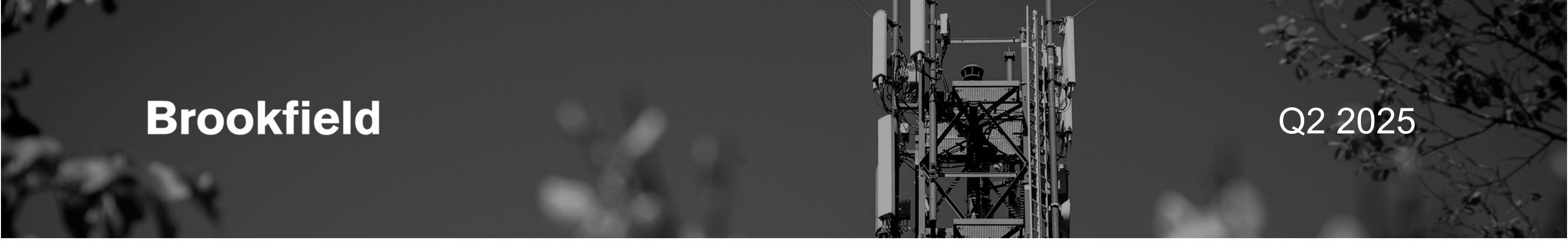

Letter to Unitholders

Overview

Brookfield Infrastructure delivered another strong quarter and advanced several strategic priorities. Funds from operations (FFO) for the quarter was $0.81 per unit, a 5% increase compared to the previous year. This result improves to a 9% increase when excluding the effects of foreign exchange, highlighting the strength and stability of our base business performance.

We have been successful in deploying capital during the first half of the year, securing three new investments with a combined enterprise value of approximately $21 billion. Most recently, we agreed to acquire Hotwire Communications (Hotwire), a leading U.S. bulk fiber provider. In May, we signed an agreement to acquire the second largest railcar leasing platform in North America in partnership with a sector-leading operator. Finally, this week we closed the previously announced acquisition of Colonial Enterprises (Colonial), the largest refined products pipeline system in the U.S. Combined, these acquisitions have a total equity commitment of approximately $1.3 billion at our share and we believe they will generate attractive risk-adjusted returns above our targets.

We continue to demonstrate strong execution of our capital recycling strategy to self-fund our growth. We have secured $2.4 billion of sale proceeds so far this year, an annual record for BIP, with several incremental sale processes in the queue for the second half of the year.

While our strategic initiatives are progressing well, the growth profile within our businesses also continues to accelerate. This is largely fueled by the quickening megatrend of digitalization and its impact on power demand, which is creating large tailwinds across our business segments. Notably, our Canadian midstream operations have a substantial and growing backlog of organic growth projects that will enhance the value of our existing high-quality asset base.

Operating Results

BIP generated FFO of $638 million in the second quarter, reflecting a 5% increase compared to the same period last year. This increase was primarily driven by strong organic growth above our target range, as well as contributions from tuck-in acquisitions completed in the prior year. Our results were supported by inflation-linked rate increases in the utilities and transport segments, increased revenues in our midstream segment, and the commissioning of over $1.5 billion in new capital projects from our backlog over the past 12 months, particularly within our data center platform. These gains were partially offset by the effects of foreign exchange and the foregone income associated with our completed capital recycling initiatives.

Utilities

Our utilities segment generated FFO of $187 million, slightly ahead of the prior year. Results benefited from inflation indexation, along with contributions from approximately $450 million of capital added to the rate base. The strong underlying performance was partially offset by our Mexican regulated natural gas transmission business, which was sold in Q1 2025 and therefore did not contribute to results in the current quarter.

Our U.K. regulated distribution business delivered solid performance, with connections 9% ahead of the prior year. In May, we signed an agreement to acquire the fiber connections portfolio of a leading U.K. homebuilder, which is expected to add approximately 50,000 in place connections to our existing connections base. This acquisition further solidifies our strength as a multi-utility infrastructure provider and expands the existing fiber connections footprint by over 30%. Closing of the transaction is expected in Q3 2025.

