

Brookfield

2022

Q1 INTERIM
REPORT

Brookfield Infrastructure Partners L.P.

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington D.C. 20549

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of May 2022

Commission file number 001-33632

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

(Exact name of Registrant as specified in its charter)

73 Front Street, Fifth floor
Hamilton, HM 12
Bermuda
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

The information contained in Exhibit 99.1 of this Form 6-K is incorporated by reference into the registrant's following registration statements on Form F-3 (File Nos. 333-255051-01, 333-249031, 333-235653, 333-262098 and 333-167860).

The following documents, which are attached as exhibits hereto, are incorporated by reference herein:

Exhibit **Title**

- 99.1 Brookfield Infrastructure Partners L.P.'s interim report for the quarter ended March 31, 2022
- 99.2 Certification of Samuel Pollock, Chief Executive Officer, Brookfield Infrastructure Group L.P., pursuant to Canadian law
- 99.3 Certification of David Krant, Chief Financial Officer, Brookfield Infrastructure Group L.P., pursuant to Canadian law

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.,
by its general partner, BROOKFIELD
INFRASTRUCTURE PARTNERS LIMITED

Date: May 10, 2022

By: /s/ WILLIAM COX

Name: William Cox

Title: Director

Brookfield Infrastructure Partners L.P.

Interim Report Q1 2022

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED FINANCIAL STATEMENTS

*AS OF MARCH 31, 2022 AND DECEMBER 31, 2021 AND
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2022 AND 2021*

INDEX

	Page
Unaudited Interim Condensed and Consolidated Statements of Financial Position of Brookfield Infrastructure Partners L.P.	2
Unaudited Interim Condensed and Consolidated Statements of Operating Results of Brookfield Infrastructure Partners L.P.	3
Unaudited Interim Condensed and Consolidated Statements of Comprehensive Income of Brookfield Infrastructure Partners L.P.	4
Unaudited Interim Condensed and Consolidated Statements of Partnership Capital of Brookfield Infrastructure Partners L.P.	5
Unaudited Interim Condensed and Consolidated Statements of Cash Flows of Brookfield Infrastructure Partners L.P.	7
Notes to the Unaudited Interim Condensed and Consolidated Financial Statements of Brookfield Infrastructure Partners L.P.	8
Management's Discussion & Analysis	38

Brookfield Infrastructure Partners L.P. (our “partnership” and together with its subsidiary and operating entities “Brookfield Infrastructure”) is a leading global infrastructure company that owns and operates high-quality, essential, long-life assets in the utilities, transport, midstream and data sectors across North and South America, Asia Pacific and Europe. It is focused on assets that have contracted and regulated revenues that generate predictable and stable cash flows.

Brookfield Asset Management Inc. (together with its affiliates other than Brookfield Infrastructure, “Brookfield”) has an approximate 27.2% economic interest in Brookfield Infrastructure on a fully exchanged basis. Brookfield Infrastructure has appointed Brookfield as its Service Provider to provide certain management, administrative and advisory services, for a fee, under the Master Services Agreement.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

US\$ MILLIONS, UNAUDITED	Notes	As of	
		March 31, 2022	December 31, 2021
Assets			
Cash and cash equivalents	6	\$ 1,969	\$ 1,406
Financial assets	6	714	740
Accounts receivable and other	6	2,455	2,204
Inventory		341	400
Assets classified as held for sale	9	150	146
Current assets		<u>5,629</u>	<u>4,896</u>
Property, plant and equipment	7	38,652	38,655
Intangible assets	8	14,999	14,214
Investments in associates and joint ventures	9	5,386	4,725
Investment properties		672	655
Goodwill	5	9,300	8,979
Financial assets	6	648	536
Other assets		1,244	1,141
Deferred income tax asset		179	160
Total assets		<u>\$ 76,709</u>	<u>\$ 73,961</u>
Liabilities and Partnership Capital			
Liabilities			
Accounts payable and other	6	\$ 4,244	\$ 4,019
Corporate borrowings	6,10	391	431
Non-recourse borrowings	6,10	3,065	2,701
Financial liabilities	6	<u>1,547</u>	<u>1,510</u>
Current liabilities		9,247	8,661
Corporate borrowings	6,10	2,789	2,288
Non-recourse borrowings	6,10	24,518	23,833
Financial liabilities	6	1,799	1,730
Other liabilities		5,077	5,027
Deferred income tax liability		6,284	6,011
Preferred shares	6	20	20
Total liabilities		<u>49,734</u>	<u>47,570</u>
Partnership capital			
Limited partners	15	5,741	5,702
General partner	15	31	31
Non-controlling interest attributable to:			
Redeemable Partnership Units held by Brookfield	15	2,420	2,408
BIPC exchangeable shares	15	1,381	1,369
Exchangeable units ⁽¹⁾	15	81	85
Perpetual subordinated notes	15	293	—
Interest of others in operating subsidiaries		16,110	15,658
Preferred unitholders	15	918	1,138
Total partnership capital		<u>26,975</u>	<u>26,391</u>
Total liabilities and partnership capital		<u>\$ 76,709</u>	<u>\$ 73,961</u>

1. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

The accompanying notes are an integral part of the financial statements.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF OPERATING RESULTS

US\$ MILLIONS, UNAUDITED	Notes	For the three-month period ended March 31	
		2022	2021
Revenues	13	\$ 3,411	\$ 2,683
Direct operating costs ⁽¹⁾	7,8,14	(2,506)	(1,815)
General and administrative expenses		(121)	(95)
		784	773
Interest expense		(409)	(355)
Share of earnings from investments in associates and joint ventures	9	54	67
Mark-to-market on hedging items	6	(32)	35
Other income		35	27
Income before income tax		432	547
Income tax expense			
Current		(120)	(94)
Deferred		(18)	(40)
Net income		\$ 294	\$ 413
Attributable to:			
Limited partners		\$ 6	\$ 89
General partner		60	50
Non-controlling interest attributable to:			
Redeemable Partnership Units held by Brookfield		3	37
BIPC exchangeable shares		1	14
Interest of others in operating subsidiaries		224	223
Basic and diluted (loss) income per limited partner unit:	15	\$ (0.02)	\$ 0.27

1. Our company reclassified depreciation and amortization expense, which was previously presented as a separate line item, to direct operating costs. Direct operating costs include \$544 million of depreciation and amortization expenses. Prior period amounts were also adjusted to reflect this change, which resulted in an increase to direct operating costs of \$469 million for the three-month period ended March 31, 2021, with an equal and offsetting decrease to depreciation and amortization expense. This reclassification had no impact on revenues, net income, or basic and diluted earnings per limited partner unit.

The accompanying notes are an integral part of the financial statements.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

US\$ MILLIONS, UNAUDITED	Notes	For the three-month period ended March 31	
		2022	2021
Net income		\$ 294	\$ 413
Other comprehensive income (loss):			
Items that will not be reclassified subsequently to profit or loss:			
Revaluation of asset retirement obligation		25	—
Marketable securities, net of tax	6	—	120
Unrealized actuarial gains		13	21
Tax impact of remeasurement of revaluation surplus and other		(9)	(4)
		29	137
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		535	(374)
Cash flow hedge	6	255	179
Net investment hedge	6	29	6
Taxes on the above items		(67)	(40)
Share of (losses) income from investments in associates and joint ventures	9	(25)	8
		727	(221)
Total other comprehensive income (loss)		756	(84)
Comprehensive income		\$ 1,050	\$ 329
Attributable to:			
Limited partners		\$ 223	\$ 54
General partner		61	50
Non-controlling interest attributable to:			
Redeemable Partnership Units held by Brookfield		95	22
BIPC exchangeable shares		53	9
Exchangeable units ⁽¹⁾		3	—
Interest of others in operating subsidiaries		615	194

1. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

The accompanying notes are an integral part of the financial statements.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF PARTNERSHIP CAPITAL

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022 US\$ MILLIONS	Limited Partners						Non-controlling interest – Redeemable Partnership Units held by Brookfield	Non-controlling interest – BIPC exchangeable shares	Non-controlling interest – Exchangeable units ⁽⁴⁾	Non-controlling interest – in operating subsidiaries	Non-controlling interest – Perpetual subordinated notes	Preferred unitholders capital	Total partners' capital
	Limited partners' capital	(Deficit)	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Limited partners	General partner							
Balance as of January 1, 2022	\$ 6,074	\$ (2,125)	\$ 1,430	\$ 323	\$ 5,702	\$ 31	\$ 2,408	\$ 1,369	\$ 85	\$ 15,658	\$ —	\$ 1,138	\$ 26,391
Net income	—	6	—	—	6	60	3	1	—	224	—	—	294
Other comprehensive income	—	—	—	217	217	1	92	52	3	391	—	—	756
Comprehensive income	—	6	—	217	223	61	95	53	3	615	—	—	1,050
Unit issuance ⁽²⁾	4	—	—	—	4	—	—	—	—	—	—	—	4
Partnership distributions ⁽³⁾	—	(165)	—	—	(165)	(61)	(69)	(40)	(3)	—	—	—	(338)
Partnership preferred distributions ⁽³⁾	—	(11)	—	—	(11)	—	(5)	(3)	—	—	—	—	(19)
Subsidiary distributions to non-controlling interest	—	—	—	—	—	—	—	—	—	(163)	—	—	(163)
Preferred units redeemed ⁽²⁾	—	(14)	—	—	(14)	—	(9)	—	—	—	—	(220)	(243)
Issuance of perpetual subordinated notes ⁽²⁾	—	—	—	—	—	—	—	—	—	—	293	—	293
Other items ^{(1),(2)}	2	—	—	—	2	—	—	2	(4)	—	—	—	—
Balance as at March 31, 2022	\$ 6,080	\$ (2,309)	\$ 1,430	\$ 540	\$ 5,741	\$ 31	\$ 2,420	\$ 1,381	\$ 81	\$ 16,110	\$ 293	\$ 918	\$ 26,975

1. Refer to Note 17 Accumulated Other Comprehensive Income (Loss).
2. Refer to Note 15 Partnership Capital.
3. Refer to Note 16 Distributions.
4. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

The accompanying notes are an integral part of the financial statements.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF PARTNERSHIP CAPITAL

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021 US\$ MILLIONS	Limited Partners												Total partners' capital
	Limited partners' capital	(Deficit)	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Limited partners	General partner	Non-controlling interest – Redeemable Partnership Units held by Brookfield	Non-controlling interest – BIPC exchangeable shares	Non-controlling interest – Exchange LP Units	Non-controlling interest – in operating subsidiaries	Preferred unitholders capital		
Balance as at January 1, 2021	\$ 5,526	\$ (2,285)	\$ 540	\$ 452	\$ 4,233	\$ 19	\$ 1,687	\$ 638	\$ 12	\$ 13,954	\$ 1,130	\$ 21,673	
Net income	—	89	—	—	89	50	37	14	—	223	—	413	
Other comprehensive loss	—	—	—	(35)	(35)	—	(15)	(5)	—	(29)	—	(84)	
Comprehensive income (loss)	—	89	—	(35)	54	50	22	9	—	194	—	329	
Unit issuance ⁽²⁾	3	—	—	—	3	—	—	—	—	—	—	3	
Partnership distributions ⁽³⁾	—	(151)	—	—	(151)	(50)	(62)	(23)	(1)	—	—	(287)	
Partnership preferred distributions ⁽³⁾	—	(10)	—	—	(10)	—	(4)	(2)	—	—	—	(16)	
Acquisition of subsidiaries ⁽⁴⁾	—	—	—	—	—	—	—	—	—	288	—	288	
Subsidiary distributions to non- controlling interest	—	—	—	—	—	—	—	—	—	(232)	—	(232)	
Preferred units issued ⁽²⁾	—	—	—	—	—	—	—	—	—	—	194	194	
Balance as at March 31, 2021	\$ 5,529	\$ (2,357)	\$ 540	\$ 417	\$ 4,129	\$ 19	\$ 1,643	\$ 622	\$ 11	\$ 14,204	\$ 1,324	\$ 21,952	

1. Refer to Note 17 Accumulated Other Comprehensive Income (Loss).
2. Refer to Note 15 Partnership Capital.
3. Refer to Note 16 Distributions.
4. Refer to Note 5 Acquisition of Businesses.

The accompanying notes are an integral part of the financial statements.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF CASH FLOWS

US\$ MILLIONS, UNAUDITED	Notes	For the three-month period ended March 31	
		2022	2021
Operating Activities			
Net income		\$ 294	\$ 413
Adjusted for the following items:			
Earnings from investments in associates and joint ventures, net of distributions received	9	70	(8)
Depreciation and amortization expense	7,8	544	469
Mark-to-market on hedging items, provisions and other	6	21	(94)
Deferred income tax expense		18	40
Changes in non-cash working capital, net		(212)	(94)
Cash from operating activities		735	726
Investing Activities			
Acquisition of subsidiaries, net of cash acquired	5	(42)	(96)
Investments in associates and joint ventures	9	(455)	—
Disposal of investments in associates and joint ventures	9	—	412
Purchase of long-lived assets	7,8	(599)	(332)
Disposal of long-lived assets	7,8	9	11
Purchase of financial assets		(236)	(171)
Sale of financial assets		200	296
Net settlement of foreign exchange hedging items	6	(1)	1
Cash (used by) from investing activities		(1,124)	121
Financing Activities			
Distributions to general partner	16	(61)	(50)
Distributions to other unitholders	16	(296)	(253)
Subsidiary distributions to non-controlling interest		(163)	(232)
Capital provided by non-controlling interest	15	293	100
Deposit received from parent	18	200	400
(Repayment of) net proceeds from commercial paper program	10	(40)	90
Proceeds from corporate credit facility	10	957	291
Repayment of corporate credit facility	10	(478)	(1,145)
Proceeds from non-recourse borrowings	10	1,236	592
Repayment of non-recourse borrowings	10	(594)	(419)
Lease liability repaid and other		(18)	(113)
Net preferred units (redeemed) issued	15	(243)	194
Partnership units issued	15	4	3
Cash from (used by) financing activities		797	(542)
Cash and cash equivalents			
Change during the period		408	305
Cash reclassified as assets held for sale		—	(6)
Impact of foreign exchange on cash		155	(26)
Balance, beginning of period		1,406	867
Balance, end of period		\$ 1,969	\$ 1,140

The accompanying notes are an integral part of the financial statements.

NOTES TO THE UNAUDITED INTERIM CONDENSED AND CONSOLIDATED FINANCIAL STATEMENTS

AS OF MARCH 31, 2022 AND DECEMBER 31, 2021 AND

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2022 AND 2021

1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS

Brookfield Infrastructure Partners L.P. (our “partnership” and, together with its subsidiaries and operating entities, “Brookfield Infrastructure”) owns and operates utilities, transport, midstream and data businesses in North and South America, Europe and the Asia Pacific region. Our partnership was formed as a limited partnership established under the laws of Bermuda, pursuant to a limited partnership agreement dated May 17, 2007, as amended and restated. Our partnership is a subsidiary of Brookfield Asset Management Inc. (“Brookfield”). Our partnership’s units are listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbols “BIP” and “BIP.UN”, respectively. Our cumulative Class A preferred limited partnership units, Series 1, Series 3, Series 9 and Series 11 are listed on the Toronto Stock Exchange under the symbols “BIP.PR.A,” “BIP.PR.B,” “BIP.PR.E” and “BIP.PR.F,” respectively. Our cumulative Class A preferred limited partnership units, Series 13 and Series 14, are listed on the New York Stock Exchange under the symbols “BIP.PR.A” and “BIP.PR.B”, respectively. Our partnership’s registered office is 73 Front Street, 5th Floor Hamilton, HM 12, Bermuda.

In these notes to the consolidated financial statements, references to “units” are to the limited partnership units in our partnership other than the preferred units, references to our “preferred units” are to preferred limited partnership units in our partnership and references to our “unitholders” and “preferred unitholders” are to the holders of our units and preferred units, respectively. References to “Class A Preferred Units,” “Series 1 Preferred Units,” “Series 3 Preferred Units,” “Series 9 Preferred Units,” “Series 11 Preferred Units,” “Series 13 Preferred Units” and “Series 14 Preferred Units” are to cumulative Class A preferred limited partnership units, cumulative Class A preferred limited partnership units, Series 1, cumulative Class A preferred limited partnership units, Series 3, cumulative Class A preferred limited partnership units, Series 9, cumulative Class A preferred limited partnership units, Series 11, cumulative Class A preferred limited partnership units, Series 13, and cumulative Class A preferred limited partnership units Series 14, in our partnership, respectively.

2. SUMMARY OF ACCOUNTING POLICIES

a) Statement of Compliance

These interim condensed and consolidated financial statements of our partnership and its subsidiaries (together “Brookfield Infrastructure”) have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*, (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies Brookfield Infrastructure applied in its consolidated financial statements as of and for the year-ended December 31, 2021. The accounting policies that our partnership applied in its annual consolidated financial statements as of and for the year-ended December 31, 2021 are disclosed in Note 3 of such financial statements, with which reference should be made in reading these interim condensed and consolidated financial statements.

These interim condensed and consolidated financial statements were authorized for issuance by the Board of Directors of our partnership on May 10, 2022.

b) Significant Accounting Judgments and Key Sources of Estimation Uncertainty

In preparing our consolidated financial statements, we make judgments in applying our accounting policies. The areas of policy judgment are consistent with those reported in our consolidated financial statements as of and for the year ended December 31, 2021. As disclosed in our 2021 annual consolidated financial statements, our partnership uses significant assumptions and estimates to determine the fair value of our property, plant and equipment and the value-in-use or fair value less costs of disposal of the cash-generating units or groups of cash generating units to which goodwill or an intangible asset has been allocated.

3. SEGMENT INFORMATION

IFRS 8, Operating Segments, requires operating segments to be determined based on information that is regularly reviewed by the Executive Management and the Board of Directors for the purpose of allocating resources to the segment and to assess its performance. The Chief Operating Decision Maker (“CODM”) uses Funds from Operations (“FFO”) in assessing performance and in making resource allocation decisions, which enable the determination of return on the equity deployed. We define FFO as net income excluding the impact of depreciation and amortization, deferred income taxes, mark-to-market on hedging items and other income (expenses) that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations.

FFO includes balances attributable to the partnership generated by investments in associates and joint ventures accounted for using the equity method and excludes amounts attributable to non-controlling interests based on the economic interests held by non-controlling interests in consolidated subsidiaries.

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022 US\$ MILLIONS	Total attributable to Brookfield Infrastructure						Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Midstream	Data	Corporate	Total			
Revenues	\$ 439	\$ 578	\$ 423	\$ 152	\$ —	\$ 1,592	\$ (571)	\$ 2,390	\$ 3,411
Costs attributed to revenues ⁽²⁾	(185)	(323)	(189)	(69)	—	(766)	285	(1,481)	(1,962)
General and administrative expenses	—	—	—	—	(121)	(121)	—	—	(121)
Other (expense) income	(28)	(4)	3	3	32	6	8	(80)	(66)
Interest expense	(59)	(66)	(41)	(28)	(24)	(218)	72	(263)	(409)
FFO	167	185	196	58	(113)	493			
Depreciation and amortization expense						(322)	123	(345)	(544)
Deferred taxes						(12)	(3)	(3)	(18)
Mark-to-market on hedging items and other						(89)	32	6	(51)
Share of earnings from associates						—	54	—	54
Net income attributable to non-controlling interest						—	—	(224)	(224)
Net income attributable to partnership ⁽³⁾						\$ 70	\$ —	\$ —	\$ 70

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021 US\$ MILLIONS	Total attributable to Brookfield Infrastructure						Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Midstream	Data	Corporate	Total			
Revenues	\$ 390	\$ 495	\$ 234	\$ 149	\$ —	\$ 1,268	\$ (490)	\$ 1,905	\$ 2,683
Costs attributed to revenues ⁽²⁾	(167)	(262)	(49)	(67)	—	(545)	235	(1,036)	(1,346)
General and administrative expenses	—	—	—	—	(95)	(95)	—	—	(95)
Other (expense) income	(16)	(4)	(15)	5	19	(11)	—	(52)	(63)
Interest expense	(41)	(67)	(24)	(27)	(27)	(186)	70	(239)	(355)
FFO	166	162	146	60	(103)	431			
Depreciation and amortization expense						(280)	128	(317)	(469)
Deferred taxes						(28)	(1)	(11)	(40)
Mark-to-market on hedging items and other						67	(9)	(27)	31
Share of earnings from associates						—	67	—	67
Net income attributable to non-controlling interest						—	—	(223)	(223)
Net income attributable to partnership ⁽³⁾						\$ 190	\$ —	\$ —	\$ 190

1. The above table reconciles Brookfield Infrastructure's share of results to our partnership's unaudited interim condensed and consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from our partnership's investments in associates and reflecting the portion of each line item attributable to non-controlling interests.
2. Costs attributed to revenues exclude depreciation and amortization expense. Refer to Note 14, Direct Operating Costs, for further details.
3. Includes net income attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP Units, non-controlling interests - BIPC Exchangeable LP units and non-controlling interests - BIPC exchangeable shares.

Segment assets

For the purpose of monitoring segment performance and allocating resources between segments, the CODM monitors the assets, including investments accounted for using the equity method, attributable to each segment.

The following is an analysis of Brookfield Infrastructure's assets by reportable operating segment:

AS OF MARCH 31, 2022 US\$ MILLIONS	Total Attributable to Brookfield Infrastructure						Contribution from investments in associates	Attributable to non-controlling interest	Working capital adjustment and other	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Midstream	Data	Corporate	Total				
Total assets	\$ 7,462	\$ 9,184	\$ 10,441	\$ 3,464	\$ (1,642)	\$28,909	\$ (5,814)	\$ 43,995	\$ 9,619	\$ 76,709

AS OF DECEMBER 31, 2021 US\$ MILLIONS	Total Attributable to Brookfield Infrastructure						Contribution from investments in associates	Attributable to non-controlling interest	Working capital adjustment and other	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Midstream	Data	Corporate	Total				
Total assets	\$ 6,184	\$ 8,601	\$ 10,378	\$ 3,405	\$ (1,471)	\$27,097	\$ (4,825)	\$ 42,415	\$ 9,274	\$ 73,961

1. The above table provides each segment's assets in the format that management organizes its reporting segments to make operating decisions and assess performance. Each segment is presented based on our partnership's share of total assets, taking into account Brookfield Infrastructure's ownership in operations using consolidation and the equity method whereby our partnership either controls or exercises significant influence over the investment, respectively. The above table reconciles Brookfield Infrastructure's share of total assets to total assets presented on our partnership's Consolidated Statements of Financial Position by removing net liabilities contained within investments in associates and joint ventures and reflecting the assets attributable to non-controlling interests, and adjusting for working capital assets which are netted against working capital liabilities.

4. DISPOSITION OF BUSINESSES

Dispositions completed in 2021

a) Disposition of our Chilean toll road operation

On November 16, 2021, Brookfield Infrastructure, alongside institutional partners (collectively, the "AVN consortium") completed the sale of its 17% interest in our Chilean toll road business (AVN consortium total of approximately 34%). The sale resulted in net proceeds of approximately \$165 million (AVN consortium total of approximately \$315 million). Our partnership recognized a gain of approximately \$140 million (AVN consortium total of \$270 million) in Other income (expense) on the Consolidated Statement of Operating Results. The partnership's share of losses relating to previous foreign exchange movements and hedges of \$8 million were reclassified from accumulated other comprehensive income to Other income (expense) on the Consolidated Statement of Operating Results.

b) Disposition of our U.S. district energy operation

On July 16, 2021, Brookfield Infrastructure completed the sale of its 40% interest in our U.S. district energy operation. The sale resulted in net proceeds of approximately \$555 million. Our partnership recognized a gain of approximately \$425 million in Other income (expense) on the Consolidated Statements of Operating Results. The partnership's share of accumulated revaluation surplus of \$150 million was reclassified from accumulated other comprehensive income directly to retained earnings and recorded within Other items on the Consolidated Statements of Partnership Capital.

c) Disposition of our Canadian district energy operation

On June 7, 2021, Brookfield Infrastructure, alongside institutional partners (collectively, the "Enwave Canada consortium") completed the sale of its 25% interest in our Canadian district energy operation. The sale resulted in net proceeds of approximately \$450 million (Enwave Canada consortium total of approximately \$1.8 billion). Our partnership recognized a gain of approximately \$295 million (Enwave Canada consortium total of approximately \$1.2 billion) in Other income (expense) on the Consolidated Statements of Operating Results. The partnership's share of accumulated revaluation surplus of \$124 million was reclassified from accumulated other comprehensive income directly to retained earnings and recorded within Other items on the Consolidated Statements of Partnership Capital. The partnership's share of net gains relating to previous foreign exchange movements and hedges of \$9 million were reclassified from accumulated other comprehensive income to Other income (expense) on the Consolidated Statements of Operating Results.

d) Disposition of our U.K. regulated distribution business's portfolio of smart meters

On May 12, 2021, our U.K. regulated distribution business sold its smart meters business for gross consideration of approximately \$820 million. After the repayment of debt and working capital requirements at the business, our partnership received net proceeds of approximately \$340 million. The business recognized a gain of approximately \$195 million in Other income (expense) on the Consolidated Statements of Operating Results, of which approximately \$155 million is attributable to our partnership. The partnership's share of accumulated revaluation surplus of \$142 million was reclassified from accumulated other comprehensive income directly to retained earnings and recorded within Other items on the Consolidated Statements of Partnership Capital. The partnership's share of net gains relating to previous foreign exchange movements and hedges of \$12 million were reclassified from accumulated other comprehensive income to Other income (expense) on the Consolidated Statements of Operating Results.

5. ACQUISITION OF BUSINESSES

Acquisitions Completed in 2022

a) Individually insignificant business combinations

The following table summarizes the purchase price allocation of individually insignificant business combinations that have been completed in 2022:

US\$ MILLIONS	
Cash	\$ 7
Equity consideration ⁽¹⁾	13
Contingent consideration	8
Total consideration	\$ 28

1. As part of our consideration, we issued shares of the subsidiary which are compound instruments.

Fair value of assets and liabilities acquired (provisional)⁽¹⁾:

US\$ MILLIONS	
Accounts receivable and other	\$ 14
Property, plant and equipment	33
Intangible assets	72
Goodwill	104
Accounts payable and other liabilities	(45)
Non-recourse borrowings	(15)
Net assets acquired before non-controlling interest	163
Non-controlling interest ⁽²⁾	(135)
Net assets acquired	\$ 28

1. The fair values of certain acquired assets and liabilities for these operations have been determined on a provisional basis given the proximity of the acquisitions to the reporting date, pending finalization of the determination of the fair values of the acquired assets and liabilities. Our partnership is in the process of obtaining additional information primarily in order to assess the fair values of property, plant and equipment, intangible assets, deferred income taxes and the resulting impact to goodwill as at the date of the acquisitions.

