

2014

Supplemental Information
Quarter ended March 31

This Supplemental Information contains forward-looking information within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of certain securities laws including Section 27A of the U.S. Securities Act of 1933, as amended, Section 21E of the U.S. Securities Exchange Act of 1934, as amended, “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995 and in any applicable Canadian securities regulations. We may make such statements in this report, in other filings with Canadian regulators or the SEC or in other communications. The words “continue”, “expect”, “target”, “believe”, “objective”, “anticipate”, “plan”, “estimate”, 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”, “could”, 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 Supplemental Information 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, the extent of our corporate, general and administrative expenses, our ability to close acquisitions, our capacity to take advantage of opportunities in the marketplace, the future prospects of the assets that Brookfield Infrastructure operates or will operate, 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, Brookfield Infrastructure’s 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, financing plan for operating companies, foreign currency management activities and other statements with respect to our beliefs, outlooks, plans, expectations and intentions. Although we believe that Brookfield Infrastructure’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 Brookfield Infrastructure 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 forward-looking statements include: general economic and financial conditions in the countries in which we do business which may impact market demand, foreign currency risk, the high level of government regulation affecting our businesses, the outcome and timing of various regulatory, legal and contractual issues, global credit and financial markets, the competitive business environment in the industries in which we operate, the competitive market for acquisitions and other growth opportunities, availability of equity and debt financing, the completion of various large capital projects by customers of our businesses which themselves rely on access to capital and continued favourable commodity prices, weakening of demand in the natural gas market, our ability to complete acquisitions and large capital expansion projects on time and within budget, ability to negotiate favourable take-or-pay contractual terms, traffic volumes on our toll roads, our ability to obtain relevant regulatory approvals required to complete acquisitions, acts of God, weather events, or similar events outside of our control, and other risks and factors detailed from time to time in documents filed by Brookfield Infrastructure with the securities regulators in Canada and the United States, including Brookfield Infrastructure’s most recent Annual Report on Form 20-F under the heading “Risk Factors”.

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, Brookfield Infrastructure 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.

CAUTIONARY STATEMENT REGARDING USE OF NON-IFRS, ACCOUNTING MEASURES

Although our financial results are determined in accordance with International Financial Reporting Standards (IFRS), the basis of presentation throughout much of this report differs from IFRS in that it is organized by business segment and utilizes, funds from operations (FFO), adjusted funds from operations (AFFO), adjusted EBITDA and invested capital as important measures. This is reflective of how we manage the business and, in our opinion, enables the reader to better understand our affairs. We provide a reconciliation to the most directly comparable IFRS measure on pages 25-30 of this Supplemental Information. Readers are encouraged to consider both measures in assessing Brookfield Infrastructure’s results.

BUSINESS ENVIRONMENT AND RISKS

Brookfield Infrastructure’s financial results are impacted by various factors, including the performance of each of our operations and various external factors influencing the specific platforms and geographic locations in which we operate; macro-economic factors such as economic growth, changes in currency, inflation and interest rates; regulatory requirements and initiatives; and litigation and claims that arise in the normal course of business. These and other factors are described in Brookfield Infrastructure’s most recent Annual Report on Form 20-F which is available on our website at www.brookfieldinfrastructure.com and at www.sec.gov/edgar.shtml and www.sedar.com.

\$186 million of FFO
(16% increase over Q1'2013)

\$0.89 per unit FFO
(11% increase over Q1'2013)

\$0.48 per unit distribution

KEY PERFORMANCE METRICS

See "Reconciliation of Non-IFRS Measures" on page 24

	Three months ended	
	March 31	
US\$ MILLIONS, EXCEPT PER UNIT INFORMATION, UNAUDITED	2014	2013
Funds from operations (FFO)	\$ 186	\$ 160
Per unit FFO ¹	0.89	0.80
Distributions	0.48	0.43
Payout ratio ²	60%	59%
Growth of per unit FFO	11%	38%
Adjusted funds from operations (AFFO)	163	134
Net income (loss) ³	32	(28)
Net income (loss) per limited partner unit	0.10	(0.17)
AFFO yield ⁴	14%	13%

KEY BALANCE SHEET METRICS

	As of	
	Mar 31	Dec 31
US\$ MILLIONS, UNAUDITED	2014	2013
Total assets	\$ 15,755	\$ 15,682
Corporate borrowings	363	377
Partnership capital ⁵	5,105	5,186