Across our North American residential decarbonization infrastructure business, we continue to advance several margin improvement initiatives by streamlining operations and leveraging technology. While we are still in the early stages of these initiatives, the benefits have begun to materialize in our results, with EBITDA up 5% across the platform and a corresponding 2% increase in margins. To highlight a few examples in our U.S. operations, we doubled field productivity through reorganizing installation schedules, lowering our installation costs and increasing margins. We also rolled out an AI-based tool automating service and bookings that helped drive a $14 million increase in new sales.

Transport

The transport segment generated FFO of $304 million, compared to $319 million in the same period last year. After adjusting for capital recycling initiatives and foreign exchange impacts, primarily the depreciation of the Brazilian real, results were slightly ahead of the prior year. The solid underlying performance was supported by high asset utilization at our global intermodal logistics operation, continued volume strength at our rail and ports businesses, and a 3% increase in traffic levels coupled with a 4% rise in tolls.

At our global intermodal logistics operation, we completed lease extensions on approximately 6% of the fleet year to date. The extensions were completed at strong rates and primarily consisted of leases that extend through the containers' useful lives. Our ability to renew a substantial portion of our upcoming lease expiries during a period of tariff uncertainty highlights the resilience of our operations through market cycles. Performance-wise, utilization averaged over 98% during the second quarter. On July 1, we closed the opportunistic bolt-on acquisition of a high-quality portfolio of fully contracted containers that increased our fleet by approximately 6%.

Our rail platforms in North America and Brazil both delivered solid performance this quarter. At our North American rail operation, FFO was up 9% year-over-year with stable carloads, strong pricing and the benefit of ancillary revenues such as demurrage and switching services. The diversity of our customer base, geographic presence and operations, ability to rationalize costs during periods of volatility, and embedded pricing power leave us well positioned to navigate the dynamics of the current economic environment. We had record EBITDA at our Brazilian rail and port logistics business, driven by increased volumes from seasonal agricultural harvests and strong rates.

Midstream

Our midstream segment generated FFO of $157 million, representing a 10% increase over the same period last year, driven by strong organic growth across our franchise. In particular, our Canadian diversified midstream operation performed well due to higher customer activity levels and strong asset utilization. This result was partially offset by the sale of our U.S. gas pipeline that was completed during the quarter.

At our Western Canadian natural gas gathering and processing operation, we advanced several highly accretive projects. First, we reached a positive final investment decision on the NEBC Connector project, an approximately 215 kilometer liquids pipeline that will connect the liquids-rich Montney region to high-value downstream markets. The project has an expected in-service date in the second half of 2027 and is underpinned by long-term take-or-pay contracts. Second, we completed an expansion of our Gordondale facility that is now in-service, providing customers with incremental processing capacity and connectivity into key sales markets. Together, these projects are expected to generate approximately C$135 million of incremental annual EBITDA.

Our Canadian diversified midstream operation continues to enhance its contracted cash flow profile. The business executed a long-term contract on one of its long-haul transportation pipelines with a large investment-grade counterparty that commences in 2026 and represents approximately C$15 million of annual take-or-pay EBITDA with no incremental capital required.

Data

The data segment generated FFO of $113 million, representing a step change increase of 45% compared to the prior year. This growth was driven by the contribution from the tuck-in acquisition of a tower portfolio in India completed last year, and strong organic growth across our data center platform, as we continue to commission newly built capacity at our hyperscale data centers and initiate new billings at our U.S. retail colocation data center operation.

There were several notable milestones across our North American data center operations. At our U.S. colocation data center business, we achieved one of our key priorities for 2025 with the successful negotiation and renewal of a contract with one of our largest customers. This renewal extended the term at a higher rate, representing approximately $60 million in annual revenue. Completion of this renewal alongside continued contracting activity with new customers, materially de-risks our cash flow profile.

