

DreamWorks Animation SKG, Inc. Board of Directors
Audit Committee Charter
(Adopted as of October 29, 2004)

A. Purpose: The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of DreamWorks Animation SKG, Inc. (the "Company") is to (A) assist the Board in its oversight of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the qualifications and independence of the Company's external auditor (the "Independent Auditor"), and (iv) performance of the Company's internal audit function (the "Internal Audit") and the Independent Auditor and (B) prepare a report of the Committee as required to be included in the Company's annual proxy statement.

B. Membership: The Committee's membership shall be determined by the Board upon recommendation of the Nominating and Governance Committee and shall consist of at least three directors. The members of the Committee shall meet the independence and experience requirements of the listing standards of the New York Stock Exchange (the "NYSE") and the requirements for audit committee service set forth in the Securities Exchange Act of 1934, as amended (the "Act"), and the applicable rules and regulations of the Securities and Exchange Commission (the "SEC"), in each case as in effect from time to time. At least one member of the Committee shall be an "audit committee financial expert" as determined by the Board in compliance with criteria established by the SEC. Committee members shall not serve on the audit committees of more than two other public companies unless the Board determines that such service does not impair the member's ability to serve effectively on the Committee.

C. Roles and Responsibilities: The Committee's responsibility is one of oversight. The management of the Company is responsible for the preparation of complete and accurate annual and quarterly consolidated financial statements ("financial statements") in accordance with generally accepted accounting principles in the United States and for maintaining appropriate accounting and financial reporting principles and policies and internal controls designed to assure compliance with accounting standards and laws and regulations. The Independent Auditor is responsible for planning and conducting in accordance with Generally Accepted Auditing Standards in the United States an audit of the Company's annual consolidated financial statements and a review of the Company's quarterly financial statements. The Committee recognizes that the financial management, the internal auditors and Independent Auditor have more knowledge and information about the Company than do Committee members. Consequently, in carrying out its oversight responsibilities, the Committee cannot provide any expert or special assurance as to the Company's financial statements or internal controls or any professional certification as to the Independent Auditor's work.

The Committee shall have the authority to take any and all acts that it deems necessary to carry out its oversight function (in addition to any others that the Board may from time to time delegate to the Committee), including but not limited to:

1. Financial Reporting and Disclosure

- a. Reviewing and discussing the annual audited financial statements and quarterly financial statements with management and the Independent Auditor, in each case including the disclosures under the caption “Management Discussion and Analysis of Financial Condition and Results of Operations.” The Committee shall make a recommendation to the Board as to whether the audited financial statements should be included in the Company’s Annual Report on Form 10-K (or the Annual Report to Stockholders if distributed prior to the filing of Form 10-K).
- b. Reviewing and discussing with management, internal auditors and the Independent Auditor the quality and adequacy of internal controls and procedures (and any changes implemented including in light of material control deficiencies or weaknesses), including any management internal control report.
- c. Reviewing the Company’s financial reporting processes, disclosure and internal controls and procedures, and the process for the CEO and CFO quarterly and annual certifications required by the SEC with respect to financial statements and the Company’s disclosure and internal controls and procedures and any reports by the CEO and CFO regarding major issues as to the adequacy of the Company’s disclosure and internal controls and procedures and any special audit steps adopted in light of identified deficiencies.
- d. In connection with the Independent Auditor’s annual audit of the Company’s year-end financial statements (the “Annual Audit”) and the quarterly review of financial information, discussing with the Independent Auditor the matters required to be discussed pursuant to the Statement on Auditing Standards No. 61, Communication with Audit Committees, as currently in effect, including any audit problems or difficulties encountered in performing the audit and management’s response, and disagreements with management.
- e. Obtaining and reviewing annually, prior to the completion of the Annual Audit, a report from the Independent Auditor, describing (i) all critical accounting policies and practices to be used in the financial statements, (ii) all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the Independent Auditor, and (iii) other material written communications between the Independent Auditor and management, such as any management letter, internal control letter or schedule of unadjusted differences. Such review shall include a

consideration of major issues regarding accounting principles and financial statement presentations, including any significant changes in the Company's selection or application of accounting principles, and a review of any reports or analyses on such topics or similar topics prepared by management, including any significant financial reporting issues and judgments made in connection with the preparation of the financial statements. Discussing with the Independent Auditor any material issues raised in such reports as well as any audit problems or difficulties encountered and management's response (including any restrictions on access, any accounting adjustments noted or proposed but "passed") and any communications between the audit team and its national office concerning auditing or accounting issues presented by the engagement. The Committee shall be responsible for the resolution of disagreements among the Company's management, the Independent Auditor and the internal auditors regarding financial reporting.

- f. Reviewing with management and the Independent Auditor the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, if any, on the Company's financial statements.
- g. Discussing earnings press releases, as well as financial information and earnings guidance provided to analysts and rating agencies, provided that such discussions may be done generally (i.e., by discussing the types of information to be disclosed and the type of presentation to be made). The Company's management will review with the chair of the Committee earnings press releases prior to issuance.

2. Internal Audit

- a. Reviewing with management, internal auditors and the Independent Auditor the annual plan and scope of work of the Internal Audit, including its responsibilities, budget and staffing.
- b. Reviewing, as appropriate, the results of Internal Audits and discussing related significant internal control matters with the internal auditors, the Company's management and the Independent Auditor.
- c. Discussing the adequacy of the Company's internal controls with internal auditors, the Company's management and the Independent Auditor.
- d. Reviewing the appointment, replacement, reassignment or dismissal of, and periodically evaluating the performance of, the senior internal auditing executive.

