. Ms. Van den Burg is a member of the Supervisory Board of APG Group N.V.

Ms. Van den Burg does not hold any shares in the capital of the Company.

Ms. Van den Burg's first nomination for appointment was based on the Works Council's enhanced recommendation right, and also Ms. Van den Burg's nomination for re-appointment is based on the Works Council's enhanced recommendation right.

The Supervisory Board nominates Ms. H.C.J. van den Burg for re-appointment not only because of the preference the Works Council has expressed with respect to her nomination, but particularly also because of Ms. Van den Burg's contribution in the past four years, especially in the field of social policy, employee participation and corporate governance. Ms. Van den Burg's experience and background fit very well in the profile the Supervisory Board drafted for this position.

The shareholders have not made recommendations for filling this vacancy.

b. Mr. O. Bilous

Mr. Bilous retires by rotation effective per this AGM. Mr. Bilous was first appointed in 2005. Mr. Bilous is member of the Supervisory Board's Selection and Nomination Committee and Technology and Strategy Committee.

A requirement of the Memorandum of Understanding which was signed by ASML with the Committee for Foreign Investments in the United States ("CFIUS") in May 2001, being a

requirement for the acquisition of Silicon Valley Group (SVG), is that one member of the Supervisory Board should be a US citizen. Mr. Bilous is the US member of the Supervisory Board.

Mr. Bilous was born in 1938 and has US nationality. Mr. Bilous held various management positions at IBM, including General Manager and VP Worldwide Manufacturing of IBM's Microelectronics Division. He also served on the Boards of SMST, ALTIS Semiconductor and Dominion Semiconductor. Mr. Bilous currently serves as Chairman of the Board of Directors of Sematech and as Board member of Nantero, Inc.

Mr. Bilous does not hold any shares in the capital of the Company.

Because of Mr. Bilous' extensive knowledge of and experience in the semi-conductor industry, from which the Supervisory Board has greatly benefited in the past four years, and also because Mr. Bilous' background fits very well in the profile drafted for this position, the Supervisory Board decided to nominate Mr. Bilous for re-appointment.

The shareholders have not made recommendations for filling this vacancy and the Works Council has not recommended any candidate to fill this position either.

c. Mr. J.W.B. Westerburgen

Mr. Westerburgen retires by rotation effective per this AGM. Mr. Westerburgen was first appointed in 2002, and was re-appointed for the first time in 2005. Mr. Westerburgen is Chairman of the Supervisory Board's member of the Supervisory Board's Selection and Nomination Committee and Remuneration Committee.

Mr. Westerburgen was born in 1942 and has Dutch nationality. Mr. Westerburgen is former Company Secretary and Head of Tax of Unilever N.V. and Plc. Mr. Westerburgen currently serves as a member of the Supervisory Board of Unibail-Rodamco S.A. and is also Vice-Chairman of the Board of the Association Aegon.

Mr. Westerburgen does not hold any shares in the capital of the Company.

Because of Mr. Westerburgen's knowledge of and extensive experience in company law and corporate governance, Mr. Westerburgen fits very well in the profile drafted for this position, especially also in view of his chairmanship of above mentioned committees. Therefore, the Supervisory Board proposes to re-appoint Mr. Westerburgen.

The shareholders have not made recommendations for filling this vacancy and the Works Council has not recommended any candidate to fill this position either.

d. Ms. P.F.M. van der Meer Mohr

Ms. Van der Meer Mohr was born in 1960 and has Dutch nationality. She is the founder and managing partner of the Amstelbridge Group, a global network of human capital professionals. Prior hereto, Ms. Van der Meer Mohr was Senior Executive Vice President at ABN AMRO Bank, Head of Group Human Resources at TNT, and held several senior executive roles at the Royal/Dutch Shell Group of Companies in various areas. Ms. Van der Meer Mohr holds various other positions, including member of the Supervisory Boards of Océ Technologies B.V. and the Amsterdam Medical Centre.

Ms. Van der Meer Mohr does not hold any shares in the capital of the Company.