2. Non-controlling interest represents the interest not acquired by Brookfield Infrastructure, measured at fair value at the acquisition dates.

Supplemental Information

Had the individually insignificant acquisitions been effective January 1, 2022, the revenue and net income of Brookfield Infrastructure would have been approximately \$3.4 billion and \$0.3 billion, respectively, for the three-month period ended March 31, 2022.

In determining the pro-forma revenue and net income attributable to our partnership, management has:

- Calculated depreciation of property, plant and equipment and amortization of intangible assets acquired on the basis of the fair values at the time of the business combination rather than the carrying amounts recognized in the pre-acquisition financial statements and;
- Based borrowing costs on the funding levels, credit ratings and debt and equity position of Brookfield Infrastructure after the business combination.

Acquisitions Completed in 2021

(a) Acquisition of Brazilian electricity transmission operation

On February 26, 2021, Brookfield Infrastructure, alongside institutional partners, exercised its option to acquire an additional 15% interest in Jose Maria de Macedo de Eletricidade S.A (“JMM”), a Brazilian electricity transmission operation, increasing Brookfield Infrastructure’s ownership in JMM to 31%. Prior to February 26, 2021, our partnership’s existing interest in JMM was accounted for using the equity method.

On December 24, 2021, Brookfield Infrastructure, alongside institutional partners, exercised its option to acquire an additional 15% interest in Giovanni Sanguinetti Transmissora de Energia S.A. (“Sanguinetti”) and Veredas Transmissora de Electricidade S.A. (“Veredas”), Brazilian electricity transmission operations, increasing Brookfield Infrastructure’s ownership in both operations to 31%. Prior to December 24, 2021, our partnership’s existing interest in both operations were accounted for using the equity method.

Consideration Transferred:

US\$ MILLIONS	
Cash	\$ 56
Pre-existing interest in the businesses	92
Total consideration	\$ 148

Fair value of assets and liabilities acquired as of the date of acquisitions (provisional)⁽¹⁾:

US\$ MILLIONS	
Cash and cash equivalents	\$ 70
Accounts receivable and other	13
Intangible assets	1,094
Goodwill	44
Accounts payable and other liabilities	(99)
Non-recourse borrowings	(481)
Deferred income tax liabilities	(152)
Net assets acquired before non-controlling interest	489
Non-controlling interest ⁽²⁾	(341)
Net assets acquired	\$ 148

(1) The fair values of certain acquired assets and liabilities for these operations have been determined on a provisional basis given the proximity of the acquisitions to the reporting date, pending finalization of the determination of the fair values of the acquired assets and liabilities. Our partnership is in the process of obtaining additional information primarily in order to assess the fair values of intangible assets, deferred income taxes and the resulting impact to goodwill as at the date of the acquisition.

(2) Non-controlling interest represents the consideration paid for the interest not acquired by Brookfield Infrastructure, measured at fair value at the acquisition dates.

(b) Acquisition of a Canadian diversified midstream operation

On August 20, 2021, Brookfield Infrastructure, alongside institutional partners (collectively, the “IPL consortium”) acquired an effective 41% interest (IPL consortium total of 69%) in IPL for total consideration of approximately \$2.8 billion (IPL consortium total of approximately \$4.7 billion). The acquisition was funded through cash provided by the partnership of \$0.8 billion (IPL consortium total of \$1.9 billion), \$0.2 billion of BIPC exchangeable LP units, \$1.1 billion of BIPC exchangeable shares and \$0.5 billion (IPL consortium total of \$0.9 billion) of asset level debt raised on closing. In addition, Brookfield Infrastructure had an existing 3% interest in IPL (IPL consortium total - 10%) valued at \$0.2 billion prior to the acquisition (IPL consortium total of \$0.6 billion). Concurrently, Brookfield Infrastructure entered into a voting agreement with an affiliate of Brookfield, providing Brookfield Infrastructure the right to direct the relevant activities of the entity, thereby providing Brookfield Infrastructure with control. Accordingly, Brookfield Infrastructure consolidated the entity effective August 20, 2021. Acquisition costs of approximately \$65 million were recorded as Other income (expense) within the Consolidated Statements of Operating Results.

Consideration Transferred:

US\$ MILLIONS	
Cash	\$ 1,268
BIPC exchangeable shares	1,061
BIPC exchangeable LP units	245
Pre-existing interest in business ⁽¹⁾	192
Total consideration	<u>\$ 2,766</u>

(1) Prior to the acquisition, Brookfield held an interest in the acquiree which was accounted for as a financial asset.

Fair value of assets and liabilities acquired as of August 20, 2021 (provisional)⁽¹⁾:

US\$ MILLIONS	
Cash and cash equivalents	\$ 121
Accounts receivable and other	440
Property, plant and equipment	9,865
Intangible assets	2,569
Goodwill	2,096
Accounts payable and other liabilities	(700)
Lease liabilities	(226)
Non-recourse borrowings	(6,185)
IPL shares held by public shareholders ⁽²⁾	(2,086)
Deferred income tax liabilities	(1,229)
Net assets acquired before non-controlling interest	4,665
Non-controlling interest ⁽³⁾	(1,899)
Net assets acquired	<u>\$ 2,766</u>

(1) The fair values of certain acquired assets and liabilities for these operations have been determined on a provisional basis given the proximity of the acquisitions to the reporting date, pending finalization of the determination of the fair values of the acquired assets and liabilities. Our partnership is in the process of obtaining additional information primarily in order to assess the fair values of property, plant and equipment, intangible assets, and the resulting impact to goodwill and deferred taxes as at the date of the acquisition.

(2) IPL shares held by public shareholders represent the 31% interest in IPL not yet acquired by Brookfield as of August 20, 2021. The interest is classified as liability on acquisition due to the mandatory extension of Brookfield’s offer to acquire the remaining interest in IPL. The mandatory extension expired on September 3, 2021 and the remaining \$1.6 billion interest was reclassified to non-controlling interest thereafter.

(3) Non-controlling interest represents the consideration paid for the interest not acquired by Brookfield Infrastructure, measured at fair value at the acquisition date.

The goodwill recorded on acquisition is largely reflective of the potential to obtain long-term contracts for the business’ unutilized capacity and production growth. The goodwill recognized is not deductible for income tax purposes.

Subsequent to the initial acquisition, Brookfield Infrastructure, alongside institutional partners, acquired an additional 4% interest (IPL consortium total of 7%) in IPL during the period between August 25, 2021 and September 3, 2021, increasing our partnership's ownership of the business to approximately 45% (IPL consortium total of 76%), for approximately \$315 million (IPL consortium total of \$530 million). The acquisition was funded through cash provided by the partnership of approximately \$225 million (IPL consortium total of approximately \$440 million), \$11 million of BIPC exchangeable LP units and \$79 million of BIPC exchangeable shares. No gain or loss was recognized on acquisition.

On October 28, 2021 Brookfield Infrastructure, alongside institutional partners, acquired an additional 14% interest (IPL consortium total of 24%) in IPL for total consideration of \$0.9 billion (IPL consortium of \$1.6 billion). The acquisition was funded through cash provided by the partnership of approximately \$0.4 billion (IPL consortium total of approximately \$1.1 billion) and \$0.5 billion of BIPC exchangeable shares and BIPC exchangeable LP units. Subsequent to the acquisition, our partnership's ownership of the business is 59% (IPL consortium total of 100%). As a result of the carrying value of non-controlling interests exceeding the purchase price, a gain of approximately \$30 million was recognized directly in ownership changes and recorded within Other items on the Consolidated Statements of Partnership Capital.

c) Acquisition of additional interest in our Brazilian regulated gas transmission operation

On April 30, 2021, Brookfield Infrastructure, alongside institutional partners (the "NTS consortium"), acquired an additional 3% interest (NTS consortium total of 10%) in our Brazilian regulated gas transmission operation, increasing our partnership's ownership of the business to approximately 31%. Total consideration paid was \$87 million (NTS consortium total of \$283 million), all of which was funded using asset level debt raised on closing. As a result of the purchase price exceeding the previous carrying value of non-controlling interests, a loss of \$32 million was recognized directly in ownership changes and recorded within Other items on the Consolidated Statements of Partnership Capital.

d) Individually insignificant business combinations

The following table summarizes the purchase price allocation of individually insignificant business combinations that were completed in 2021:

<u>US\$ MILLIONS</u>	
Cash	\$ 79
Deferred consideration	3
Contingent consideration	2
Total consideration	\$ 84

Fair value of assets and liabilities acquired as of the date of acquisitions (provisional)⁽¹⁾:

<u>US\$ MILLIONS</u>	
Cash and cash equivalents	\$ 26
Accounts receivable and other	34
Property, plant and equipment	314
Intangible assets	71
Goodwill	260
Accounts payable and other liabilities	(51)
Lease liabilities	(109)
Non-recourse borrowings	(32)
Deferred income tax liabilities	(49)
Net assets acquired before non-controlling interest	464
Non-controlling interest ⁽²⁾	(380)
Net assets acquired	\$ 84

(1) The fair values of certain acquired assets and liabilities for these operations have been determined on a provisional basis given the proximity of the acquisitions to the reporting date, pending finalization of the determination of the fair values of the acquired assets and liabilities. Our partnership is in the process of obtaining additional information primarily in order to assess the fair values of property, plant and equipment, intangible assets, deferred income taxes and the resulting impact to goodwill as at the date of the acquisitions.

(2) Non-controlling interest represents the interest not acquired by Brookfield Infrastructure, measured at fair value at the acquisition dates.

6. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are determined by reference to quoted bid or ask prices, as appropriate. Where bid and ask prices are unavailable, the closing price of the most recent transaction of that instrument is used. In the absence of an active market, fair values are determined based on prevailing market rates such as bid and ask prices, as appropriate for instruments with similar characteristics and risk profiles or internal or external valuation models, such as option pricing models and discounted cash flow analyses, using observable market inputs.

Fair values determined using valuation models require the use of assumptions concerning the amount and timing of estimated future cash flows and discount rates. In determining those assumptions, Brookfield Infrastructure looks primarily to external readily observable market inputs such as interest rate yield curves, currency rates, and price and rate volatilities as applicable. The fair value of interest rate swap contracts which form part of financing arrangements is calculated by way of discounted cash flows using market interest rates and applicable credit spreads.

Classification of Financial Instruments

Financial instruments classified as fair value through profit or loss are carried at fair value on the Consolidated Statements of Financial Position. Changes in the fair values of financial instruments classified as fair value through profit or loss are recognized in profit or loss. Mark-to-market adjustments on hedging items for those in an effective hedging relationship and changes in the fair value of securities designated as fair value through other comprehensive income are recognized in other comprehensive income.

Carrying Value and Fair Value of Financial Instruments

The following table provides the allocation of financial instruments and their associated classifications as at March 31, 2022:

US\$ MILLIONS

Financial Instrument Classification

MEASUREMENT BASIS	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Financial assets				
Cash and cash equivalents	\$ —	\$ —	\$ 1,969	\$ 1,969
Accounts receivable and other	—	—	2,987	2,987
Financial assets (current and non-current) ⁽¹⁾	1,169	—	193	1,362
Total	\$ 1,169	\$ —	\$ 5,149	\$ 6,318
Financial liabilities				
Corporate borrowings	\$ —	\$ —	\$ 3,180	\$ 3,180
Non-recourse borrowings (current and non-current)	—	—	27,583	27,583
Accounts payable and other	—	—	3,554	3,554
Financial liabilities (current and non-current) ⁽¹⁾	475	—	2,871	3,346
Lease liabilities	—	—	3,801	3,801
Preferred shares ⁽²⁾	—	—	20	20
Total	\$ 475	\$ —	\$ 41,009	\$ 41,484

1. Derivative instruments which are elected for hedge accounting totaling \$394 million are included in financial assets and \$120 million of derivative instruments are included in financial liabilities.
2. \$20 million of preferred shares issued to wholly-owned subsidiaries of Brookfield.

The following table provides the allocation of financial instruments and their associated classifications as at December 31, 2021:

US\$ MILLIONS

Financial Instrument Classification

MEASUREMENT BASIS	Fair value through profit or loss	Fair value through OCI	Amortized Cost	Total
Financial assets				
Cash and cash equivalents	\$ —	\$ —	\$ 1,406	\$ 1,406
Accounts receivable and other	—	—	2,718	2,718
Financial assets (current and non-current) ⁽¹⁾	1,171	—	105	1,276
Total	\$ 1,171	\$ —	\$ 4,229	\$ 5,400
Financial liabilities				
Corporate borrowings	\$ —	\$ —	\$ 2,719	\$ 2,719
Non-recourse borrowings (current and non-current)	—	—	26,534	26,534
Accounts payable and other	—	—	3,392	3,392
Financial liabilities (current and non-current) ⁽¹⁾	501	—	2,739	3,240
Lease liabilities	—	—	3,840	3,840
Preferred shares ⁽²⁾	—	—	20	20
Total	\$ 501	\$ —	\$ 39,244	\$ 39,745

1. Derivative instruments which are elected for hedge accounting totaling \$384 million are included in financial assets and \$314 million of derivative instruments are included in financial liabilities.
2. \$20 million of preferred shares issued to wholly-owned subsidiaries of Brookfield.

The following table provides the carrying values and fair values of financial instruments as at March 31, 2022 and December 31, 2021:

US\$ MILLIONS	March 31, 2022		December 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	\$ 1,969	\$ 1,969	\$ 1,406	\$ 1,406
Accounts receivable and other	2,987	2,987	2,718	2,718
Financial assets (current and non-current)	1,362	1,362	1,276	1,276
Total	\$ 6,318	\$ 6,318	\$ 5,400	\$ 5,400
Financial liabilities				
Corporate borrowings ⁽¹⁾	\$ 3,180	\$ 3,071	\$ 2,719	\$ 2,805
Non-recourse borrowings (current and non-current) ⁽²⁾	27,583	27,442	26,534	26,769
Accounts payable and other	3,554	3,554	3,392	3,392
Financial liabilities (current and non-current)	3,346	3,346	3,240	3,240
Preferred shares ⁽³⁾	20	20	20	20
Total	\$ 37,683	\$ 37,433	\$ 35,905	\$ 36,226

1. Corporate borrowings are classified under level 1 of the fair value hierarchy; quoted prices in an active market are available.
2. Non-recourse borrowings are classified under level 2 of the fair value hierarchy with the exception of certain borrowings at our U.K. port operation, which are classified under level 1. For level 2 fair values, future cash flows are estimated based on observable forward interest rates at the end of the reporting period.
3. \$20 million of preferred shares issued to wholly-owned subsidiaries of Brookfield.

Hedging Activities

Brookfield Infrastructure uses derivatives and non-derivative financial instruments to manage or maintain exposures to interest and currency risks. For certain derivatives which are used to manage exposures, Brookfield Infrastructure determines whether hedge accounting can be applied. When hedge accounting can be applied, a hedge relationship can be designated as a fair value hedge, cash flow hedge or a hedge of foreign currency exposure of a net investment in a foreign operation with a functional currency other than the U.S. dollar. To qualify for hedge accounting, the derivative must be designated as a hedge of a specific exposure and the hedging relationship must meet all of the hedge effectiveness requirements in accomplishing the objective of offsetting changes in the fair value or cash flows attributable to the hedged risk both at inception and over the life of the hedge. If it is determined that the hedging relationship does not meet all of the hedge effectiveness requirements, hedge accounting is discontinued prospectively.

Cash Flow Hedges

Brookfield Infrastructure uses interest rate swaps to hedge the variability in cash flows related to a variable rate asset or liability and highly probable forecasted issuances of debt. The settlement dates coincide with the dates on which the interest is payable on the underlying debt, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss. For the three-month period ended March 31, 2022, gains of \$255 million (2021: gains of \$179 million) were recorded in other comprehensive income for the effective portion of the cash flow hedges. As of March 31, 2022, there was a net derivative asset balance of \$276 million relating to derivative contracts designated as cash flow hedges (December 31, 2021: \$101 million).

Net Investment Hedges

Brookfield Infrastructure uses foreign exchange contracts and foreign currency denominated debt instruments to manage its foreign currency exposures arising from net investments in foreign operations having a functional currency other than the U.S. dollar. For the three-month period ended March 31, 2022, gains of \$29 million (2021: gains of \$6 million) were recorded in other comprehensive income relating to the hedges of net investments in foreign operations. Further, for the three-month period ended March 31, 2022, Brookfield Infrastructure paid less than \$1 million (2021: received less than \$1 million) relating to the settlement of foreign exchange contracts in the period. As of March 31, 2022, there was a net unrealized derivative liability balance of \$2 million relating to derivative contracts designated as net investment hedges (December 31, 2021: \$31 million).

Fair Value Hierarchical Levels—Financial Instruments

Fair value hierarchical levels are directly determined by the amount of subjectivity associated with the valuation inputs of these assets and liabilities, and are as follows:

- Level 1 – Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 – Inputs other than quoted prices included in Level 1 are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life. Fair valued assets and liabilities that are included in this category are primarily certain derivative contracts and other financial assets carried at fair value in an inactive market.
- Level 3 – Inputs reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to determining the estimate. Fair valued assets and liabilities that are included in this category are interest rate swap contracts, derivative contracts, certain equity securities carried at fair value which are not traded in an active market and the non-controlling interest's share of net assets of limited life funds.

The fair value of our partnership's financial assets and financial liabilities are measured at fair value on a recurring basis. The following table summarizes the valuation techniques and significant inputs for Brookfield Infrastructure's financial assets and financial liabilities:

US\$ MILLIONS	Fair value hierarchy	March 31, 2022	December 31, 2021
Marketable securities	Level 1 ⁽¹⁾	\$ 143	\$ 179
Foreign currency forward contracts	Level 2 ⁽²⁾		
Financial asset		\$ 84	\$ 104
Financial liability		163	98
Interest rate swaps & other	Level 2 ⁽²⁾		
Financial asset		\$ 886	\$ 882
Financial liability		167	307
Other contracts	Level 3 ⁽³⁾		
Financial asset		\$ 56	\$ 6
Financial liability		145	96

1. Valuation technique: Quoted bid prices in an active market.

2. Valuation technique: Discounted cash flow. Future cash flows are estimated based on forward exchange and interest rates (from observable forward exchange and interest rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects our credit risk and the credit risk of various counterparties.

3. Valuation technique: Discounted cash flow. Future cash flows primarily driven by assumptions concerning the amount and timing of estimated future cash flows and discount rates.

Assets and liabilities measured at fair value on a recurring basis include \$1,169 million (2021: \$1,171 million) of financial assets and \$475 million (2021: \$501 million) of financial liabilities which are measured at fair value using valuation inputs based on management's best estimates. During the three-month period ended March 31, 2022, no transfers were made between level 1 and 2 or level 2 and 3.

7. PROPERTY, PLANT AND EQUIPMENT

US\$ MILLIONS	Utilities	Transport	Midstream	Data	Total
Gross carrying amount:					
Balance at January 1, 2021	\$ 9,289	\$ 8,697	\$ 4,321	\$ 8,593	\$ 30,900
Additions, net of disposals	478	434	423	429	1,764
Acquisitions through business combinations ⁽¹⁾	180	134	9,865	—	10,179
Assets held by subsidiaries disposed during the period ⁽²⁾	(2,300)	(15)	—	—	(2,315)
Non-cash additions (disposals) ⁽³⁾	34	(107)	88	(532)	(517)
Net foreign currency exchange differences	(116)	(145)	165	(166)	(262)
Balance at December 31, 2021	\$ 7,565	\$ 8,998	\$ 14,862	\$ 8,324	\$ 39,749
Additions, net of disposals	110	119	194	131	554
Acquisitions through business combinations ⁽¹⁾	—	—	—	33	33
Non-cash (disposals) additions	(116)	(3)	(21)	19	(121)
Net foreign currency exchange differences	(108)	25	126	(113)	(70)
Balance at March 31, 2022	\$ 7,451	\$ 9,139	\$ 15,161	\$ 8,394	\$ 40,145
Accumulated depreciation:					
Balance at January 1, 2021	\$ (1,613)	\$ (1,404)	\$ (356)	\$ (263)	\$ (3,636)
Depreciation expense	(352)	(481)	(270)	(419)	(1,522)
Disposals	19	9	17	—	45
Assets held by subsidiaries disposed during the period ⁽²⁾	663	12	—	—	675
Non-cash disposals	—	140	3	45	188
Net foreign currency exchange differences	11	56	(16)	8	59
Balance at December 31, 2021	\$ (1,272)	\$ (1,668)	\$ (622)	\$ (629)	\$ (4,191)
Depreciation expense	(81)	(114)	(102)	(97)	(394)
Non-cash disposals	—	3	6	—	9
Net foreign currency exchange differences	12	(16)	—	7	3
Balance at March 31, 2022	\$ (1,341)	\$ (1,795)	\$ (718)	\$ (719)	\$ (4,573)
Accumulated fair value adjustments:					
Balance at January 1, 2021	\$ 2,934	\$ 1,048	\$ 338	\$ —	\$ 4,320
Fair value adjustments	134	48	70	—	252
Net foreign currency exchange differences	(26)	(50)	—	—	(76)
Assets held by subsidiaries disposed during the period ⁽²⁾	(1,399)	—	—	—	(1,399)
Balance at December 31, 2021	\$ 1,643	\$ 1,046	\$ 408	\$ —	\$ 3,097
Net foreign currency exchange differences	(36)	19	—	—	(17)
Balance at March 31, 2022	\$ 1,607	\$ 1,065	\$ 408	\$ —	\$ 3,080
Net book value:					
December 31, 2021	\$ 7,936	\$ 8,376	\$ 14,648	\$ 7,695	\$ 38,655
March 31, 2022⁽⁴⁾	\$ 7,717	\$ 8,409	\$ 14,851	\$ 7,675	\$ 38,652

1. Refer to Note 5, Acquisition of Businesses, for further details.

2. Refer to Note 4, Disposition of Businesses, for further details.

3. Non-cash disposals within the data segment primarily relates to revisions to the purchase price allocation at our telecom tower operation in India.

4. Includes right-of-use assets of \$119 million in our utilities segment, \$1,136 million in our transport segment, \$383 million in our midstream segment and \$2,274 million in our data segment. Current lease liabilities of \$420 million have been included in accounts payable and other and non-current lease liabilities of \$3,381 million have been included in other liabilities in the Consolidated Statement of Financial Position.

The partnership's property, plant, and equipment is measured at fair value on a recurring basis with an effective date of revaluation for all asset classes of December 31, 2021. Brookfield Infrastructure determined fair value under the income method or on a depreciated replacement cost basis. The partnership's right-of-use assets recorded as property, plant, and equipment are measured using the cost model. Assets under development are revalued where fair value could be reliably measured.

Due to continuous changes in the macroeconomic environment and the interruption to global supply chains, our partnership reviewed the significant inputs to the valuation of our property, plant, and equipment. Based on our analysis, our property, plant and equipment remain largely unaffected by the global pandemic.

8. INTANGIBLE ASSETS

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Cost	\$ 16,835	\$ 15,785
Accumulated amortization	(1,836)	(1,571)
Total	\$ 14,999	\$ 14,214

Intangible assets are allocated to the following cash generating units, or group of cash generating units:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Brazilian regulated gas transmission operation	\$ 3,099	\$ 2,645
Canadian diversified midstream	2,514	2,536
North American rail operations	1,840	1,867
North American residential energy infrastructure operation	1,719	1,720
Brazilian electricity transmission operation	1,617	1,366
Peruvian toll roads	1,062	976
Indian telecom tower operation	764	782
Indian toll roads ⁽¹⁾	640	658
U.K. telecom towers operation	465	480
U.K. port operation	281	289
Other ⁽²⁾	998	895
Total	\$ 14,999	\$ 14,214

1. Indian toll roads include \$592 million of intangible assets at our investment in Simhapuri Expressway Ltd and Rayalseema Expressway Private Limited and \$48 million at BIF India Holdings Pte Ltd.

2. Other intangibles are primarily comprised of customer contracts at our Australian port operation, Western Canadian natural gas gathering and processing operation, U.S. data center operation, Colombian natural gas transmission operation, natural gas operation in India and contracted order book at our U.K. regulated distribution operation.

Due to continuous changes in the macroeconomic environment and the interruption to global supply chains as a result of the global pandemic, our partnership performed an evaluation of potential impairment indicators on each of our intangible assets as of March 31, 2022. Based on the analysis performed, our intangible assets remain largely unaffected by the global pandemic. Our intangible assets represent long-term critical infrastructure supported by regulated or highly contracted revenues which help protect value over the long term.

The intangible assets at our Brazilian regulated gas transmission operation relate to concession arrangements with the local energy regulator, Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (“ANP”). Total capacity is fully contracted under long-term “ship-or-pay” gas transportation agreements (“GTA”) and therefore, the business is exposed to no volume or price risk. Each GTA takes into account a return on regulatory asset base (“RAB”), and the tariffs are calculated on an inflation adjusted regulatory weighted average cost of capital (“WACC”) fixed for the life of GTAs. On April 8, 2021, new legislation was passed in Brazil which provides our Brazilian regulated gas transmission operation the right to operate the gas pipelines perpetually. The intangible assets will be amortized on a straight-line basis over the estimated useful life of the underlying infrastructure.

The intangible assets at Canadian diversified midstream relate to long-term take-or-pay and fee-for-service contractual arrangements which are not materially impacted by volume or commodity price fluctuations. These customer relationships and shipping agreements are with investment grade counterparties. Revenues are recognized over time as transportation services are fulfilled. The intangible assets will be amortized on a straight-line basis over the estimated useful life.

The intangible assets at Brookfield Infrastructure’s North American rail operations mainly relate to customer relationships, operating network agreements and track access rights. The business provides critical first and last mile rail services which connect large Class I railroad operators to end customers. Our North American freight revenue is diversified across numerous commodities and the business largely performed in line with expectations. Customer relationships and operating network agreements as well as trackage rights, which are long-term leases, are not expected to be negatively impacted in the long term.

The intangible assets at our North American residential infrastructure operation are comprised of contractual customer relationships, customer contracts, proprietary technology and brands. The contractual customer relationships and customer contracts represent ongoing economic benefits from leasing customers and annuity-based management agreements. Proprietary technology is recognized for the development of new metering technology, which allows the business to generate revenue through its sub-metering business. Brands represent the intrinsic value customers place on the operation's various brand names. The business generates revenues under long-term contracts with a diversified customer base across North America and is exposed to minimum volume risk.

