

MILLENNIUM PHARMACEUTICALS, INC.

Audit Committee Charter

The Audit Committee is a standing committee of the Board of Directors, established for the purpose of overseeing the accounting and financial reporting processes of the Company and the audits of the Company's financial statements. Its primary function is to assist the Board in monitoring the integrity of the financial statements of the Company, the Company's systems of internal control, and the independence and performance of the Company's external auditor. The Audit Committee is also responsible for reviewing the Company's ethics and compliance programs. The Audit Committee shall discharge its responsibilities, and shall assess the information provided by the Company's management and the independent auditor, in accordance with its business judgment.

The authority and responsibilities set forth in this charter do not reflect or create any duty or obligation of the Audit Committee to plan or conduct any audit, to determine or certify that the Company's financial statements are complete, accurate, fairly presented, or in accordance with generally accepted accounting principles or applicable law, or to guarantee any report of the independent auditor. In exercising its business judgment, the Audit Committee will rely on the information and advice provided by the Company's management and/or its independent auditor.

The Audit Committee is appointed by the Board of Directors. Except as otherwise permitted by applicable rules, the Audit Committee will consist of at least three members of the Board of Directors, each of whom must meet the independence requirements of the NASD (National Association of Securities Dealers) and any applicable rules of the SEC (Securities and Exchange Commission).

Unless otherwise determined by the Board of Directors (in which case disclosure of such determination shall be made in the Company's annual report filed with the SEC), at least one member of the Audit Committee shall be an "audit committee financial expert" (as defined by applicable SEC rules). Specifically, such member must have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities. Other members of the Audit Committee must be able to read and understand fundamental financial statements.

The Audit Committee shall meet as often as it deems necessary in order to perform its responsibilities during each calendar year and shall review and reassess the adequacy of this charter at least annually (and recommend any changes to the Board of Directors for approval). The Audit Committee shall report regularly to the Board of Directors. At least annually, the Audit Committee shall evaluate its own performance.

The Audit Committee has the authority to retain special legal, accounting or other consultants to advise the Committee. The Audit Committee may request any officer or employee of the Company or the Company's outside counsel or independent auditor to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

The Audit Committee:

1. Has direct responsibility for the appointment, compensation, retention (and termination) and oversight of the work of the independent auditor (including resolving disagreements between management and the auditors regarding financial reporting) engaged for the purpose of preparing audit reports or performing other audit, review or attest services for the Company, evaluates the performance of the independent auditor (including the qualifications of the primary partners overseeing the audit at the time when a change in this assignment is proposed), reviews prior to the audit the planning and staffing for the audit and pre-approves the services to be performed by, and to be paid to, the independent auditor for the audit and for any non-audit services provided, however, that non-audit services equaling not more than five percent of the total revenues paid to the independent auditor in the fiscal year when such services are provided may instead be approved in accordance with applicable SEC rules. The independent auditor reports directly to the Audit Committee.