PERFORMANCE HIGHLIGHTS

- FFO increased 16% to \$186 million reflecting deployment of capital in organic growth initiatives and new businesses
 - Benefited from expansion of railroad and utilities rate base, inflation indexation, and higher volumes in transport business
 - Higher contribution from additional investment made in Q3'13 at our Brazilian toll road
 - Per unit FFO increased by 11% to \$0.89
 - AFFO yield increased to 14%
- Distribution of \$0.48 per unit represents payout ratio of 60%
 - Includes 12% increase in distribution in February 2014
- Net income of \$32 million versus net loss of \$28 million in same period last year
 - Prior year impacted by several charges, most material being breakage costs associated with refinancing at our Australian Railroad
- Total assets slightly higher than year end primarily as a result of positive foreign exchange movements

1. Average units outstanding during the period of 210.1 million (2013: 200.8 million).

2. Payout ratio is defined as distributions paid (inclusive of GP incentive distributions) divided by FFO.

3. Includes net income (loss) attributable to non-controlling interests—Redeemable Partnership Units held by Brookfield, general partner and limited partners.

4. AFFO yield is defined as AFFO divided by time weighted average invested capital.

5. Includes partnership capital attributable to non-controlling interests—Redeemable Partnership Units held by Brookfield, general partner and limited partners.

OPERATIONS

- Added \$250 million to utilities capital backlog (our share - \$90 million) and commissioned \$60 million of projects into rate base
- Commenced work on \$485 million road expansion project in Brazil that consists of 30 km of duplicate lanes expected to ease congestion and add to tariffs in the future
- Connected a major building to district energy system in Toronto and progressed a significant project in Louisiana
- Improved volumes at North American gas transmission business primarily the result of higher spreads and increased volumes
- Stronger volumes at European port operations

BUSINESS DEVELOPMENT

- Secured five new investments in transport and energy sectors totaling ~\$600 million
 - Closed acquisition of an interest in two gateway container terminals located on the U.S. west coast at the end of the month
 - Signed agreements to acquire two district energy systems in Chicago and Seattle, expected to close in Q2'14
 - Progressing acquisitions of gateway container terminal in New York and South American infrastructure logistics business, expected to close in Q2 and Q3 2014, respectively

FINANCING AND LIQUIDITY

- Continued to make significant strides to strengthen balance sheet and enhance liquidity
 - Completed \$900 million of debt financings at our Australian railroad, UK regulated distribution and Brazilian toll road operations at attractive terms
 - Modest maturity profile in the next five years
 - ~80% of FFO (generated in non-LATAM currencies) hedged for next eight quarters
- Ended the quarter with ~\$2.6 billion of group-wide liquidity



OUR MISSION

- To own and operate a globally diversified portfolio of high quality infrastructure assets that will generate sustainable and growing dividends over the long term for our unitholders

PERFORMANCE TARGETS AND KEY MEASURES

- Target a 12% to 15% total annual return on invested capital measured over the long term
- Expect to generate return from in-place cash flows plus growth through investments in upgrades and expansions of our asset base
- AFFO yield is a key performance metric which measures sustainable return on capital deployed
- Growth in FFO per unit is also a key performance metric as it is a proxy for our ability to increase distributions

BASIS OF PRESENTATION

- Our consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB)
- For each operating platform, this Supplemental Information outlines Brookfield Infrastructure's proportionate share of results in order to demonstrate the impact of key value drivers of each operating platform on the partnership's overall performance

- Objective is to pay a distribution that is sustainable on a long-term basis while retaining sufficient liquidity within operations to fund recurring growth capital expenditures and general corporate requirements
- We believe that a payout of 60-70% of FFO is appropriate
- Targeting 5% to 9% annual distribution growth, in light of expected per unit FFO growth
- Distribution payout is reviewed with the Board of Directors in the first quarter of each year
- The Board of Directors declared a quarterly distribution in the amount of \$0.48, payable on June 30, 2014 to unitholders of record at close of business on May 30, 2014
 - Distribution has grown at a cumulative annual growth rate of over 10% since the spin-off
- Below is a breakdown of distribution history since the spin-off

US\$, UNAUDITED	2008	2009	2010	2011	2012	2013	2014F
Annual Distribution	\$ 0.88*	\$ 1.06	\$ 1.10	\$ 1.32	\$ 1.50	\$ 1.72	\$ 1.92
Growth	—	—	4%	20%	14%	15%	12%

* 2008 distribution was prorated from spin-off

- Own and operate a diversified portfolio of high-quality, long-life utility, transport and energy assets
- Generate stable cash flows with ~90% of adjusted EBITDA supported by regulated or long-term contracts
- Leverage Brookfield's best in-class operating platforms to extract additional value from investments

