

MTA ANNUAL DISCLOSURE STATEMENT SUPPLEMENT
March 12, 2020

This Metropolitan Transportation Authority (“MTA”) Annual Disclosure Statement Supplement (the “Supplement”) is dated March 12, 2020, supplements the information contained in the Annual Disclosure Statement (the “ADS”) of MTA, dated April 30, 2019, as supplemented on June 26, 2019 and on October 3, 2019, and as updated by a First Quarterly Update, dated August 2, 2019, a Second Quarterly Update, dated November 22, 2019 and a Third Quarterly Update, dated March 12, 2020 (the “Third Quarterly Update”), and contains information only through its date. This Supplement provides information relating to the impact on MTA ridership attributable to the Coronavirus pandemic. MTA expects to file this Supplement with the Municipal Securities Rulemaking Board on its Electronic Municipal Market Access (“EMMA”) system and may incorporate such information herein by specific cross-reference. No statement on MTA’s website or any other website is included by specific cross-reference herein. All of the information in this Supplement is accurate as of its respective date. MTA retains the right to update and supplement specific information contained herein as events warrant.

The factors affecting MTA’s financial condition are complex. This Supplement contains forecasts, projections, and estimates that are based on expectations and assumptions, which existed at the time they were prepared and contains statements relating to future results and economic performance that are “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. Such statements generally are identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “budget,” “project,” “forecast,” “anticipate” or other similar words. The forward looking statements contained herein are based on MTA’s expectations and are necessarily dependent upon assumptions, estimates and data that it believes are reasonable as of the date made but that may be incorrect, incomplete, imprecise or not reflective of future actual results. Forecasts, projections and estimates are not intended as representations of fact or guarantees of results. The achievement of certain results or other expectations contained in such forward-looking statements involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Except as set forth in the preceding paragraph, MTA does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations change or events occur that change the conditions or circumstances on which such statements are based. These forward-looking statements speak only as of the date of this Supplement.

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Update Regarding Impacts From the Coronavirus Pandemic

The information set forth under the heading “Potential Impacts from Global Coronavirus Outbreak and Public Health Threats” in the Third Quarterly Update is revised to read as follows:

Potential Impacts from Global Coronavirus Outbreak and Public Health Threats. An outbreak of disease or similar public health threat, such as the current novel coronavirus (“COVID-19”) outbreak, or fear of such an event, could have an adverse impact on MTA’s financial condition and operating results. The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus was first detected in China and has since spread globally, including to the United States and to New York State. On March 12, 2020, the World Health Organization declared the COVID-19 outbreak to be a pandemic in the face of the global spread of the outbreak. Currently, the COVID-19 outbreak appears to be altering the behavior of businesses and people in a manner that is having negative effects on global and local economies. In addition, stock markets in the U.S. and globally have seen significant declines attributed to concerns over COVID-19.

The spread of the COVID-19 pandemic has begun to adversely impact the financial condition of MTA and its Related Entities. Impacts to MTA and its Related Entities associated with the COVID-19 pandemic include, but are not limited to, costs and challenges to MTA and its Related Entities’ operations, health risks to MTA employees and reductions in ridership and facilities’ usage. Recent substantial declines in ridership and traffic in response to the COVID-19 pandemic have already been observed. On March 12, 2020, MTA noted the following declines based upon preliminary numbers. Percentage ridership and traffic declines as of March 11th and 12th, 2020 by agency from the comparable date in 2019 are:

	<u>% Decline in Ridership</u>
Subways	18.65%
New York City Transit Bus	14.37
MTA Bus	18.91
Metro North Railroad (a.m. peak)	48.00
Long Island Rail Road (a.m. peak)	31.00
MTA Bridges and Tunnels (Preliminary Traffic Count)	6.71

MTA and its Related Entities are continuing to provide regular service on all of their public transportation and commuter rail system and on its bridge and tunnel crossings as of the date of this Supplement. However, if the observed ridership and traffic declines are sustained or deteriorate further, there will be material adverse impacts on the revenues and overall financial condition of MTA and its Related Entities. *The degree of such impacts to MTA and its Related Entities operations and finances is extremely difficult to predict due to the dynamic nature of the COVID-19 outbreak, including uncertainties relating to its (i) duration, (ii) severity and (iii) ultimate geographic spread, as well as with regard to what actions may be taken by other governmental authorities and health care providers to contain or mitigate its impact.*

Among other measures, MTA announced on March 2, 2020 an update to agency-wide sanitizing protocols as it continues to implement precautions in response to the COVID-19 outbreak. MTA New York City Transit, MTA Bus, Access-A-Ride, MTA Long Island Rail Road and MTA Metro-North Railroad are significantly increasing the frequency and intensity of disinfecting procedures at each of its stations and on its full fleet of rolling stock. Trains, cars and buses will experience daily cleanings with the MTA's full fleet undergoing sanitization every 72 hours or less, with the exception of the Access-A-Ride fleet, which is sanitized daily. Surfaces frequently used by customers in stations, such as turnstiles, MetroCard and ticket vending machines, and handrails, will be disinfected twice daily with EPA-approved and National Centers for Disease Control-endorsed disinfectants. MTA will also work closely with the National Centers for Disease Control, the State Department of Health, and other government agencies during this time.