

INTERMUNE, INC.

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

(Amended March 11, 2004)

Purpose and Policy:

The purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of **INTERMUNE, INC.**, a Delaware corporation (the “Company”), shall be to act on behalf of the Board in fulfilling the oversight responsibilities regarding:

- corporate accounting and financial reporting processes;
- systems of internal accounting and financial controls and audits of financial statements;
- quality and integrity of financial statements and reports; and
- qualifications, independence and performance of the firm or firms of certified public accountants engaged as independent outside auditors (the “Auditors”).

The policy of the Committee shall be to maintain and foster open communication between the Committee, the Auditors and the Company’s financial management.

Composition:

The Committee shall consist of at least three (3) members of the Board. The members of the Committee shall satisfy any independence and financial literacy requirements of The Nasdaq Stock Market (“Nasdaq”). At least one (1) member shall satisfy the applicable Nasdaq financial sophistication requirements.

The Secretary of the Company shall be the Secretary of the Committee. The Secretary shall keep minutes and records of all meetings of the Committee. In the event that either the Chairman or the Secretary is absent from any meeting, the members present shall designate any director present to act as Chairman and shall designate any director, officer or employee of the Company to act as Secretary.

Functions and Authority:

The operation of the Committee shall be subject to the Bylaws of the Company, as in effect from time to time, and Section 141 of the Delaware General Corporation Law. The Committee shall oversee the Company’s financial reporting process on behalf of the Board. The Auditors shall report directly and be accountable to the Committee. As it deems necessary or appropriate in the performance of its duties and at the expense of the Company, the Committee shall have authority to pay ordinary administrative expenses and retain and determine

compensation for special legal, accounting or other advisors or consultants. The Committee shall have full access to all books, records, facilities and personnel of the Company as deemed necessary or appropriate by any member of the Committee to discharge his or her responsibilities hereunder.

Subject to applicable laws and rules, the Committee shall have the full power and authority to carry out the following responsibilities; however, the Committee may supplement or deviate from these activities as appropriate.

1. Evaluation and Retention of Auditors. To appoint, compensate (at the expense of the Company), retain and oversee the Auditors (including resolving disagreements between management and the Auditors regarding financial reporting), to evaluate the performance and qualifications of the Auditors, and to determine whether to retain the existing Auditors or to appoint and engage new auditors for the ensuing year.

2. Approval of Audit Engagements. To determine and approve engagements of the Auditors, prior to commencement of such engagements, to perform all proposed audit, review and attest services, including the scope of the audit, the compensation to be paid to the Auditors and, on behalf of the Company, the negotiation and execution of the Auditors' engagement letters. The engagements may be approved pursuant to preapproval policies and procedures established by the Committee, including the delegation of preapproval authority to one or more Committee members ("Preapproval Policies"), so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

3. Approval of Non-Audit Services. To determine and approve engagements of the Auditors for permissible non-audit services, prior to commencement of such engagements (unless in compliance with exceptions available related to immaterial aggregate amounts of services). Such engagements may be approved pursuant to Preapproval Policies, so long as any such preapproval decisions are presented to the full Committee at the next scheduled meeting.

4. Audit Partner Rotation. To monitor the rotation of the partners of the Auditors.

5. Auditor Conflicts. At least annually, to receive and review written statements from the Auditors delineating all relationships between the Auditors and the Company, consistent with Independence Standards Board Standard No. 1, to consider and discuss with the Auditors any disclosed relationships and any compensation or services that could affect the Auditors' objectivity and independence, and to assess and otherwise take appropriate action to oversee the independence of the Auditors.

6. Audited Financial Statement Review. To review, upon completion of the audit, the financial statements proposed to be included in the Company's Annual Report on Form 10-K to be filed with the Securities and Exchange Commission ("SEC") and to recommend whether or not such financial statements should be so included.

7. Annual Audit Results. To discuss with management and the Auditors the results of the annual audit, including the Auditors' assessment of the quality, not just acceptability, of accounting principles, the reasonableness of significant judgments and estimates (including material changes in estimates), any material audit adjustments proposed by the Auditors and any

adjustments proposed but not recorded, the adequacy of the disclosures in the financial statements and any other matters required to be communicated to the Committee by the Auditors under generally accepted auditing standards.

