

PUBLIC DISCLOSURE

January 19, 2010

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Mizuho Corporate Bank (USA)
RSSD No. 229913**

1251 Avenue of the Americas
New York, NY 10020

**FEDERAL RESERVE BANK OF NEW YORK
33 LIBERTY STREET
NEW YORK, NY 10045**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. 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
Scope of Examination.....	BB1
Description of Institution.....	BB1
Description of Assessment Area.....	BB2
Performance Context	BB2
Conclusions With Respect to Performance Criteria	BB5
Fair Lending or Other Illegal Credit Practices Review.....	BB9
Exhibits	
Exhibit 1 – Assessment Area Demographics.....	BB4
Exhibit 2 – Summary of Community Development Lending.....	BB5
Exhibit 3 – Summary of Qualified Investment Activity.....	BB7
Exhibit 4 – Summary of Community Development Services.....	BB9
CRA Appendices	
CRA Appendix A: Glossary	BB10
CRA Appendix B: Map of Assessment Area	BB12

INSTITUTION'S CRA RATING: Mizuho Corporate Bank (USA) ("Mizuho") is rated "Outstanding."

The outstanding performance of Mizuho with regard to the Community Reinvestment Act ("CRA") is based on the following performance criteria:

- A high level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors.
- Extensive use of innovative or complex qualified investments, community development loans, and community development services.
- Excellent responsiveness to credit and community economic development needs in the bank's assessment area.

SCOPE OF EXAMINATION

Mizuho's performance was evaluated using the Federal Financial Institutions Examination Council ("FFIEC") interagency procedures for wholesale or limited-purpose institutions. The evaluation covers Mizuho's community development activities from January 1, 2008 through December 31, 2009. Examiners also considered information received from interviews with two community development groups in order to gain an understanding of local credit needs. Mizuho's qualification for status as a CRA wholesale institution was confirmed as part of this examination.

DESCRIPTION OF INSTITUTION

Mizuho is headquartered in New York City. The bank was created in December 2002, through the merger of The Industrial Bank of Japan Trust Company with Fuji Bank and Trust Company. Mizuho is a subsidiary of Mizuho Corporate Financial Group, Ltd.

Mizuho reported total assets of \$3.5 billion as of December 31, 2009. As a wholesale bank, Mizuho serves a predominantly international, institutional and government client base providing commercial lending and leasing services. The bank does not have a branch network and offers no retail deposit or lending products or services.

At the bank's last CRA examination, dated January 14, 2008, Mizuho was assigned an overall CRA rating of "Outstanding" under the wholesale bank evaluation procedures. There are no financial or legal factors that would prevent the bank from fulfilling its obligations under CRA.

DESCRIPTION OF ASSESSMENT AREA

Mizuho's assessment area consists of the five counties of New York City (Bronx, Kings, New York, Richmond and Queens). These counties are a part of MD 35644 (New York-White Plains-Wayne, NY-NJ). 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 BB12.

PERFORMANCE CONTEXT

The data used to describe the assessment area 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, the New York State Department of Labor, the U.S. Department of Housing and Urban Development ("HUD") and the New York City Department of Housing Preservation and Development ("HPD").

Demographic Characteristics

According to the 2000 Census, the population in the assessment area is over 8 million. Almost one-third of New York City's population was born outside of the United States. Recent immigrants may need flexible underwriting since they typically have limited credit histories and nontraditional sources of income. In addition, immigrants may be unfamiliar with the credit application process and could benefit from financial literacy education.

More than 42% of the census tracts in the assessment area are LMI, with those areas concentrated in western Queens, northern Brooklyn, upper Manhattan and Bronx County.

Income Characteristics

The 2009, the HUD-adjusted median family income ("MFI") for MD 35644 (New York-White Plains-Wayne, NY-NJ) was \$64,800 and the 2008 MFI was \$63,000. 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. New York City also has a large proportion of non-family households, which tend to have lower incomes. Only 62% of households in the bank's assessment area are families.

Housing Characteristics

Housing is expensive relative to income in New York City, causing significant affordability issues for the LMI population. According to preliminary data from the National Association of Realtors, the median price of a single-family home in MD 35644 was \$450 thousand in the third-quarter of 2009, decreasing from \$494 thousand in 2008. These prices are unaffordable to LMI families, and even to many middle-income borrowers.

The assessment area also has a shortage of affordable rental housing, with an increasing gap between renter incomes and the cost of housing. According to HPD's 2008 New York City Housing and Vacancy Survey, the median income of renter households was \$36 thousand in 2007 while the median gross rent was \$1,057 in 2008. In addition, the survey noted that almost 29% of all renter households in New York City paid more than 50% of their income for gross rent.