The terms and conditions of the Brazilian electricity transmission concession are regulated by the Brazilian Electricity Regulatory Agency ("ANEEL"). The concession agreement grants the right to construct, maintain and operate the transmission lines, in exchange for a regulated return ("RAP") during the concession period. Concessions are awarded for a period of 30 years and RAP is adjusted for inflation annually and updated every five years to reflect changes in third-party cost of capital.

The following table presents the change in the cost balance of intangible assets:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Cost at beginning of the period	\$ 15,785	\$ 13,233
Additions through business combinations ⁽¹⁾	72	3,734
Additions, net of disposals	17	67
Assets held by subsidiaries disposed during the period ⁽²⁾	—	(957)
Non-cash additions ⁽³⁾	48	271
Foreign currency translation	913	(563)
Ending Balance	\$ 16,835	\$ 15,785

1. Refer to Note 5, Acquisition of Businesses, for further details.

2. Refer to Note 4, Disposition of Businesses, for further details.

3. Non-cash additions for the three-month period ended March 31, 2022 primarily relates to revisions to the purchase price allocation at our residential infrastructure operation in Germany.

The following table presents the accumulated amortization for Brookfield Infrastructure's intangible assets:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Accumulated amortization at beginning of the period	\$ (1,571)	\$ (1,466)
Assets held by subsidiaries, net of disposals during the period ⁽¹⁾	—	281
Non-cash additions, net of disposals	—	26
Amortization	(150)	(514)
Foreign currency translation	(115)	102
Ending Balance	\$ (1,836)	\$ (1,571)

1. Refer to Note 4, Disposition of Businesses, for further details.

9. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

The following table represents the change in the balance of investments in associates and joint ventures:

US\$ MILLIONS	For the three-month period ended March 31, 2022		For the 12 month period ended December 31, 2021	
Balance at the beginning of the period	\$	4,725	\$	5,528
Share of earnings for the period		54		88
Foreign currency translation and other		301		(323)
Share of other comprehensive (loss) income		(25)		163
Distributions		(124)		(157)
Disposition of interest ⁽¹⁾		—		(336)
Held for sale ⁽²⁾		—		(146)
Change in basis of accounting ^{(3),(4)}		—		(92)
Acquisitions ^{(5),(6)}		455		—
Ending Balance⁽⁷⁾	\$	5,386	\$	4,725

1. In March 2021, Brookfield Infrastructure sold an effective 13% interest in its U.S. gas pipeline for net proceeds of \$412 million. Approximately \$125 million of the proceeds were used to repay a shareholder loan. On disposition, Brookfield Infrastructure recognized a gain on sale of approximately \$75 million in Other income (expense) in the Consolidated Statement of Operating Results. Based on our ownership interest and governance rights retained, our partnership will continue to equity account for this investment in the midstream segment.
2. In December 2021, a subsidiary of Brookfield Infrastructure agreed to the sale of its 50% interest in a freehold landlord port in Victoria, Australia. The transaction is subject to regulatory approval and is expected to close early in the second quarter of 2022. The subsidiary is expected to receive net proceeds of approximately \$0.3 billion.
3. On February 26, 2021, Brookfield Infrastructure exercised its option to acquire an additional 15% interest in Jose Maria de Macedo de Eletricidade S.A. ("JMM"), a Brazilian electricity transmission operation, increasing Brookfield Infrastructure's ownership in JMM to 31%. As a result of governance rights obtained, Brookfield Infrastructure consolidated JMM effective February 26, 2021. Refer to Note 5, Acquisition of Businesses, for further details.
4. On December 24, 2021, Brookfield Infrastructure, alongside institutional partners, exercised its option to acquire an additional 15% interest in Giovanni Sanguinetti Transmissora de Energia S.A. ("Sanguinetti") and Veredas Transmissora de Eletricidade S.A. ("Veredas"), which are both Brazilian electricity transmission operations, increasing Brookfield Infrastructure's ownership in both operations to 31%. As a result of governance rights obtained, Brookfield Infrastructure consolidated Sanguinetti and Veredas as of December 24, 2021. Refer to Note 5, Acquisition of Businesses, for further details.
5. On February 16, 2022, Brookfield Infrastructure acquired an approximate 8% interest in AusNet Services Ltd., an Australian regulated utility, for total equity consideration of approximately \$0.5 billion.
6. Subsequent to quarter-end, Brookfield Infrastructure acquired a 13% interest in an Australian smart metering business, for total equity consideration of approximately \$220 million.
7. The closing balance includes a shareholder loan of \$375 million from our U.S. gas pipeline (2021: \$375 million).

Due to the interruption to global supply chains as a result of the global pandemic, our partnership performed an evaluation of potential impairment indicators on each of our investments in associates and joint ventures as of March 31, 2022. Based on the analysis performed, our investments in associates and joint ventures remain largely unaffected by the global pandemic. Investments in associates and joint ventures represent long-term critical infrastructure supported by regulated or highly contracted revenues that provide stable and predictable cash flows.

The following table represents the carrying value of our partnership's investments in associates and joint ventures:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Utilities	\$ 745	\$ 230
Transport	2,492	2,317
Midstream	1,050	1,052
Data	1,073	1,087
Corporate	26	39
Ending Balance	\$ 5,386	\$ 4,725

The following tables summarize the aggregate balances of investments in associates and joint ventures on a 100% basis:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Financial position:		
Total assets	\$ 71,282	\$ 52,969
Total liabilities	(43,909)	(31,731)
Net assets	\$ 27,373	\$ 21,238
US\$ MILLIONS	For the three-month period ended March 31	For the three-month period ended March 31
	2022	2021
Financial performance:		
Total revenue	\$ 5,016	\$ 3,965
Total net income for the period	592	522
Brookfield Infrastructure's share of net income	\$ 54	\$ 67

10. BORROWINGS

a) Corporate Borrowings

Brookfield Infrastructure has a \$1.975 billion senior unsecured revolving credit facility used for general working capital purposes including acquisitions. The \$1.975 billion is available on a revolving basis for the full term of the facility. All amounts outstanding under this facility will be repayable on June 29, 2026. All obligations of Brookfield Infrastructure under the facility are guaranteed by our partnership. Loans under this facility accrue interest at a floating rate based on LIBOR plus 1.2%. Brookfield Infrastructure is required to pay an unused commitment fee under the facility of 13 basis points per annum. As at March 31, 2022, draws on the credit facility were \$479 million (2021: nil) and \$12 million of letters of credit were issued (2021: \$12 million).

	Maturity ⁽²⁾	Annual Rate ⁽²⁾	Currency	As of	
				March 31, 2022	December 31, 2021
Corporate revolving credit facility	June 29, 2026	LIBOR plus 1.2%	US\$	\$ 479	\$ —
Corporate revolving credit facility	April 14, 2022	LIBOR plus 2.1%	US\$	—	—
Commercial paper	April 20, 2022	1.1%	US\$	391	431
Non-current:					
Medium-term notes ⁽¹⁾ :					
Public - Canadian	February 22, 2024	3.3%	C\$	240	237
Public - Canadian	February 22, 2024	3.3%	C\$	320	317
Public - Canadian	September 11, 2028	4.2%	C\$	559	554
Public - Canadian	October 9, 2029	3.4%	C\$	560	554
Public - Canadian	September 1, 2032	2.9%	C\$	400	396
Subordinated notes ⁽¹⁾ :					
Public - United States	May 24, 2081	5.0%	US\$	250	250
				3,199	2,739
Deferred financing costs and other				(19)	(20)
Total				\$ 3,180	\$ 2,719

1. Refer to Note 12, *Subsidiary Public Issuers*, for further details.

2. Maturity and annual rate associated with our commercial paper program represents a weighted average of all outstanding obligations as of March 31, 2022.

Brookfield Infrastructure has entered into a \$500 million revolving credit facility with Brookfield to provide additional liquidity for general corporate purposes and capital expenditures, if required. The revolving credit facility automatically renews for four consecutive one-year terms, which would result in the facility ultimately maturing on February 8, 2023. Brookfield has the option to terminate the agreement prior to February 8 each year by providing Brookfield Infrastructure with written notice. Loans under this facility accrued interest on LIBOR plus 1.8% and no commitment fees were incurred for any undrawn balance. As of March 31, 2022, there were \$nil (2021: \$nil) borrowings outstanding. Subsequent to quarter-end, Brookfield Infrastructure and Brookfield entered into an amendment to increase the facility to \$1 billion. In addition, under the amendment, the revolving credit facility automatically renews for eight consecutive one-year terms, which would result in the facility ultimately maturing on April 14, 2030. Brookfield has the option to terminate the agreement prior to April 14 each year by providing Brookfield Infrastructure with a written notice.

On April 21, 2022, Brookfield Infrastructure Finance ULC issued C\$600 million of medium-term notes in two tranches: C\$400 million maturing on April 25, 2034 with a coupon of 5.439% per annum and C\$200 million maturing on April 25, 2052 with a coupon of 5.789% per annum, and \$3 million of debt issuance costs were incurred.

On May 24, 2021, Brookfield Infrastructure Finance ULC issued \$250 million of subordinated notes maturing May 24, 2081, with a coupon of 5.0% and \$6 million of debt issuance costs were incurred.

On February 24, 2021, Brookfield Infrastructure established a U.S. commercial paper program under which a subsidiary of our partnership may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of \$500 million. Proceeds from the commercial paper issuances are supplemented by our corporate credit facilities. As of March 31, 2022, there were \$391 million of borrowing outstanding (2021: \$431 million).

The increase in corporate borrowings during the three-month period ended March 31, 2022 is attributable to the draws on our corporate credit facility of \$479 million and the impact of a stronger Canadian dollar relative to the U.S. dollar, which were partially offset by the net repayment of our commercial paper program of \$40 million.

b) Non-Recourse Borrowings

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Current	\$ 3,065	\$ 2,701
Non-current	24,518	23,833
Total	\$ 27,583	\$ 26,534

Non-recourse borrowings have increased as compared to December 31, 2021 due to net borrowings of \$0.6 billion and the impact of foreign exchange.

11. CAPITAL MANAGEMENT

Our partnership's approach to capital management is focused on maximizing returns to unitholders and ensuring capital is deployed in a manner consistent with achieving our investment return objectives.

Invested Capital, which tracks the amount of capital that has been contributed to our partnership, is a measure we utilize to assess returns on capital deployed, relative to targeted returns. Investment decisions are based on, amongst other measures and factors, targeted returns on Invested Capital of 12% to 15% annually over the long term. We measure return on Invested Capital as Adjusted Funds from Operations ("AFFO"), less estimated returns of capital on operations that are not perpetual in nature, divided by the weighted average Invested Capital for the period.

We define AFFO as FFO less capital expenditures required to maintain the current performance of our operations (maintenance capital expenditures). We define Invested Capital as partnership capital removing the impact of the following items: non-controlling interest in operating subsidiaries, retained earnings or deficit, accumulated other comprehensive income and ownership changes.

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Partnership Capital	\$ 26,975	\$ 26,391
Remove impact of the following items since inception:		
Non-controlling interest - in operating subsidiaries	(16,110)	(15,658)
Deficit	2,830	2,520
Accumulated other comprehensive income	(908)	(543)
Ownership changes and other	(515)	(515)
Invested Capital	\$ 12,272	\$ 12,195

The following table presents the change in Invested Capital during the three-month period ended March 31, 2022 and 2021:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Opening balance	\$ 12,195	\$ 9,213
Net (redemption) issuance of preferred units	(220)	194
Issuance of perpetual subordinated notes	293	—
Issuance of limited partnership units	4	3
Ending balance	\$ 12,272	\$ 9,410
Weighted Average Invested Capital	\$ 12,420	\$ 9,362

12. SUBSIDIARY PUBLIC ISSUERS

An indenture dated as of October 10, 2012 between certain wholly-owned subsidiaries of our partnership, Brookfield Infrastructure Finance ULC, Brookfield Infrastructure Finance LLC, Brookfield Infrastructure Finance Pty Ltd and Brookfield Infrastructure Finance Limited (collectively, the “Co-Issuers”), and Computershare Trust Company of Canada, as supplemented and amended from time to time (“Indenture”) provides for the issuance of one or more series of unsecured notes of the Co-Issuers.

An indenture dated as of May 24, 2021, between Brookfield Infrastructure Finance ULC, our partnership and its subsidiaries, Brookfield Infrastructure L.P. (the “Holding LP”), Brookfield Infrastructure Holdings (Canada) Inc., Brookfield Infrastructure US Holdings I Corporation, BIP Bermuda Holdings I Limited (collectively, the “BIP Guarantors”), BIPC Holdings Inc. (“BIPC Holdings”), Computershare Trust Company of Canada and Computershare Trust Company, N.A., as supplemented and amended from time to time (the “U.S. Indenture”) provides for the issuance of one or more series of unsecured notes of Brookfield Infrastructure Finance ULC.

On April 21, 2022, the Co-Issuers issued C\$600 million of medium-term notes under the Indenture in two tranches in the Canadian bond market: C\$400 million maturing April 25, 2034 with a coupon of 5.439%, and C\$200 million maturing April 25, 2052 with a coupon of 5.789%.

On May 24, 2021, Brookfield Infrastructure Finance ULC issued \$250 million of subordinated unsecured notes under the U.S. Indenture maturing May 24, 2081 in the U.S. with a coupon of 5.0% (the “subordinated notes”). The subordinated notes are guaranteed, on a subordinated basis, as to payment of principal, premium (if any) and interest and certain other amounts by the BIP Guarantors and BIPC Holdings. The subordinated notes, including any accrued and unpaid interest thereon, will be exchanged automatically, without the consent or action of the holders thereof, into units of a newly-issued series of Class A preferred limited partnership units of the partnership, being class A preferred limited partnership units, Series 15, upon the occurrence of certain bankruptcy-related events.

The BIP Guarantors will also fully and unconditionally guarantee the payment obligations of Brookfield Infrastructure Preferred Equity Inc. (“Pref Finco” and collectively with the Co-Issuers, the “Fincos”) in respect of any Class A preference shares issued to the public by the Pref Finco, if and when issued.

A base shelf prospectus of BIP Investment Corporation (“BIPIC”) dated as of December 11, 2020 provides for the issuance of one or more series of senior preferred shares of BIPIC. The BIP Guarantors and BIPC Holdings will fully and unconditionally guarantee the payment obligations of BIPIC in respect of any senior preferred shares issued by BIPIC under the prospectus.

Each of the Fincos and BIPIC are subsidiaries of our partnership. In the tables below, information relating to the Fincos has been combined. The Fincos have not guaranteed the obligations of BIPIC, nor has BIPIC guaranteed the obligations of the Fincos.

BIPC Holdings has also fully and unconditionally guaranteed the payment obligations of the partnership in respect of certain of the partnership’s currently outstanding cumulative class A preferred limited partnership units and may guarantee the payment obligations of the partnership in respect of additional cumulative class A preferred limited partnership units issued to the public, if and when issued.

The following tables set forth consolidated summary financial information for our partnership, the Fincos, BIPIC and BIPC Holdings:

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022 US\$ MILLIONS	Our partnership⁽²⁾	The Fincos	BIPIC	BIPC Holdings	Subsidiaries of our partnership other than the Fincos, BIPIC, and BIPC Holdings⁽³⁾	Consolidating adjustments⁽⁴⁾	Our partnership consolidated
Revenues	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 3,411	\$ 3,411
Net income (loss) attributable to partnership ⁽¹⁾	6	—	—	—	70	(6)	70
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021							
Revenues	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 2,683	\$ 2,683
Net income (loss) attributable to partnership ⁽¹⁾	89	—	—	15	175	(89)	190
AS OF MARCH 31, 2022							
Current assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,629	\$ 5,629
Non-current assets	6,952	—	1,045	2,914	9,430	50,739	71,080
Current liabilities	—	—	214	—	—	9,033	9,247
Non-current liabilities	—	2,310	—	—	—	38,177	40,487
Non-controlling interests							
Redeemable Partnership Units held by Brookfield	—	—	—	—	—	2,420	2,420
BIPC exchangeable shares	—	—	—	—	—	1,381	1,381
Exchangeable units ⁽⁵⁾	—	—	—	—	—	81	81
Perpetual subordinated notes	—	—	—	—	—	293	293
In operating subsidiaries	—	—	—	—	—	16,110	16,110
Preferred unitholders	—	—	—	—	—	918	918
AS OF DECEMBER 31, 2021							
Current assets	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,896	\$ 4,896
Non-current assets	6,840	—	1,045	2,373	9,835	48,972	69,065
Current liabilities	—	—	232	—	—	8,429	8,661
Non-current liabilities	—	2,288	—	—	—	36,621	38,909
Non-controlling interests							
Redeemable Partnership Units held by Brookfield	—	—	—	—	—	2,408	2,408
BIPC exchangeable shares	—	—	—	—	—	1,369	1,369
Exchangeable units ⁽⁵⁾	—	—	—	—	—	85	85
In operating subsidiaries	—	—	—	—	—	15,658	15,658
Preferred unitholders	—	—	—	—	—	1,138	1,138

1. Includes net income attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP units, non-controlling interests - BIPC exchangeable LP units and non-controlling interests - BIPC exchangeable shares.
2. Includes investments in all subsidiaries of our partnership under the equity method.
3. Includes investments in all other subsidiaries of the Holding LP, Brookfield Infrastructure Holdings (Canada) Inc., Brookfield Infrastructure US Holdings I Corporation and BIP Bermuda Holdings I Limited under the equity method.
4. Includes elimination of intercompany transactions and balances necessary to present our partnership on a consolidated basis.
5. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

13. REVENUE

The following table disaggregates revenues by our operating segments:

<u>US\$ MILLIONS</u>	<u>For the three-month period ended March 31</u>	
	<u>2022</u>	<u>2021</u>
Utilities	\$ 1,212	\$ 1,091
Midstream	902	375
Transport	874	848
Data	423	369
Total	\$ 3,411	\$ 2,683

Substantially all of our partnership's revenues are recognized over time as services are rendered.

The following table disaggregates revenues by geographical region:

<u>US\$ MILLIONS</u>	<u>For the three-month period ended March 31</u>	
	<u>2022</u>	<u>2021</u>
Canada	\$ 1,067	\$ 424
United States of America	593	740
India	467	385
United Kingdom	407	375
Brazil	368	273
Colombia	214	217
Australia	165	149
Other	76	31
New Zealand	27	27
Peru	27	23
Chile	—	39
Total	\$ 3,411	\$ 2,683

Brookfield Infrastructure's customer base is comprised predominantly of investment grade companies. Our revenues are well diversified by region and counterparty with only one customer making up greater than 10% of our partnership's consolidated revenues. For the three-month period ended March 31, 2022, revenues generated from these customers within the utilities and data segments were \$347 million (2021: \$314 million). Our partnership has completed a review of the credit risk of key counterparties. Based on their liquidity position, business performance, and aging of our accounts receivable, we do not have any significant changes in expected credit losses at this time. Our partnership continues to monitor the credit risk of our counterparties in light of the current economic environment.

14. DIRECT OPERATING COSTS

Direct operating costs are costs incurred to earn revenue and include all attributable expenses. The following table lists direct operating costs for the three-month periods ended March 31, 2022, and 2021. Comparative figures have been reclassified to conform to the current period's presentation.

<u>US\$ MILLIONS</u>	<u>For the three-month period ended March 31, 2022</u>	<u>For the three-month period ended March 31, 2021</u>
Depreciation and amortization	\$ 544	\$ 469
Compensation	443	371
Fuel, transportation, and distribution costs	385	358
Cost of inventory	620	186
Utilities	120	107
Other direct operating costs	394	324
Total	\$ 2,506	\$ 1,815

15. PARTNERSHIP CAPITAL

As at March 31, 2022, our partnership's capital structure was comprised of three classes of partnership units: limited partnership units, preferred units and general partnership units. Limited partnership units entitle the holder to their proportionate share of distributions. Preferred units entitle the holder to cumulative preferential cash distributions in accordance with their terms. General partnership units entitle the holder to the right to govern the financial and operating policies of our partnership. The Holding LP's capital structure is composed of four classes of partnership units: special general partner units, Holding LP Class A preferred units, managing general partner units and redeemable partnership units held by Brookfield.

Subsequent to quarter-end, Brookfield Infrastructure announced a three-for-two stock split of BIP units, BIPC exchangeable shares, Exchange LP Units, and BIPC exchangeable LP units, payable on June 10, 2022 to unitholders/shareholders of record at the close of business on June 6, 2022. The split will be implemented by way of a subdivision whereby unitholders/shareholders will receive an additional one-half of a unit/share for each unit/share held.

(a) Special General and Limited Partnership Capital

UNITS MILLIONS	Special General Partner Units		Limited Partnership Units		Total	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	1.6	1.6	305.3	295.4	306.9	297.0
Issued for cash	—	—	0.1	9.7	0.1	9.7
Conversion from Exchange LP Units	—	—	—	0.1	—	0.1
Conversion from BIPC exchangeable shares	—	—	—	0.1	—	0.1
Ending balance	1.6	1.6	305.4	305.3	307.0	306.9

Weighted average number of special general partner units outstanding for the three-month period ended March 31, 2022 were 1.6 million (2021: 1.6 million). The weighted average number of limited partnership units outstanding for the three-month period ended March 31, 2022 was 305.3 million (2021: 295.4 million).

US\$ MILLIONS	Special General Partner		Limited Partners		Total	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ 19	\$ 19	\$ 6,074	\$ 5,526	\$ 6,093	\$ 5,545
Unit issuance	—	—	4	545	4	545
Conversion from Exchange LP Units	—	—	1	2	1	2
Conversion from BIPC exchangeable shares	—	—	1	1	1	1
Ending balance	\$ 19	\$ 19	\$ 6,080	\$ 6,074	\$ 6,099	\$ 6,093

In November 2021, Brookfield Infrastructure issued 9.5 million units at \$58.65 per unit in public offerings in the U.S. and Canada. In total, \$556 million of gross proceeds were raised through the issuance and \$23 million in equity issuance costs were incurred. Concurrently, Brookfield Infrastructure issued approximately 7.1 million Redeemable Partnership Units at the public offering price, net of commissions, to Brookfield for additional proceeds of \$400 million.

As a result of the issuances during the year, inclusive of equity raised as part of the IPL acquisition, equity was reallocated between limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP units, non-controlling interests - BIPC exchangeable LP units, and non-controlling interests - BIPC exchangeable shares to reflect the difference between the ratio in which the unit/shareholders participated in the issuance and their original economic interest in the partnership. The resulting impacts were recognized as ownership changes within the Consolidated Statements of Partnership Capital. Amounts in accumulated other comprehensive income (loss) were also ratably allocated.

In June 2010, we implemented a distribution reinvestment plan (the "Plan") that allows eligible holders of our partnership to purchase additional units by reinvesting their cash distributions. Under the Plan, units are acquired at a price per unit calculated by reference to the volume weighted average of the trading price for our units on the New York Stock Exchange for the five trading days immediately

preceding the relevant distribution date. During the three-month period ending March 31, 2022, our partnership issued 0.1 million units for proceeds of \$4 million (2021: less than 0.1 million units for proceeds of \$3 million).

(b) Non-controlling interest – Redeemable Partnership Units held by Brookfield

UNITS MILLIONS	Non-controlling interest – Redeemable Partnership Units held by Brookfield	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	129.0	121.9
Issued for cash	—	7.1
Ending balance	129.0	129.0

In November 2021, Brookfield Infrastructure issued 7.1 million Redeemable Partnership Units to Brookfield for proceeds of \$400 million.

The weighted average number of Redeemable Partnership Units outstanding for the three-month period ended March 31, 2022 was 129.0 million (2021: 121.9 million).

US\$ MILLIONS	Non-controlling interest – Redeemable Partnership Units held by Brookfield	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ 2,728	\$ 2,328
Unit issuance	—	400
Ending balance	\$ 2,728	\$ 2,728

(c) Non-controlling interest – BIPC exchangeable shares

SHARES MILLIONS	Non-controlling interest – BIPC exchangeable shares	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	73.3	44.9
Unit issuance	—	2.1
Issued in conjunction with the acquisition of Inter Pipeline	—	26.0
Conversion to units	—	(0.1)
Conversion from BIPC Exchangeable LP Units	0.2	0.4
Ending balance	73.5	73.3

US\$ MILLIONS	Non-controlling interest – BIPC exchangeable shares	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ 1,755	\$ (19)
Unit issuance	—	1,770
Conversion to limited partnership units	(1)	(1)
Conversion from BIPC Exchangeable LP Units	3	5
Ending balance	\$ 1,757	\$ 1,755

In November 2021, BIPC, a subsidiary of our partnership issued 2.1 million BIPC exchangeable shares at \$62.70 per share in public offerings in the U.S. and Canada. In total, \$134 million of gross proceeds were raised through the issuance and \$6 million in equity issuance costs were incurred.

In October 2021, BIPC issued 8.1 million BIPC exchangeable shares for a fair value of \$502 million in connection with the acquisition of our Canadian diversified midstream operation. Refer to Note 5, *Acquisition of Business*, for further details.

During August and September 2021, BIPC issued 17.9 million BIPC exchangeable shares for a fair value of \$1,140 million in connection with the acquisition of our Canadian diversified midstream operation. Refer to Note 5, *Acquisition of Businesses*, for further details.

During the three-month period ended March 31, 2022, BIPC exchangeable shareholders exchanged less than 0.1 million BIPC exchangeable shares for less than \$1 million of our units (2021: less than 0.1 million for less than \$1 million).

(d) Non-controlling interest – Exchangeable Units

UNITS MILLIONS	Non-controlling interest – Exchangeable units	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	4.6	1.0
Issuance of BIPC exchangeable LP units	—	4.1
Conversion to BIPC exchangeable shares	(0.2)	(0.4)
Conversion to limited partnership units	—	(0.1)
Ending balance⁽¹⁾	4.4	4.6

US\$ MILLIONS	Non-controlling interest – Exchangeable units	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ 408	\$ 156
Issuance of BIPC exchangeable LP units	—	259
BIPC Exchangeable LP Units converted to BIPC exchangeable shares	(3)	(5)
Conversion to limited partnership units	(1)	(2)
Ending balance⁽¹⁾	\$ 404	\$ 408

1. Includes non-controlling interest attributable to Exchange LP unitholders and BIPC exchangeable LP unitholders.

During August, September and October 2021, BIPC Exchange LP, a subsidiary of our partnership, issued 4.1 million BIPC Exchangeable LP Units for a fair value of \$259 million in connection with the acquisition of our Canadian diversified midstream operation. Refer to Note 5, *Acquisition of Businesses*.

During the three-month period ended March 31, 2022, Exchange LP unitholders exchanged less than 0.1 million Exchange LP units for less than \$1 million of our units (2021: less than 0.1 million for less than \$1.0 million)

During the three-month period ended March 31, 2022, BIPC Exchangeable LP unitholders exchanged 0.2 million BIPC exchangeable LP units for \$3 million of BIPC exchangeable share units.

