

PUBLIC DISCLOSURE

January 9, 2012

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.

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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 Mizuho's assessment area.

SCOPE OF EXAMINATION

Mizuho's performance was evaluated using the Federal Financial Institutions Examination Council ("FFIEC") Interagency Procedures and Guidelines for Wholesale and Limited Purpose Institutions. The examination covers the period from January 1, 2010 through December 31, 2011. Mizuho's loans, investments, grants and services provided during the examination period were evaluated as qualifying community development activity. In addition, outstanding balances on prior examination period community development loans and qualified investments were analyzed as of December 31, 2011.

Mizuho's level of community development activity within its assessment area was evaluated. In addition, as a designated CRA wholesale bank, Mizuho received credit for qualified community development activity conducted outside of its assessment area because it has adequately addressed community development needs within its assessment area.

While Mizuho is evaluated on its community development activities, performance context is also considered. The performance context is a broad range of economic, demographic, institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated.

Examiners also conducted interviews with representatives of three community development organizations in order to gain an understanding of local credit needs.

DESCRIPTION OF INSTITUTION

Mizuho is headquartered in New York City. Mizuho 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 \$3.371 billion as of December 31, 2011. As a wholesale bank, Mizuho serves a predominantly international, institutional and governmental client base providing commercial lending and leasing services. Mizuho does not have a branch network and offers no retail deposit or lending products or services.

The previous CRA examination of Mizuho was conducted as of January 19, 2010, and covered the period January 1, 2008 to December 31, 2010. At the prior evaluation, Mizuho was evaluated as a designated CRA wholesale bank and its performance was rated “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 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). Mizuho’s assessment area has not changed since the prior CRA evaluation. The assessment area does not arbitrarily exclude low- and moderate-income (“LMI”) geographies and is in compliance with the requirements Section 228.41 of Federal Reserve Regulation BB, which implements the Community Reinvestment Act. A map of the assessment area is in Appendix B.

PERFORMANCE CONTEXT

The following demographic and economic information was used to describe the assessment area and to evaluate the context in which Mizuho operates. The information 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 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 of the assessment area is over 8 million. The assessment area consists of 2,217 census tracts, of which 15% are low-income and 28% are moderate-income, with low- and moderate-income (“LMI”) census tracts concentrated in western Queens, northern Brooklyn, upper Manhattan, and Bronx County. New York City is the most populous city in the United States, with an estimated 2010 population of 8.2 million.

Income Characteristics

According to the 2000 Census, the assessment area has 1.9 million families, of which 31% are low-income families and 17% are moderate-income families. For MD 35644, New York City, the HUD-estimated median family income (“MFI”) was \$64,200 in 2011 and \$65,600 in 2010. In the assessment area, 18.5% of families live below the poverty level. 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 Mizuho’s assessment area are families.

Housing Characteristics

The assessment area has approximately 3.2 million housing units, of which 29% percent are owner-occupied, 66% are rental units, and 5% are vacant. In New York City, housing is expensive relative to income levels, causing significant affordability issues for the LMI population. According to the National Association of Realtors, the median price of a single-family home in MSA 35620 – New York, Northern New Jersey, Long Island - was \$379 thousand in 2011, decreasing from \$394 thousand in 2010.

Homeownership remains unaffordable to LMI families, and to even many middle-income families in the assessment area. In 2011, the median housing cost in MD 35644 was nearly 12 times the HUD-estimated MFI for low-income borrowers and about 7 times the HUD-estimated MFI for moderate-income borrowers.

The assessment area also has a shortage of affordable rental housing, which is in high demand due to the high purchase prices for homes. There is an increasing gap between renter incomes and the cost of rental housing. The sharp disparity between incomes and costs of either owned or rental housing is indicative of the intense need for affordable housing to meet the needs of LMI individuals.

In addition, New York City also has a significant homeless population. According to a Briefing Paper by the Coalition for the Homeless dated November 9, 2011, in October of 2011, municipal homeless shelters housed over 41,000 homeless people each night. From October 2010 to October 2011, the total number of homeless people in the New York City municipal shelter system each night has increased by 9 percent, reflective of a weak economic environment.

Information from community contacts supports the need for affordable housing, especially programs for the lowest income New Yorkers. The majority of Mizuho's community development lending and qualified investment activity targets affordable housing.

Economic Characteristics

The economic recession in the assessment area had an impact on the delivery systems that brought financing and resources to New York City's LMI communities. For example, the market for low-income housing tax credits ("LIHTCs") was significantly disrupted when corporate profits diminished during the recent economic recession, causing many investors and developers to leave the marketplace. State and local governments also cut expenditures and new construction projects in New York and surrounding areas, creating a challenging environment for community development activities during the current evaluation period. Conversations with community organizations indicate added financial burden to those reliant on this type of external funding.