At our U.S. hyperscale data center platform, construction continues to advance on time and on budget. The business commissioned nearly 50 MW in the quarter for a large investment-grade hyperscale customer. We expect to begin billing from the third quarter onward, generating over $40 million of EBITDA on a run-rate basis.

Strategic Initiatives

We have deployed significant capital so far this year, securing three new investments including transactions in our data, transport and midstream segments. These investments are concentrated in the U.S., our strongest market to deploy large-scale capital at highly attractive risk-adjusted returns.

Most recently, we signed an agreement to purchase Hotwire, a leading provider of bulk fiber-to-the-home services that develops, builds, and operates regional fiber networks that serve residential communities in key growing markets in the U.S. The company employs a differentiated strategy focused on securing bulk fiber agreements with homeowner associations, providing 100% of the residences in the communities with critical fiber services. These services are underpinned by a long-term, take-or-pay and inflation-linked contractual framework with a 100% contract renewal track record. The Hotwire platform has over 300,000 billing customers, a significant contracted backlog, and credible growth potential through an addressable market of over 12 million homeowner association units within Hotwire’s existing footprint. We expect this growth will be entirely self-funded. Closing is expected late Q3 2025, subject to customary closing conditions including regulatory approvals, with an equity purchase cost net to BIP of up to $500 million.

In May, we entered into an agreement to acquire a leading railcar leasing platform in partnership with GATX, a best-in-class railcar lessor. The portfolio is the second largest railcar leasing platform in North America, with a critical, highly diversified and large-scale transportation network of over 125,000 railcars that are 98% utilized. The business is highly cash-generative, providing stable cash flows that are supported by a diversified, and largely investment-grade, customer base.

The acquired railcar fleet is split into two components, including an operating lease portfolio of over 103,000 railcars and a finance lease portfolio of over 23,000 railcars. We are acquiring a 70% interest in the operating lease portfolio through a structured investment that facilitates the transfer of ownership to GATX over the next 10 years or less. Separately, we are acquiring 100% of the finance lease assets, which are fully contracted and have all maintenance and operating expenses of the assets borne by the customers. GATX will operate and manage both portfolios. The transaction is anticipated to close in Q1 2026, with a total purchase price of approximately $5.3 billion. The total equity contribution is expected to be approximately $1.2 billion (BIP’s share – approximately $300 million).

This week, we closed the $9 billion acquisition of Colonial, the largest refined products pipeline system in the U.S., with 2.5 million barrels per day of capacity spanning 5,500 miles from Texas to New York. This acquisition was completed at an attractive transaction multiple of 9x EBITDA and we are excited to be the first single owner of this system which has had split ownership since it was constructed. We expect to benefit from a mid-teen cash yield, resulting in a seven-year payback period. Near-term efforts will be focused on business integration and initiating our value creation activities. The total equity consideration is approximately $3.4 billion (BIP’s share – approximately $500 million).

Combined, these investments represent $1.3 billion of capital deployment for BIP. We also continue to advance a large and diversified array of new investment opportunities that continues to grow and is driven by the digitalization, decarbonization and deglobalization megatrends impacting our entire investable universe.

Capital Recycling and Liquidity

Our full cycle investment strategy has been designed to enable the self-funding of our growth initiatives. Over the last several years, we have ramped up the size of our program commensurate with the growth of our business. We have had tremendous success to date this year, securing approximately $2.4 billion of proceeds from nine sales. This would be a good result in any given year, and we are only in July.

Included in this total are four asset sales secured during, or subsequent to, the quarter. The first monetization involves the sale of a 23% interest in our Australian export terminal, the world's largest metallurgical coal export facility. We acquired our interest in the business in 2010 and partially exited our investment in 2020 through a public listing in Australia. Since then, the business has traded well, achieving several key value creation milestones, including extending contract durations and simplifying our tariff schedule. The sale was completed in June and resulted in proceeds to BIP of approximately $280 million. We have realized a cumulative return of 22% and a multiple of capital on our investment of 4x, while still retaining a 26% interest in the business.