(e) Non-controlling interest - Perpetual Subordinated Notes

<u>UNITS MILLIONS</u>	Perpetual Subordinated Notes	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ —	\$ —
Issued for cash	293	—
Ending balance	\$ 293	\$ —

On January 21, 2022, our partnership issued 12 million fixed rate perpetual subordinated notes, at \$25 per unit, with a fixed coupon rate of 5.125% annually. In total, \$293 million net proceeds were raised. The notes do not have a fixed maturity date and are not redeemable at the option of the holders, therefore the notes are classified as non-controlling interest. The perpetual subordinated notes also provide Brookfield Infrastructure, at its discretion, the right to defer the interest (in whole or in part) indefinitely.

(f) Preferred Unitholders' Capital

<u>UNITS MILLIONS</u>	Preferred Units	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	55.9	57.9
Issued for cash	—	8.0
Repurchased and cancelled	(12.0)	(10.0)
Ending balance	43.9	55.9

<u>US\$ MILLIONS</u>	Preferred Units	
	As of and for the three-month period ended March 31, 2022	As of and for the 12 month period ended Dec. 31, 2021
Opening balance	\$ 1,138	\$ 1,130
Unit issuance	—	194
Repurchased and cancelled	(220)	(186)
Ending balance	\$ 918	\$ 1,138

On March 31, 2022, our partnership redeemed all of its outstanding Cumulative Class A Preferred Limited Partnership Units, Series 7, for \$220 million. Losses on redemption of \$23 million were recognized directly in equity.

On September 30, 2021, our partnership redeemed all of its outstanding Cumulative Class A Preferred Limited Partnership Units, Series 5, for \$206 million. Losses on redemption of \$20 million were recognized directly in equity.

On January 21, 2021, our partnership issued 8 million Series 14 Preferred Units, at \$25 per unit, with a quarterly fixed distribution of 5.00% annually. In total, \$200 million of gross proceeds were raised and \$6 million in underwriting and issuance costs were incurred. Net proceeds of the issuance were used to finance or refinance eligible green projects following criteria outlined by the International Capital Markets Association.

16. DISTRIBUTIONS

The following table outlines distributions made to each class of partnership units, including BIPC exchangeable shares and Exchange LP units that are exchangeable into units, as well as BIPC exchangeable LP units that are exchangeable into BIPC exchangeable shares:

<u>US\$ MILLIONS EXCEPT PER UNIT INFORMATION</u>	For the three-month period ended March 31			
	2022		2021	
	Total	Per Unit	Total	Per Unit
Limited Partners	\$ 165	\$ 0.54	\$ 151	\$ 0.510
General Partner ⁽¹⁾	61		50	
Non-controlling interest attributable to:				
Redeemable Partnership Units held by Brookfield	69	0.54	62	0.510
BIPC exchangeable shares	40	0.54	23	0.510
Exchangeable units ⁽²⁾	3	0.54	1	0.510
Preferred unitholders	15	0.26	16	0.25
Perpetual subordinated notes	4	0.32	—	—
Total Distributions	\$ 357		\$ 303	

1. Distributions to the General Partner include \$60 million of incentive distributions for the three-month period ended March 31, 2022 (2021: \$50 million).

2. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

17. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

a) Attributable to Limited Partners

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2022	\$ 673	\$ (1,463)	\$ 27	\$ 56	\$ 125	\$ (10)	\$ 915	\$ 323
Other comprehensive income (loss)	7	191	8	25	—	1	(15)	217
Balance at March 31, 2022	\$ 680	\$ (1,272)	\$ 35	\$ 81	\$ 125	\$ (9)	\$ 900	\$ 540

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income (loss)
Balance at January 1, 2021	\$ 1,015	\$ (1,562)	\$ 37	\$ (14)	\$ 39	\$ (36)	\$ 973	\$ 452
Other comprehensive (loss) income	—	(157)	8	29	77	3	5	(35)
Balance at March 31, 2021	\$ 1,015	\$ (1,719)	\$ 45	\$ 15	\$ 116	\$ (33)	\$ 978	\$ 417

b) Attributable to General Partner

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2022	\$ 4	\$ (8)	\$ —	\$ —	\$ 1	\$ —	\$ 5	\$ 2
Other comprehensive income	—	1	—	—	—	—	—	1
Balance at March 31, 2022	\$ 4	\$ (7)	\$ —	\$ —	\$ 1	\$ —	\$ 5	\$ 3

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2021	\$ 7	\$ (12)	\$ 2	\$ 1	\$ —	\$ —	\$ 5	\$ 3
Balance at March 31, 2021	\$ 7	\$ (12)	\$ 2	\$ 1	\$ —	\$ —	\$ 5	\$ 3

c) Attributable to Non-controlling interest – Redeemable Partnership Units held by Brookfield

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2022	\$ 283	\$ (616)	\$ 12	\$ 24	\$ 53	\$ (6)	\$ 387	\$ 137
Other comprehensive income (loss)	3	82	3	10	—	—	(6)	92
Balance at March 31, 2022	\$ 286	\$ (534)	\$ 15	\$ 34	\$ 53	\$ (6)	\$ 381	\$ 229

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income (loss)
Balance at January 1, 2021	\$ 438	\$ (647)	\$ 17	\$ (9)	\$ 13	\$ (12)	\$ 409	\$ 209
Other comprehensive (loss) income	—	(64)	3	12	31	1	2	(15)
Balance at March 31, 2021	\$ 438	\$ (711)	\$ 20	\$ 3	\$ 44	\$ (11)	\$ 411	\$ 194

d) Attributable to Non-controlling interest – BIPC exchangeable shares

US\$ MILLIONS	Revaluation surplus	Foreign currency translation & other	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2022	\$ 161	\$ (351)	\$ 7	\$ 13	\$ 30	\$ (2)	\$ 219	\$ 77
Other comprehensive income (loss)	2	46	2	6	—	—	(4)	52
Balance at March 31, 2022	\$ 163	\$ (305)	\$ 9	\$ 19	\$ 30	\$ (2)	\$ 215	\$ 129

US\$ MILLIONS	Revaluation surplus	Foreign currency translation & other	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2021	\$ 27	\$ 28	\$ (6)	\$ 22	\$ 5	\$ (3)	\$ (11)	\$ 62
Other comprehensive (loss) income	—	(23)	1	4	12	—	1	(5)
Balance at March 31, 2021	\$ 27	\$ 5	\$ (5)	\$ 26	\$ 17	\$ (3)	\$ (10)	\$ 57

e) Attributable to Non-controlling interest – Exchangeable units⁽¹⁾

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2022	\$ 10	\$ (24)	\$ 1	\$ 1	\$ 1	\$ —	\$ 15	\$ 4
Other comprehensive income	—	3	—	—	—	—	—	3
Balance at March 31, 2022	\$ 10	\$ (21)	\$ 1	\$ 1	\$ 1	\$ —	\$ 15	\$ 7

US\$ MILLIONS	Revaluation surplus	Foreign currency translation	Net investment hedges	Cash flow hedges	Marketable securities	Unrealized actuarial losses	Equity accounted investments	Accumulated other comprehensive income
Balance at January 1, 2021	\$ 4	\$ (1)	\$ —	\$ —	\$ —	\$ —	\$ 2	\$ 5
Balance at March 31, 2021	\$ 4	\$ (1)	\$ —	\$ —	\$ —	\$ —	\$ 2	\$ 5

1. Includes non-controlling interest attributable to Exchange LP units and BIPC exchangeable LP units.

18. RELATED PARTY TRANSACTIONS

In the normal course of operations, Brookfield Infrastructure entered into the transactions below with related parties. The immediate parent of Brookfield Infrastructure is our partnership. The ultimate parent of Brookfield Infrastructure is Brookfield. Other related parties of Brookfield Infrastructure represent its subsidiary and operating entities.

Throughout the year, the General Partner, in its capacity as our partnership’s general partner, incurs director fees, a portion of which are charged at cost to our partnership in accordance with our limited partnership agreement. Director fees of less than \$1 million were incurred during the three-month period ended March 31, 2022 (2021: less than \$1 million).

Since inception, Brookfield Infrastructure has had a management agreement (the “Master Services Agreement”) with certain service providers (the “Service Provider”), which are wholly-owned subsidiaries of Brookfield.

Pursuant to the Master Services Agreement, on a quarterly basis, Brookfield Infrastructure pays a base management fee, referred to as the Base Management Fee, to the Service Provider equal to 0.3125% per quarter (1.25% annually) of the market value of our partnership. The Base Management Fee was \$118 million for the three-month period ended March 31, 2022 (2021: \$92 million). As of March 31, 2022, \$115 million was outstanding as payable to the Service Provider (December 31, 2021: \$108 million).

For purposes of calculating the Base Management Fee, the market value of our partnership is equal to the aggregate value of all the outstanding units of our partnership (assuming full conversion of Brookfield’s Redeemable Partnership Units in the Holding LP into units of our partnership), preferred units and securities of the other Service Recipients (as defined in Brookfield Infrastructure’s Master Services Agreement) that are not held by Brookfield Infrastructure, plus all outstanding third party debt with recourse to a Service Recipient, less all cash held by such entities.

As of March 31, 2022, Brookfield Infrastructure had a loan payable of \$26 million to a subsidiary of Brookfield (December 31, 2021: \$26 million). The loan is payable in full prior to the end of 2024 with an interest rate of 1.7%.

Brookfield Infrastructure, from time to time, will place deposits with, or receive deposits from, Brookfield. As at March 31, 2022, our net deposit from Brookfield was \$200 million (December 31, 2021: \$nil) and Brookfield Infrastructure incurred interest expense of less than \$1 million for the three-month period ended March 31, 2022 (2021: \$1 million). Deposits bear interest at market rates.

Brookfield Infrastructure has entered into a \$500 million revolving credit facility with Brookfield to provide additional liquidity for general corporate purposes and capital expenditures, if required. As of March 31, 2022, there were no borrowings outstanding (December 31, 2021: \$nil). Subsequent to quarter-end, Brookfield Infrastructure and Brookfield entered into an amendment to increase the facility to \$1 billion.

As at March 31, 2022, Brookfield Infrastructure had \$70 million of corporate borrowings outstanding to a subsidiary of Brookfield (December 31, 2021: \$45 million), \$6 million of non-recourse borrowings outstanding to an associate of Brookfield (December 31, 2021: \$6 million) and approximately \$0.6 billion of net payables to a subsidiary of Brookfield (December 31, 2021: \$0.6 billion), representing funding provided on behalf of Brookfield Infrastructure in connection with the acquisition of our Canadian diversified midstream operation. As at March 31, 2022, associates of Brookfield Infrastructure had \$83 million of non-recourse borrowings outstanding to an associate of Brookfield (December 31, 2021: \$111 million).

Brookfield Infrastructure's subsidiaries provide heating, cooling, connection, port marine and natural gas services on market terms in the normal course of operations to subsidiaries and associates of Brookfield. For the three-month period ended March 31, 2022, revenues of less than \$1 million were generated (2021: \$2 million).

Brookfield Infrastructure's subsidiaries purchase power, lease office space and obtain construction, consulting and engineering services in the normal course of operations on market terms from subsidiaries and associates of Brookfield. For the three-month period ended March 31, 2022, expenses of less than \$1 million were incurred (2021: less than \$1 million).

In addition, subsidiaries of Brookfield Infrastructure reported lease assets and liabilities of \$12 million at March 31, 2022 (December 31, 2021: \$12 million) with a subsidiary of Brookfield.

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF MARCH 31, 2022 AND DECEMBER 31, 2021 AND
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2022 AND 2021

OUR OPERATIONS

We own a portfolio of infrastructure assets that are diversified by sector and by geography. We have a stable cash flow profile with approximately 90% of Funds From Operations (“FFO”) supported by regulated or contracted revenues. In order to assist our unitholders and preferred unitholders in evaluating our performance and assessing our value, we group our businesses into operating segments based on similarities in their underlying economic drivers.

Our operating segments are summarized below:

Operating Segment	Asset Type	Primary Location
Utilities <i>Regulated or contractual businesses which earn a return on their asset base</i>	<ul style="list-style-type: none">• Regulated Transmission• Commercial & Residential Distribution	<ul style="list-style-type: none">• North & South America, Asia Pacific• North & South America, Europe, Asia Pacific
Transport <i>Provide transportation for freight, commodities and passengers</i>	<ul style="list-style-type: none">• Rail• Toll Roads• Diversified Terminals	<ul style="list-style-type: none">• North & South America, Asia Pacific• South America, Asia Pacific• North America, Europe, Asia Pacific
Midstream <i>Systems that provide transmission, gathering, processing and storage services</i>	<ul style="list-style-type: none">• Midstream	<ul style="list-style-type: none">• North America
Data <i>Provide critical infrastructure and services to global communication companies</i>	<ul style="list-style-type: none">• Data Transmission & Distribution• Data Storage	<ul style="list-style-type: none">• Europe, Asia Pacific• North & South America, Asia Pacific

INTRODUCTION

The following Management’s Discussion and Analysis (“MD&A”) is the responsibility of management of Brookfield Infrastructure Partners L.P. (our “partnership” collectively with its subsidiary and operating entities “Brookfield Infrastructure”). This MD&A is dated May 10, 2022 and has been approved by the Board of Directors of the general partner of our partnership for issuance as of that date. The Board of Directors carries out its responsibility for review of this document principally through its audit committee, comprised exclusively of independent directors. The audit committee reviews and, prior to its publication, approves this document, pursuant to the authority delegated to it by the Board of Directors. The terms “Brookfield Infrastructure,” “we,” “us” and “our” refer to Brookfield Infrastructure Partners L.P., and our partnership’s direct and indirect subsidiaries and operating entities as a group. This MD&A should be read in conjunction with Brookfield Infrastructure Partners L.P.’s most recently issued annual and interim financial statements. Additional information, including Brookfield Infrastructure’s Form 20-F, is available on its website at www.bip.brookfield.com, on SEDAR’s website at www.sedar.com and on EDGAR’s website at www.sec.gov/edgar.shtml.

Business Overview

Brookfield Infrastructure is a leading global infrastructure company that owns and operates high quality, essential, long-life assets in the utilities, transport, midstream and data sectors across North and South America, Asia Pacific and Europe. It is focused on assets that have contracted and regulated revenues that generate predictable and stable cash flows.

Our mission is to own and operate a globally diversified portfolio of high quality infrastructure assets that will generate sustainable and growing distributions over the long term for our unitholders. To accomplish this objective, we will seek to leverage our operating segments to acquire infrastructure assets and actively manage them to extract additional value following our initial investment. As the businesses mature and cash flows have been de-risked, we seek to recycle capital and re-invest in assets that are expected to generate higher returns. An integral part of our strategy is to participate along with institutional investors in Brookfield Asset Management Inc. (together with its affiliated entities other than us, “Brookfield”) sponsored infrastructure funds that target acquisitions that suit our profile. We focus on investments in which Brookfield has sufficient influence or control to deploy an operations-oriented approach.

Performance Targets and Key Measures

We target a total return of 12% to 15% per annum on the infrastructure assets that we own, measured over the long term. We intend to generate this return from the in-place cash flows from our operations plus growth through investments in upgrades and expansions of our asset base, as well as acquisitions. We determine our distributions to unitholders based primarily on an assessment of our operating performance. FFO is used to assess our operating performance and can be used on a per unit basis as a proxy for future distribution growth over the long term. In addition, we have performance measures that track the key value drivers for each of our operating segments. See the “Segmented Disclosures” section of this MD&A for more detail.

Distribution Policy

Our distributions are underpinned by stable, highly regulated and contracted cash flows generated from operations. The partnership’s objective is to pay a distribution that is sustainable on a long-term basis. The partnership has set its target payout ratio at 60-70% of FFO. In sizing what we believe to be a conservative payout ratio, we typically retain approximately 15% of FFO to fund the equity component of recurring growth capital expenditures.

In light of the current prospects for our business, the board of directors of our General Partner approved a 6% increase in our quarterly distribution to \$0.54 per unit (or \$2.16 per unit annualized), starting with the distribution paid in March 2022, with a proportionate increase made by the board of directors of BIPC to holders of BIPC exchangeable shares. This increase reflects the forecasted contribution from our recently commissioned capital projects, as well as the expected cash yield on acquisitions that we closed in the past year. Distributions have grown at a compound annual growth rate of 9% over the last 10 years. We target 5% to 9% annual distribution increase in light of the per unit growth we foresee in our operations.

Basis of Presentation

Our unaudited interim condensed and consolidated financial statements are prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies Brookfield Infrastructure applied in its consolidated financial statements as of and for the year-ended December 31, 2021. Our unaudited interim condensed and consolidated financial statements include the accounts of Brookfield Infrastructure and the entities over which it has control. Brookfield Infrastructure accounts for investments over which it exercises significant influence or joint control, but does not control, using the equity method.

Our partnership’s equity interests include units held by public unitholders, Redeemable Partnership Units held by Brookfield, BIPC exchangeable shares held by public shareholders and Brookfield, as well as Exchange LP Units and BIPC Exchangeable LP Units held by public shareholders. Our units and the Redeemable Partnership Units have the same economic attributes in all respects, except that the Redeemable Partnership Units provide Brookfield the right to request that its units be redeemed for cash consideration. In the event that Brookfield exercises this right, our partnership has the right, at its sole discretion, to satisfy the redemption request with our units, rather than cash, on a one-for-one basis. As a result, Brookfield, as holder of Redeemable Partnership Units, participates in earnings and distributions on a per unit basis equivalent to the per unit participation of the limited partnership units of our partnership. However, given the redeemable feature referenced above, we present the Redeemable Partnership Units as a component of non-controlling interests.

In addition, Exchange LP, a subsidiary of our partnership, issued Exchange LP Units in connection with the privatization of Enercare Inc. in October 2018. Exchange LP Units provide holders with economic terms that are substantially equivalent to those of our units and are exchangeable, on a one-for-one basis, for our units. Given the exchangeable feature, we present the Exchange LP Units as a separate component of non-controlling interests.

On March 31, 2020, our partnership completed the creation of BIPC with the special distribution. Each unitholder of record on March 20, 2020 received one BIPC exchangeable share for every nine units held. Holders of BIPC exchangeable shares have the right to exchange all or a portion of their shares for one unit per BIPC exchangeable share held or its cash equivalent on a fixed-for-fixed basis. BIPC or the partnership, as applicable, each have the ability to satisfy exchange requests by holders of BIPC exchangeable shares in units instead of cash. Additionally, the partnership has the ability to exchange all BIPC exchangeable shares for units at our election, on a fixed-for-fixed basis. As a result of the share characteristics, we present the BIPC exchangeable shares as a component of non-controlling interests.

Finally, in the third and fourth quarters of 2021, BIPC Exchange LP, a subsidiary of our partnership, issued BIPC Exchangeable LP Units in connection with the acquisition of our Canadian diversified midstream operation. BIPC Exchangeable LP Units provide holders with economic terms that are substantially equivalent to those of a BIPC exchangeable share and are exchangeable, on a one-for-one basis, for BIPC exchangeable shares. Given the exchangeable feature, we present the BIPC Exchangeable LP Units as a component of non-controlling interests.

When we discuss the results of our operating segments, we present Brookfield Infrastructure’s share of results for operations accounted for using consolidation and the equity method, in order to demonstrate the impact of key value drivers of each of these operating segments on our partnership’s overall performance. As a result, segment revenues, costs attributable to revenues, other income, interest expense, depreciation and amortization, deferred taxes, fair value adjustments and other items will differ from results presented in accordance with IFRS as they (1) include Brookfield Infrastructure’s share of earnings (losses) from investments in associates and joint ventures attributable to each of the above noted items, and (2) exclude the share of earnings of consolidated investments not held by Brookfield Infrastructure apportioned to each of the above noted items. However, net income for each segment is consistent with results presented in accordance with IFRS.

Our presentation currency and functional currency is the U.S. dollar. There were no changes in accounting policies that have had a material impact on the comparability of the results between financial years.

REVIEW OF CONSOLIDATED FINANCIAL RESULTS

In this section, we review our consolidated performance and financial position as of March 31, 2022 and December 31, 2021 and for the three-month periods ended March 31, 2022 and 2021. Further details on the key drivers of our operations and financial position are contained within the “*Segmented Disclosures*” section of this MD&A.

US\$ MILLIONS, EXCEPT PER UNIT INFORMATION	For the three-month period ended March 31	
	2022	2021
Summary Statements of Operating Results		
Revenues	\$ 3,411	\$ 2,683
Direct operating costs ⁽¹⁾	(2,506)	(1,815)
General and administrative expenses	(121)	(95)
Interest expense	(409)	(355)
Share of earnings from investments in associates and joint ventures	54	67
Mark-to-market on hedging items	(32)	35
Other income	35	27
Income tax expense	(138)	(134)
Net income	294	413
Net income attributable to our partnership ⁽²⁾	70	190
Net (loss) income per limited partnership unit	\$ (0.02)	\$ 0.27

1. Our company reclassified depreciation and amortization expense, which was previously presented as a separate line item, to direct operating costs. Direct operating costs include \$544 million of depreciation and amortization expenses. Prior period amounts were also adjusted to reflect this change, which resulted in an increase to direct operating costs of \$469 million for the three-month period ended March 31, 2021, with an equal and offsetting decrease to depreciation and amortization expense. This reclassification had no impact on revenues, net income, or basic and diluted earnings per limited partner unit.
2. Includes net income attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP Units, non-controlling interests - BIPC Exchangeable LP units and non-controlling interests - BIPC exchangeable shares.

Three-month periods ended March 31, 2022 and 2021

Net income for the three-month period ended March 31, 2022 was \$294 million, of which \$70 million (a loss of \$0.02 per unit) was attributable to our partnership. This compares to net income of \$413 million in the prior year, of which \$190 million (\$0.27 per unit) was attributable to our partnership. Current year results benefited from the contribution associated with recent acquisitions and organic growth across our base business. These positive results were partially offset by unrealized foreign currency and commodity hedging which protect long-term value but are marked into net income on a quarterly basis. Prior year results included a gain related to the partial disposition of our U.S. pipeline and exceptional performance at our North American gas storage business.

Revenues for the three-month period ended March 31, 2022 were \$3,411 million, which represents an increase of \$728 million compared to the same period in 2021. Revenues from our utilities segment increased by \$131 million as a result of inflation-indexation and additions to rate base, partially offset by the disposition of our North American district energy businesses in mid-2021. Revenues from our transport segment increased by \$42 million due to higher tariffs and storage revenues, partially offset by the disposition of our Chilean toll road business in November 2021. Our midstream segment contributed additional revenues of \$526 million predominantly as a result of the acquisition of Inter Pipeline. Prior year results also included outperformance at our North American gas storage business due to extreme weather experienced in the U.S. Revenues from our data segment increased by \$66 million predominately as a result of organic growth at our Indian telecom tower operation. Foreign exchange decreased our U.S. dollar revenues by \$37 million, as the quarterly average exchange rate of majority of the currencies in which we operate decreased relative to the prior year.

Direct operating expenses for the three-month period ended March 31, 2022 were \$2,506 million, an increase of \$691 million compared to the three-month period ended March 31, 2021. Direct costs increased from the prior year due to \$529 million of incremental costs (including depreciation) associated with recently acquired businesses, along with \$170 million of costs associated with organic growth initiatives. The impact of recent dispositions and foreign exchange decreased our U.S. dollar costs by \$49 million and \$34 million, respectively.

General and administrative expenses totaled \$121 million for the three-month period ended March 31, 2022, an increase of \$26 million compared to the three-month period ended March 31, 2021. This line item primarily consists of the base management fee that is paid to Brookfield, which is equal to 1.25% of the combined market value of our partnership and BIPC plus preferred units outstanding and net recourse debt. The increase from the prior year is due to a higher trading price of our outstanding securities and unit/share count.

Interest expense for the three-month period ended March 31, 2022 was \$409 million, an increase of \$54 million compared to the same period in 2021. Interest expense increased as a result of additional asset-level borrowings primarily associated with acquisitions completed during the past year and to fund \$1 billion of deferred consideration at our Brazilian regulated gas distribution business paid subsequent to quarter-end in April 2022.

Our partnership's share of earnings from investments in associates and joint ventures decreased by \$13 million when compared to the three-month period ended March 31, 2021. Current year results benefited from strong operating performance, particularly at our U.S. LNG export terminal due to continued strength in LNG prices and the commissioning of a sixth liquefaction train. These increases were more than offset by the loss of earnings associated with the sale of a 25% interest in our U.S. gas pipeline in March 2021 and the acquisition of additional interest in three Brazilian electricity transmission businesses in the prior year, which resulted in a change in the basis of accounting from the equity method to consolidation. As a result, earnings generated by these businesses have been consolidated within our Consolidated Statements of Comprehensive Income.

Mark-to-market losses on hedging items for the three-month period ended March 31, 2022 were \$32 million, compared to gains of \$35 million in the prior year. Amounts in both the current and comparative periods consist primarily of mark-to-market movements relating to foreign exchange hedging activities at the corporate level and commodity contracts within our midstream businesses. During the current quarter, appreciation of foreign currencies and commodity price movements resulted in mark-to-market losses.

Other income for the three-month period ended March 31, 2022 was \$35 million, largely in line with \$27 million for the same period in 2021.

Income tax expense for the three-month period ended March 31, 2022 was \$138 million, largely in line with \$134 million recognized during the same period in 2021. Increases in taxes due to higher income associated with organic growth and acquisitions were mostly offset by deferred tax recoveries from mark-to-market losses on hedging items and the impact of foreign exchange.

US\$ MILLIONS <u>Summary Statements of Financial Position Key Metrics</u>	As of	
	March 31, 2022	December 31, 2021
Cash and cash equivalents	\$ 1,969	\$ 1,406
Property, plant and equipment	38,652	38,655
Intangible assets	14,999	14,214
Total assets	76,709	73,961
Corporate borrowings	3,180	2,719
Non-recourse borrowings	27,583	26,534
Total liabilities	49,734	47,570
Limited Partners' capital	5,741	5,702
General Partner capital	31	31
Non-controlling interest – Redeemable Partnership Units held by Brookfield	2,420	2,408
Non-controlling interest – BIPC exchangeable shares	1,381	1,369
Non-controlling interest – Exchangeable units ⁽¹⁾	81	85
Non-controlling interest – perpetual subordinated notes	293	—
Non-controlling interest – in operating subsidiaries	16,110	15,658
Preferred unitholders	918	1,138
Partnership capital attributable to the partnership ⁽²⁾	9,654	9,595
Total partnership's capital	26,975	26,391

1. Includes non-controlling interest attributable to Exchange LP Units and BIPC Exchangeable LP Units.

2. Includes partnership capital attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP Units, non-controlling interests - BIPC Exchangeable LP Units and non-controlling interests - BIPC exchangeable shares.