3. Independent Auditor

- a. The Committee shall be responsible for the appointment, retention, termination, compensation and oversight of the Independent Auditor. The Committee shall also be responsible for the resolution of disagreements between management and the Independent Auditor. The Independent Auditor shall report directly to the Committee.
- b. Reviewing the scope of the Annual Audit and services to be provided by the Independent Auditor during the year, including fees. Pre-approving all audit services (including those performed for purposes of providing comfort letters and statutory audits) and permitted non-audit services to be provided to the Company by the Independent Auditor, subject to any exceptions provided by the Act, and in each case including fees. The chair of the Committee may pre-approve any such services according to the procedures approved by the Committee, provided that any approval by the chair must be presented to the Committee at its next meeting.
- c. Obtaining and reviewing, at least annually, a report from the Independent Auditor describing: (i) the Independent Auditor's internal quality-control procedures; (ii) any material issues raised by the most recent internal quality-control review, or peer review, of the Independent Auditor, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, regarding any independent audits carried out by the Independent Auditor, and any steps taken to deal with any such issues; and (iii) all relationships between the Independent Auditor and the Company, including the matters set forth in Independence Standards Board Standard No. 1. Discussing with the Independent Auditor any issues or relationships disclosed in such report that, in the judgment of the Committee, may have an impact on the competence or independence of the Independent Auditor.
- d. Obtaining assurance from the Independent Auditor that the audit was conducted in a manner consistent with Section 10A of the Act.
- e. Reviewing and periodically evaluating the Independent Auditor's qualifications, performance and independence, including reviewing the performance of the lead audit partner of the Independent Auditor and assuring the regular rotation of the lead audit partner and the audit partner responsible for reviewing the audit as required by law. Reviewing and periodically evaluating whether a more frequent rotation of the lead and/or reviewing audit partner is advisable or whether a rotation of the Independent Auditor would be advisable.
- f. Establishing policies for the Company's hiring of employees or former employees of the Independent Auditor who participated in any capacity in the audit of the Company, including a prohibition, as required by the Act, against the Company's chief executive officer, chief financial officer,

controller or chief accounting officer (or any person serving in an equivalent position) having worked on the Company's audit as an employee of the Independent Auditor during the one year preceding the initiation of the current audit.

4. Risk Management and Compliance

- a. Discussing policies and procedures with respect to risk assessment and risk management, the Company's major risk exposures and the steps management has taken to monitor and mitigate such exposures.
- b. Reviewing the effectiveness of the system for monitoring compliance with laws, regulations and the Company's business conduct policies and the results of management's investigation and follow up on any fraudulent acts or accounting irregularities.
- c. Periodically obtaining reports from management regarding legal and regulatory compliance and litigation matters.
- d. Reviewing with the Company's General Counsel legal matters that may have a material impact on the consolidated financial statements and any material reports or inquiries received from regulators or governmental agencies regarding compliance.
- e. Confirming with the Independent Auditor that they are not aware of any matters that might fall under Section 10A(b) of the Act.
- f. Establishing procedures for (i) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and (ii) the confidential, anonymous submission by Company employees of concerns regarding questionable accounting or auditing matters. Reviewing periodically with management and internal audit these procedures and any significant complaints received.

5. Meetings, Reports, Charter Review, Performance Evaluation and Outside Advisors

- a. Meeting with such frequency and at such intervals as the Committee determines is necessary to carry out its duties and responsibilities, but in any case, not less than four times a year. The Committee shall meet separately, periodically, with management, with Internal Audit and with representatives of the Independent Auditor. A majority of the members shall constitute a quorum. A majority of the members present shall decide any matter brought before the Committee.

- b. Reporting regularly to the Board.
- c. Preparing the report of the Committee required to be included in the Company's annual proxy statement.
- d. Reviewing the adequacy of this Charter at least annually and recommending any proposed changes to the Board for approval.
- e. Conducting an annual performance evaluation of the Committee.
- f. Reviewing and making recommendations to the Board concerning the adequacy of the Company's Code of Business Conduct and Ethics. Assisting the Board in reviewing and, when appropriate, granting any requests for a waiver.
- g. The Committee shall have the authority to retain such outside legal, accounting or other advisors, as the Committee may deem appropriate in its sole discretion. The Committee shall have sole authority to approve related fees and retention terms.

D. Structure and Operations. The Committee shall designate one member of the Committee to act as its chairperson. The Committee shall meet in person or telephonically at least four times per year at such times and places determined by the Committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the Committee or its chairperson. The chairperson, with input from the other members of the Committee and, where appropriate, members of management and outside advisors, shall set the agendas for Committee meetings.

The Committee may request that any directors, officers or other employees of the Company, or any other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests. The Committee may exclude from its meetings any persons it deems appropriate.

The Committee may form and delegate authority to subcommittees. In particular, the Committee may delegate to one or more of its members the authority to pre-approve audit and/or non-audit services, provided that the decisions of any member(s) to whom pre-approval authority is delegated shall be presented to the Committee at the next Committee meeting.

The Committee shall maintain minutes or other records of its meetings and shall give regular reports to the Board on these meetings and such other matters as required by this Charter or as the Board shall from time to time specify

Except as expressly provided in this Charter, the Company's by-laws or the Company's Corporate Governance Guidelines, or as required by law, regulation or NYSE listing standards, the Committee shall set its own rules of procedure.

E. Compensation. No member of the Committee may receive, directly or indirectly, any compensation from the Company other than (i) fees paid to directors for service on the Board (including customary perquisites and other benefits that all directors receive), (ii) additional fees paid to directors for service on a committee of the Board (including the Committee) or as the chairperson of any committee and (iii) a pension or other deferred compensation for prior service that is not contingent on future service on the Board.