

# Brookfield Infrastructure Reports 2020 Year-End Results

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2021 distributions increased by 5% - 12th consecutive annual increase

BROOKFIELD, NEWS, Feb. 03, 2021 (GLOBE NEWSWIRE) -- Brookfield Infrastructure (NYSE: BIP; TSX: BIP.UN) today announced its results for the fourth quarter ended December 31, 2020.

"2020 provided a unique backdrop to showcase the resilience and strength of our business," said Sam Pollock, Chief Executive Officer of Brookfield Infrastructure. "We were also able to invest in high quality assets that were immediately accretive to our results. We are beginning 2021 with a robust liquidity position which will allow us to pursue attractive opportunities and convert them into meaningful investments."

US\$ millions (except per unit amounts), unaudited <sup>1</sup>	For the three months ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
Net income <sup>2</sup>	\$331	\$23	\$394	\$233
– per unit <sup>3,4</sup>	\$0.58	\$(0.06 )	\$0.35	\$0.06
FFO <sup>5</sup>	\$398	\$358	\$1,454	\$1,384
– per unit (split-adjusted) <sup>6</sup>	\$0.86	\$0.77	\$3.13	\$3.06

Brookfield reported net income for the year of \$394 million ( \$0.35 per unit) compared to \$233 million ( \$0.06 per unit) in the prior year. Net income for the year benefited from organic growth across our regulated and contracted operations, contributions from recently completed acquisitions and a gain associated with the partial disposition of our Australian export terminal. These increases were partially offset by the impact of foreign exchange and higher depreciation associated with our annual revaluation process and new investments.

Funds from Operations (or FFO) for 2020 totaled \$1.45 billion , compared to \$1.38 billion in the prior year. This 5% increase reflects the highly regulated and contracted nature of our cash flows and embedded organic growth within the company. Results benefited from capital deployed across our segments and organic growth within our utilities, midstream and data segments. The single largest adverse impact on results was the depreciation of the Brazilian real, which reduced FFO by approximately \$100 million relative to 2019.

## Segment Performance

Our utilities segment generated FFO of \$659 million in 2020, an annual increase of 6% after adjusting for the impact of a weaker Brazilian real. Our utility businesses performed well overall, reflecting the regulated and contractual frameworks under which we operate. Results benefited from inflation-indexation and \$340 million of capital commissioned into rate base during the last 12 months. These contributions were partially offset by delays in the recognition of certain connections revenue at our U.K. regulated distribution business.

FFO from our transport segment was \$590 million , which was relatively consistent with the prior year despite a challenging environment and disruptions in global trade. The segment benefited from the initial contribution of our North American rail operation and LNG export terminal, solid volumes across our rail networks and favorable rent settlements at our U.K. port operation. These contributions were offset by lower volumes at our toll roads and container ports.

FFO from our midstream segment totaled \$289 million , an increase of 18% compared to the prior year. Performance this year was excellent, with organic growth contributing 13% despite challenges in global energy markets. Our highly contracted cash flows were uninterrupted by the economic shutdowns and we benefited from robust transportation volumes and the commissioning of several new capital expenditure projects.

Our data segment delivered FFO of \$196 million , an increase of almost 50% compared to the prior year. This step-change increase is the result of organic growth and approximately \$1 billion of capital deployed into various strategic growth initiatives over the last 24 months. With respect to our ongoing growth capital projects, we have commissioned 22 MW of capacity at our South American data center operation and constructed approximately 150,000 fiber plugs at our French telecom operation in the last year. Combined, these two projects will contribute additional annual EBITDA of \$50 million (BIP's share - approximately \$10 million).

The following table presents FFO by segment:

US\$ millions, unaudited	For the three months ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
FFO by segment				
Utilities	\$168	\$178	\$659	\$672
Transport	170	147	590	603

Midstream	86	64	289	244
Data	61	42	196	136
Corporate	(87 )	(73 )	(280 )	(271 )
FFO	\$398	\$358	\$1,454	\$1,384

### Update on Strategic Initiatives

We completed several important initiatives in 2020:

- I. **Deployed \$2.5 billion in new investments and organic capital projects** - Expanded our presence in India's rapidly expanding data infrastructure sector with the acquisition of a large-scale portfolio of telecom towers and made an investment in a world class LNG export terminal that is contributing to global decarbonization efforts.
- II. **Generated over \$700 million through capital recycling** – Completed four sale processes and several asset-level financings that produced over \$700 million of proceeds, resulting in an average after-tax IRR of approximately 20% and approximately three times multiple of capital.

In addition, we recently reached an agreement to sell our North American district energy business in two separate transactions for total consideration of \$4.1 billion on an enterprise value basis. Net proceeds to BIP are expected to be approximately \$950 million . We will earn an IRR of over 30% on our investment and a multiple of invested capital of over six times.

### Distribution and Dividend Increase

The Board of Directors has declared a quarterly distribution in the amount of \$0.51 per unit, payable on March 31, 2021 to unitholders of record as at the close of business on February 26, 2021. This distribution represents a 5% increase compared to the prior year. The regular quarterly dividends on the Cumulative Class A Preferred Limited Partnership Units, Series 1, Series 3, Series 5, Series 7, Series 9, Series 11, Series 13 and Series 14 have also been declared, as well as the dividend for BIP Investment Corporation Senior Preferred Shares, Series 1. In conjunction with the Partnership's distribution declaration, the Board of Directors of BIPC has declared an equivalent quarterly dividend of \$0.51 per share, also payable on March 31, 2021 to shareholders of record as at the close of business on February 26, 2021.

### Additional Information

The Board has reviewed and approved this news release, including the summarized unaudited financial information contained herein.

Brookfield Infrastructure's Letter to Unitholders and Supplemental Information are available at [www.brookfield.com/infrastructure](http://www.brookfield.com/infrastructure).

**Brookfield Infrastructure** is a leading global infrastructure company that owns and operates high-quality, long-life assets in the utilities, transport, midstream and data sectors across North and South America , Asia Pacific and Europe . We are focused on assets that generate stable cash flows and require minimal maintenance capital expenditures. Investors can access its portfolio either through Brookfield Infrastructure Partners L.P. (NYSE: BIP; TSX: BIP.UN), a Bermuda -based limited partnership, or Brookfield Infrastructure Corporation (NYSE, TSX: BIPC), a Canadian corporation. Further information is available at [www.brookfield.com/infrastructure](http://www.brookfield.com/infrastructure).

Brookfield Infrastructure is the flagship listed infrastructure company of Brookfield Asset Management, a global alternative asset manager with approximately \$600 billion of assets under management. For more information, go to [www.brookfield.com](http://www.brookfield.com).

Please note that Brookfield Infrastructure Partners' previous audited annual and unaudited quarterly reports have been filed on SEDAR and Edgar, and can also be found in the shareholders section of its website at [www.brookfield.com/infrastructure](http://www.brookfield.com/infrastructure). Hard copies of the annual and quarterly reports can be obtained free of charge upon request.

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### Conference Call and Quarterly Earnings Details

Investors, analysts and other interested parties can access Brookfield Infrastructure's 2020 Year-End Results as well as the Letter to Unitholders and Supplemental Information on Brookfield Infrastructure's website under the Investor Relations section at [www.brookfield.com/infrastructure](http://www.brookfield.com/infrastructure).

The conference call can be accessed via webcast on February 3, 2021 at 9:00 a.m. Eastern Time at <https://edge.media-server>.

Associated Files