

**ADJUSTING RATES OF EXCHANGE FOR "FOREIGN CURRENCY FLUCTUATIONS, DEFENSE,"
"FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION" AND
"DEFENSE MILITARY CONSTRUCTION AND FAMILY HOUSING"
For Month Ended 5/31/03**

COUNTRY	MONETARY UNIT	MILCON & FH FY 2003 BUDGET RATE			ADJUSTING RATE **	
		UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	U.S. DOLLARS FOR ONE FOREIGN CURRENCY	UNITS OF FOREIGN CURRENCY FOR ONE U.S. DOLLAR	ADJUSTING RATE (IN U.S. DOLLARS)	ADJUSTING RATE (IN FOREIGN CURRENCY)
		U.S. DOLLAR	U.S. DOLLAR	U.S. DOLLAR		
BELGIUM	FRANC	50.0336	0.0199866	50.0336		
DENMARK	KRONE	9.2304	0.1083377	9.2304	0.1585012	6.3091
EUROPEAN UNION*	EURO	1.2403	0.8062566	1.2403	1.1770245	0.8496
FRANCE	FRANC	8.1358	0.1229131	8.1358		
GERMANY	DEUTSCHE MARK	2.4258	0.4122317	2.4258		
GREECE	DRACHM	422.6320	0.0023661	422.6320		
ITALY	LIRA	2,401.1600	0.0004165	2,401.1600		
JAPAN	YEN	135.4401	0.0073833	135.4401	0.0083787	119.3500
NETHERLANDS	GUILDER	2.7333	0.3658635	2.7333		
NORWAY	KRONE	9.8383	0.1016436	9.8383	0.1493005	6.6979
PORTUGAL	ESCUDO	248.6580	0.0040216	248.6580		
SINGAPORE	DOLLAR	2.0027	0.4993259	2.0027	0.5776006	1.7313
SOUTH KOREA	WON	1,378.0404	0.0007257	1,378.0404	0.0008271	1,209.0400
SPAIN	PESETA	206.3690	0.0048457	206.3690		
TURKEY	LIRA	1,626,414.0000	0.0000006	1,626,414.0000	0.0000007	1,428,571.0000
UNITED KINGDOM	POUND	0.7725	1.2944984	0.7725	1.6355904	0.6114

* 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 euro was adopted by Greece on January 1, 2001. The value of the euro fluctuates according to market conditions against the dollar and all other currencies. Euro notes and coins were introduced to replace national notes and coins on January 1, 2002. The above foreign currency budget rates are based on the OUSDC(Program Budget) memorandum, dated December 4, 2002.

**Adjusting exchange rates for the individual euro-area currencies are no longer provided. Use the fixed conversion rates as follows: 1 Euro = 40.3399 Belgian Francs, 6.55957 French Francs, 1.95583 German Marks, 1936.27 Italian Lire, 2.20371 Netherlands Guilders, 200.482 Portuguese Escudos, 166.386 Spanish Pesetas, 340.750 Greek Drachmas.