Labor and Employment Characteristics

During the examination period, unemployment remained high, but has been steadily decreasing within the assessment area, as well as across the nation, as the economy recovers from the recession that began in 2007. The New York State Department of Labor reported that the annual average unemployment rate for New York City was 8.8% in 2011, down from 9.5% in 2010. At the end of the prior examination period, the unemployment rate for New York City was 9.3% in 2009.

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	30,206	9.1	26,294	9.2	1,733	7.1	2,179	9.7
Moderate-income	70,470	21.2	62,080	21.7	3,970	16.3	4,420	19.6
Middle-income	72,191	21.7	63,843	22.3	4,299	17.7	4,049	18.0
Upper-income	154,082	46.3	129,255	45.1	13,528	55.7	11,299	50.2
Unknown-income	6,183	1.9	4,832	1.7	771	3.2	580	2.6
Total Assessment Area	333,132	100.0	286,304	100.0	24,301	100.0	22,527	100.0
Percentage of Total Businesses:				85.9		7.3		6.8

Based on 2000 Census Information.

CONCLUSIONS WITH RESPECT TO COMMUNITY DEVELOPMENT TEST

Overall, Mizuho provided a high level of community development loans, qualified investments, and services, particularly complex investments not provided by private investors. Mizuho exhibited excellent responsiveness to credit and community economic development needs in its assessment area. Mizuho extensively used complex qualified investments and community development loans.

Community Development Activities

Mizuho made a total of \$57 million in community development loans and qualified investments, of which over \$33 million or 58% were made in the current period. The current level of community development lending and qualified investment activity decreased slightly when compared to the levels shown at the prior period examination, when Mizuho made \$57.5 million in community development loans and qualified investments. Mizuho also provided a total of 41 community development services during the current examination period, representing a significant increase from the prior examination period, when 24 community development services were reported.

Sixty-eight percent of Mizuho's CRA qualified loans and investments used innovative and/or complex structures. These transactions often involved multiple layers of financing and government partners and included predevelopment lines of credit, early stage and bridge financing and the financing of healthcare facilities.

The majority, or a total of \$56 million or 98% of Mizuho's total community development lending and investment activity (\$35 million of community development loans and \$21 million of qualified investments) was conducted inside Mizuho's assessment area. Under the Interagency Wholesale CRA Procedures, Mizuho receives credit for community development activity outside its assessment areas, so long as it has adequately addressed community development needs within its assessment area.

When compared to eight similarly-situated wholesale banks operating in the assessment area, the level of Mizuho's total annualized community development loans and investments, as a percentage of average assets, was above the average of its peers. Conversely, Mizuho compared less favorably when compared to its peers in terms of annualized community development loans and investments as a percentage of Tier 1 capital.

Exhibit 2 provides a summary of the Community Development Activity during the evaluation period.

Exhibit 2		
Summary of Community Development Loans and Qualified Investments		
January 1, 2010 – December 31, 2011		
Designation	\$ (millions)	%
Affordable Housing	\$46.10	80.87%
Community Services	\$5.33	9.34%
Economic Development	\$5.55	9.74%
Revitalize and Stabilize	\$0.03	0.04%
Total Activity	\$57.00	100.00%

**Lending activity includes new loans and investments made during the examination period as well as loans and investments with existing balances from the prior examination period that were outstanding as of 12/31/11.*

Community Development Lending

The majority of Mizuho's community development loans were particularly responsive to community credit needs in supporting affordable housing and services to LMI New Yorkers. Community development loans were extended to intermediaries that provide services not typically provided by for-profit or private entities. 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 illustrated in Exhibit 3, community development lending during the current evaluation period totaled \$35.8 million, increasing slightly from the prior evaluation period, when Mizuho originated \$35.3 million in community development loans.

Of Mizuho's current period community development loans, a majority, \$27.6 million or 77%, are new loans originated since the prior CRA evaluation. Sixty-seven percent of the total of Mizuho's community development lending activity was considered innovative and/or flexible. For example, Mizuho provided predevelopment financing that expedited completion of affordable housing projects. Mizuho's community development lending activity, by dollar amount, primarily targeted affordable housing, which community contacts identified as an essential and critical need within the assessment area.

Of the total community development loans, 98% were originated within Mizuho's assessment area. The remaining 2% supported the broader statewide or regional area that includes Mizuho's assessment area.