	DESCRIPTION	ASSET TYPE	PRIMARY LOCATION
Utilities	Regulated or contractual businesses which earn a return on their asset base	<ul style="list-style-type: none"> • Regulated Terminal • Electricity Transmission • Regulated Distribution 	<ul style="list-style-type: none"> • Australasia • North & South America • Europe
Transport	Provide transportation for freight, bulk commodities and passengers, for which we are paid an access fee	<ul style="list-style-type: none"> • Railroad • Toll Roads • Ports 	<ul style="list-style-type: none"> • Australasia • South America • Europe & North America
Energy	Systems that provide energy transportation, distribution and storage services	<ul style="list-style-type: none"> • Energy Transmission, Distribution & Storage • District Energy 	<ul style="list-style-type: none"> • North America • Europe • Australasia

The following tables present selected income statement and balance sheet information by operating platform on a proportionate basis:

STATEMENTS OF OPERATIONS

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Net income (loss) by segment		
Utilities	\$ 37	\$ (5)
Transport	33	(1)
Energy	9	9
Corporate and other	(47)	(31)
Net income (loss)	\$ 32	\$ (28)
Adjusted EBITDA by segment		
Utilities	\$ 126	\$ 133
Transport	144	107
Energy	44	38
Corporate and other	(27)	(10)
Adjusted EBITDA	\$ 287	\$ 268
FFO by segment		
Utilities	\$ 89	\$ 92
Transport	95	67
Energy	26	22
Corporate and other	(24)	(21)
FFO	\$ 186	\$ 160

STATEMENTS OF FINANCIAL POSITION

US\$ MILLIONS, UNAUDITED	As of	
	March 31 2014	December 31 2013
Total assets by segment		
Utilities	\$ 4,920	\$ 4,766
Transport	4,887	4,789
Energy	1,637	1,629
Corporate and other	(117)	(46)
Total assets	\$ 11,327	\$ 11,138
Net debt by segment		
Utilities	\$ 2,989	\$ 2,838
Transport	2,360	2,333
Energy	926	927
Corporate and other	(53)	(146)
Net debt	\$ 6,222	\$ 5,952
Partnership capital by segment		
Utilities	\$ 1,931	\$ 1,928
Transport	2,527	2,456
Energy	711	702
Corporate and other	(64)	100
Partnership capital	\$ 5,105	\$ 5,186

Brookfield

OPERATING PLATFORMS



PLATFORM OVERVIEW

- Businesses that generate long-term returns on regulated or contractual asset base (rate base)
- Rate base increases with capital that we invest to upgrade and/or expand our systems
- Virtually all of adjusted EBITDA supported by regulated or contractual revenues

OBJECTIVES

- Invest capital to increase our rate base
- Earn an attractive return on rate base
- Provide safe and reliable service to our customers

OPERATIONS

- Regulated terminal – one of the world’s largest coal export terminals in Australia, with 85 Mtpa of capacity
- Electricity transmission – approximately 10,500 km of transmission lines in North and South America
- Regulated distribution – approximately 2.1 million electricity and natural gas connections

The following table presents selected key performance metrics of our utilities platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Rate base	\$ 4,335	\$ 4,880
Funds from operations (FFO)	\$ 89	\$ 92
Maintenance capital	(2)	(6)
Adjusted fund from operations (AFFO)	\$ 87	\$ 86
Return on rate base ^{1,2}	10%	10%

1. Return on rate base is adjusted EBITDA divided by time weighted average rate base.

2. Return on rate base excludes impact of connections revenue at our UK regulated distribution business.

- FFO of \$89 million in Q1’14 compared to \$92 million in Q1’13
 - Decrease primarily due to sale of Australasian regulated distribution operation in Q4’13
 - Excluding the impact of the sale, FFO increased by \$6 million as the business benefited from inflation indexation and commissioning of capital projects into rate base

The following table presents our utilities platform's proportionate share of financial results:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Revenue	\$ 161	\$ 195
Connection revenue	15	11
Cost attributable to revenues	(50)	(73)
Adjusted EBITDA	126	133
Interest expense	(39)	(43)
Other income	2	2
Fund from operations (FFO)	89	92
Depreciation and amortization	(39)	(42)
Deferred taxes and other items	(13)	(55)
Net income (loss)	\$ 37	\$ (5)

The following table presents our proportionate adjusted EBITDA and FFO for each business in this operating platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31		Adjusted EBITDA		FFO	
	2014	2013	2014	2013	2014	2013
Regulated Distribution	\$ 47	\$ 53	\$ 36	\$ 40		
Regulated Terminal	42	45	23	23		
Electricity Transmission	37	35	30	29		
Total	\$ 126	\$ 133	\$ 89	\$ 92		