The second is the secured sell down of an incremental 60% stake in a 244-megwatt portfolio of operating sites at our European hyperscale data center platform. This results in an additional $200 million in proceeds and finalizes our planned sell down of 90% for total proceeds of approximately $300 million at our share. We expect to fully complete the transaction in Q3 2025.

The third is the sale of a further 33% in a portfolio of fully contracted containers at our global intermodal logistics operation, replicating the prior sale under the same established framework. We expect incremental proceeds at our share to be approximately $115 million, with closing anticipated in Q3 2025. We have now sold approximately 66% of this portfolio and generated over $230 million in total proceeds at our share.

Fourth, we agreed to terms for the partial sale of our U.K. ports operation, which will generate approximately $385 million of proceeds and deliver an IRR of 19% and a 7.5x multiple of our capital. Since acquiring a 59% interest in 2009, we have successfully completed a comprehensive modernization of the port's operations, which included expanding the infrastructure to service larger vessels and attracting new long-term customers. These value-creating initiatives resulted in EBITDA tripling during our ownership so far. The transaction is expected to close in Q4 2025, after which we will own a 25% interest in the business that will allow us to participate in the next stage of growth in a highly strategic infrastructure asset.

Several additional sales are currently at an advanced stage, which we anticipate will be secured in the coming months. We have found that high-quality infrastructure assets continue to generate substantial investor interest regardless of prevailing operational or macroeconomic conditions. Combining the sale proceeds secured but not yet received, with our attractive liquidity position of over $5.7 billion at the end of the second quarter, provides a substantial amount of dry powder. Furthermore, the continued attractive realized IRRs and multiples of capital achieved in our dispositions underscores our proven ability to execute our investment strategy over time.

The Outlook for Canada's Energy Sector is Bright

Canada's energy industry is benefiting from several trends that support growth and strengthen the outlook for the sector in the coming years. This positive backdrop in turn benefits BIP's three Canadian midstream businesses, relating to new investment opportunities, higher levels of organic growth and more optionality at exit. The Canadian government is focused on energy security and diversifying its trade relationships. This alignment provides support to the following five key trends that collectively underpin a positive regional midstream sector outlook.

1. **Strong Demand Profile** - Countries are increasingly seeking out diversification of energy supply. This is creating new demand for Canadian energy internationally. At the same time, investment in artificial intelligence is creating massive demand for electricity locally. For example, Alberta has approximately 12 GW of requested power demand from data centers, up from 200 MW a year ago, which would represent a doubling of the province's current peak energy demand.

2. **End-Market Diversification** - Several key Canadian infrastructure projects have been recently completed to enhance global market access. One of these projects, LNG Canada, is set to ramp up production over the next 12 months, with a potential second phase under consideration that could double its capacity. Several other LNG projects are also on track to add over five million tonnes per year of export capacity by the end of 2028. Oil egress is also expected to see incremental capacity through various projects. Planned expansions of the Enbridge mainline and the potential to further increase capacity on the Trans Mountain pipeline would deliver meaningful capacity in the years to come.

3. **Highly Economic Resource** - Our assets are strategically positioned near some of the most abundant and economically attractive resource basins in North America, with decades of future production potential. The Montney for example has 80 to 90 years of remaining gas resources at a production rate that is almost 40% greater than what is being produced today. These reserves ensure Canada will be cost-competitive globally, offering domestic producers attractive returns that incentivize production growth. In fact, oil sands producers have reduced break even costs by approximately $10 per barrel over the past seven years, transforming the resource base into one of North America's lowest-cost plays.

4. **Social License** - Public support for the responsible development of Canada's energy resources and associated infrastructure has improved considerably across the country. This presents a significant opportunity to further align the country's economic interests with its natural resource advantages. It reinforces the case for continued investment in the midstream sector by established operators like us that have a strong operating track record prioritizing safety and sustainability.

