

PUBLIC DISCLOSURE

December 31, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**MIZUHO CORPORATE BANK (USA)
RSSD No. 229913**

**1251 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK
10020**

Federal Reserve Bank of New York

**33 Liberty Street
New York, New York 10045**

NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

TABLE OF CONTENTS

Institution	
Institution's CRA Rating	BB1
Description of Institution	BB1
Description of Assessment Areas	BB2
Performance Context	BB2
Conclusions With Respect to Performance Criteria	BB4
Community Development Lending.....	BB4
Qualified Investments	BB5
Community Development Services	BB6
Compliance With Antidiscrimination Laws	BB6
Exhibits	
Exhibit 1 – Assessment Area Demographics	BB3
Exhibit 2 – Summary of Community Development Lending.....	BB4
Exhibit 3 – Summary of Qualified Investment Activity.....	BB6
CRA Appendices	
CRA Appendix A: Scope of Examination.....	BB7
CRA Appendix B: Glossary.....	BB7
CRA Appendix C: Map of Assessment Areas.....	BB9

INSTITUTION'S CRA RATING: Mizuho Corporate Bank (USA) is rated “**OUTSTANDING.**”

For the examination period of December 1, 2002, through December 31, 2003, the institution's outstanding performance with regard to the Community Reinvestment Act (“CRA”) is based on the following:

- High levels of community development loans, qualified investments and community development services;
- Extensive use of innovative or complex community development loans, qualified investments and community development services; and
- Excellent responsiveness to credit and community development needs in the bank's assessment area.

DESCRIPTION OF INSTITUTION

Mizuho Corporate Bank (USA) (“Mizuho”) is a subsidiary of Mizuho Corporate Bank, Limited, a subsidiary of Mizuho Financial Group, Ltd., which was created from the merger of three Japanese banks in April 2002: Fuji Bank, Ltd., Dai-Ichi Kangyo Bank, Ltd., and The Industrial Bank of Japan, Ltd.

On December 1, 2002, the merged entity formed one state member bank subsidiary (Mizuho) from three former state-chartered banking institutions: Fuji Bank and Trust Company, The Industrial Bank of Japan Trust Company, and IBJ Whitehall Bank and Trust Company (“IBJ Whitehall”).

Headquartered in New York, New York, Mizuho reported total assets of \$2.9 billion as of September 30, 2003, a decline from \$3.6 billion as of December 31, 2002. As a wholesale bank, it provides a predominantly international, institutional and government client base with commercial lending and leasing services.

Mizuho's three predecessor state-chartered banks were subject to CRA compliance. During this examination, activities occurring after the last examination of each predecessor entity were reviewed.

The Federal Deposit Insurance Corporation (“FDIC”) last examined the Industrial Bank of Japan Trust Company for CRA compliance on March 8, 2000, and gave the bank an overall rating of “outstanding.” This Reserve Bank examined IBJ Whitehall on December 31, 2000, assigning it an overall rating of “satisfactory.” The FDIC examined Fuji Bank and Trust June 24, 2002, and assigned the company an overall rating of “outstanding.”

There are no financial or legal factors that would prevent Mizuho from fulfilling its obligations under CRA.

DESCRIPTION OF ASSESSMENT AREA

Mizuho's assessment area includes the portion of Primary Metropolitan Statistical Area ("PMSA") 5600 (New York, NY) consisting of New York City's five boroughs of the Bronx, Brooklyn, Manhattan, Staten Island and Queens. The assessment area does not arbitrarily exclude low- and moderate-income ("LMI") geographies and is in compliance with the requirements of Regulation BB Section 228.41. A map of the assessment area appears on page BB9.

PERFORMANCE CONTEXT

The data used to describe Mizuho's assessment areas and evaluate the context in which the bank operates was obtained from publicly available sources including the U.S. Department of Commerce's Bureau of the Census, the U.S. Department of Labor, and the U.S. Department of Housing and Urban Development ("HUD"). Exhibit 1 on the following page provides detailed information on assessment area demographics.

Demographic Characteristics

According to the 2000 Census, the population in the assessment area is over 8 million, representing a 9% increase since 1990.

More than 37% of the assessment area geographies are LMI. Upper Manhattan, northern Brooklyn and Bronx County have most of the LMI tracts.

New York City has a large foreign-born population. Almost 2.9 million of the city's population, or 36%, was born outside the U.S. Flexible underwriting is needed for recent immigrants who may have limited credit histories and undocumented incomes. They also may be unfamiliar with the credit application process and could benefit from financial literacy education.