The assessment area also has a significant homeless population. According to the Coalition for the Homeless report, dated April 23, 2009, municipal homeless shelters housed over 36,000 homeless people each night. The Coalition noted that at the end of November 2008, there were 9,720 homeless families sleeping in NYC municipal shelters, the highest number since the City of New York began reporting this data more than 25 years ago.

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. In addition, programs to develop housing for the lowest income New Yorkers are especially needed.

Labor, Employment and Economic Characteristics

Unemployment rates are high and increased during the examination period. The New York State Department of Labor reported that the annual average unemployment rate for New York City was 10.6% in December 2009, up from 7% in December 2008.

New York City's economy is in recession with economic conditions deteriorating over the past two years. While the city's economy is fairly diverse, and includes sectors that are less impacted by economic cycles, such as education and health care services, the area's economy is also tied to the U.S. financial markets.

Exhibit 1 on the following page provides additional assessment area demographics.

Exhibit 1 – Assessment Area Demographics

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	326	14.7	310,882	16.6	128,229	41.2	574,246	30.7
Moderate-income	613	27.6	586,320	31.4	136,861	23.3	311,873	16.7
Middle-income	663	29.9	522,015	27.9	59,653	11.4	318,556	17.0
Upper-income	557	25.1	450,592	24.1	21,091	4.7	665,134	35.6
Unknown-income	58	2.6	0	0.0	0	0.0	0	0.0
Total Assessment Area	2,217	100.0	1,869,809	100.0	345,834	18.5	1,869,809	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	471,421	30,113	3.3	6.4	411,139	87.2	30,169	6.4
Moderate-income	923,923	158,133	17.3	17.1	714,817	77.4	50,973	5.5
Middle-income	850,907	313,795	34.4	36.9	497,604	58.5	39,508	4.6
Upper-income	954,512	410,088	45.0	43.0	485,867	50.9	58,557	6.1
Unknown-income	149	4	0.0	2.7	28	18.8	117	78.5
Total Assessment Area	3,200,912	912,133	100.0	28.5	2,109,455	65.9	179,324	5.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	31,164	9.2	27,517	9.4	1,998	6.2	1,649	14.6
Moderate-income	70,706	20.9	63,090	21.5	4,605	14.2	3,011	26.6
Middle-income	70,779	21.0	62,984	21.4	5,206	16.1	2,589	22.9
Upper-income	158,897	47.0	135,537	46.1	19,436	60.1	3,924	34.7
Unknown-income	6,199	1.8	4,959	1.7	1,097	3.4	143	1.3
Total Assessment Area	337,745	100.0	294,087	100.0	32,342	100.0	11,316	100.0
	Percentage of Total Businesses:			87.1		9.6		3.4

Based on 2000 Census Information.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Mizuho provided a high level of community development loans, qualified investments and community development services that were targeted to maximize benefit to credit and community development needs in its assessment area. In many cases, qualifying activities were responsive and complex, and served needs not routinely provided by other private investors.

Community Development Lending

Exhibit 2		
Summary of Community Development Lending		
January 1, 2008 – December 31, 2009		
Primary Community Development Purpose	(\$ millions)	%
Affordable Housing	\$22	63%
Community Services	\$10	29%
Economic Development	\$3	8%
Revitalize and Stabilize	\$0	0%
TOTAL ACTIVITY	\$35	100%

**Lending activity includes new loans extended during the examination period as well as existing balances from the prior examination that were outstanding as of 12/31/2009. Four loans, totaling \$7 million, were outstanding from the prior CRA exam.*

The majority of Mizuho's community development loans were particularly responsive to community credit needs in supporting affordable housing and services to low-income New Yorkers.

Community development loans were extended to intermediaries that provided services that are not typically provided by for-profit institutions. The intermediaries take a multifaceted approach to community development to develop housing, services and business opportunities for the lowest income New Yorkers. In addition, most of the community development loans had flexible terms that resulted in reduced costs for the borrowers.

As shown in Exhibit 2, Mizuho's community development lending totaled \$35 million. Community development loans originated during the evaluation period amounted to \$28 million, or 80% of the total. Community development loans supported the bank's assessment area or the broader statewide or regional area that includes the bank's assessment area.

Community development lending activity within the bank's assessment area increased by 2% compared to the prior examination. In addition, Mizuho's level of community development lending volumes compared favorably with other similarly-situated banks operating in the assessment area. The bank's overall community development lending decreased by \$24 million since the prior examination due to the maturity of a \$24 million community development loan to an out-of-assessment area entity.