5. **Improved Investor Interest** - Strategics, financial investors and international investors have all expressed interest publicly to invest more capital in the Canadian energy sector given the criticality of Canadian midstream assets, its world-class operating track record and attractiveness of the resource basin. We have seen public midstream company valuations improve to their highest levels since 2020, at the same time upstream and midstream M&A activity, along with capital markets transactions, continues to increase. This shift in investor sentiment, both domestically and abroad, will create additional paths to exiting our businesses in the years to come.

We expect to directly benefit from these factors across our entire approximately C$30 billion Canadian midstream portfolio, with leading franchises across transportation, gathering and processing and natural gas storage. Enhanced market access is driving higher activity levels in the areas we already service, which in turn is driving contract renewals and higher asset utilization. As energy demand continues to grow and incremental production comes online, demand for new infrastructure projects to support higher volumes would be created and often underpinned by long-term take-or-pay contracts.

Specifically, our natural gas gathering and processing business has experienced a 15% increase in utilization to approximately 85% over the past two years. We have simultaneously executed longer-term contracts that have improved contract duration by more than two years to reach 11 years on average. Our long-haul transportation pipelines are experiencing a resurgence of new commercial interest, with over C$90 million of contracted EBITDA coming into service in the next six months and a large pipeline of new connection opportunities that are all incremental to our underwriting at attractive build multiples. In the last two years, our North American gas storage operation has benefited from contracted capacity and rates increasing to the highest levels we have experienced during our ownership. We expect the lengthening of contract duration and higher rates to persist, as storage demand continues to rise in support of new gas production, the build out of Canadian LNG export capacity and other sources of demand. These commercial benefits can be realized with no incremental capital investment and will further contribute to the business' high free cash flow conversion.

These are just several examples of the positive impact that has been experienced so far within our business. We are equally enthusiastic about the strong growth outlook across our Canadian midstream franchise. At our two largest midstream platforms alone, we expect EBITDA growth of C$650-$750 million between 2024 and 2027, with further upside related to approximately C$2 billion of identified organic growth projects that are being advanced and not currently in our backlog. While these benefits accrue to our in-place franchise, we are excited by the momentum in the Canadian midstream sector as we aim to continue investing to acquire new platforms, develop new infrastructure projects and ultimately deploy our large-scale and flexible capital at strong risk adjusted returns.

Our Approach to Quarterly Communications

In response to investor feedback and with the goal of simplifying and streamlining our communications, we will transition to publishing a comprehensive Brookfield investor letter on a quarterly basis, beginning with our third quarter reporting. This new format will take the place of our current letter to unitholders and will cover the most important themes and strategic developments across all of Brookfield, including topics most relevant to Brookfield Infrastructure. The letter will be published at the end of Brookfield's reporting cycle to cover all themes and updates across all parts of Brookfield and its affiliates.

We believe this approach will make it easier for investors to stay current on the full breadth of activity across Brookfield through a single, consolidated update.

We will continue to provide timely updates throughout the year via our quarterly press releases and earnings calls with management. In addition, we will also publish a standalone Brookfield Infrastructure investor letter on an annual basis alongside our fourth quarter results.

Outlook

Our business is experiencing unprecedented momentum which should translate into highly visible growth over the balance of the year. We believe the tailwinds from the 'Three D's', digitalization, decarbonization, and deglobalization, are stronger than ever. While we have been investing in these transformative trends for many years, the positive impact on our businesses continues to increase. We see these megatrends, particularly digitalization, as a key driver of the infrastructure super cycle, and we will capture our share of this generational investment opportunity.