Income Characteristics

The 2003 HUD-adjusted median family income for PMSA 5600 (New York, NY) is \$51,900. A significant proportion of families, almost 19%, subsist below the poverty level in the assessment area. In Bronx County, 28% of families are living below the poverty level.

Housing Characteristics

Housing is expensive relative to income in New York City, causing significant affordability issues for the LMI population. According to the National Association of Realtors, the median price of a single-family home in the New York City metropolitan area was over \$367 thousand in the third quarter of 2003, up from \$351 thousand in the second quarter.

The 2000 Census reports that 67% of housing units in the city were built in 1940 or earlier. The aging housing stock indicates a need for home improvement financing.

In addition, the assessment area has a shortage of affordable rental housing. According to the

2000 Census, the median rent in PMSA 5600 (New York, NY) is \$715, a gross rent figure which represents 35% or more of the income earned in more than a third of all households. This median figure is lower than the market rent as it includes rent-stabilized apartments.

The sharp disparity between incomes and costs of either owned or rented housing indicates that the LMI population needs affordable mortgage programs and rental property development. The community contacts whom examiners interviewed throughout the assessment area agreed that affordable housing is a most pressing need.

EXHIBIT 1 Assessment Area Demographics

New York City

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	279	13	256,405	14	110,115	43	540,898	29
Moderate-income	552	25	552,000	30	139,301	25	298,440	16
Middle-income	671	30	533,876	29	69,116	13	312,218	17
Upper-income	657	30	527,528	28	27,302	5	718,253	38
NA	58	3	0	0	0	0	0	0
Total Assessment Area	2,217	100	1,869,809	100	345,834	18	1,869,809	100
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacancy	
		#	%	%	#	%	#	%
Low-income	387,876	22,929	3	6	339,762	88	25,185	7
Moderate-income	868,693	130,916	14	15	688,648	79	49,129	6
Middle-income	870,520	292,536	32	34	536,976	62	41,008	5
Upper-income	1,073,674	465,748	51	43	544,041	51	63,885	6
NA	149	4	0	3	28	19	117	79
Total Assessment Area	3,200,912	912,133	100	28	2,109,455	66	179,324	6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	11,041	6	8,997	6	1,654	5	390	8
Moderate-income	30,654	17	25,311	18	4,356	13	987	19
Middle-income	36,168	20	29,773	21	5,316	16	1,079	21
Upper-income	97,864	55	74,367	53	20,861	63	2,636	51
Tract not reported	3,588	2	2,408	2	1,097	3	83	2
Total Assessment Area	179,315	100	140,856	100	33,284	100	5,175	100
Percentage of Total Businesses:				79		19		3

Labor, Employment and Economic Characteristics

During the examination period, New York City had not fully recovered from the effects of September 11th and the national recession. According to the U.S. Department of Labor, the New York PMSA’s unemployment rate was 7.3% in 2002, and the 2003 jobless rates ranged from 7.1% to 8.4%. Organizations involved in economic development activities need community development loans and grants as a result of these weak economic conditions.

SCOPE OF EXAMINATION

The bank’s performance was evaluated using the *Interagency Procedures and Guidelines for Wholesale and Limited Purpose Institutions*. The evaluation covers Mizuho’s activity from December 1, 2002, through December 31, 2003. In addition, community development activities occurring since the last examinations of the three predecessor banks, as noted in the Description of Institution section of the Performance Evaluation, were evaluated.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Based on the size of the institution and available opportunities, Mizuho provided an excellent level of community development loans, qualified investments and community development services that were responsive to credit and community development needs in the bank’s assessment area. In many cases qualifying activities were innovative and/or complex.

Community Development Lending

As shown in Exhibit 2 below, the bank’s community development lending totaled over \$24 million.

EXHIBIT 2		
Summary of Community Development Lending		
December 1, 2002 – December 31, 2003		
Assessment Area	Commitment ('000s)	%
Affordable Housing	\$10,600	44%
Economic Development	\$500	2%
Revitalize and Stabilize	\$13,250	54%
Community Services	\$9	<1%
TOTAL ACTIVITY	\$24,359	100%

Most of the lending activity was directed to financial intermediaries that provide loans and other services to community development organizations. In many cases, the financial intermediaries' multifaceted approach to community development addressed a combination of job, service and housing needs of LMI communities in New York City.

In an effort to maximize the benefit to the LMI community, the bank also provided investments and services to these financial intermediaries as a result of its ongoing relationships. This was especially responsive to community needs. In addition, most of the loans had innovative terms that resulted in reduced financing costs for the borrower.