Total assets were \$76.7 billion at March 31, 2022, compared to \$74.0 billion at December 31, 2021. Acquisitions completed in 2022, organic growth initiatives and the impact of foreign exchange increased consolidated assets by \$3.2 billion. These increases were partly offset by depreciation and amortization expense, which reduced total assets by \$0.5 billion.

Property, plant and equipment of \$38.7 billion is in line with the prior period as the impact of capital additions was offset by depreciation expense, dispositions, and the impact of foreign exchange. Intangible assets increased from \$14.2 billion to \$15.0 billion predominately due to the impact of foreign exchange of \$0.8 billion as a result of the appreciation of the Brazilian real, partially offset by amortization expense of \$0.2 billion.

The rapid spread of the COVID-19 virus, including subsequent mutations, and actions taken globally in response to COVID-19, have generally disrupted business activities in the jurisdictions in which we operate and elsewhere. Governments around the world implemented stringent measures to control the spread of the virus, including quarantines, social distancing protocols, "shelter in place" and "stay at home" orders, travel restrictions, business curtailments, school closures and other measures, that restricted economic and social activity. Governments and central banks around the world have also enacted fiscal and monetary stimulus measures to mitigate the economically harmful impact of these COVID-19 response measures. Our group's business relies, to a certain extent, on free movement of goods, services, and capital around the world, all of which were restricted as a result of COVID-19. At the outset of the pandemic, we implemented a response plan designed to maintain our operations despite the outbreak of the virus, including extra safety precautions with respect to our personnel and contingency plans with respect to our facilities. Our partnership has assessed the impact of the economic environment on our asset valuations, including our property, plant and equipment, intangible assets, and investments in associates and joint ventures. In making these assessments, we have assumed that the sharp curtailment in economic activities, as a result of social distancing rules imposed by governments worldwide, will not materially persist in the long term. We believe our operations have demonstrated resilience to global economic disruptions since the outbreak. Furthermore, our assets are geographically dispersed, diversified across operating segments, and largely underpinned by regulated tariffs or highly contracted cash flows. Based on our partnership's assessment, we believe our asset values remain largely unaffected by the global pandemic.

Corporate borrowings increased by \$461 million since December 31, 2021. The increase is attributable to borrowings on our revolving credit facility of \$479 million, partially offset by net repayments of \$40 million on our commercial paper program and the impact of foreign exchange.

Non-recourse borrowings have increased by \$1.0 billion as compared to December 31, 2021. The increase is primarily attributable to additional borrowings of \$0.6 billion mainly at our Brazilian regulated gas distribution business to fund deferred consideration and the impact of foreign exchange.

Our partnership capital remained largely consistent with the prior year at \$9.7 billion as income generated from operations and the impact of foreign exchange were mostly offset by distributions paid to our unitholders.

Foreign Currency Translation

Due to the nature of our global operations, current period financial results may be impacted by foreign currency movements. The most significant currency exchange rates that impact our business are shown in the following table:

	Period End Rate			Average Rate		
	As of			For the three-month period ended March 31		
	March 31, 2022	December 31, 2021	Change	2022	2021	Change
Australian dollar	0.7482	0.7262	3 %	0.7245	0.7727	(6)%
Brazilian real	0.2111	0.1792	18 %	0.1912	0.1824	5 %
British pound	1.3138	1.3532	(3)%	1.3410	1.3792	(3)%
Canadian dollar	0.7995	0.7913	1 %	0.7896	0.7899	— %
Indian rupee	0.0132	0.0134	(1)%	0.0133	0.0137	(3)%

As at March 31, 2022, our consolidated partnership capital of \$27.0 billion was invested in the following currencies: Canadian dollars - 37%; United States dollars - 17%; Indian rupees - 10%; Brazilian reais - 10%; British pounds - 8%; Australian dollars - 10%; and other currencies - 8%. As a result of our currency hedging program, 67% of our partnership capital is effectively denominated in U.S. dollars. The period end currency exchange rates relative to the U.S. dollar as at March 31, 2022 were higher than December 31, 2021 for most of our significant non-U.S. dollar investments, which increased the carrying values of the assets and liabilities of our operations relative to December 31, 2021.

The following table disaggregates the impact of foreign currency translation on our partnership capital by the most significant non-U.S. currencies:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Australian dollar	\$ 83	\$ (25)
Brazilian real	428	(324)
British pound	(103)	33
Canadian dollar	90	67
Indian rupee	(70)	21
Other	107	(146)
	535	(374)
Currency hedges ⁽¹⁾	(27)	22
	\$ 508	\$ (352)
Attributable to:		
Unitholders	\$ 278	\$ (211)
Non-controlling interests	230	(141)
	\$ 508	\$ (352)

1. Includes net investment and cash flow hedges for foreign currencies of subsidiaries and associates and excludes cash flow hedges for interest rates.

The impact of foreign currency translation on partnership capital, including those attributable to non-controlling interests for the three-month period ended March 31, 2022 was a gain of \$508 million.

We use financial contracts and locally denominated debt to hedge most foreign currency exposures. We are largely hedged against the Australian, Canadian, European, British, and New Zealand currencies. As a result, the impact of currency movements was partially offset by gains and losses recognized on our currency hedges.

Average currency exchange rates impact the U.S. dollar equivalents of revenues and net income from non-U.S. operations on a comparative basis. During the three-month period ended March 31, 2022, the average foreign exchange rate of the major currencies we operate in strengthened relative to the U.S. dollar, increasing U.S. dollar revenue and net income in these currencies.

Summary of Quarterly Results

Quarterly results for the eight most recent quarters are as follows:

US\$ MILLIONS, EXCEPT PER UNIT AMOUNTS	2022		2021			2020		
	Three-month period ended							
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	\$ 3,411	\$ 3,252	\$ 2,939	\$ 2,663	\$ 2,683	\$ 2,534	\$ 2,209	\$ 1,946
Direct operating costs ⁽¹⁾	(2,506)	(2,375)	(2,132)	(1,925)	(1,815)	(1,875)	(1,596)	(1,438)
Earnings from investments in associates and joint ventures	54	(13)	24	10	67	55	17	11
Expenses								
Interest	(409)	(383)	(368)	(362)	(355)	(372)	(278)	(247)
General and administrative	(121)	(113)	(102)	(96)	(95)	(93)	(86)	(72)
Valuation items								
Fair value changes and other	3	175	290	1,302	62	379	(50)	(103)
Income tax expense	(138)	(79)	(115)	(286)	(134)	(54)	(68)	(63)
Net income	294	464	536	1,306	413	574	148	34
Net income attributable to others	288	414	311	1,114	324	392	174	101
Net income (loss) attributable to limited partners	6	50	225	192	89	89	(26)	(67)
Net (loss) income per limited partnership unit	\$ (0.02)	\$ 0.14	\$ 0.72	\$ 0.61	\$ 0.27	\$ 0.27	\$ (0.12)	\$ (0.25)

1. Our company reclassified depreciation and amortization expense, which was previously presented as a separate line item, to direct operating costs. Direct operating costs include \$544 million of depreciation and amortization expenses. Prior period amounts were also adjusted to reflect this change, which resulted in an increase to direct operating costs of \$469 million for the three-month period ended March 31, 2021, with an equal and offsetting decrease to depreciation and amortization expense. This reclassification had no impact on revenues, net income, or basic and diluted earnings per limited partner unit.

A significant driver of our results continues to be from organic growth which consists of inflation-indexation, GDP-linked volume increases and reinvested capital. In addition, results have benefited over the last eight quarters from the contribution of new investments. On a constant currency basis, these items resulted in increases in our revenues, direct operating costs, interest charges and depreciation and amortization expense. The increases were partially offset by the impact of dispositions. In addition to the aforementioned items, net income is impacted by fair value adjustments, mark-to-market movements on derivatives, and other income and expenses.

Our business continues to deliver financial results that are in line with expectations. Our partnership benefits from significant sector and geographic diversification, ownership of long-life and essential assets, substantial barriers to entry to the sectors we operate in, and cash flows that are generated under long-term contractual or regulated frameworks. Our stable and predictable cash flow profile is further strengthened by our principled approach to counterparty selection and capital structure.

SELECTED STATEMENTS OF OPERATING RESULTS AND FINANCIAL POSITION INFORMATION

To measure performance, we focus on net income, an IFRS measure, as well as certain non-IFRS measures, including but not limited to FFO, AFFO, Adjusted EBITDA and Invested Capital. We define FFO as net income excluding the impact of depreciation and amortization, deferred income taxes, mark-to-market on hedging items and other income (expenses) that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. FFO includes balances attributable to the partnership generated by investments in associates and joint ventures accounted for using the equity method and excludes amounts attributable to non-controlling interests based on the economic interests held by non-controlling interests in consolidated subsidiaries. We define AFFO as FFO less capital expenditures required to maintain the current performance of our operations (maintenance capital expenditures).

In addition to FFO and AFFO, we focus on Adjusted EBITDA, which we define as net income excluding the impact of interest expense, depreciation and amortization, income taxes, mark-to-market on hedging items and other income (expenses) corresponding to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Adjusted EBITDA includes balances attributable to the partnership generated by investments in associates and joint ventures accounted for using the equity method and excludes amounts attributable to non-controlling interests based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. We define Invested Capital as partnership capital removing the following items: non-controlling interest - in operating subsidiaries, retained earnings or deficit, accumulated other comprehensive income and ownership changes.

Along with net income and other IFRS measures, FFO, Adjusted EBITDA and Invested Capital are key measures of our financial performance that we use to assess the results and performance of our operations on a segmented basis. AFFO is also a measure of operating performance and represents the ability of our businesses to generate sustainable earnings. Invested Capital, which tracks the amount of capital that has been contributed to our partnership, is a measure we utilize to assess returns on capital deployed, relative to targeted returns.

Since they are not calculated in accordance with, and do not have any standardized meanings prescribed by IFRS, FFO, AFFO, Adjusted EBITDA and Invested Capital are unlikely to be comparable to similar measures presented by other issuers and have limitations as analytical tools. Specifically, our definition of FFO may differ from the definition used by other organizations, as well as the definition of Funds from Operations used by REALPAC and NAREIT, in part because the NAREIT definition is based on U.S. GAAP, as opposed to IFRS.

For further details regarding our use of FFO, AFFO, Adjusted EBITDA and Invested Capital, as well as a reconciliation of the most directly comparable IFRS measures to these measures, see the “Reconciliation of Non-IFRS Financial Measures” section of this MD&A.

<u>US\$ MILLIONS, EXCEPT PER UNIT INFORMATION</u>	<u>For the three-month period ended March 31</u>	
	<u>2022</u>	<u>2021</u>
<u>Key Metrics</u>		
Net income attributable to partnership ⁽¹⁾	\$ 70	\$ 190
Net (loss) income per limited partnership unit ⁽²⁾	(0.02)	0.27
Funds from Operations (FFO) ⁽³⁾	493	431
Per unit FFO ⁽⁴⁾	0.96	0.93
Adjusted Funds from Operations (AFFO) ⁽³⁾	424	379
Return on invested capital ⁽⁵⁾	12 %	15 %
Adjusted EBITDA ⁽³⁾	705	628
Distributions per unit ⁽⁶⁾	0.540	0.510
FFO payout ratio ⁽⁷⁾	72 %	70 %
AFFO payout ratio ⁽⁸⁾	84 %	80 %

1. Includes net income attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP Units, non-controlling interests - BIPC Exchangeable LP Units, and non-controlling interests - BIPC exchangeable shares.
2. Average number of limited partnership units outstanding on a time weighted average basis for the three-month period ended March 31, 2022 was 305.3 million (2021: 295.4 million).
3. Refer to the “Reconciliation of Non-IFRS Financial Measures” section of this MD&A for reconciliation from net income to FFO, AFFO and Adjusted EBITDA.
4. Average units outstanding during the three-month period ended March 31, 2022 was 514.0 million (2021: 465.0 million).
5. Return on invested capital is calculated as AFFO adjusted for an estimate of the portion of earnings that represent a return of capital on concession-based businesses, divided by Invested Capital. The return of capital estimates for the three-month period ended March 31, 2022 was \$36 million (2021: \$39 million). Refer to the “Reconciliation of Non-IFRS Financial Measures” section of this MD&A for reconciliation from partnership capital to Invested Capital.
6. Distribution per unit is defined as the sum of partnership distributions less incentive distributions, divided by the total limited partner units, general partner units, Redeemable Partnership Units, Exchange LP Units, BIPC Exchangeable LP Units and BIPC exchangeable shares outstanding as of the record date. During the three-month period ended March 31, 2022, the partnership paid quarterly distributions of \$0.54 per unit (2021: \$0.51 per unit)
7. FFO payout ratio is defined as distributions paid (inclusive of GP incentive, preferred unit distributions, and interests on perpetual notes classified as equity) divided by FFO.
8. AFFO payout ratio is defined as distributions paid (inclusive of GP incentive, preferred unit distributions, and interests on perpetual notes classified as equity) divided by AFFO.

For the three-month period ended March 31, 2022, FFO totaled \$493 million (\$0.96 per unit) compared to FFO of \$431 million (\$0.93 per unit) for the same quarter in 2021. Results for the quarter benefited from organic growth of 10% reflecting the high inflationary environment, strong market sensitive revenues at our midstream assets, and earnings associated with approximately \$1 billion of capital commissioned over the last twelve months. Results also benefited from our asset rotation program including the privatization of Inter Pipeline in the second half of 2021. Prior year results included an approximately \$65 million contribution from exceptional gas storage performance.

SEGMENTED DISCLOSURES

In this section, we review the results of our principal operating segments: utilities, transport, midstream, data and corporate. Key metrics and measures are presented in accordance with our partnership's share of the underlying results, taking into account Brookfield Infrastructure's ownership in operations accounted for using the consolidation and equity methods, whereby our partnership either controls or exercises significant influence or joint control over its investments. See the "Reconciliation of Non-IFRS Financial Measures" section of this MD&A for a discussion of the importance of our partnership's presentation, the limitations associated with such information and a reconciliation of segment results to our partnership's statement of operating results in accordance with IFRS.



Utilities

Our utilities segment is comprised of businesses from which we earn a return on a regulated or notionally stipulated asset base, which we refer to as the rate base, or from revenues in accordance with long-term concession agreements, private bilateral contracts approved or ratified by the regulator, or price control frameworks. These include our regulated transmission (natural gas and electricity) and commercial and residential distribution (electricity and natural gas connections) operations. Our rate base increases with capital that we invest to upgrade and expand our systems. Depending on the jurisdiction, our rate base may also increase by inflation and maintenance capital expenditures and decrease by regulatory depreciation. The return that we earn is typically determined by a regulator for prescribed periods of time. Thereafter, it may be subject to customary reviews based upon established criteria. Our diversified portfolio of assets allows us to mitigate exposure to any single regulatory regime.

Due to the franchise frameworks and economies of scale of our utilities businesses, we often have significant competitive advantages in competing for projects to expand our rate base and earn incremental revenues. Accordingly, we expect this segment to produce stable revenue and margins over time that should increase with investment of additional capital and inflation. Nearly all our utilities segment's Adjusted EBITDA is supported by regulated or contractual revenues.

The objectives for our utilities segment are to invest capital in the expansion of our rate base, as well as to provide safe and reliable service for our customers on a cost-efficient basis. If we do so, we will be in a position to earn an appropriate return on our rate base and strengthen our market position. Our performance can be measured by the growth in our rate base, the return on our rate base, and the growth in our AFFO.

Our utilities segment is comprised of the following:

Regulated Transmission

- Approximately 61,000 kilometers of operational electricity transmission and distribution lines and approximately 12,000 km of gas pipelines in Australia
- Approximately 5,300 kilometers of transmission lines in Brazil, of which approximately 4,300 kilometers are operational
- Approximately 4,200 kilometers of natural gas pipelines in North America, South America, and India

Commercial and Residential Distribution

- Approximately 7.3 million connections, predominantly electricity and natural gas
- Residential infrastructure, including water heater, heating, ventilation, and air conditioner ("HVAC") rentals, as well as other essential home services to approximately 1.9 million customers annually in Canada and the United States, Germany, and U.K.
- Approximately 360,000 long-term contracted sub-metering services within Canada
- Approximately 1.2 million installed smart meters in Australia and New Zealand

Results of Operations

The following table presents our partnership's share of the key metrics and measures of our utilities segment:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Funds from Operations (FFO)	\$ 167	\$ 166
Maintenance capital expenditures	(9)	(5)
Adjusted Funds from Operations (AFFO)	<u>158</u>	<u>161</u>
Adjusted EBITDA ⁽¹⁾	\$ 254	\$ 223
Rate Base	\$ 6,952	\$ 5,363
Return on rate base ^{(2),(3)}	12 %	12 %

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.
2. Return on rate base is Adjusted EBITDA divided by weighted average rate base.
3. Return on rate base excludes the impact of connections revenue, return of capital and IFRS 16 adjustments.

Our partnership earns a return on a regulated or notionally stipulated asset base, a metric which we refer to as rate base. Our rate base reflects the current amount, either as defined by the regulator or as implied by our contracted cash flows, on which we earn our return. Our rate base increases with capital that we invest to expand our systems and is indexed to local inflation. The return that we earn is typically determined by a regulator for prescribed periods of time or is derived based on the contracted cash flows we have secured. We believe that the rate base is useful for investors as it provides them with an understanding of the unlevered returns that our asset base can currently generate and enhances comparability across other utility investments as it assists in assessing the operating performance of our businesses by eliminating the effect of its current capital structure and tax profile.

For the three-month period ended March 31, 2022, our utilities segment generated FFO of \$167 million, compared to \$166 million for the same period in the prior year. Same-store growth of 8% was driven by higher than historical inflation indexation which benefits approximately 90% of FFO and approximately \$450 million of capital commissioned into rate base over the last twelve months. Current quarter results benefited from a partial contribution of our Australian regulated utility acquired in February 2022, and the additional 10% interest acquired in our Brazilian regulated gas transmission operation in April 2021. Prior year results included our U.K. smart meter portfolio and North American district energy platform, which were divested in 2021.

The following table presents our partnership's share of Adjusted EBITDA and FFO for the businesses in this operating segment:

US\$ MILLIONS	Adjusted EBITDA ⁽¹⁾		FFO	
	For the three-month period ended March 31		For the three-month period ended March 31	
	2022	2021	2022	2021
Commercial & Residential Distribution	\$ 113	\$ 126	\$ 88	\$ 97
Regulated Transmission	141	97	79	69
Total	<u>\$ 254</u>	<u>\$ 223</u>	<u>\$ 167</u>	<u>\$ 166</u>

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

For the three-month period ended March 31, 2022, our commercial and residential distribution operations generated Adjusted EBITDA of \$113 million and FFO of \$88 million, compared to \$126 million and \$97 million, respectively, in the prior year. Adjusted EBITDA and FFO benefited from inflation indexation, capital commissioned into rate base over the last twelve months, and higher connections activity at our U.K. regulated distribution business. Prior year results included our U.K. smart meter portfolio and North American district energy platform, which were divested in 2021.

For the three-month period ended March 31, 2022, our regulated transmission operations generated Adjusted EBITDA of \$141 million and FFO of \$79 million, compared to \$97 million and \$69 million, respectively, in the prior year. Adjusted EBITDA benefited from a 18% annual inflationary tariff adjustment at our Brazilian regulated gas transmission operation and the acquisition of an additional 10% in our Brazil regulated gas transmission operation and an Australian regulated utility. FFO was impacted by higher interest rates and cash taxes at our Brazilian regulated gas transmission operation.

The following table presents the roll-forward of our rate base:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Rate base, start of period	\$ 5,818	\$ 5,199
Acquisitions	682	131
Capital expenditures commissioned	129	433
Inflation indexation	159	250
Regulatory depreciation	(23)	(68)
Foreign exchange and other	187	(127)
Rate base, end of period	<u>\$ 6,952</u>	<u>\$ 5,818</u>

As of March 31, 2022, our rate base was \$7.0 billion. Rate base increased compared to December 31, 2021 due to the acquisition of an Australian regulated utility, capital commissioned into rate base, inflation-indexation at our Brazilian regulated gas transmission business and the impact of foreign exchange.

The following table presents the roll-forward of our partnership's share of capital backlog, which represents growth projects over the next 2-3 years, as well as capital to be commissioned:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Capital backlog, start of period	\$ 532	\$ 634
Impact of acquisitions (asset sales)	70	(139)
Additional capital project mandates	136	483
Less: capital expenditures	(112)	(443)
Foreign exchange and other	(25)	(3)
Capital backlog, end of period	601	532
Construction work in progress	393	401
Total capital to be commissioned	<u>\$ 994</u>	<u>\$ 933</u>

Capital backlog relates to projects that have been awarded or filed with regulators with anticipated commissioning into rate base in the next three years. As of March 31, 2022, total capital to be commissioned was \$994 million compared to \$933 million as of December 31, 2021. New connection mandates awarded and the impact of acquisitions were partly offset by capital projects commissioned into rate base. The largest contributors to capital expected to be commissioned into rate base include approximately \$580 million at our U.K. regulated distribution business and approximately \$200 million at our North American residential infrastructure business.



Transport

Our transport segment is comprised of infrastructure assets that provide transportation, storage and handling services for merchandise goods, commodities and passengers, for which we are generally paid an access or transportation fee. Profitability is based on the volume and price achieved for the provision of access and associated services. This operating segment is comprised of businesses, such as our rail and toll road operations, which may be subject to price ceiling or other rate regulation focused on maintaining competition, as well as diversified terminal operations which are highly contracted and subject to the regulatory regimes applicable to the goods they handle. Transport businesses typically have high barriers to entry and, in many instances, have very few substitutes in their local markets. While these businesses have greater sensitivity to market prices and volume than our other operating segments, revenues are generally stable and, in many cases, are supported by contracts or customer relationships. The diversification within our transport segment mitigates the impact of fluctuations in demand from any particular sector, commodity or customer. Approximately 90% of our transport segment's FFO is supported by contractual or regulated revenues.

Our objectives for our transport segment are to provide safe and reliable service to our customers and to satisfy their growth requirements by increasing the utilization of our assets and expanding our capacity in a capital efficient manner. If we do so, we will be able to charge an appropriate price for our services and earn an attractive return on the capital deployed. Our performance can be measured by our revenue growth and our Adjusted EBITDA margin.

Our transport segment is comprised of the following:

Rail

- 116 short line freight railroads comprising over 22,000 kilometers of track in North America and Europe
- Sole provider of rail network in southern half of Western Australia with approximately 5,500 kilometers of track and operator of approximately 4,800 kilometers of rail in Brazil

Toll Roads

- Approximately 3,800 kilometers of motorways in Brazil, Peru and India

Diversified Terminals

- 13 terminals in North America, U.K., and Australia facilitating global trade of goods, natural resources and commodities
- An approximately 30 million tonnes per annum ("mtpa") LNG export terminal in the United States
- An 85 million tonnes per annum export facility in Australia

Results of Operations

The following table presents our partnership's share of the key metrics and measures of our transport segment:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Funds from Operations (FFO)	\$ 185	\$ 162
Maintenance capital expenditures	(37)	(29)
Adjusted Funds from Operations (AFFO)	148	133
Adjusted EBITDA ⁽¹⁾	\$ 255	\$ 233
Adjusted EBITDA margin ⁽²⁾	44 %	47 %
Growth capital expenditures	55	48

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

2. Adjusted EBITDA margin is Adjusted EBITDA divided by revenues. It is calculated based on net of construction revenues and costs which are incurred at our Peruvian toll road operation during the construction of our toll roads. Adjusted EBITDA margin is a non-IFRS measure.

For the three-month period ended March 31, 2022, our transport segment generated FFO of \$185 million compared to \$162 million for the same period in the prior year, a 14% increase. Results benefited from inflationary tariff increases, strong performance at our U.S. LNG export terminal due to continued strength in LNG prices and the commissioning of a sixth liquefaction train, as well as higher storage revenue at our North American and U.K. ports due to continued supply chain congestion.

The following table presents proportionate Adjusted EBITDA and FFO for each business in this operating segment:

US\$ MILLIONS	Adjusted EBITDA ⁽¹⁾		FFO	
	For the three-month period ended March 31		For the three-month period ended March 31	
	2022	2021	2022	2021
Rail	\$ 80	\$ 84	\$ 64	\$ 66
Toll Roads	56	55	41	39
Diversified Terminals	119	94	80	57
Total	\$ 255	\$ 233	\$ 185	\$ 162

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

For the three-month period ended March 31, 2022, our rail business generated Adjusted EBITDA of \$80 million and FFO of \$64 million compared to \$84 million and \$66 million, respectively, in the prior year. Adjusted EBITDA and FFO benefited from an increase in tariffs across our portfolio, partially offset by softer volumes due to weather related delays in Australia and Brazil. Results were also impacted by foreign exchange.

For the three-month period ended March 31, 2022, our toll roads contributed Adjusted EBITDA of \$56 million and FFO of \$41 million compared to \$55 million and \$39 million, respectively, in the prior year. Adjusted EBITDA and FFO benefited from a 3% overall increase in traffic volumes, as well as a 7% tariff increase at our Brazilian toll road. Prior year results included our Chilean toll road operation, which was divested in November 2021.

For the three-month period ended March 31, 2022, our diversified terminal operations reported Adjusted EBITDA of \$119 million and FFO of \$80 million compared to \$94 million and \$57 million, respectively, in the prior year. Adjusted EBITDA and FFO benefited from higher container storage charges due to congestion at our U.K. and North American port businesses and strong performance at our U.S. LNG export terminal from continued strength in LNG prices and the commissioning of a sixth liquefaction train.

The following table presents the roll-forward of our partnership's share of capital backlog and capital to be commissioned:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Capital backlog, start of period	\$ 533	\$ 421
Additional capital project mandates	162	406
Less: capital expenditures	(55)	(270)
Foreign exchange and other	35	(24)
Capital backlog, end of period	675	533
Construction work in progress	285	421
Total capital to be commissioned	\$ 960	\$ 954

Capital to be commissioned includes projects such as upgrading and expanding our rail networks, increasing and widening lanes on certain routes to support traffic growth, deepening berths and enhancing and modernizing existing infrastructure at our terminals. As of March 31, 2022, total capital to be commissioned was \$960 million compared to \$954 million as of December 31, 2021. Capital to be commissioned increased compared to December 31, 2021 as additional capital project mandates and the impact of foreign exchange more than offset capital commissioned during the period.