Exhibit 3		
Summary of Community Development Lending		
January 1, 2010 – December 31, 2011		
Designation	(\$ millions)	%
Affordable Housing	\$25.77	72.04%
Community Services	\$5.00	13.98%
Economic Development	\$5.00	13.98%
Revitalize and Stabilize	\$0.00	0.00%
Total Community Development Lending	\$35.77	100%

**Lending activity includes new loans extended during the examination period as well as existing balances from the prior examination period that were outstanding as of 12/31/11. Four loans, totaling \$8.2 million, were outstanding from the prior CRA exam.*

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

- A \$5 million line of credit to a major citywide affordable housing initiative to meet the 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 \$5 million line of credit to a 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 \$2 million line of credit to a nonprofit organization dedicated to expanding and transforming primary healthcare in underserved communities to improve health outcomes, lower health costs and reduce disparities in treatment options available for LMI families. The line provides health care centers access to low-cost, flexible financing to make facility improvements.
- A \$1.5 million revolving 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. Most of Mizuho’s qualified investments, over 99%, were made within its assessment area, with the remaining 1% made within the broader statewide or regional area that includes Mizuho’s assessment area. As shown in Exhibit 4, during the examination period, qualified investments totaled \$21.2 million, representing a slight decrease from last evaluation period’s total of \$22.2 million. New qualified investments include four investments, totaling \$5.5 million, or 25%. Donations and grants to community development organizations totaled \$1.1 million.

Sixty-eight percent of Mizuho’s qualified investments consisted of investments in LIHTCs. LIHTCs are highly responsive to the assessment area’s critical community development need for affordable housing and they represent the largest proportion of Mizuho’s investment dollars. LIHTCs are considered complex, requiring considerable ongoing management attention and expertise due to the technical accounting requirements associated with the administration of the investments over time.

Exhibit 4		
Summary of Qualified Investments		
January 1, 2010 – December 31, 2011		
Designation	\$ (millions)	%
Affordable Housing	\$20.33	95.75%
Community Services	\$ 0.33	1.54%
Economic Development	\$ 0.55	2.59%
Revitalize and Stabilize	\$ 0.03	.12%
Total Qualified Investments	\$21.24	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 12/31/2011.*

As noted in Exhibit 4, the large majority of Mizuho’s qualified investments, by dollar amount, were directed toward affordable housing. As in the case with Mizuho’s community development lending, a majority of Mizuho’s qualified investments are targeted toward intermediaries that meet multiple community development designations.

The following are some examples of Mizuho’s community development investments:

- A \$5 million investment in a syndicator of LIHTCs. The syndicator, in turn, invests in affordable housing projects specific to Mizuho's bank's assessment area.
- A \$500 thousand investment in a national CDFI that serves community development credit unions. The investment is to be re-invested in several community development credit unions within Mizuho's assessment area. These deposits are especially responsive to the need for financial services by residents of LMI communities, who are often underserved by traditional financial institutions. As identified by community contacts, financial services directed toward LMI areas and residents are an important assessment area need.

Community Development Services

During the examination period, Mizuho provided 41 community development services, an increase of 71% from the prior evaluation period, when Mizuho provided 24 qualified services. Community development services provided by Mizuho were highly responsive to community development needs in its assessment area.

Services consisted primarily of on-going participation on boards and on board committees of local community development organizations. Exhibit 5 summarizes the types of services Mizuho provided over the course of the examination period.

- 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.
- A Senior Vice President serves on the advisory committee of an organization that secures grants, loans and equity for strategic investments in community development organizations.
- A Senior Vice President serves on the advisory committee of a community development intermediary that provides technical and financial assistance to community-based organizations seeking to revitalize low-income communities.
- During this examination period, Mizuho established a volunteer relationship with a local high school to provide on-going career guidance and financial education to students as well as their parents.

Exhibit 5		
Summary of Community Development Services		
January 1, 2010– December 31, 2011		
Activity Type	Current Examination	Prior Examination
On-Going Board & Committee Memberships	22	16
Financial Literacy	9	0
Technical Assistance	10	8
TOTAL Community Development Services	41	24

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Mizuho is in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices was 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; activities that revitalize or stabilize low- or moderate-income geographies; or loans, investments or services that (i) Support, enable or facilitate projects or activities that meet the "eligible uses" criteria described in Section 2301c of the Housing and Economic Recovery Act of 2008 ("HERA"), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development in accordance with the Neighborhood Stabilization Program ("NSP"); (ii) Are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by grantees; (iii) Benefit low-, moderate- and middle-income individuals and geographies in the bank's assessment area(s) or geographies outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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 refinancing 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.

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

January 1, 2010 - December 31, 2011