2. Obtains from the independent auditor written affirmations of its independence and a delineation of all relationships between the Company and the independent auditor as required by Independence Standards Board Standard No. 1 (“Independence Discussions with Audit Committees”), engages in dialogues with the independent auditor about any relationships or non-audit services that may impact objectivity and independence and takes, or recommends that the Board of Directors take, appropriate action to oversee the independence of the independent auditor.
3. Periodically reviews guidelines for the Company’s hiring of employees or former employees of the independent auditor who were engaged on the Company’s account.
4. Reviews the Company’s material risks or exposures and assesses steps management has taken and/or should take to monitor and minimize such risks to the Company.
5. Considers and reviews with the independent auditor the adequacy of the Company’s system of internal controls, including internal control over financial reporting, computerized information system controls and security, as well as any related significant findings and recommendations of the independent auditor together with management’s responses.
6. Reviews with management and the independent auditor at the completion of the annual audit examinations:
 - ◆ the Company’s annual financial statements and related footnotes to be included in the Company’s Annual Report on Form 10-K (or the annual report to shareholders if distributed prior to the filing of Form 10-K);
 - ◆ the independent auditor’s audit of the financial statements and its report thereon;
 - ◆ the independent auditor’s judgment about the quality, not just the acceptability, of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements;
 - ◆ the likely effect of regulatory and accounting initiatives on the Company’s financial statements;
 - ◆ all subsidiary audits performed;
 - ◆ any difficulties or disagreements with management encountered during the course of the audit, including any restrictions on the independent auditor’s scope of activities or access to required information;
 - ◆ other matters related to the conduct of the audit which are to be communicated to the Audit Committee under generally accepted auditing standards; and
 - ◆ discusses with the independent auditor the matters required to be discussed by Statement on Auditing Standards No. 61 (“Communication with Audit Committees”) relating to the conduct of the audit.
7. From time to time as appropriate, receives and considers the reports required to be made by the independent auditor regarding:
 - ◆ critical accounting policies and practices;
 - ◆ alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with Company management, including ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the independent auditor; and
 - ◆ other material written communications between the independent auditor and Company management.
8. Reviews with management and the independent auditor the Company’s quarterly financial statements prior to the release of quarterly earnings and the Company’s quarterly reports on Form 10-Q (including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations”), and discusses the results of the quarterly review and any other matters required to be communicated to the Audit Committee by the independent auditor under generally accepted accounting principles. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of these reviews and discussions.

9. Considers whether it will recommend to the Board of Directors that the Company's audited financial statements be included in the Company's annual reports on Form 10-K (including the Company's disclosures under "Management's Discussion and Analysis of Financial Condition and Results of Operations").
10. Meets, at each regular meeting of the Audit Committee, with members of management (including the Chief Financial Officer, Controller and the most senior person (if any) responsible for the internal audit activities by the Company) and representatives of the independent auditor, in separate executive sessions, to discuss any matters that the Audit Committee or these individuals believe should be discussed privately with the Audit Committee.
11. Obtains from the independent auditor assurance that no reporting contemplated by Section 10A of the Securities Exchange Act of 1934 (concerning required response by the independent auditor to audit discoveries) is required.
12. Reviews all "related party transactions" (defined as transactions required to be disclosed pursuant to Item 404 of Regulation S-K) on an ongoing basis, and approves all such transactions.
13. Reviews with management and the independent auditor any correspondence with regulators or government agencies and any employee complaints or published reports which raise material issues regarding the Company's financial statements or accounting policies.
14. Coordinates the Board's oversight of the Company's code of business conduct and the Company's disclosure of controls and procedures; receives and reviews the reports of the CEO and CFO required by Rule 13a-14 of the Securities Exchange Act of 1934.
15. Reviews with the Company's General Counsel legal matters that may have a material impact on the financial statements, the Company's compliance policies and any material reports or inquiries received from regulators or governmental agencies.
16. Annually reviews the Company's management expense report guidelines and a summary of expenses incurred.
17. Establishes procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees, stockholders and other interested parties of the Company of concerns regarding questionable accounting or auditing matters.
18. Prepares for inclusion where necessary in a proxy or information statement of the Company relating to an annual meeting of stockholders at which directors are to be elected, the report described in Item 306 of Regulation S-K.
19. Provides input on the appropriate global tax goals for the Company and monitors or reviews or oversees proposed tax planning strategies for the Company.
20. Engages independent counsel and other advisors as it determines necessary to carry out its duties.

The Audit Committee is empowered, without further action by the Board of Directors, to cause the Company to pay the auditors and any advisors employed by the Audit Committee, as well as ordinary administrative expenses of the Audit Committee that the Audit Committee deems are necessary or appropriate in carrying out its duties.

The Audit Committee may have such other responsibilities and authority as may be determined from time to time by the Board of Directors.

Revised February 25, 2004