Examples of Mizuho's community development lending included the following:

- An unsecured revolving line of credit to an intermediary helped finance the acquisition, development and rehabilitation of housing for LMI households. The intermediary focuses on affordable housing but also addresses economic development and community revitalization needs by providing working capital lines of credit and loans for community and childcare facilities.

This loan had innovative terms resulting in a lower rate for the borrower. In addition, by structuring it as a revolving line, the bank gave the borrower the flexibility to reuse the funds as they are repaid.

- A term loan to a community development financial institution ("CDFI") assisted a very low-income population not served by other lenders. The funds will be used for various community development projects. This loan is especially responsive to community needs as it will be used primarily to revitalize and stabilize some of New York City LMI communities.
- A revolving line of credit to an affordable housing-related community development organization developed and constructed new affordable housing, and rehabilitated housing and mixed-use properties. The organization also provides pre- and post-purchase education to owners, and operates a loan fund to help meet the affordable housing needs of LMI residents and LMI areas of New York City. This line of credit resulted from Mizuho's early termination and restructure of a prior loan with a Mizuho predecessor institution, which reduced the borrower's financing costs.

Qualified Investments

As shown in Exhibit 3 on the following page, the bank made almost \$19 million in qualified investments, including \$10 million in new investments. Many of the investments were nonmember deposits in community development credit unions and other CDFIs that serve LMI areas and residents in New York City.

Mizuho also has a number of low-income housing tax credit investments targeted to its assessment area. Considered complex because of their highly technical accounting requirements, these investments helped meet the assessment area's critical need for affordable housing.

EXHIBIT 3						
Summary of Qualified Investment Activity						
December 1, 2002 – December 31, 2003						
Assessment Area	Prior Period Investments ('000s)	%	Current Period Investments ('000s)	%	Total Investments ('000s)	%
Affordable Housing	\$8,893	100%	\$7,608	77%	\$16,501	88%
Economic Development	0	0%	\$195	2%	\$195	1%
Revitalization & Stabilization	0	0%	\$1,432	14%	\$1,432	8%
Community Services	0	0%	\$648	7%	\$648	3%
TOTAL ACTIVITY	\$8,893	100%	\$9,883	100%	\$18,776	100%

Because of the ongoing relationships Mizuho develops with its community development partners, many of the qualifying grants are to organizations that also have been provided with community development loans as well as services.

In one instance, Mizuho funded an educational seminar series to teach residents of LMI communities the skills to buy and maintain homes. The bank and its predecessor companies have funded this program since 1990. Mizuho grant funds are also used for a program an affordable housing intermediary and a New York City government unit co-sponsor to provide financial literacy education and financing to LMI individuals aspiring to become homeowners.

Community Development Services

Mizuho provided an excellent level of community development services in relation to the size of its staff. Fourteen services were directed to providing financial literacy education, a significant need in the city's LMI communities. The financial literacy training included a number of programs directed toward high school students as part of school-year and summer employment programs. The bank's president also made a presentation at a financial literacy awareness program. These services were highly responsive to community needs.

Twenty community development services are ongoing commitments requiring Mizuho employees' regular participation on boards and on loan and advisory committees in addition to fund-raising and marketing efforts for local community development organizations. These services are considered complex and highly responsive as they involved significant amounts of time to help develop new programs and review nonconforming and unique lending transactions.

COMPLIANCE WITH ANTIDISCRIMINATION LAWS

No credit practices that violated the substantive provisions of the antidiscrimination laws and regulations, including the Equal Credit Opportunity Act (Regulation B) and the Fair Housing Act, were identified that would have an impact on the bank's CRA rating.

CRA APPENDIX A

SCOPE OF EXAMINATION

Details concerning the scope of examination are found on page BB4.

CRA APPENDIX B

GLOSSARY

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Community Development Financial Institution ("CDFI"): A CDFI is an organization that has been certified by the U.S. Treasury as a provider of loans and services that assist specially funded institutions that revitalize LMI areas and assist LMI persons.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

Geography: A census tract or a block numbering area delineated by the U.S. Bureau of the Census in the most recent decennial census.

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Metropolitan area (“MA”): Any primary metropolitan statistical area (“PMSA”), metropolitan statistical area (“MSA”), or consolidated metropolitan statistical area (“CMSA”), as defined by the Office of Management and Budget, with a population of 250 thousand or more, and any other area designated as such by the appropriate federal financial supervisory agency.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution’s CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (“Call Report”) and the Thrift Financial Reporting (“TFR”) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as “small business loans” if the loans are reported on the TFR as non-mortgage, commercial loans.

Upper-income: Individual income that is more than 120 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.

Wholesale bank: A bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with the CRA regulation.

Mizuho Corporate Bank USA

Assessment Area

2004