Capital deployment so far this year has been strong and we continue to evaluate a large and diverse pipeline of high-quality, value-oriented opportunities across our global footprint. The U.S. remains one of the most attractive investment geographies at the moment, offering compelling risk-adjusted returns supported by favorable long-term fundamentals and pro-growth policies such as lower taxation, deregulation and a focus on reshoring strategic manufacturing. We are also seeing opportunities emerging outside of the U.S. in many of the geographies where we have a significant presence such as Europe, as well as in several geographies where we have setup newer regional offices in the Asia Pacific region.

While the vast majority of our capital recycling and deployment objectives for the year have been secured, we are already focused on bringing forward sales and new investments into our pipeline so that we get ahead of next year. We look forward to sharing further insights into our outlook and growth strategy at our annual Investor Day in Toronto on September 25, 2025.

On behalf of the Board and management, thank you to our unitholders and shareholders for their continued support.

Sincerely,

Sam Pollock
Chief Executive Officer

July 31, 2025

Cautionary Statement Regarding Forward-looking Statements

This letter to unitholders contains forward-looking information within the meaning of Canadian provincial securities laws and "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. The words, "will", "continue", "believe", "growth", "potential", "prospect", "expect", "target", "should", "future", "could", "plan", "anticipate", "outlook", "focus", "plan to", derivatives thereof and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters identify the above mentioned and other forward-looking statements. Forward-looking statements in this letter to unitholders include statements regarding the likelihood and timing of successfully completing the transactions and other growth initiatives referred to in this letter to unitholders, the integration of newly acquired businesses into our existing operations, the future performance of those acquired businesses and growth projects, financial and operating performance of Brookfield Infrastructure and some of its businesses, commissioning of our capital backlog, availability of investment opportunities, including tuck-in acquisitions, the state of political and economic climates in the jurisdictions in which we operate or intend to operate, the expansion of our businesses and operating segments into new jurisdictions, the adoption of new and emerging technologies in the jurisdictions in which we operate, performance of global capital markets and our strategies to hedge against risk in such markets, ability to access capital, anticipated capital amounts required for the growth of our businesses, the continued growth of Brookfield Infrastructure and its businesses in a competitive infrastructure sector, the effect expansion and growth projects of our customers will have on our businesses, and future revenue and distribution growth prospects in general. Although Brookfield Infrastructure believes that these forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on them, or any other forward-looking statements or information in this letter. The future performance and prospects of Brookfield Infrastructure are subject to a number of known and unknown risks and uncertainties. Factors that could cause actual results of the Partnership and Brookfield Infrastructure to differ materially from those contemplated or implied by the statements in this letter to unitholders include general economic, social and political conditions in the jurisdictions in which we operate or intend to operate and elsewhere which may impact the markets for our products or services, the ability to achieve growth within Brookfield Infrastructure's businesses, some of which depends on access to capital and continuing favorable commodity prices, the impact of political, economic and other market conditions on our businesses, the fact that success of Brookfield Infrastructure is dependent on market demand for an infrastructure company, which is unknown, the availability and terms of equity and debt financing for Brookfield Infrastructure, the impact of health pandemics on our business and operations, the ability to effectively complete transactions in the competitive infrastructure space (including the ability to complete announced and potential transactions referred to in this letter to unitholders, some of which remain subject to the satisfaction of conditions precedent, and the inability to reach final agreement with counterparties to such transactions, given that there can be no assurance that any such transactions will be agreed to or completed) and to integrate acquisitions into existing operations, changes in technology which have the potential to disrupt the businesses and industries in which we invest, the market conditions of key commodities, the price, supply or demand for which can have a significant impact upon the financial and operating performance of our business, regulatory decisions affecting our regulated businesses, weather events affecting our business, the effectiveness of our hedging strategies, completion of growth and expansion projects by customers of our businesses, traffic volumes on our toll road businesses and other risks and factors described in the documents filed by Brookfield Infrastructure with the securities regulators in Canada and the United States including under "Risk Factors" in Brookfield Infrastructure's most recent Annual Report on Form 20-F and other risks and factors that are described therein. Except as required by law, Brookfield Infrastructure undertakes no obligation to publicly update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise.