

**ADJUSTING RATES OF EXCHANGE FOR "FOREIGN CURRENCY FLUCTUATIONS, DEFENSE,"  
"FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION" AND  
"DEFENSE MILITARY CONSTRUCTION AND FAMILY HOUSING"  
For Month Ended 08/31/01**

COUNTRY	MONETARY UNIT	O&M (DOD) FY 2001 BUDGET RATE		MILCON & FH FY 2001 BUDGET RATE		ADJUSTING RATE	
		U.S. DOLLARS FOR ONE UNIT OF FOREIGN CURRENCY	UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	U.S. DOLLARS FOR ONE UNIT OF FOREIGN CURRENCY	UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	ADJUSTING RATE (IN U.S. DOLLARS)	ADJUSTING RATE (IN FOREIGN CURRENCY)
BELGIUM	FRANC	0.0201449	49.6404	0.0201449	49.6404	0.0226005	44.2469
DENMARK	KRONE	0.1088483	9.1871	0.1088483	9.1871	0.1224575	8.1661
EUROPEAN UNION*	EURO	0.8113590	1.2325	0.8113590	1.2325	0.9116601	1.0969
FRANCE	FRANC	0.1237838	8.0786	0.1237838	8.0786	0.1389873	7.1949
GERMANY	DEUTSCHE MARK	0.4158350	2.4048	0.4158350	2.4048	0.4661353	2.1453
GREECE	DRACHMA	0.0024003	416.6065	0.0024003	416.6065	0.0026756	373.7500
ITALY	LIRA	0.0004193	2,384.6890	0.0004193	2,384.6890	0.0004709	2,123.8000
JAPAN	YEN	0.0081878	122.1325	0.0081878	122.1325	0.0084203	118.7600
NETHERLANDS	GUILDER	0.3687996	2.7115	0.3687996	2.7115	0.4137189	2.4171
NORWAY	KRONE	0.1006907	9.9314	0.1006907	9.9314	0.1131619	8.8369
PORTUGAL	ESCUDO	0.0040382	247.6330	0.0040382	247.6330	0.0045475	219.9000
SINGAPORE	DOLLAR	0.5236150	1.9098	0.5236150	1.9098	0.5746136	1.7403
SOUTH KOREA	WON	0.0008038	1,244.0760	0.0008038	1,244.0760	0.0007813	1,280.0000
SPAIN	PESETA	0.0048657	205.5207	0.0048657	205.5207	0.0054795	182.5000
TURKEY	LIRA	0.0000014	719,969.0000	0.0000014	719,969.0000	0.0000007	1,370,000.0000
UNITED KINGDOM	POUND	1.3486177	0.7415	1.3486177	0.7415	1.4541224	0.6877

\* On January 1, 1999, the euro became the official currency of 11 member states of the European Union with a fixed conversion rate against their national currencies. The value of the euro will fluctuate according to market conditions against the dollar and all other currencies, including those of the four member states not participating in the euro zone. Although euro notes and coins will not appear until January 1, 2002, the new currency now can be used in the form of checks, travelers checks, bank transfers, credit cards or electronic purses by consumers, commercial enterprises and governmental administrations.