Our midstream segment is comprised of systems that provide natural gas transmission, gathering and processing, and storage services. Profitability is based on the volume and price achieved for the provision of these services. This operating segment is comprised of businesses that are subject to regulation, such as some of our natural gas transmission pipelines whose services are subject to price ceilings. Midstream businesses typically have high barriers to entry as a result of significant fixed costs combined with economies of scale or unique positions in their local markets. Although these businesses have greater sensitivity to market prices and volume than our utilities segment, revenues are typically contracted with varying durations and are relatively stable.

Our objectives for our midstream segment are to provide safe and reliable service to our customers and to satisfy their growth requirements by increasing the utilization of our assets and expanding our capacity in a capital efficient manner. If we do so, we will be able to charge an appropriate price for our services and earn an attractive return on the capital deployed. Our performance can be measured by our revenue growth, our Adjusted EBITDA margin and our growth in AFFO.

Our midstream segment is comprised of the following:

- Approximately 15,000 kilometers of natural gas transmission pipelines in the United States
- Approximately 600 Bcf of natural gas storage in the United States and Canada
- 17 natural gas and natural gas liquids processing plants, approximately 5.7 Bcf per day of gross processing capacity and approximately 3,400 kilometers of gas gathering pipelines in Canada
- Approximately 3,300 kilometers of long-haul pipelines and approximately 3,900 kilometers of conventional pipelines in Canada
- One petrochemical processing complex in Canada

The following table presents our partnership's share of the key metrics of our midstream segment:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Funds from Operations (FFO)	\$ 196	\$ 146
Maintenance capital expenditures	(14)	(8)
Adjusted Funds from Operations (AFFO)	182	138
Adjusted EBITDA ⁽¹⁾	234	185
Adjusted EBITDA margin ⁽²⁾	55 %	71 %

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

2. Adjusted EBITDA margin is Adjusted EBITDA divided by revenues. Adjusted EBITDA margin is a non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for reconciliation from net income to Adjusted EBITDA; 2021 EBITDA margin of 71% is adjusted for the exceptional gas storage results in the prior year (including the results margin was 79%).

For the three-month period ended March 31, 2022, our midstream operations generated Adjusted EBITDA and FFO of \$234 million and \$196 million compared to \$185 million and \$146 million in the prior year. After normalizing for record gas storage performance in the prior year, FFO increased by \$115 million. Results benefited from the first full quarter contribution of Inter Pipeline, elevated commodity prices leading to increased utilization, and growth initiatives completed at our U.S. gas pipeline in March 2021. Prior year results included an additional 12.5% ownership in our U.S. gas pipeline which was divested in March 2021 and out performance at our gas storage operations driven by favorable market dynamics.

The following table presents the roll-forward of our partnership's share of capital backlog and capital to be commissioned:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Capital backlog, start of period	\$ 245	\$ 8
Impact of acquisitions	—	391
Additional capital project mandates	139	20
Less: capital expenditures	(80)	(174)
Foreign exchange and other	40	—
Capital backlog, end of period	<u>344</u>	<u>245</u>
Construction work in progress	1,999	1,875
Total capital to be commissioned	<u>\$ 2,343</u>	<u>\$ 2,120</u>

As of March 31, 2022, total capital to be commissioned was \$2,343 million compared to \$2,120 million as of December 31, 2021. Capital to be commissioned increased compared to December 31, 2021 from additional capital project mandates that are expected to expand capacity across our Canadian midstream businesses. Capital to be commissioned is primarily related to Inter Pipeline's Heartland facility, a state-of-the-art integrated petrochemical complex currently under construction in western Canada and expected to come online by the end of 2022.



Data

Our data segment is comprised of critical infrastructure servicing customers in the telecommunications, fiber and data storage sectors. Our data transmission and distribution operations provide essential services and infrastructure to the media broadcasting and telecom sectors, while our data storage operations provide high-performance physical hosting and infrastructure to enterprises ranging from small workloads to hyperscale deployments, as well as cloud consulting and engineering services. The majority of these services and access to infrastructure are contracted on a medium to long-term basis (up to 30 years) with inflation escalation mechanisms, leading to predictable recurring revenues and cash flows.

Our data transmission and distribution customer base includes large, prominent telecommunications companies in France, the U.K., and India, and retail, wholesale and enterprise customers in New Zealand. Within our data storage operations, we have approximately 1,000 colocation customers, predominantly in the United States that are diversified across multiple industries, and global hyperscale customers in Asia Pacific and South America.

Our objectives for the data segment are to invest capital to enhance and expand our service offerings while providing safe, reliable and secure access to our properties. If we are able to achieve these objectives, we believe we will be able to attract new customers and maintain low levels of churn on existing customers. Our performance in both our data transmission and distribution and data storage businesses can be measured by the growth in revenues and Adjusted EBITDA margin improvements.

Our data segment is comprised of the following:

Data Transmission & Distribution

- Approximately 152,000 operational telecom towers in India
- Approximately 8,000 multi-purpose towers and active rooftop sites in France
- 10,000 kilometers of fiber backbone located in France and Brazil
- Approximately 1,600 cell sites and over 12,000 kilometers of fiber optic cable in New Zealand
- Approximately 2,100 active telecom towers, and over 70 distributed antenna systems, primarily in the U.K.

Data Storage

- Approximately 50 data centers, with approximately 1.4 million square feet of raised floors located in five continents
- Approximately 200 megawatts of critical load capacity

Results of Operations

The following table presents our partnership's share of the key metrics of our data segment:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Funds from Operations (FFO)	\$ 58	\$ 60
Maintenance capital expenditures	(9)	(10)
Adjusted Funds from Operations (AFFO)	49	\$ 50
Adjusted EBITDA ⁽¹⁾	\$ 83	\$ 82
Adjusted EBITDA margin ⁽²⁾	55 %	55 %
Growth capital expenditures	\$ 63	\$ 42

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

2. Adjusted EBITDA margin is Adjusted EBITDA divided by revenues. Adjusted EBITDA margin is a non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for reconciliation from net income to Adjusted EBITDA.

For the three-month period ended March 31, 2022, our data segment generated FFO of \$58 million compared with \$60 million in the same period of the prior year. Results benefited from strong underlying growth from additional points-of-presence and inflationary tariff escalators. Results were also impacted by foreign exchange and customer churn at our U.S. data center business.

The following table presents our partnership's share of Adjusted EBITDA and FFO for each business in this operating segment:

US\$ MILLIONS	Adjusted EBITDA ⁽¹⁾		FFO	
	For the three-month period ended March 31		For the three-month period ended March 31	
	2022	2021	2022	2021
Data Transmission & Distribution	\$ 74	\$ 71	\$ 53	\$ 53
Data Storage	9	11	5	7
Total	\$ 83	\$ 82	\$ 58	\$ 60

1. Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.

For the three-month period ended March 31, 2022, our data transmission and distribution operations generated Adjusted EBITDA of \$74 million and FFO of \$53 million, compared to \$71 million and \$53 million, respectively, in the prior year. Adjusted EBITDA benefited from additional points-of-presence at our Indian telecom operation and our French telecom business where we have added ~14,000 towers and ~350 points-of-presence over the last twelve months, respectively. FFO was impacted by foreign exchange and higher borrowing costs.

For the three-month period ended March 31, 2022, our data storage operations generated Adjusted EBITDA of \$9 million and FFO of \$5 million, compared to \$11 million and \$7 million, respectively, in the prior year. Adjusted EBITDA and FFO decreased as the contribution from 13 megawatts of capacity constructed at our South American data storage business over the last twelve months was more than offset by customer churn at our U.S. data center operation.

The following table presents the roll-forward of our partnership's share of capital backlog and capital to be commissioned:

US\$ MILLIONS	For the three-month period ended March 31, 2022	For the 12 month period ended December 31, 2021
Capital backlog, start of period	\$ 394	\$ 367
Additional capital project mandates	89	307
Less: capital expenditures	(63)	(266)
Foreign exchange and other	(9)	(14)
Capital backlog, end of period	411	394
Construction work in progress	107	100
Total capital to be commissioned	\$ 518	\$ 494

As of March 31, 2022, total capital to be commissioned was \$518 million compared to \$494 million as of December 31, 2021. Capital to be commissioned increased compared to December 31, 2021 as additional capital project mandates more than offset capital commissioned during the period and the impact of foreign exchange. Capital to be commissioned includes approximately \$165 million related to the build-out of additional contracted towers and new tenancies at our Indian telecom towers business, as well as approximately \$170 million related to roll-out of our fiber-to-the-home program and additional points-of-presence at our French telecom business. Capital to be commissioned also includes approximately \$145 million at our data storage operations to increase the capacity of our data storage network with the build-out of new sites or expansion of existing data centers.

Recent Developments

Subsequent to quarter-end, Brookfield Infrastructure agreed to acquire Uniti Group Ltd. ("Uniti") in a A\$3.7 billion take private transaction through a 50/50 joint venture partnership with another infrastructure investor. Total Brookfield equity required for the investment is estimated to be \$850 million (BIP's share – approximately \$200 million). Uniti is a provider of wholesale and retail telecommunications services to customers and businesses in Australia.



The following table presents the components of our Corporate segment, at our partnership's share:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Adjusted EBITDA ⁽¹⁾	\$ (121)	\$ (95)
Funds from Operations (FFO)	(113)	(103)

1. *Non-IFRS measure. Refer to the "Reconciliation of Segment Adjusted EBITDA" section of this MD&A for a reconciliation from net income.*

For the three-month period ended March 31, 2022, Adjusted EBITDA and FFO for our Corporate segment were losses of \$121 million and \$113 million, compared to \$95 million and \$103 million, respectively, in the prior year. Results of our Corporate segment are mainly driven by management fees. Pursuant to our Master Services Agreement, we pay Brookfield an annual base management fee equal to 1.25% of the combined market value of our partnership and BIPC plus preferred units outstanding and net recourse debt. The base management fee of \$118 million increased over the prior year due to a higher unit price and a higher unit count from capital market activity used to fund new growth initiatives.

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES

We focus on FFO to measure operating performance, along with IFRS measures such as net income. In addition, we also assess AFFO, Adjusted EBITDA and Invested Capital.

Adjusted EBITDA, FFO, AFFO and Invested Capital are presented based on our partnership's share of results in operations accounted for using the consolidation and the equity method whereby we either control or exercise significant influence or joint control over the investment, respectively. Adjusted EBITDA, FFO, AFFO and Invested Capital are not, and are not intended to be, presented in accordance with IFRS. Under IFRS, we are not considered to control those entities that have not been consolidated and as such, have been presented as investments in associates or joint ventures in Note 9 of our partnership's financial statements included herein. The presentation of the assets and liabilities and revenues and expenses do not represent our legal claim to such items, and the removal of financial statement amounts that are attributable to non-controlling interests does not extinguish our partnership's legal claims or exposures to such items.

As a result, segment revenues, costs attributable to revenues, general and administrative costs, interest expense, depreciation and amortization, deferred income taxes and other income (expenses) corresponding to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations are reconciling items that will differ from results presented in accordance with IFRS as these reconciling items include our partnership's share of earnings from investments in associates attributable to each of the above-noted items, and exclude the share of earnings (losses) of consolidated investments not held by our partnership apportioned to each of the above-noted items.

We provide financial results attributable to the partnership because we believe they assist investors and analysts in estimating our overall performance and understanding our partnership's share of results from its underlying investments which have varying economic ownership interests and financial statement presentations when determined in accordance with IFRS. We believe our presentation, when read in conjunction with our partnership's reported results under IFRS, provides the most meaningful assessment of how our operations are performing and capital is being managed. The presentation of Adjusted EBITDA, FFO, AFFO and Invested Capital has limitations as an analytical tool, including the following:

- The amounts shown on the individual line items were derived by applying our overall economic ownership interest percentage determined when applying the equity method of accounting and do not necessarily represent our legal claim to the assets and liabilities, or the revenues and expenses;
- Other companies may calculate results attributable to the partnership or common equity differently than we do.

Because of these limitations, our financial information presented based on the partnership's share in the underlying operations should not be considered in isolation or as a substitute for our financial statements as reported under IFRS.

See the "Reconciliation of Non-IFRS Financial Measures" section of this MD&A for a reconciliation of segment results to our statement of operating results in accordance with IFRS along with a break-down of each of the reconciling items by type and by operating segment.

Net income is the most directly comparable IFRS measure to FFO, AFFO and Adjusted EBITDA. Partnership capital is the most directly comparable IFRS measure to Invested Capital. We urge investors to review the IFRS financial measures within the MD&A and to not rely on any single financial measure to evaluate our partnership.

FFO has limitations as an analytical tool:

- FFO does not include depreciation and amortization expense; because we own capital assets with finite lives, depreciation and amortization expense recognizes the fact that we must maintain or replace our asset base in order to preserve our revenue generating capability;
- FFO does not include deferred income taxes, which may become payable if we own our assets for a long period of time;
- FFO does not include the impact of mark-to-market on hedging items;
- FFO does not include other income (expenses) corresponding to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations;
- our definition of FFO may differ from the definition used by other organizations, and is different than the definition of Funds from Operations used by REALPAC and NAREIT, in part because the NAREIT definition is based on U.S. GAAP, as opposed to IFRS.

FFO is a key measure that we use to evaluate the performance of our operations and forms the basis for our partnership's distribution policy.

We believe that FFO, when viewed in conjunction with our IFRS results, provides a more complete understanding of factors and trends affecting our underlying operations. FFO allows us to evaluate our businesses on the basis of cash return on invested capital by removing the effect of non-cash and other items.

We add back depreciation and amortization to remove the implication that our assets decline in value over time since we believe that the value of most of our assets will be sustained over time, provided we make all necessary maintenance expenditures. We add back deferred income taxes because we do not believe this item reflects the present value of the actual cash tax obligations we will be required to pay, particularly if our operations are held for a long period of time. We add back the impact of mark-to-market on hedging items which indicate a point-in-time approximation of value on items we consider long-term. Finally, we add back other income (expenses) that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations.

In addition, we focus on AFFO, which is defined as FFO less capital expenditures required to maintain the current performance of our operations (maintenance capital expenditures). While FFO provides a basis for assessing current operating performance, it does not take into consideration the cost to sustain the operating performance of our partnership's asset base. In order to assess the long-term, sustainable operating performance of our businesses, we observe that in addition to FFO, investors use AFFO by taking into account the impact of maintenance capital expenditures.

We also focus on Adjusted EBITDA. Adjusted EBITDA provides a supplemental understanding of the performance of our business and enhanced comparability across periods and relative to our peers. In addition to the adjustments to FFO, Adjusted EBITDA excludes the impact of interest expense and current income taxes to remove the effect of our current capital structure and tax profile in assessing the operating performance of our businesses.

Invested Capital, which tracks the amount of capital that has been contributed to our partnership, is a measure we utilize to assess returns on capital deployed, relative to targeted returns. Investment decisions are based on, amongst other measures and factors, targeted returns on Invested Capital of 12% to 15% annually over the long term. We define Invested Capital as partnership capital removing the following items: non-controlling interest - in operating subsidiaries, retained earnings or deficit, accumulated other comprehensive income and ownership changes. We measure return on Invested Capital as AFFO, less estimated returns of capital on operations that are not perpetual in nature, divided by the weighted average Invested Capital for the period. Our partnership completes our estimate of returns of capital by reviewing the cash flow profile over the economic useful life of limited life businesses as underwritten, and estimating the percentage of cash flows generated in a given year. This percentage is then applied to our invested capital to determine how much capital we believe was returned in the current year.

A reconciliation of the most closely-related IFRS measure, net income, to FFO and AFFO is as follows:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Net income	\$ 294	\$ 413
Add back or deduct the following:		
Depreciation and amortization expense	544	469
Share of earnings from investments in associates and joint ventures	(54)	(67)
FFO contribution from investments in associates and joint ventures	206	185
Deferred tax expense	18	40
Mark-to-market on hedging items	32	(35)
Other expenses ⁽¹⁾	19	4
FFO attributable to non-controlling interests ⁽²⁾	(566)	(578)
FFO	493	431
Maintenance capital expenditures	(69)	(52)
AFFO	424	379

- Other expenses corresponds to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations. Other income and expenses excluded from FFO primarily includes asset retirement obligation and deferred consideration accretion expense, remeasurement of borrowings and amortization of deferred financing costs, acquisition costs, gains on dispositions of subsidiaries, associates, and joint ventures, and fair value remeasurement gains/losses. There are no items within other expenses that are individually significant.*
- Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries. By adjusting FFO attributable to non-controlling interests, our partnership is able to remove the portion of FFO earned at non-wholly owned subsidiaries that is not attributable to the partnership.*

All reconciling amounts from net income to FFO presented above are taken directly from our partnership's consolidated financial statements, and in the case of "FFO contribution from investments in associates and joint ventures" and "FFO attributable to non-controlling interests", our partnership's share of FFO relating thereto are derived using the accounting policies consistent with those applied in our partnership's consolidated financial statements; FFO for these items is calculated on the same basis as consolidated entities, as disclosed above, and is calculated by applying the same ownership percentages used in calculating our partnership's share of equity accounted income and the corresponding elimination of non-controlling interests in accordance with IAS 28, Investments in Associates and Joint Ventures and IFRS 10, Consolidated Financial Statements, respectively.

For the three-month period ended March 31, 2022, the difference between net income and FFO is predominantly due to depreciation and amortization, FFO contribution from investments in associates and joint ventures, and FFO attributable to non-controlling interests. Depreciation and amortization increased from the prior year due to incremental charges from recently completed acquisitions, higher asset values following our annual revaluation process and capital expenditures made during the year. FFO attributable to non-controlling interests decreased from the prior year as contributions from acquisitions and organic growth were partially offset by dispositions. In addition, prior year results benefited from exceptional performance our North American gas storage business due to extreme weather dynamics in the U.S. FFO contribution from investments in associates and joint ventures increased from the prior year as a result of the acquisition of our U.S. LNG export facility and the partial disposition of our Australian export terminal which resulted in a change in the basis of presentation from consolidation to the equity method.

The difference between net income and AFFO is due to the aforementioned items, in addition to maintenance capital expenditures of \$69 million for the three-month period ended March 31, 2022 (2021: \$52 million).

The following table reconciles net income, the most directly comparable IFRS measure, to Adjusted EBITDA, a non-IFRS measure:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Net income	\$ 294	\$ 413
Add back or deduct the following:		
Depreciation and amortization expense	544	469
Interest expense	409	355
Share of earnings from investments in associates and joint ventures	(54)	(67)
Adjusted EBITDA contributions from investments in associates and joint ventures	286	255
Income tax expense	138	134
Mark-to-market on hedging items	32	(35)
Other income	(35)	(27)
Adjusted EBITDA attributable to non-controlling interests ⁽¹⁾	(909)	(869)
Adjusted EBITDA	\$ 705	\$ 628

1. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries

All reconciling amounts presented above are taken directly from our partnership's consolidated financial statements, and in the case of "Adjusted EBITDA contributions from investments in associates and joint ventures" and "Adjusted EBITDA attributable to non-controlling interests", our partnership's share of Adjusted EBITDA relating thereto are derived using the accounting policies consistent with those applied in our partnership's consolidated financial statements. Adjusted EBITDA for these items is calculated on the same basis as consolidated entities, as disclosed above, and is calculated by applying the same ownership percentages used in calculating our partnership's share of equity accounted income and the corresponding elimination of non-controlling interests in accordance with IAS 28, Investments in Associates and Joint Ventures and IFRS 10, Consolidated Financial Statements, respectively.

For the three-month period ended March 31, 2022, the difference between net income and Adjusted EBITDA is predominantly due to depreciation and amortization, interest expense, Adjusted EBITDA contributions from investments in associates and joint ventures, and Adjusted EBITDA attributable to non-controlling interests. Depreciation and amortization increased from prior year due to incremental charges from recently completed acquisitions, higher asset values following our annual revaluation process and capital expenditures made during the year. Interest expense increased from the prior year due to additional borrowings associated with businesses acquired during the year. Adjusted EBITDA contributions from investments in associates and joint ventures increased from the prior year as a result of the acquisition of our Australian regulated utility and strong performance at our U.S. LNG export terminal from continued strength in LNG prices and capital commissioned. Adjusted EBITDA attributable to non-controlling interests increased from the prior year predominantly due to acquisitions completed during the past year and organic growth.

Net income per limited partnership unit is the most directly comparable IFRS measure for per unit FFO. The following table reconciles net income per limited partnership unit, the most directly comparable IFRS measure, to FFO per unit, a non-IFRS financial metric:

US\$ MILLIONS, EXCEPT PER UNIT AMOUNTS⁽¹⁾	For the three-month period ended March 31	
	2022	2021
Net (loss) income per limited partnership unit ⁽¹⁾	\$ (0.02)	\$ 0.27
Add back or deduct the following:		
Depreciation and amortization expense	0.63	0.60
Deferred income taxes	0.02	0.06
Mark-to-market on hedging items	0.07	(0.04)
Valuation losses and other ⁽²⁾	0.26	0.04
Per unit FFO⁽³⁾	\$ 0.96	\$ 0.93

1. Average number of limited partnership units outstanding on a time weighted average basis for the three-month period ended March 31, 2022 was 305.3 million (2021: 295.4 million).

2. Refer to the reconciliation of net income attributable to the partnership to FFO above for a description of balances included within other.

3. Average units outstanding during the three-month period ended March 31, 2022 was 514.0 million (2021: 465.0 million).

The following reconciles partnership capital, the most directly comparable IFRS measure, to Invested Capital, a non-IFRS financial metric:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Partnership Capital	\$ 26,975	\$ 26,391
Remove impact of the following items since inception:		
Non-controlling interest - in operating subsidiaries	(16,110)	(15,658)
Deficit	2,830	2,520
Accumulated other comprehensive income	(908)	(543)
Ownership changes and other	(515)	(515)
Invested Capital	\$ 12,272	\$ 12,195

Invested capital increased as a result of the issuance of \$293 million of perpetual notes and \$4 million of limited partnership units, which were partially offset by the redemption of our preferred shares of \$220 million during the three-month period ended March 31, 2022.

The following table presents the change in Invested Capital during the three-month periods ended March 31, 2022 and 2021:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Opening balance	\$ 12,195	\$ 9,213
Net (redemption) issuance of preferred units	(220)	194
Issuance of perpetual subordinated notes	293	—
Issuance of limited partnership units	4	3
Ending balance	\$ 12,272	\$ 9,410
Weighted Average Invested Capital	\$ 12,420	\$ 9,362

We measure return on Invested Capital as AFFO, less estimated returns of capital on operations that are not perpetual in nature, divided by the weighted average Invested Capital for the period. Our partnership completes our estimate of returns of capital by reviewing the cash flow profile over the economic useful life of limited life businesses as underwritten, and estimating the percentage of cash flows generated in a given year. This percentage is then applied to our Invested Capital to determine how much capital we believe was returned in the current year.

AFFO is defined as FFO less maintenance capital expenditures. AFFO for the three-month period ended March 31, 2022 was \$424 million (2021: \$379 million). Estimated returns of capital for the three-month period ended March 31, 2022 was \$36 million (2021: \$39 million).

Our partnership has met its investment return objectives for the three-month period ended March 31, 2022 with returns on Invested Capital of 12% (2021: 15%).

Reconciliation of Segment Adjusted EBITDA

Adjusted EBITDA for each of our operating segments is presented based on our partnership's share of results in operations accounted for using consolidation and the equity method whereby we either control or exercise significant influence over the investment respectively, in order to demonstrate the impact of key value drivers of each of these operating segments on our overall performance. As a result, interest, depreciation and amortization, income taxes, the impact of mark-to-market on hedging items and other income (expenses) corresponding to amounts that are not related to the revenue earning activities and are not normal, recurring cash operating expenses necessary for business operations are reconciling items that will differ from results presented in accordance with IFRS as these reconciling items include our partnership's share of earnings from investments in associates and joint ventures attributable to each of the above-noted items, and exclude the share of earnings (loss) of consolidated investments not held by the partnership apportioned to each of the above-noted items.

The following tables reconcile each segment's Adjusted EBITDA to consolidated segment net income in accordance with IFRS:

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2022 US\$ MILLIONS						
	Utilities	Transport	Midstream	Data	Corporate	Total
Consolidated segment net income	\$ 307	\$ 74	\$ 82	\$ (9)	\$ (160)	\$ 294
Add back or deduct the following:						
Depreciation and amortization	137	144	152	111	—	544
Interest expense	130	77	69	108	25	409
Share of (earnings) losses from investments in associates and joint ventures ⁽¹⁾	(6)	(22)	(19)	(8)	1	(54)
Adjusted EBITDA contributions from investments in associates and joint ventures ⁽¹⁾	24	155	61	46	—	286
Income tax expense	135	(8)	4	4	3	138
Mark-to-market on derivative contracts	(10)	(7)	32	2	15	32
Other (income) expenses	(80)	36	16	(2)	(5)	(35)
Adjusted EBITDA attributable to non-controlling interests ⁽¹⁾	(383)	(194)	(163)	(169)	—	(909)
Adjusted EBITDA	\$ 254	\$ 255	\$ 234	\$ 83	\$ (121)	\$ 705

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021 US\$ MILLIONS						
	Utilities	Transport	Midstream	Data	Corporate	Total
Consolidated segment net income	\$ 199	\$ 56	\$ 218	\$ 28	\$ (88)	\$ 413
Add back or deduct the following:						
Depreciation and amortization	161	158	43	107	—	469
Interest expense	86	92	35	115	27	355
Share of (earnings) losses from investments in associates and joint ventures	(32)	(5)	(30)	(2)	2	(67)
Adjusted EBITDA contributions from investments in associates and joint ventures	17	121	73	44	—	255
Income tax expense	81	16	23	1	13	134
Mark-to-market on derivative contracts	(1)	(16)	(8)	1	(11)	(35)
Other expenses (income)	41	18	13	(61)	(38)	(27)
Adjusted EBITDA attributable to non-controlling interests ⁽¹⁾	(329)	(207)	(182)	(151)	—	(869)
Adjusted EBITDA	\$ 223	\$ 233	\$ 185	\$ 82	\$ (95)	\$ 628

1. Amounts attributable to non-controlling interests are calculated based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries.

CAPITAL RESOURCES AND LIQUIDITY

The nature of our asset base and the quality of our associated cash flows enable us to maintain a stable and low-cost capital structure. We attempt to maintain sufficient financial liquidity at all times so that we are able to participate in attractive opportunities as they arise, better withstand sudden adverse changes in economic circumstances and maintain our distribution to unitholders. Our principal sources of liquidity are cash flows from our operations, undrawn credit facilities and access to public and private capital markets. We also structure the ownership of our assets to enhance our ability to monetize them to provide additional liquidity, if necessary. In certain instances, subsidiaries may be subject to limitations on their ability to declare and pay dividends to our partnership. However, no significant limitations existed at March 31, 2022 and December 31, 2021.