8. *Quarterly Results.* To review and discuss with management and the Auditors the results of the Auditors' review of the Company's quarterly financial statements and quarterly reports (10-Q), including the disclosures contained under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations," prior to public disclosure of quarterly financial information and filing with the SEC, and any other matters required to be communicated to the Committee by the Auditors under generally accepted auditing standards.

9. *Press Releases and Earnings Release Conference Call Scripts.* To review and discuss with management and the Auditors, as appropriate, earnings press releases, as well as the substance of financial information and earnings guidance provided to analysts and ratings agencies (e.g., earnings release conference call scripts).

10. *Risk Assessment and Management.* To review and discuss with management and the Auditors, as appropriate, the Company's guidelines and policies with respect to risk assessment and risk management, including the Company's major financial risk exposures and the steps taken by management to monitor and control these exposures.

11. *Management Cooperation with Audit.* To evaluate the cooperation received by the Auditors during their audit examination, including a review with the Auditors of any significant difficulties with the audit or any restrictions on the scope of their activities or access to required records, data and information, significant disagreements with management and management's response, if any.

12. *Management Letters.* To review and discuss with the Auditors and, if appropriate, management, any management or internal control letter issued or, to the extent practicable, proposed to be issued by the Auditors and management's response, if any, to such letter, as well as any additional material written communications between the Auditors and management.

13. *Disagreements Between Auditors and Management.* To review and discuss with management and the Auditors any material conflicts or disagreements between management and the Auditors regarding financial reporting, accounting practices or policies and to resolve any conflicts or disagreements regarding financial reporting.

14. *Internal Control Over Financial Reporting.* To confer with management and the Auditors regarding the scope, adequacy and effectiveness of internal control over financial reporting including any special audit steps taken in the event of material control deficiencies, responsibilities, budget and staff of the internal audit function and review of the appointment or replacement of the senior internal audit executive or manager.

15. *Separate Sessions.* To meet in separate sessions with the Auditors, the internal auditors or other personnel responsible for the internal audit function and management to discuss any matters that the Committee, the Auditors, the internal auditors or management believe should be discussed privately with the Committee.

16. Code of Business Conduct and Ethics. To direct management to implement a process to enforce the Company's Code of Business Conduct and Ethics and provide for prompt communication of violations of the Code of Business Conduct and Ethics to the Committee.

17. Complaint Procedures. To direct management to implement procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters and to direct management to promptly inform the Committee of any such complaints regarding accounting, internal controls, audit matters or violations of state/federal laws received from inside or outside the Company, including complaints anonymously received from employees. The Committee shall direct management to protect employees from harassment, threats, or change in employment status resulting from any good faith communication of such a complaint. Any proposed changes in employment status of an individual who has made a good faith communication of such a complaint must be reviewed by the Committee.

18. Investigations. To investigate, oversee management's investigation or engage third parties to investigate any matter brought to the attention of the Committee within the scope of its duties if, in the judgment of the Committee, such investigation is necessary or appropriate.

19. Proxy Report. To oversee management's preparation of the report required by SEC rules to be included in the Company's annual proxy statement, including an annual stockholder ratification of the Auditors' engagement by the Committee.

20. Annual Charter Review. To review and assess the adequacy of this charter annually and recommend any proposed changes to the Board for approval.

21. General Authority. To perform such other functions and to have such powers as may be necessary or appropriate in the efficient and lawful discharge of the foregoing and of any applicable laws and/or regulations.

It shall be the responsibility of management to prepare the Company's financial statements and periodic reports and the responsibility of the Auditors to audit those financial statements. These functions shall not be the responsibility of the Committee, nor shall it be the Committee's responsibility to ensure that the financial statements or periodic reports are complete and accurate, conform to GAAP or otherwise comply with applicable laws.

Meetings:

The Committee shall hold such regular or special meetings as its members shall deem necessary or appropriate. The Committee shall have authority to require that any of the Company's personnel, counsel, Auditors or investment bankers, or any other consultant or advisor to the Company attend any meeting of the Committee or meet with any member of the Committee or any of its special legal, accounting or other advisors and consultants.

Minutes and Reports:

Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, members of the Board who are not members of the Committee and the Secretary of the Company. The Committee shall report to the Board from time to time, or whenever so requested by the Board.