

**ADJUSTING RATES OF EXCHANGE FOR "FOREIGN CURRENCY FLUCTUATIONS, DEFENSE,"
"FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION" AND
"DEFENSE MILITARY CONSTRUCTION AND FAMILY HOUSING"
For Month Ended 09/30/02**

COUNTRY	MONETARY UNIT	O&M (DOD) FY 2002 BUDGET RATE		MILCON & FH FY 2002 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	0.0193621	51.6472	0.0193621	51.6472		
DENMARK	KRONE	0.1049318	9.5300	0.1049318	9.5300	0.1328992	7.5245
EUROPEAN UNION*	EURO	0.7810669	1.2803	0.7810669	1.2803	0.9876543	1.0125
FRANCE	FRANC	0.1190731	8.3982	0.1190731	8.3982		
GERMANY	DEUTSCHE MARK	0.3993610	2.5040	0.3993610	2.5040		
GREECE	DRACHMA	0.0022922	436.2620	0.0022922	436.2620		
ITALY	LIRA	0.0004034	2,479.0060	0.0004034	2,479.0060		
JAPAN	YEN	0.0074963	133.4000	0.0074963	133.4000	0.0082142	121.7400
NETHERLANDS	GUILDER	0.3544340	2.8214	0.3544340	2.8214		
NORWAY	KRONE	0.0977670	10.2284	0.0977670	10.2284	0.1352009	7.3964
PORTUGAL	ESCUDO	0.0038959	256.6770	0.0038959	256.6770		
SINGAPORE	DOLLAR	0.5117445	1.9541	0.5117445	1.9541	0.5619872	1.7794
SOUTH KOREA	WON	0.0006926	1,443.8100	0.0006926	1,443.8100	0.0008179	1,222.6400
SPAIN	PESETA	0.0046943	213.0240	0.0046943	213.0240		
TURKEY	LIRA	0.0000007	1,342,706.0000	0.0000007	1,342,706.0000	0.0000006	1,666,667.0000
UNITED KINGDOM	POUND	1.3083868	0.7643	1.3083868	0.7643	1.5686275	0.6375

* 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 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. 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 guidance in a memorandum issued by the Deputy Comptroller (Program/Budget), Office of the Under Secretary of Defense, dated February 6, 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.