Our group-wide liquidity at March 31, 2022, consisted of the following:

US\$ MILLIONS	As of		
	Adjusted ⁽¹⁾	March 31, 2022	December 31, 2021
Corporate cash and financial assets	\$ 498	\$ 498	\$ 683
Committed corporate credit facility ⁽²⁾	1,975	2,975	2,975
Subordinate corporate credit facility	1,000	500	500
Draws under corporate credit facility ⁽²⁾	(224)	(479)	—
Commitments under corporate credit facility	(12)	(12)	(12)
Commercial paper ⁽²⁾	(391)	(391)	(431)
Partnership's share of cash retained in businesses	1,016	1,016	729
Partnership's share of availability under subsidiary credit facilities	1,022	1,022	936
Group-wide liquidity	\$ 4,884	\$ 5,129	\$ 5,380

- Liquidity presented on an adjusted basis to reflect the maturity of our \$1 billion temporary bulge facility on April 14, 2022, a \$500 million increase of our subordinated corporate credit facility in April 2022, approximately \$475 million of medium-term notes issued in April 2022, and \$220 million to fund the acquisition of Intellihub.
- Includes a \$1,975 million committed corporate credit facility and a \$1 billion temporary bulge facility. As of March 31, 2022, our temporary bulge facility was undrawn, we had \$479 million drawn on our committed corporate credit facility and we had commercial paper outstanding of \$391 million.

We believe that group-wide liquidity is sufficient to meet Brookfield Infrastructure's present requirements. We finished the quarter with group-wide liquidity of \$5.1 billion, a decrease over our liquidity position as at December 31, 2021 due to approximately \$500 million deployed this quarter to acquire an Australian regulated utility.

We finance our assets principally at the operating company level with debt that generally has long-term maturities, few restrictive covenants and no recourse to either Brookfield Infrastructure or our other operations.

On a consolidated basis as of March 31, 2022, scheduled principal repayments over the next five years are as follows:

US\$ MILLIONS	Average Term (years)	For the one-year period ended March 31							Total
		2023	2024	2025	2026	2027	Beyond		
Corporate borrowings ⁽¹⁾	12	\$ —	\$ 560	\$ —	\$ —	\$ —	\$ 1,769	\$ 2,329	
Non-recourse borrowings	7	2,967	3,286	3,618	2,922	4,240	10,575	27,608	

- Corporate borrowings and the average term to maturity are presented on an adjusted basis to exclude draws on our corporate credit facility, commercial paper issuances and deferred financing costs and other. Refer to Note 10, Borrowings, for further details.

Debt attributable to the partnership (see definition of debt attributable to the partnership below), a non-IFRS measure we use to assess our liquidity, can be reconciled to consolidated debt as follows:

Proportionate debt, a non-IFRS measure to assess liquidity, can be reconciled to consolidated debt as follows:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Consolidated debt	\$ 30,763	\$ 29,253
Add: partnership's share of debt of investments in associates:		
Utilities	1,072	448
Transport	3,700	3,290
Midstream	721	731
Data	919	887
Add: partnership's share of debt directly associated with assets held for sale	19	18
Less: borrowings attributable to non-controlling interest	(16,103)	(15,283)
Premium on debt and cross currency swaps	(322)	(430)
Debt attributable to the partnership	\$ 20,769	\$ 18,914

Net debt, a non-IFRS liquidity measure used to assess debt attributable to partnership net of the partnership's share of cash and cash equivalents, is as follows:

US\$ MILLIONS	As of	
	March 31, 2022	December 31, 2021
Debt attributable to the partnership		
Utilities	\$ 4,816	\$ 3,907
Transport	5,522	5,066
Midstream	5,553	5,570
Data	1,698	1,652
Corporate	3,180	2,719
Total debt attributable to the partnership	\$ 20,769	\$ 18,914
Partnership's share of cash retained in businesses⁽¹⁾		
Utilities	\$ 445	\$ 213
Transport	439	357
Midstream	40	40
Data	92	119
Corporate	498	683
Total partnership's share of cash retained in businesses	\$ 1,514	\$ 1,412
Net debt		
Utilities	\$ 4,371	\$ 3,694
Transport	5,083	4,709
Midstream	5,513	5,530
Data	1,606	1,533
Corporate	2,682	2,036
Total net debt	\$ 19,255	\$ 17,502

1. The partnership's share of cash retained in the businesses includes \$492 million of cash and cash equivalents attributable to the partnership held by its investments in associates and joint ventures accounted for using the equity method and excludes \$294 million of amounts attributable to non-controlling interests based on the economic ownership interests held by non-controlling interests in consolidated subsidiaries.

As of March 31, 2022, our partnership's share of scheduled principal repayments over the next five years are as follows:

US\$ MILLIONS	Average Term (years)	2022	2023	2024	2025	2026	Beyond	Total
Recourse borrowings								
Corporate borrowings ⁽¹⁾	12	\$ —	\$ —	\$ 560	\$ —	\$ —	\$ 1,769	\$ 2,329
Total recourse borrowings	12	—	—	560	—	—	1,769	2,329
Non-recourse borrowings⁽²⁾								
Utilities								
Commercial & Residential Distribution	11	61	309	90	264	187	1,732	2,643
Regulated Transmission	8	91	393	398	73	119	1,099	2,173
	10	152	702	488	337	306	2,831	4,816
Transport								
Rail	4	22	200	368	175	411	260	1,436
Toll Roads	8	65	125	142	138	132	631	1,233
Diversified Terminals	6	35	218	293	482	148	1,677	2,853
	6	122	543	803	795	691	2,568	5,522
Midstream⁽³⁾	6	424	330	919	1,007	458	2,415	5,553
Data								
Data Transmission & Distribution	6	60	83	190	174	255	636	1,398
Data Storage	4	1	15	17	166	101	—	300
	6	61	98	207	340	356	636	1,698
Total non-recourse borrowings^{(2),(4)}	7	759	1,673	2,417	2,479	1,811	8,450	17,589
Total borrowings⁽⁵⁾	8	\$ 759	\$ 1,673	\$ 2,977	\$ 2,479	\$ 1,811	\$10,219	\$19,918
Percentage of total borrowings		4 %	8 %	15 %	12 %	9 %	52 %	100 %

1. Corporate borrowings and the average term to maturity are presented on an adjusted basis to exclude draws on our corporate credit facility, commercial paper issuances and deferred financing costs and other. Refer to Note 10, Borrowings, for further details. The calculation of net debt in the table above excludes these adjustments.
2. Represents non-recourse debt to Brookfield Infrastructure as the holders have recourse only to the underlying operations.
3. Commercial paper obligations at Inter Pipeline are fully backstopped by their credit facility, and have been presented in the table above in accordance with its related maturity.
4. As of March 31, 2022, approximately \$61 million of proportionate net debt was in breach of asset-level financial covenants. This equates to less than 1% of total proportionate debt of the partnership. We anticipate being able to refinance or obtain waivers from our financial institutions and accordingly presented the debt in the contractually obligated year of maturity.
5. As of March 31, 2022, approximately 37% has been issued as floating rate debt. Brookfield Infrastructure and its subsidiaries have entered into interest rate swaps whereby the floating rate debt has been converted to fixed rate debt, effectively reducing floating rate debt maturities to approximately 27% of our total borrowings. Excluding working capital and capital expenditure facilities, floating rate debt maturities are approximately 23% of our total borrowings, inclusive of the impact of interest rate swaps.

Our asset-level debt has an average term of seven years. On a proportionate basis, our net debt-to-capitalization ratio, defined as proportionate net debt divided by proportionate net debt plus invested capital, as of March 31, 2022 was 61%. The weighted average cash interest rate is 4.6% for the overall business (March 31, 2021: 4.3%), in which our utilities, transport, midstream, data and corporate segments were 5.9%, 5.1%, 4.0%, 4.2%, and 3.0%, respectively (March 31, 2021: 3.9%, 4.8%, 5.7%, 4.7%, and 3.6%).

We define “debt attributable to the partnership,” which is a non-IFRS measure, as our partnership's share of borrowing obligations relating to our investments in various portfolio businesses. Net debt is debt attributable to the partnership, net of the partnership's share of cash and cash equivalents. Our partnership's share of cash and cash equivalents is calculated as cash and cash equivalent as reported under IFRS, plus our share of cash and cash equivalents held by investments in associates and joint ventures, less the amounts attributable to non-controlling interests.

Debt attributable to the partnership and net debt are not, and are not intended to be, presented in accordance with IFRS. We believe our presentation, when read in conjunction with our partnership's reported results under IFRS, including consolidated debt, provides a more meaningful assessment of how our operations are performing and capital is being managed. The presentation of debt attributable to the partnership and net debt has limitations as an analytical tool, including the following:

- Debt attributable to the partnership and net debt amounts do not represent our consolidated obligation for debt underlying a consolidated investment. If an individual project does not generate sufficient cash flows to service the entire amount of its debt payments, our partnership may determine, in our discretion, to pay the shortfall through an equity injection to avoid defaulting on the obligation. Such a shortfall may not be apparent from or may not equal the difference between aggregate proportionate Adjusted EBITDA for all of our portfolio investments and aggregate debt attributable to the partnership for all of our portfolio investments; and
- Other companies may calculate debt attributable to the partnership and net debt differently than we do.

Debt attributable to the partnership and net debt are presented to assist investors in understanding the capital structure of our underlying investments that are consolidated in our financial statements but are not wholly-owned. When used in conjunction with Adjusted EBITDA, both metrics are expected to provide useful information as to how the partnership has financed its businesses at the asset-level and provides a view into our return on capital that we invest at a given degree of leverage. Further, the partnership participates in arrangements such as joint ventures or consortiums which provide it with access to partners with local strategic expertise and substantial amounts of capital. When investing in such arrangements, which are not consolidated for financial statement purposes, the partnership nevertheless maintains joint control or significant influence over the business, and is therefore, not a passive investor. We structure governance arrangements to require each of our businesses to distribute all available cash (which is generally defined as cash on hand less any amounts reserved for committed growth projects as approved by the investment's Board of Directors), ensuring that any decision to not distribute all available cash flow requires our express consent. Consequently, the partnership has access to operating cash flows generated by all of our businesses, including joint ventures and any other non-consolidated investments.

SUPPLEMENTAL FINANCIAL INFORMATION

The information below is being provided pursuant to Rule 13-01 of Regulation S-X. Our partnership may fully and unconditionally guarantee, and one or more of Holding LP, BIP Bermuda Holdings I Limited (“Bermuda Holdco”), Brookfield Infrastructure Finance ULC (“Alberta Finco”), Brookfield Infrastructure Holdings (Canada) Inc. (“Can Holdco”), Brookfield Infrastructure US Holdings I Corporation (“US Holdco”) and BIPC Holdings Inc. (“BIPC Holdings”, and together with our partnership, Holding LP, Alberta Finco (in the case of debt securities issued by Bermuda Holdco) and Bermuda Holdco (in the case of debt securities issued by Alberta Finco), Can Holdco, and US Holdco, the “Guarantors”) may also guarantee the payment of principal, premium (if any), interest and certain other senior or subordinated debt securities issued by Alberta Finco and Bermuda Holdco, as applicable.

The following tables present summarized financial information for the following:

- our partnership;
- Alberta Finco and Bermuda Holdco (together, the “Fincos”); and
- the Guarantors

For purposes of the tables below, “Fincos and Guarantors” refers to each of the entities identified above, without duplication.

For the three-month period ended March 31, 2022 US\$ MILLIONS	Statement of Operating Results			
	Finco and Guarantors total	Revenues from (expenses paid to) non-Guarantor subsidiaries	Revenues from (expenses paid to) other related parties	Revenues from (expenses paid to) other
Revenues ⁽¹⁾	\$ —	\$ —	\$ —	\$ —
Gross profit	—	—	—	—
Other income ⁽²⁾	3,625	3,624	—	1
Net income	3,476	3,592	(90)	(27)
For the twelve-month period ended December 31, 2021				
Revenues ⁽¹⁾	\$ —	\$ —	\$ —	\$ —
Gross profit	—	—	—	—
Other income ⁽²⁾	1,971	1,969	—	2
Net income	1,392	1,812	(303)	(117)

1. Total revenues of our Partnership and its controlled subsidiaries were \$11,537 million and \$3,411 million for the year ended December 31, 2021 and three-month period ended March 31, 2022, respectively.

2. Other income includes dividend and interest income.

As of March 31, 2022 US\$ MILLIONS	Statement of Financial Position			
	Finco and Guarantors total	Amounts due from/payable to non-Guarantor subsidiaries	Amounts due from/payable to other related parties	Amounts due from/payable to other
Current assets	\$ 612	\$ 535	\$ —	\$ 77
Total assets ⁽¹⁾	1,533	1,454	—	79
Current liabilities	4,111	3,188	116	807
Total liabilities	6,801	3,544	136	3,121
As of December 31, 2021				
Current assets	\$ 524	\$ 470	\$ —	\$ 54
Total assets ⁽¹⁾	1,438	1,383	—	55
Current liabilities	3,806	3,247	108	451
Total liabilities	9,568	6,694	128	2,746

1. Total assets of our partnership and its controlled subsidiaries were \$73,961 million and \$76,709 million as of December 31, 2021 and March 31, 2022, respectively.

Alberta Finco

Alberta Finco is an indirect wholly-owned subsidiary of our partnership incorporated under the Business Corporations Act (Alberta) on May 22, 2012. In May 2021, Alberta Finco issued \$250 million of Subordinated Notes due 2081 at a fixed rate of 5.000% per annum (the “Alberta Finco Notes”), which will mature on May 24, 2081. The Alberta Finco Notes were issued pursuant to the first supplemental indenture, dated as of May 24, 2021, to the indenture, as of May 24, 2021 by and among Alberta Finco, our partnership, the other Guarantors (other than Alberta Finco) and Computershare Trust Company, N.A. and Computershare Trust Company of Canada, as trustees (as supplemented by the first supplemental indenture, the “Alberta Finco Indenture”). The Alberta Finco Notes permit the deferral of interest at the discretion of Alberta Finco; however, if Alberta Finco has deferred interest then under the terms of the Alberta Finco Indenture, our partnership is restricted on paying distributions on or redeeming, purchasing or otherwise retiring any of our units or preferred units, and from paying interest on certain indebtedness. The Alberta Finco Notes are redeemable at Alberta Finco’s option on or after May 24, 2026. The Alberta Finco Notes are also redeemable in connection with certain ratings and tax events. A portion of the proceeds of the Alberta Finco Notes was used to redeem our Series 5 Preferred Units on September 30, 2021, and the remainder for general corporate purposes. The Alberta Finco Notes are fully and unconditionally guaranteed by our partnership and are also guaranteed by the other Guarantors (other than Alberta Finco). The Alberta Finco Notes, including any accrued and unpaid interest thereon, will be exchanged automatically, without the consent or action of the holders thereof, into Class A Preferred Units, Series 15, upon the occurrence of certain bankruptcy-related events.

Bermuda Holdco

Bermuda Holdco is an indirect wholly-owned subsidiary of our partnership incorporated under the Companies Act 1981 of Bermuda on November 9, 2007. In January 2022, Bermuda Holdco issued \$300 million of Perpetual Subordinated Notes at a fixed rate of 5.125% per annum (the “Bermuda Holdco Notes”). The Bermuda Holdco Notes were issued pursuant to the first supplemental indenture, dated as of January 21, 2022, to the indenture, as of January 21, 2022, by and among Bermuda Holdco, our partnership, the other Guarantors (other than Bermuda Holdco) and Computershare Trust Company, N.A. and Computershare Trust Company of Canada, as trustees (as supplemented by the first supplemental indenture, the “Bermuda Holdco Indenture”). The Bermuda Holdco Notes permit the deferral of interest at the discretion of Bermuda Holdco; however, if Bermuda Holdco has deferred interest then under the terms of the Bermuda Holdco Indenture, then (i) any such deferred interest shall become due and payable on the date Bermuda Holdco declares any distributions on any of Bermuda Holdco’s common shares or preferred shares and (ii) our partnership is restricted on paying distributions on or redeeming, purchasing or otherwise retiring any of our units or preferred units, and from paying interest on certain indebtedness. The Bermuda Holdco Notes are redeemable at Bermuda Holdco’s option on or after January 21, 2027. The Bermuda Holdco Notes are also redeemable in connection with certain ratings and tax events. A portion of the proceeds of the Bermuda Holdco Notes will be used to redeem our Series 7 Preferred Units on March 31, 2022, and any remainder for working capital purposes. The Bermuda Holdco Notes are fully and unconditionally guaranteed by our partnership and are also guaranteed by the other Guarantors (other than Bermuda Holdco).

CAPITAL MANAGEMENT

Our partnership’s approach to capital management is focused on maximizing returns to unitholders and ensuring capital is deployed in a manner consistent with achieving our investment return objectives.

We define Invested Capital as partnership capital removing the impact of the following items: non-controlling interest in operating subsidiaries, retained earnings or deficit, accumulated other comprehensive income and ownership changes.

Invested Capital, which tracks the amount of capital that has been contributed to our partnership, is a measure we utilize to assess returns on capital deployed, relative to targeted returns. Investment decisions are based on, amongst other measures and factors, targeted returns on Invested Capital of 12% to 15% annually over the long term. We measure return on Invested Capital as AFFO, less estimated returns of capital on operations that are not perpetual in nature, divided by the weighted average Invested Capital for the period. Our partnership completes our estimate of returns of capital by reviewing the cash flow profile over the economic useful life of limited life businesses as underwritten, and estimating the percentage of cash flows generated in a given year. This percentage is then applied to our invested capital to determine how much capital we believe was returned in the current year.

Weighted average Invested Capital for the three-month period ended March 31, 2022 was \$12,420 million. Refer to the “Reconciliation of Non-IFRS Financial Measures” section of this MD&A for more details.

CONTRACTUAL OBLIGATIONS

The table below outlines Brookfield Infrastructure's contractual obligations as at March 31, 2022:

US\$ MILLIONS	Payments due by period				Total contractual cash flows
	Less than 1 year	1-2 years	3-5 years	5+ years	
Accounts payable and other liabilities	\$ 3,141	\$ 44	\$ 48	\$ 321	\$ 3,554
Corporate borrowings ⁽¹⁾	391	560	479	1,769	3,199
Non-recourse borrowings	2,967	3,286	10,780	10,574	27,607
Financial liabilities	1,547	141	43	1,615	3,346
Lease liabilities	467	430	1,176	2,821	4,894
Interest expense:					
Corporate borrowings ⁽²⁾	88	86	206	822	1,202
Non-recourse borrowings	883	951	2,113	2,901	6,848

1. Corporate borrowings excludes deferred financing costs and other. Refer to Note 10, Borrowings, for further details.

2. Interest expense on Corporate borrowings include undiscounted interest obligations on \$250 million of subordinated notes maturing May 24, 2081, with a coupon of 5.00% per annum.

In addition, pursuant to the Master Services Agreement, on a quarterly basis we pay a base management fee to Brookfield equal to 0.3125% (1.25% annually) of the market value of our partnership plus net recourse debt. This fee is estimated to be approximately \$472 million per year based on the March 31, 2022 market capitalization of our partnership plus preferred units and recourse corporate net debt.

An integral part of our partnership's strategy is to participate with institutional investors in Brookfield-sponsored private infrastructure funds that target acquisitions that suit Brookfield Infrastructure's profile. In the normal course of business, our partnership has made commitments to Brookfield-sponsored private infrastructure funds to participate in these target acquisitions in the future, if and when identified.

FINANCIAL INSTRUMENTS

Foreign Currency Hedging Strategy

To the extent that we believe it is economic to do so, our strategy is to hedge a portion of our equity investments and/or cash flows exposed to foreign currencies. The following key principles form the basis of our foreign currency hedging strategy:

- We leverage any natural hedges that may exist within our operations
- We utilize local currency debt financing to the extent possible
- We may utilize derivative contracts to the extent that natural hedges are insufficient

The table below presents our hedged position in foreign currencies as of March 31, 2022. The adjusted equity investment balances reflect the book value of our assets as of March 31, 2022 which contains certain limitations when evaluating our hedge exposure. Most importantly, all intangible assets and growth opportunities are not eligible for revaluation. As such, our book values are lower than fair value which is evident in the below table.

US\$ MILLIONS	Foreign Currency Hedges									
	USD ⁽¹⁾	AUD	NZD	GBP	BRL	CAD ⁽²⁾	EUR	PEN	INR	Other
Gross Equity Investments – US\$	\$ 3,037	\$ 1,959	\$ 155	\$ 1,592	\$ 1,911	\$ 3,044	\$ 737	\$ 121	\$ 586	\$ 92
Corporate Items – US\$ ⁽³⁾	(2,297)	—	—	—	—	—	—	—	—	—
Equity Investment – US\$	740	1,959	155	1,592	1,911	3,044	737	121	586	92
FX contracts – US\$	6,543	(1,552)	(155)	(1,332)	(217)	(2,308)	(737)	(10)	(187)	(45)
Net unhedged	\$ 7,283	\$ 407	\$ —	\$ 260	\$ 1,694	\$ 736	\$ —	\$ 111	\$ 399	\$ 47
% of equity investment hedged	N/A	79 %	100 %	84 %	11 %	76 %	100 %	8 %	32 %	49 %

1. USD net equity investment excludes \$389 million of preferred units and \$293 million of perpetual subordinated notes.

2. CAD net equity investment excludes \$601 million of preferred units and preferred shares.

3. Includes medium-term notes, subordinated notes, commercial paper issuances, the deposit from our parent and working capital at the corporate level.

At March 31, 2022, 67% of our net equity investment is U.S. dollar functional. For the three-month period ended March 31, 2022, we recorded losses in comprehensive income of \$37 million (March 31, 2021: gains of \$11 million) related to these contracts.

CAPITAL REINVESTMENT

We fund growth capital expenditures with cash flow generated from operations, supplemented by non-recourse debt sized to investment grade coverage and covenant thresholds. This is designed to ensure that our investments have stable capital structures supported by a substantial level of equity and that cash flows at the asset level can be remitted freely to the partnership. This strategy also underpins our investment grade profile.

To fund large scale development projects and acquisitions, we will evaluate a variety of capital sources including proceeds from selling mature businesses, in addition to raising money in the capital markets through equity, debt and preferred share issuances. Furthermore, the partnership has approximately \$3 billion of committed revolving credit facilities available for investments and acquisitions, as well as funding the equity component of organic growth initiatives. The facilities are intended, and have historically been used, as a bridge to a long-term financing strategy rather than a permanent source of capital.

From a treasury management perspective, the partnership manages its cash reserves with a view of minimizing foreign exchange and administrative costs, as well as enhancing our ability to secure asset level debt financing. While capital is primarily raised at the corporate level to fund the equity component of organic growth capital expenditures, actual funding of projects may be executed by injecting cash into subsidiaries or utilizing operating cash flow generated and retained by the business. Importantly, the physical movement of cash has no relevance on Brookfield Infrastructure's ability to fund capital expenditures or make distributions.

DISTRIBUTION POLICY

Our distributions are underpinned by stable, highly regulated and contracted cash flows generated from operations. Our partnership's objective is to pay a distribution that is sustainable on a long-term basis. Our partnership has set its target payout ratio at 60-70% of FFO. In sizing what we believe to be a conservative payout ratio, we typically retain approximately 15% of FFO to fund the equity component of recurring growth capital expenditures.

The following table presents the partnership's payout ratios:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Net income attributable to the partnership ⁽¹⁾	\$ 70	\$ 190
Funds from Operations (FFO)	493	431
Adjusted Funds from Operations (AFFO)	424	379
Distributions ⁽²⁾	357	303
FFO payout ratio ⁽³⁾	72 %	70 %
AFFO payout ratio ⁽⁴⁾	84 %	80 %

1. Includes net income attributable to limited partners, the general partner, non-controlling interests - Redeemable Partnership Units held by Brookfield, non-controlling interests - Exchange LP Units, non-controlling interests - BIPC Exchangeable LP units and non-controlling interests - BIPC exchangeable shares.

2. Includes partnership distributions, partnership preferred distributions, and perpetual subordinated note distributions.

3. FFO payout ratio is defined as distributions (inclusive of GP incentive, preferred unit distributions, and interest on perpetual notes classified as equity) divided by FFO.

4. AFFO payout ratio is defined as distributions (inclusive of GP incentive, preferred unit distributions, and interest on perpetual notes classified as equity) divided by AFFO.

The partnership's annual distribution is reviewed with the Board of Directors in the first quarter of each year considering the following:

- i) The results from the prior year as well as the budget for the upcoming year and the five-year business plan based on the partnership's share of Funds from Operations generated by our assets;
- ii) The partnership's group-wide liquidity and its ability to fund committed capital investments.

CAPITAL EXPENDITURES

Due to the capital-intensive nature of our partnership's asset base, ongoing capital investment is required for additions and enhancements, life-cycle maintenance and repair of plant and equipment related to our operations. Our partnership reviews all capital expenditures and classifies them in one of the following two categories:

- i) Growth capital expenditures: capital outlays underpinned by incremental revenues that will enhance our partnership's returns. These projects are eligible for inclusion in the rate base of our utilities segment, or they are meant to add capacity to further expand our existing infrastructure networks in our transport, midstream and data operations;
- ii) Maintenance capital expenditures: required capital outlays to maintain the current operating state and reliability of the system while ensuring regulatory and safety requirements are upheld.

We manage separate review and approval processes for each of the two categories of capital expenditures. Growth capital expenditures are underwritten in isolation and must meet our partnership's target after-tax equity return threshold of 12-15%. Projects that meet these return targets are presented to the Capital Expenditure Committee which comprises senior personnel of the General Partner of our partnership. The committee reviews proposed project plans considering the target returns and funding plans, in addition to analyzing the various execution risks associated with these projects. Once a project receives approval from the Capital Expenditure Committee, it is generally added to the backlog.

Maintenance capital expenditures follow a different, though equally robust process, as failure to make necessary investment to maintain our operations could impair the ability of our businesses to serve our customer base or continue existing operations. Firstly, the operations teams involved with a particular business performs a detailed review of all planned and proposed maintenance capital expenditures during the annual budgeting process. These plans are reviewed in the context of the business' maintenance capital approach that is agreed upon with our partnership at the time of acquisition and take into account drivers of performance that include public and worker health and safety, environmental and regulatory compliance, system reliability and integrity. Maintenance capital projects that receive approval at the asset level are then presented to our partnership's corporate asset management teams that are responsible for overseeing our partnership's operations, and have ample experience in managing utilities, transport, midstream and data assets. Through an iterative process with the companies' senior operating executives, the plan is refined through a comprehensive review including prioritization of non-discretionary projects and comparisons to industry benchmarks. Once agreed, maintenance capital expenditure plans are approved and form part of the annual and five-year business plans that are presented to our partnership's senior executive team. Once approved, these maintenance plans are executed in the following year and performance relative to these plans is closely monitored by both the operations and asset management teams.