The following are some examples of Mizuho's community development loans:

- A \$5 million working capital loan to a financial intermediary organization that serves community development corporations ("CDC's") engaged in creating community service facilities, developing affordable housing, and retaining small businesses in LMI areas by providing pre-development loans, construction loans, technical assistance, donations and seed financing.
- A \$5 million line of credit to Community Development Financial Institution ("CDFI"). The CDFI provides affordable financing and technical assistance to organizations in economically-distressed and traditionally underserved communities. The CDFI works with community-based partners to develop and operate financing programs. The programs provide low-cost financing for organizations undertaking community development activities.
- A \$5 million line of credit to a major citywide affordable housing initiative to meet an acute need for acquisition and predevelopment financing. The housing initiative was established through a partnership between major foundations, nonprofit organizations, the City of New York and the local banking industry.
- A \$1.5 million line of credit to a major New York City supportive housing organization serving the homeless by providing food, shelter, medical and psychiatric care, housing placement and vocational training.

Qualified Investments

The majority of Mizuho's qualified investments were particularly responsive to community credit needs in supporting affordable housing and services to low-income New Yorkers.

As shown in Exhibit 3, Mizuho made almost \$22 million in qualified investments in the assessment area, compared to \$19 million noted at the prior CRA evaluation, a 16% increase. New qualified investments include two investments totaling \$4 million and donations totaling \$1 million. Community development investments supported the bank's assessment area or the broader statewide or regional area that includes the bank's assessment area. The level of Mizuho's qualified investment activities compared favorably with other similarly-situated banks operating in the assessment area.

Exhibit 3		
Summary of Qualified Investments*		
January 1, 2008– December 31, 2009		
Primary Community Development Purpose	(\$millions)	%
Affordable Housing	\$21	95%
Community Services	<\$1	3%
Economic Development	<\$1	2%
Revitalize and Stabilize	<\$1	0%
TOTAL ACTIVITY	\$22	100%

** Investments include investments and grants made during the examination period as well as existing balances from the prior examination that were outstanding as of 12/31/2009.*

Low-income housing tax credit investments are the largest proportion of the investment dollars. These investments help meet the assessment area’s critical need for affordable housing and are considered complex because of their highly technical accounting requirements.

Mizuho has developed multi-faceted relationships with many of its community development partners. As a result, many of Mizuho’s qualifying investments are to organizations that also have been provided with community development loans as well as community development services. As in the case with Mizuho’s community development lending, a majority of the bank’s qualified investments are targeted toward intermediaries that meet multiple community development designations.

Investments also included nonmember deposits in community development financial institutions that serve LMI areas and residents in New York City, many of which have limited access to traditional financial service providers. Financial services directed toward LMI areas and residents are an important assessment area need.

The following are some examples of community development investments:

- A \$3.5 million investment in collateral trust note issued by a community development organization. The organization is a nonprofit mortgage lender specializing in financing low, moderate- and middle-income housing throughout New York and New Jersey, and offers a wide range of loan products including construction, permanent, and preservation financing as well as small building loans and credit enhancements.

- A \$3 million investment in a mutual fund that explicitly allows banks to target their investments in the fund to projects within their specific assessment areas. An example of one such project is an investment in a New York City housing bond that finances the construction and permanent financing of low-income housing within Mizuho's assessment area.
- A \$500 thousand investment in a community development credit union to be re-invested in various community development credit unions within the bank's assessment area. These deposits are especially responsive to the need for financial services by LMI individuals and residents of LMI communities, who are often underserved by traditional financial institutions.

Community Development Services

Mizuho's community development services were responsive to the credit needs of its assessment area, particularly organizations that support affordable housing. The community organizations noted engage in complex community development activities, requiring a high level of financial expertise on the part of the Mizuho staff.

The majority of the community development services provided by Mizuho are ongoing activities requiring regular participation by the bank's management team on boards, loan committees and advisory committees of local community development groups, as noted below:

- Mizuho's President serves on the board of one of the nation's largest non-bank community development financial institutions, which provides LMI people with access to affordable housing through creative financing and technical assistance.
- Mizuho's Assistant CRA Officer serves on the fundraising committee of an organization that provides social services and supportive housing for the homeless. The organization provides food, shelter, psychiatric and medical care, vocational training and housing placement.
- Mizuho's President, CRA Officer and Assistant CRA Officer serve as board members of a nonprofit, citywide organization that works to create and preserve affordable housing in New York City. The organization rehabilitates housing and mixed-use properties, provides pre- and post- purchase education, and leads neighborhood revitalization projects.
- Two Mizuho Senior Vice Presidents provided financial literacy and job readiness training to an organization serving LMI youth in a moderate-income census tract.

Exhibit 4 Summary of Community Development Services January 1, 2008 – December 31, 2009	
Activity Type	Number of Activities
Board & Committee Memberships (On-going)	16
Training Sessions and Technical Assistance Events	8
TOTAL	24

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No credit practices were identified as being inconsistent with helping to meet credit needs of the assessment area.