As Ms. Van der Meer Mohr is the intended successor to Mr. Deusinger, who was recommended based on the Works Council's enhanced recommendation right, the Works Council also used its recommendation right for the nomination of Ms. Van der Meer Mohr. The Supervisory Board decided to nominate Ms. Van der Meer Mohr because of the Works Council's preference, but particularly because the Supervisory Board is of the opinion that, with her broad background with main focus on human resources, Ms. Van der Meer Mohr fits very well in the profile of the current vacancy, and the Supervisory Board expects to benefit from Ms. Van der Meer Mohr's extensive experience.

The shareholders have not made recommendations for filling this vacancy.

e. Mr. W. Ziebart

Mr. Ziebart was born in 1950 and has German nationality. Mr. Ziebart was President and CEO of Infineon Technologies A.G. until May 2008. Before Infineon, Mr. Ziebart was on the boards of management of car components manufacturer Continental AG and automobile producer BMW AG. Mr. Ziebart is a member of the Board of Autoliv, Inc.

Mr. Ziebart does not hold any shares in the capital of the Company.

In view of his background and experience in various industries, including the semiconductor industry, and in various roles, the Supervisory Board anticipates to benefit from his knowledge, experience and leadership capabilities. Mr. Ziebart's experience fits very well in the profile drawn up for this position. Therefore, the Supervisory Board has decided to nominate Mr. Ziebart for appointment to the AGM.

The shareholders have not made recommendations for filling this vacancy and the Works Council has not recommended any candidate to fill this position either.

12. Proposal to authorize the Board of Management to issue shares or rights to subscribe for shares in the share capital of the Company as well as to restrict or exclude the pre-emption rights accruing to shareholders. (Four voting items)

This agenda item consists of the following four voting items:

- a. At the AGM held on April 3, 2008, the Board of Management was granted the authorization, subject to Supervisory Board approval, to issue shares or rights to subscribe for shares in the share capital of the Company, limited to 5% of the issued share capital at the time of the authorization (April 3, 2008). As the authorization will expire on October 3, 2009, it is proposed to continue this authorization of the Board of Management for a period of 18 months from March 26, 2009 through September 26, 2010. As a result thereof the previous authorization will cease to apply.
- b. At the AGM held on April 3, 2008, the Board of Management was granted the authorization, subject to Supervisory Board approval, to restrict or exclude the pre-emption rights accruing to shareholders in connection with the issue of shares or rights to subscribe for shares as described under a. As the authorization will expire on October 3, 2009, it is proposed to continue this authorization of the Board of Management for a period of 18 months from

March 26, 2009 through September 26, 2010. As a result thereof the previous authorization will cease to apply.

- c. At the AGM held on April 3, 2008, the Board of Management was granted the authorization, subject to Supervisory Board approval, to issue shares or rights to subscribe for shares in the share capital of the Company for an additional 5% of the issued share capital at the time of the authorization (April 3, 2008), which 5% can only be used in connection with or on the occasion of mergers and/or acquisitions. As the authorization will expire on October 3, 2009, it is proposed to continue this authorization of the Board of Management for a period of 18 months from March 26, 2009 through September 26, 2010. As a result thereof the previous authorization will cease to apply.
- d. At the AGM held on April 3, 2008, the Board of Management was granted the authorization, subject to Supervisory Board approval, to restrict or exclude the pre-emption rights accruing to shareholders in connection with the issue of shares or rights to subscribe for shares as described under c. As the authorization will expire on October 3, 2009, it is proposed to continue this authorization of the Board of Management for a period of 18 months from March 26, 2009 through September 26, 2010. As a result thereof the previous authorization will cease to apply.

This is an annually recurring agenda item, because the Board of Management considers it in the interest of the Company and its shareholders to be able to react timely when certain opportunities that need the issuance of shares, arise.

Therefore the Board of Management would like to have the authority to issue shares when such occasions occur, and to pass the pre-emptive rights in situations where it is imperative to be able to act quickly, without having to ask prior approval from its shareholders for which an extraordinary shareholders meeting would have to be convened and which would cost valuable time or create disrupting market speculations.

In the past, this agenda item has been used especially in relation to the issue of convertible bonds, because of the short window of opportunity. The opportunity to issue convertible bonds, or other transactions that need issuance of shares will be limited if ASML needs to ask prior approval to issue shares and/or exclude the shareholder's pre-emptive rights.