In addition to the various levels of internal reviews, our partnership engages a reputable, globally recognized engineering services firm annually to perform an independent review of its overall approach to maintenance capital expenditures and detailed capital program. Each year the engineering services firm will review a portion of the portfolio, covering all assets on a rotating basis. For each asset under review in a given year, the engineering services firm will review the historical and forecasted spend against industry standards, regulatory requirements or other benchmarking data, and determine the reasonableness of the maintenance capex program based on the nature of the business and the age and condition of the assets. We have also engaged an accounting firm to review the findings of the report provided by the engineering services firm and to assess the control activities related to our process for compiling the annual sustaining maintenance capital expenditure ranges by segment. The results from the engagements confirm that our stated ranges of annual sustaining maintenance capital expenditures are reasonable and in-line with industry standard for assets of a similar nature.

The following table presents the components of growth capital expenditures by operating segment:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Growth capital expenditures by segment		
Utilities	\$ 112	\$ 124
Transport	55	48
Midstream	80	3
Data	63	42
	<u>\$ 310</u>	<u>\$ 217</u>

Growth capital expenditures for the three-month period ended March 31, 2022 were \$310 million, an increase from \$217 million during the same period in 2021. Growth capital spend increased at our midstream segment due to the build out of a petrochemical complex at Inter Pipeline, which we acquired in the second half of 2021. Growth capital expenditures increased at our data segment from the build out of our Indian telecom operation.

The following table presents the components of maintenance capital expenditures by operating segment:

US\$ MILLIONS	Annual Ongoing Estimated Maintenance Capex		Actual Capex	
			For the three-month period ended March 31	
	Low	High	2022	2021
Maintenance capital expenditures by segment				
Utilities	\$ 40	\$ 50	\$ 9	\$ 5
Transport	150	160	37	29
Midstream	150	160	14	8
Data	35	45	9	10
	<u>\$ 375</u>	<u>\$ 415</u>	<u>\$ 69</u>	<u>\$ 52</u>

Maintenance capital expenditures for the three-month period ended March 31, 2022 were \$69 million, a \$17 million increase from the same period in 2021. Maintenance capital expenditures increased at our transport segment due to periodic maintenance projects at our Indian toll roads and increased at our midstream segment from the acquisition of Inter Pipeline in the second half of 2021. We estimate annual maintenance capital expenditures to be \$40-50 million, \$150-160 million, \$150-160 million, and \$35-45 million for our utilities, transport, midstream, and data segments, respectively, for a total range between \$375-415 million. As at March 31, 2022, our maintenance capital expenditures were below our estimated range primarily due to the timing of seasonal maintenance spend in our midstream segment. Our partnership leverages industry data and benchmarks provided by a global engineering services firm to determine the appropriate maintenance capital ranges as disclosed above.

DEPRECIATION, AMORTIZATION AND RETURN OF CAPITAL ESTIMATES

When determining the fair value, useful life and residual value of essential, long-life infrastructure investments, certain judgments and estimates are used. As a result, our partnership's depreciation and amortization is not directly comparable to the level of capital required to maintain the structural integrity and safety of our physical assets and their operating cash flow profile. There are three distinct limitations with using our partnership's accounting depreciation as a proxy for annual maintenance capital requirements which are as follows:

- i) The partnership has elected to revalue property, plant and equipment ("PP&E") annually under IFRS. Each year we assess the fair value of our PP&E by reviewing the discounted cash flows that we expect to receive from the underlying business. The revaluation gains we have recorded reflect our ability to increase the cash flows generated from these businesses, the reinvestment of cash flows into both maintenance capital and accretive organic growth projects, and the increasing institutional demand for de-risked mature investments in the current low interest rate environment. While revaluation gains correspond to increasing values for our shareholders, they also lead to higher depreciation expense as we amortize a higher asset valuation over the same useful life estimate. However, this increase in reported depreciation often does not correspond to an increase in the cost to maintain the physical asset base. We estimate that revaluation gains alone result in an increase in our reported depreciation by almost 20% over the last three years.
- ii) Due to the nature of our investments, historically, a significant portion of purchase price allocations was ascribed to PP&E. This allocation has a similar effect to the revaluation approach in that it increases depreciation expense during our ownership period. A recent example of this would be our acquisition of the leading independent telecom tower operator in France. The business generates stable, inflation-linked cash flows underpinned by long-term contracts with its customers. For the purposes of the purchase price allocation, we used an internal discounted cash flow model to allocate the consideration paid to PP&E (the physical towers) and intangible assets (the long-term customer relationships with our tenants). This business had limited goodwill ascribed to it and therefore resulted in a carrying value of PP&E far in excess of the seller's previously depreciated cost base. As a result, the annual depreciation expense that we recognize is significantly higher than would have been recognized by the seller. Similar to the first point, the cash flow expected to be generated from the investment results in a premium to the physical replacement cost which further expands the disconnect between accounting depreciation and the true cost to maintain these assets. Today, we estimate that almost 30% of our proportionate depreciation and amortization expense is the result of the method of allocating the initial purchase price allocation primarily to depreciable asset classes.
- iii) Depreciation over accounting useful life is not always reflective of annual maintenance expenditures as many of our infrastructure assets have very minimal maintenance requirements. An illustrative example of this is our U.K. regulated distribution business, the largest independent 'last mile' gas and electricity connection provider in the country with over two million multi-utility connections in place today. Under our adopted accounting standards, IFRS, we are required to depreciate the network over a period of up to 60 years. However, our network assets, which consist primarily of nearly indestructible pipes installed several feet underground, require minimal on-going maintenance.

Some of our utility and transport investments are owned and operated under concessions which can further cause depreciation and amortization to exceed maintenance requirements. Essential infrastructure assets are often owned through arrangements which grant the concessionaire the right to operate the investment for a specified period of time. This is common in certain asset classes, such as toll roads, where the assets revert to the regulator at the end of the specified time period. Our partnership's largest concession-based investments are in our toll road businesses. These concessions are for a subset of the asset's useful life, and therefore annual maintenance capital during a concession term may be less than required over its full useful life (for example, toll roads in North and South America could last up to 100 years, however concession periods can range between 20-40 years).

Different from the many perpetual franchises we own, cash flow streams over an investment period of concession arrangements will include the return of capital invested. As such, we believe investors should understand the portion of our cash flows that we estimate are a return of capital. Our partnership completes our estimate of returns of capital by reviewing the cash flow profile over the economic useful life of limited life businesses as underwritten, and estimating the percentage of cash flows generated in a given year. This percentage is then applied to our invested capital to determine how much capital we believe was returned in the current year.

The following table summarizes the return of capital estimates for the three-month periods ended March 31, 2022 and March 31, 2021:

<u>US\$ MILLIONS</u>	<u>For the three-month period ended March 31</u>	
	<u>2022</u>	<u>2021</u>
Return of capital ⁽¹⁾	\$ (36)	\$ (39)

1. Refer to the "Reconciliation of Non-IFRS Financial Measures" for additional information. Return of capital is used in the calculation of return on Invested Capital, a non-IFRS financial measure.

Although helpful in the context of understanding the operating performance of our business, we believe reducing our operating cash flows by return of capital to develop an alternative estimate of the long-term cash flow generating abilities of our partnership is not appropriate. Such an estimate would not take into account changes in the value of the business as a result of our strategic initiatives. When acquiring these concession rights, we focus on surrounding these assets with an experienced management team and a platform for growth. As concession agreements are transferable, we plan on monetizing these investments as part of our broader capital recycling initiatives, as we recently did at our Chilean toll road operation. We acquired this concession-based business for \$340 million during 2011 and 2012. Through the reinvestment of cash flows, a stable capital structure and building a strong management team, we were able to sell this business for net-to-BIP after-tax proceeds of approximately \$700 million across three individual transactions, while having eight fewer years remaining on the concession. The asset sale resulted in an IRR of 16%. Although we attribute a portion of cash flows as return of capital, the value of our assets under finite life concession arrangements does not necessarily decrease over time in part because with strong teams running the business, and overall GDP growth requiring more infrastructure, the potential to secure further assets or expand existing assets is valuable. In the case of our Chilean toll road business, we realized proceeds well in excess of the capital we invested.

To enhance the comparability of our financial statements and non-IFRS metrics, we encourage investors to consider the maintenance capital expenditure ranges and return of capital estimates included in our disclosures. These disclosures, when combined with our IFRS and non-IFRS measures, will provide users with a fulsome view of our operating performance over time.

REVIEW OF CONSOLIDATED STATEMENTS OF CASH FLOWS

The following table summarizes the consolidated statements of cash flows:

US\$ MILLIONS	For the three-month period ended March 31	
	2022	2021
Cash from operating activities	\$ 735	\$ 726
Cash (used by) from investing activities	(1,124)	121
Cash from (used by) financing activities	797	(542)

This statement reflects activities within our consolidated operations and therefore excludes activities within non-consolidated entities.

Three-month period ended March 31, 2022 and 2021

Cash from operating activities

Cash from operating activities totaled \$0.7 billion for the three-month period ended March 31, 2022, a slight increase from the same period in 2021, primarily due to organic growth and contributions from recently completed acquisitions which were partially offset by foreign exchange and changes in working capital.

Cash (used by) from investing activities

Cash used by investing activities totaled \$1.1 billion for the three-month period ended March 31, 2022, as compared to cash generated from investing activities of \$0.1 billion from the same period in 2021. The current period includes approximately \$0.5 billion of capital deployed for the acquisition of an 8% interest in AusNet and \$0.6 billion of net capital invested in long-lived and financial assets. The prior period included \$0.4 billion of proceeds from the partial disposition of our U.S. gas pipeline, partially offset by \$0.3 billion of capital deployed in relation to acquisition of subsidiaries and investments in long-lived and financial assets during the period.

Cash from (used by) financing activities

Cash from financing activities totaled \$0.8 billion for the three-month period ended March 31, 2022, \$1.3 billion more than the same period in 2021. Current quarter results included net proceeds from borrowings of \$1.1 billion, deposit from Brookfield of \$0.2 billion, and net capital provided by non-controlling interests of \$0.1 billion. These increases were partially offset by distribution to unitholders of 0.4 billion and payment of \$0.2 billion to redeem our series 7 preferred units. The prior period included net repayments of \$0.6 billion on our borrowings, distributions paid to unitholders of \$0.3 billion, net capital provided to non-controlling interests of \$0.1 billion, and lease liabilities repaid of \$0.1 billion. These outflows were partially offset by a \$0.4 billion deposit received from our parent and \$0.2 billion of proceeds from the issuance of preferred shares.

PARTNERSHIP CAPITAL

The total number of partnership units in the Holding LP outstanding is comprised of the following:

	As of	
	March 31, 2022	December 31, 2021
Redeemable Partnership Units, held by Brookfield	129,057,292	129,057,292
Special General Partner Units	1,600,410	1,600,410
Managing General Partner Units	305,341,520	305,265,498
Total	435,999,222	435,923,200

An affiliate of Brookfield in its capacity as the special general partner of the Holding LP is entitled to incentive distributions which are based on the amount by which quarterly distributions on the limited partnership units, the Exchange LP units, BIPC exchangeable LP units and the BIPC exchangeable shares exceed specified target levels. To the extent distributions on these securities exceed \$0.1827 per unit/share per quarter, the incentive distribution rights entitle the special general partner to 15% of incremental distributions above this threshold to \$0.198 per unit/share.

To the extent that distributions on limited partnership units, Exchange LP units, BIPC exchangeable LP units and BIPC exchangeable shares exceed \$0.198 per unit/share, the incentive distribution rights entitled the special general partner to 25% of incremental distributions above this threshold. During the three-month period ended March 31, 2022, an incentive distribution of \$60 million, was paid to the special general partner (2021: \$50 million).

Subsequent to quarter-end, Brookfield Infrastructure announced a three-for-two stock split of BIP units, BIPC exchangeable shares, Exchange LP Units, and BIPC exchangeable LP units, payable on June 10, 2022 to unitholders/shareholders of record at the close of business on June 6, 2022. The split will be implemented by way of a subdivision whereby unitholders/shareholders will receive an additional one-half of a unit/share for each unit/share held.

ENTERPRISE VALUE

We define enterprise value as the market capitalization of our partnership plus preferred units and the partnership's share of debt, net of cash. In addition to limited partnership units, our partnership's capital structure includes BIPC exchangeable shares, BIPC Exchangeable LP Units, general partner and Redeemable Partnership Units, as well as Exchange LP Units. We include enterprise value as a measure to assist users in understanding and evaluating the partnership's capital structure.

The following table presents Enterprise Value as of March 31, 2022 and December 31, 2021:

US\$ MILLIONS	As of			December 31, 2021
	March 31, 2022			
	BIPC ⁽¹⁾	Brookfield Infrastructure ⁽²⁾	Consolidated Enterprise Value	Consolidated Enterprise Value
Shares/units outstanding	77.1	437.0	514.1	514.0
Price ⁽³⁾	\$ 75.44	\$ 66.23	—	—
Market capitalization	5,816	28,943	34,759	31,831
Preferred units, preferred shares, and perpetual subordinated notes ⁽⁴⁾	—	1,283	1,283	1,210
Net debt ⁽⁵⁾	2,654	16,601	19,255	17,502
Enterprise value	\$ 8,470	\$ 46,827	\$ 55,297	\$ 50,543

1. Includes BIPC exchangeable shares and BIPC Exchangeable LP Units.

2. Includes limited partner, general partner and redeemable partnership units, as well as Exchange LP Units.

3. Market value of our partnership is calculated based on the closing price of BIPC exchangeable shares and our units on the New York Stock Exchange.

4. Includes \$918 million of preferred units, \$72 million of preferred shares, and \$293 million of perpetual subordinated notes.

5. Please see "Capital Resources and Liquidity" below for a detailed reconciliation of Brookfield Infrastructure's net debt to our partnership's consolidated debt on the Consolidated Statements of Financial Position

RELATED PARTY TRANSACTIONS

In the normal course of operations, Brookfield Infrastructure entered into the transactions below with related parties. The immediate parent of Brookfield Infrastructure is our partnership. The ultimate parent of Brookfield Infrastructure is Brookfield. Other related parties of Brookfield Infrastructure represent its subsidiary and operating entities.

Throughout the year, the General Partner, in its capacity as our partnership's general partner, incurs director fees, a portion of which are charged at cost to our partnership in accordance with our limited partnership agreement. Director fees of less than \$1 million were incurred during the three-month period ended March 31, 2022 (2021: less than \$1 million).

Since inception, Brookfield Infrastructure has had a management agreement (the "Master Services Agreement") with certain service providers (the "Service Provider"), which are wholly-owned subsidiaries of Brookfield.

Pursuant to the Master Services Agreement, on a quarterly basis, Brookfield Infrastructure pays a base management fee, referred to as the Base Management Fee, to the Service Provider equal to 0.3125% per quarter (1.25% annually) of the market value of our partnership. The Base Management Fee was \$118 million for the three-month period ended March 31, 2022 (2021: \$92 million). As of March 31, 2022, \$115 million was outstanding as payable to the Service Provider (December 31, 2021: \$108 million).

For purposes of calculating the Base Management Fee, the market value of our partnership is equal to the aggregate value of all the outstanding units of our partnership (assuming full conversion of Brookfield's Redeemable Partnership Units in the Holding LP into units of our partnership), preferred units and securities of the other Service Recipients (as defined in Brookfield Infrastructure's Master Services Agreement) that are not held by Brookfield Infrastructure, plus all outstanding third party debt with recourse to a Service Recipient, less all cash held by such entities.

As of March 31, 2022, Brookfield Infrastructure had a loan payable of \$26 million to a subsidiary of Brookfield (December 31, 2021: \$26 million). The loan is payable in full prior to the end of 2024 with an interest rate of 1.7%.

Brookfield Infrastructure, from time to time, will place deposits with, or receive deposits from, Brookfield. As at March 31, 2022, our net deposit from Brookfield was \$200 million (December 31, 2021: \$nil) and Brookfield Infrastructure incurred interest expense of less than \$1 million for the three-month period ended March 31, 2022 (2021: \$1 million). Deposits bear interest at market rates.

Brookfield Infrastructure has entered into a \$500 million revolving credit facility with Brookfield to provide additional liquidity for general corporate purposes and capital expenditures, if required. As of March 31, 2022, there were no borrowings outstanding (December 31, 2021: \$nil). Subsequent to quarter-end, Brookfield Infrastructure and Brookfield entered into an amendment to increase the facility to \$1 billion.

As at March 31, 2022, Brookfield Infrastructure had \$70 million of corporate borrowings outstanding to a subsidiary of Brookfield (December 31, 2021: \$45 million), \$6 million of non-recourse borrowings outstanding to an associate of Brookfield (December 31, 2021: \$6 million) and approximately \$0.6 billion of net payables to a subsidiary of Brookfield (December 31, 2021: \$0.6 billion), representing funding provided on behalf of Brookfield Infrastructure in connection with the acquisition of our Canadian diversified midstream operation. As at March 31, 2022, associates of Brookfield Infrastructure had \$83 million of non-recourse borrowings outstanding to an associate of Brookfield (December 31, 2021: \$111 million).

Brookfield Infrastructure's subsidiaries provide heating, cooling, connection, port marine and natural gas services on market terms in the normal course of operations to subsidiaries and associates of Brookfield. For the three-month period ended March 31, 2022, revenues of less than \$1 million were generated (2021: \$2 million).

Brookfield Infrastructure's subsidiaries purchase power, lease office space and obtain construction, consulting and engineering services in the normal course of operations on market terms from subsidiaries and associates of Brookfield. For the three-month period ended March 31, 2022, expenses of less than \$1 million were incurred (2021: less than \$1 million).

In addition, subsidiaries of Brookfield Infrastructure reported lease assets and liabilities of \$12 million at March 31, 2022 (December 31, 2021: \$12 million) with a subsidiary of Brookfield.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors.

We, on behalf of our subsidiaries, provide letters of credit, which include, but are not limited to, guarantees for debt service reserves, capital reserves, construction completion and performance. As at March 31, 2022, letters of credit issued on behalf of our subsidiaries amounted to \$12 million (December 31, 2021: \$12 million).

In the normal course of operations, we execute agreements that provide for indemnification and guarantees to third parties in transactions such as business dispositions and acquisitions, construction projects, capital projects, and sales and purchases of assets and services. We have also agreed to indemnify our directors and certain of our officers and employees. The nature of substantially all of the indemnification undertakings prevents us from making a reasonable estimate of the maximum potential amount that we could be required to pay third parties, as many of the agreements do not specify a maximum amount and the amounts are dependent upon the outcome of future contingent events, the nature and likelihood of which cannot be determined at this time. Historically, we have made no significant payments under such indemnification agreements.

Critical Accounting Estimates

The preparation of financial statements requires management to make significant judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and

the reported amounts of revenues and expenses that are not readily apparent from other sources, during the reporting period. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgments and estimates made by management and utilized in the normal course of preparing our company's consolidated financial statements, which we consider to be critical, are outlined below.

Revaluation of property, plant and equipment

Property, plant and equipment is revalued on a regular basis. The critical estimates and assumptions underlying the valuation of property, plant and equipment are set out in Note 13, Property, Plant and Equipment in our December 31, 2021 audited consolidated financial statements. Our partnership's property, plant, and equipment are measured at fair value on a recurring basis with an effective date of revaluation for all asset classes as of December 31, 2021. Brookfield Infrastructure determines fair value under both the income and cost methods with due consideration to significant inputs such as the discount rate, terminal value multiple, overall investment horizon, useful life and replacement cost.

Impairment of goodwill, intangibles with indefinite lives and investment in associates and joint ventures

Our partnership assesses the impairment of goodwill and intangible assets with indefinite lives by reviewing the value-in-use or fair value less costs of disposal of the cash-generating units to which goodwill or the intangible asset has been allocated. Brookfield Infrastructure uses the following critical assumptions and estimates: the circumstances that gave rise to the goodwill, timing and amount of future cash flows expected from the cash-generating unit; discount rates; terminal capitalization rates; terminal valuation dates; useful lives and residual values.

The impairment assessment of investments in associates and joint ventures requires estimation of the recoverable amount of the asset.

Other estimates utilized in the preparation of our partnership's financial statements are: depreciation and amortization rates and useful lives; recoverable amount of goodwill and intangible assets; ability to utilize tax attributes.

CONTROLS AND PROCEDURES

No change in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) occurred during the fiscal quarter ended March 31, 2022 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting. We have not experienced any material impact to our internal controls over financial reporting due to the global pandemic. We are continually monitoring and assessing our internal controls to minimize the impact on their design and operating effectiveness.

Excluded from our evaluation were internal controls over financial reporting at our individually insignificant businesses acquired since January 1, 2022. The financial statements of these entities constitute approximately 0.2% of total assets, 0.4% of partnership capital, less than 0.1% of revenue and net income of the consolidated financial statements of our partnership as of and for the three-month period ended March 31, 2022.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis contains forward-looking information and forward-looking statements within the meaning of applicable securities laws. We may make such statements in this report, in other filings with Canadian regulators or the SEC and in other public communications. The words "tend", "seek", "target", "foresee", "believe," "expect," "could", "aim to," "intend," "objective", "outlook", "endeavour", "estimate", "likely", "continue", "plan", derivatives thereof and other expressions of similar import, or the negative variations thereof, and similar expressions of future or conditional verbs such as "will", "may", "should," which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters, identify forward-looking statements. Forward-looking statements in this Management's Discussion and Analysis include among others, statements with respect to our assets tending to appreciate in value over time, growth in our assets and operations, increases in FFO per unit and resulting capital appreciation, returns on capital and on equity, increasing demand for commodities and global movement of goods, expected capital expenditures, the impact of planned capital projects by customers of our businesses as on the performance and growth of those businesses, the extent of our corporate, general and administrative expenses, our ability to close acquisitions (including acquisitions referred to in this Management's Discussion and Analysis and other planned transactions), our capacity to take advantage of opportunities in the marketplace, the future prospects of the assets that we operate or will operate, partnering with institutional investors, ability to identify, acquire and integrate new acquisition opportunities, long-term target return on our assets, sustainability of distribution levels, distribution growth and payout ratios, operating results and margins for our business and each operation, future prospects for the markets for our products, our plans for growth through internal growth and capital investments, ability to achieve stated objectives, ability to drive operating efficiencies, return on capital expectations for the business, contract prices and regulated rates for our operations, our expected future maintenance and capital expenditures, ability to deploy capital in accretive investments, impact on the business resulting from our view of future economic conditions, our ability to maintain sufficient financial liquidity, our ability to draw down funds under our bank credit facilities, our ability to secure financing through the issuance of equity or debt, expansions of existing operations, likely sources of future opportunities in the markets in which we operate, financing plans for our operating companies, foreign currency management activities and other statements with respect to our beliefs, outlooks, plans, expectations and intentions. Although we believe that the partnership's anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the partnership to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by the forward-looking statements contained herein include general economic conditions in the jurisdictions in which we operate and elsewhere which may impact the markets for our products or services, the ability to achieve growth within Brookfield Infrastructure's businesses, our ability to achieve the milestones necessary to deliver the targeted returns to our unitholders, which is uncertain, some of which depends on access to capital and continuing favourable commodity prices, the impact of market conditions on our businesses, including as a result of the COVID-19 outbreak, the fact that success of Brookfield Infrastructure is dependent on market demand for an infrastructure company, which is unknown, the availability of equity and debt financing for Brookfield Infrastructure, the ability to effectively complete new acquisitions in the competitive infrastructure space (including the potential acquisitions 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 transactions referred to herein as being currently pursued, given that there can be no assurance that any such transaction 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, our ability to secure favourable contracts, weather events affecting our business, traffic volumes on our toll road businesses, pandemics or epidemics, and other risks and factors described in the documents filed by us with the securities regulators in Canada and the United States, including under "Risk Factors" in our most recent Annual Report on Form 20-F and other risks and factors that are described therein. In addition, our future results may be impacted by risks associated with COVID-19, and the related global reduction in commerce and travel and substantial volatility in stock markets worldwide, which may result in a decrease of cash flows and impairment losses and/or revaluations on our investments and infrastructure assets, and we may be unable to achieve our expected returns.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements to make decisions with respect to Brookfield Infrastructure, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, the partnership undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, Samuel Pollock, Chief Executive Officer of Brookfield Infrastructure Group L.P., service provider of Brookfield Infrastructure Partners L.P., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Brookfield Infrastructure Partners L.P. (the “issuer”) for the interim period ended March 31, 2022.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1. **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is the Internal Control - Integrated Framework (COSO 2013 Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 5.2. **ICFR – material weakness relating to design:** N/A
- 5.3. **Limitation on scope of design:** The issuer has disclosed in its interim MD&A
 - a) the fact that the issuer’s other certifying officer(s) and I have limited scope of our design of the DC&P and ICFR to exclude controls, policies and procedures of
 - i) a business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and
 - b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer’s financial statements
6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2022 and ended on March 31, 2022, that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 10, 2022

/s/ Samuel Pollock

Samuel Pollock
Chief Executive Officer
Brookfield Infrastructure Group L.P.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, David Krant, Chief Financial Officer of Brookfield Infrastructure Group L.P., service provider of Brookfield Infrastructure Partners L.P., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Brookfield Infrastructure Partners L.P. (the “issuer”) for the interim period ended March 31, 2022.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1. **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is the Internal Control - Integrated Framework (COSO 2013 Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 5.2. **ICFR – material weakness relating to design:** N/A
- 5.3. **Limitation on scope of design:** The issuer has disclosed in its interim MD&A
 - a) the fact that the issuer’s other certifying officer(s) and I have limited scope of our design of the DC&P and ICFR to exclude controls, policies and procedures of
 - i) a business that the issuer acquired not more than 365 days before the last day of the period covered by the interim filings; and
 - b) summary financial information about the proportionately consolidated entity, special purpose entity or business that the issuer acquired that has been proportionately consolidated or consolidated in the issuer’s financial statements
6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2022 and ended on March 31, 2022, that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 10, 2022

/s/ David Krant

David Krant
Chief Financial Officer
Brookfield Infrastructure Group L.P.

Brookfield Infrastructure Partners L.P.

bip.brookfield.com

NYSE: BIP

TSX: BIP.UN