APPENDIX A-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: All agencies have adopted the following language. 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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: A family is a group of two people or more related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act ("HMDA"): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and

income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

- **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.

Household: A household consists of all persons who occupy a housing unit. Persons not living in households are classified as living in group quarters.

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

Metropolitan Area (“MA”): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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.

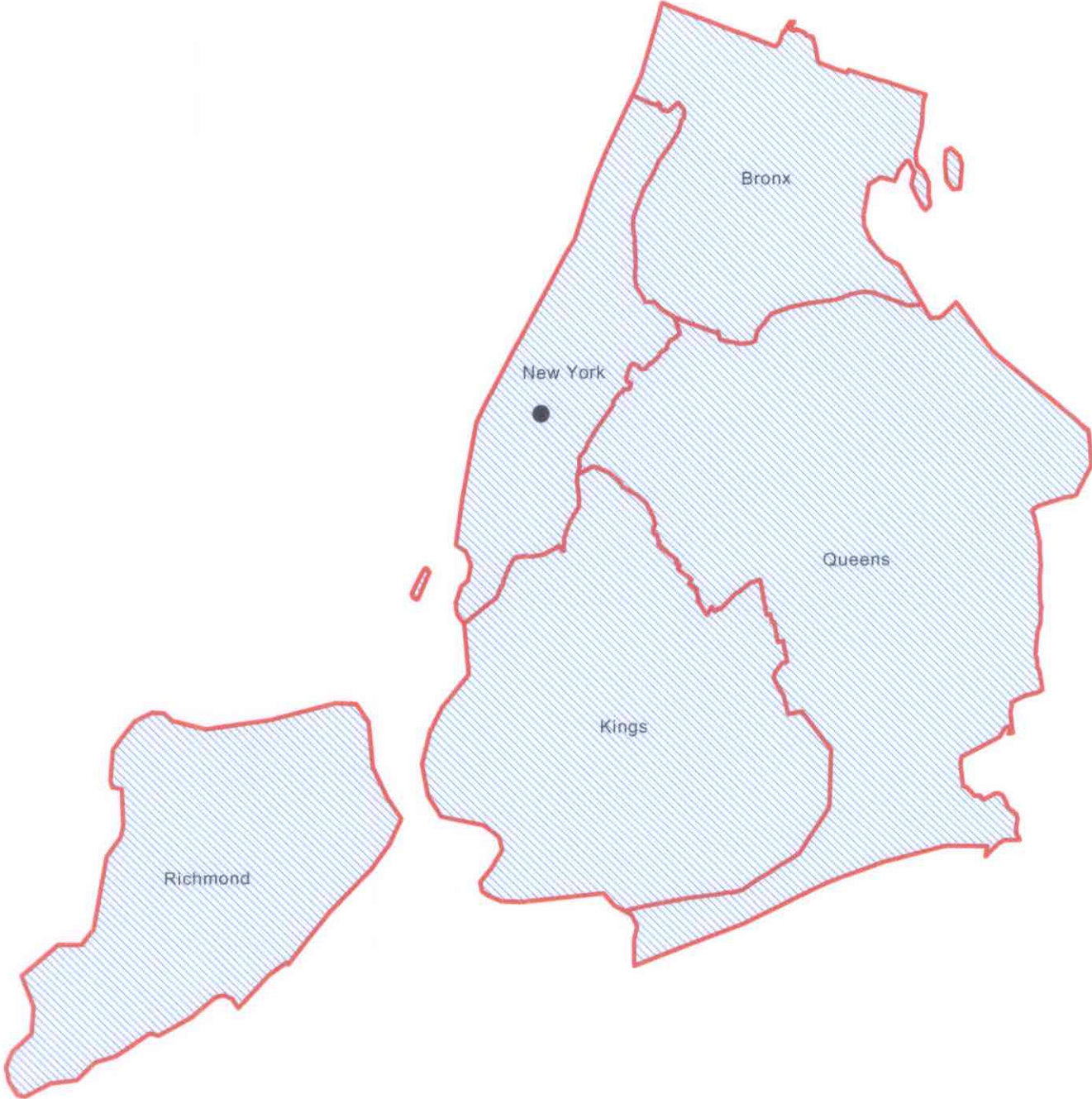
Small loan(s) to business (es): A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (“Call Report”) and the Thrift Financial Reporting (“TFR”) instructions. These loans have original amounts of \$1 million or less and typically are either secured 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 nonmortgage, commercial loans.

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

Mizuho Corporate Bank (USA)

2008 - 2009

Assessment Area



Legend

- County
- Assessment Area
- Branch

