

**ADJUSTING RATES OF EXCHANGE FOR "FOREIGN CURRENCY FLUCTUATIONS, DEFENSE,"
"FOREIGN CURRENCY FLUCTUATIONS, CONSTRUCTION" AND
"DEFENSE MILITARY CONSTRUCTION AND FAMILY HOUSING"
For Month Ended 08/31/00**

COUNTRY	MONETARY UNIT	O&M (DOD) FY 2000 BUDGET RATE		MILCON & FH FY 2000 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	0.0261370	38.2600	0.0261370	38.2600	0.0220142	45.4253
DENMARK	KRONE	0.1406470	7.1100	0.1406470	7.1100	0.1190831	8.3975
EUROPEAN UNION*	EURO	1.0541851	0.9486	1.0541851	0.9486	0.8880995	1.1260
FRANCE	FRANC	0.1607433	6.2211	0.1607433	6.2211	0.1353821	7.3865
GERMANY	DEUTSCHE MARK	0.5391126	1.8549	0.5391126	1.8549	0.4540501	2.2024
GREECE	DRACHMA	0.0031983	312.6700	0.0031983	312.6700	0.0026305	380.1600
ITALY	LIRA	0.0005446	1,836.3700	0.0005446	1,836.3700	0.0004586	2,180.3600
JAPAN	YEN	0.0089550	111.6695	0.0089550	111.6695	0.0093747	106.6700
NETHERLANDS	GUILDER	0.4784918	2.0899	0.4784918	2.0899	0.4029821	2.4815
NORWAY	KRONE	0.1267748	7.8880	0.1267748	7.8880	0.1101176	9.0812
PORTUGAL	ESCUDO	0.0052444	190.6800	0.0052444	190.6800	0.0044295	225.7600
SINGAPORE	DOLLAR	0.6009615	1.6640	0.6009615	1.6640	0.5810238	1.7211
SOUTH KOREA	WON	0.0008340	1,199.1000	0.0008340	1,199.1000	0.0009019	1,108.7500
SPAIN	PESETA	0.0063191	158.2500	0.0063191	158.2500	0.0053373	187.3600
TURKEY	LIRA	0.0000021	480,770.0000	0.0000021	480,770.0000	0.0000015	655,120.0000
UNITED KINGDOM	POUND	1.6447368	0.6080	1.6447368	0.6080	1.4494854	0.6899

* 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.