The authorization of the Board of Management to restrict or exclude the pre-emptive rights will be limited to (i) 5% of the Company's issued share capital at the time of the authorization, and (ii) an additional 5% of the Company's issued share capital at the time of the authorization only to be used in connection with or on the occasion of mergers and/or acquisitions. The authorization covers a period of 18 months.

13. Proposal to authorize the Board of Management to acquire ordinary shares in the Company. (Voting item)

Introduction to the agenda items 13 until and including 15:

These agenda items, containing proposals for share repurchases and share cancellations, were also submitted for approval to the 2007 and 2008 AGM's. In 2007 and 2008, ASML did not execute share buy backs as such mainly because of Dutch tax regulatory reasons. Instead, in 2008 ASML paid out a dividend to its shareholders for the first time. Although ASML does not foresee drastic changes in the Dutch tax environment in 2009, ASML aims to have optimal

flexibility in the execution of a return of capital to its shareholders. In order to enable such optimal flexibility, ASML requests the General Meeting of Shareholders to mandate further share repurchases as well as to further authorize cancellation of shares, should the Company decide to implement further share repurchase programs. Implementation of additional share buy back programs will depend on the recovery of the economy and industry.

Shareholders are advised that there is no certainty as to a return of capital, that there is no certainty either as to the timing of a potential execution of a return of capital to shareholders, nor as to the method of achieving such return.

Agenda item 13

At the AGM held on April 3, 2008, the Board of Management was granted the authorization, subject to Supervisory Board approval, to repurchase shares through October 3, 2009 up to a maximum of 10% of the issued share capital as of the date of authorization (April 3, 2008). As the authorization will expire on October 3, 2009, it is proposed to continue this authorization of the Board of Management for a period of 18 months from March 26, 2009 through September 26, 2010. As a result thereof the previous authorization will cease to apply.

On June 11, 2008, Dutch law was changed to the effect that companies are authorized to acquire a maximum of 50% of ordinary shares in their capital during the 18 months period that the authorization is in force. ASML however has not yet changed its Articles of Association to reflect this amendment in law, and is neither proposing to do so in this AGM. Therefore, the 10% limitation for the repurchase of issued share capital remains applicable.

If the General Meeting of Shareholders grants this authorization, the Company may repurchase its issued ordinary shares at any time during this 18 months period. The number of ordinary shares to be acquired is limited to the maximum - as permitted under ASML's articles of association - that ASML may at any time hold in its own capital taking into account the possibility to cancel shares as proposed under items 14 and 15. This authorization allows ASML, in combination with the proposals under 14 and 15, to (i) acquire twice the maximum 10% of the issued share capital, (ii) cancel these shares and subsequently (iii) acquire once again a maximum of 10% of the issued share capital. The ordinary shares to be acquired can also be used for share plans and/or remunerations components for the Board of Management or ASML employees (i.e. cash bonus).

Any such repurchases are subject to the approval of the Supervisory Board. Shares may be repurchased for valuable consideration as described in agenda item 13.

14. Cancellation of ordinary shares. (Voting item)

In this agenda item it is proposed to cancel a number of ordinary shares repurchased or to be repurchased by the Company, resulting in a reduction of the Company's issued share capital. The cancellation may be executed in one or more tranches. The number of shares that will be cancelled (whether or not in a tranche) shall be determined by the Board of Management, but shall not exceed 10% percent of the issued share capital as of March 26, 2009.

Pursuant to the relevant statutory provisions cancellation may not be effected earlier than two months after the resolution to cancel is adopted and publicly announced.

15. Cancellation of additional ordinary shares. (Voting item)

As outlined above, the repurchase by ASML is limited to 10% of the issued share capital. To enable ASML to repurchase more shares, the additional shares acquired under the authorization under item 13 need to be cancelled first.

Therefore, it is proposed to cancel ordinary shares repurchased by the Company following the cancellation of ordinary shares as referred to in item 14, resulting in a further reduction of the Company's issued share capital.

The cancellation may be executed in one or more tranches. The number of shares that will be cancelled (whether or not in a tranche) shall be determined by the Board of Management but shall not exceed 10% of the issued share capital at March 26, 2009 reduced by the number of shares cancelled pursuant to item 14.

Pursuant to the relevant statutory provisions, cancellation may not be effected until two months after a resolution to cancel shares is adopted and publicly announced.