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were \$126 million and \$89 million, respectively, versus \$133 million and \$92 million, respectively, in the prior year
 - Regulated Distribution – Adjusted EBITDA and FFO decreased versus comparative period primarily due to sale of our Australasian regulated distribution operation in Q4'13
 - Excluding the impact of the sale, results were ahead of prior year due primarily to improved performance at our UK regulated distribution business due to higher rate base, inflation indexation and higher connections revenue
 - Regulated Terminal – Adjusted EBITDA decreased versus the prior year primarily due to the impact of foreign exchange
 - In natural currency, Adjusted EBITDA was ahead of prior year as we benefited from additions to rate base
 - Electricity Transmission – Adjusted EBITDA and FFO increased versus prior year due to inflation indexation and commissioning of projects into rate base, partially offset by impact of foreign exchange

The following tables presents our proportionate share of rate base and capital backlog:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Capital backlog, start of period	\$ 300	\$ 326
Additional capital project mandates	91	52
Less: capital expenditures	(68)	(55)
Foreign exchange and other	4	(12)
Capital backlog, end of period	327	311
Construction work in progress	55	79
Total capital to be commissioned	\$ 382	\$ 390

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Rate base, start of period	\$ 4,242	\$ 4,790
Capital expenditures commissioned	61	102
Inflation and other indexation	23	76
Regulatory depreciation	(15)	(20)
Foreign exchange and other	24	(68)
Rate base, end of period	\$ 4,335	\$ 4,880

CAPITAL BACKLOG

Projects that we have been awarded and/or filed with regulators with anticipated commissioning into RAB in the next two to three years

- Ended period with capital backlog of \$327 million, a \$27 million increase versus December 31, 2013
 - Capital project mandates awarded during period more than offset capital expenditures
 - Our UK regulated distribution business, Chilean transmission system and Australian regulated terminal are the largest contributors at \$220 million, \$64 million and \$33 million, respectively
- Construction work in progress was \$55 million at period end
 - \$7 million higher than year end as capital expenditures were slightly ahead of projects commissioned into our rate base mostly at our UK regulated distribution operation
- Ended the quarter with \$382 million of capital to be commissioned into rate base

PLATFORM OVERVIEW

- Networks that provide transportation for freight, bulk commodities and passengers, for which we are paid an access fee
- Railroad and toll road revenues are subject to regulatory price ceilings, while ports are primarily unregulated

OBJECTIVES

- Increase throughput of existing assets
- Expand networks in a capital efficient manner to support incremental customer demand
- Provide safe and reliable service for our customers

OPERATIONS

- Railroad – sole provider of rail service in Southwestern Western Australia with approximately 5,100 kilometres of track
- Toll Roads – Approximately 3,200 kilometres of motorways in Brazil and Chile
- Ports – 30 terminals in North America, UK and across Europe

The following table presents selected key performance metrics for our transport platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Growth capital expenditures	\$ 66	\$ 48
Adjusted EBITDA margin ¹	50%	42%
Funds from operations (FFO)	95	67
Maintenance capital	(18)	(14)
Adjusted fund from operations (AFFO)	\$ 77	\$ 53

1. Adjusted EBITDA margin is adjusted EBITDA divided by revenues.

- FFO of \$95 million in Q1'14 compared to \$67 million in Q1'13
 - Primarily driven by contribution from the additional investment in our Brazilian toll road operation in Q3'13
 - Also benefited from improved results from our Australian railroad due to the full contribution from the expansion program and higher volumes from a bumper grain harvest

The following table presents our transport platform's proportionate share of financial results:

US\$ MILLIONS, UNAUDITED	Three months ended March 31			
	2014		2013	
Revenue	\$	286	\$	252
Cost attributable to revenues		(142)		(145)
Adjusted EBITDA		144		107
Interest expense		(42)		(36)
Other expenses		(7)		(4)
Fund from operations (FFO)		95		67
Depreciation and amortization		(61)		(51)
Deferred taxes and other items		(1)		(17)
Net income (loss)	\$	33	\$	(1)

The following table presents our proportionate adjusted EBITDA and FFO for each business in this operating platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31		Adjusted EBITDA		FFO	
	2014		2013		2014	
Railroad	\$	65	\$	57	\$	49
Toll roads		60		32		34
Ports		19		18		12
Total	\$	144	\$	107	\$	95

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were \$144 million and \$95 million, respectively, versus \$107 million and \$67 million, respectively, in the prior year
 - Railroad – Adjusted EBITDA and FFO increased versus the prior year due to benefits of expansion program
 - Volumes ramped up substantially over past year with full take-or-pay operating levels achieved by end of March 2013
 - Also benefited from stronger grain harvest, which contributed \$3 million of incremental EBITDA to results
 - Toll roads – Adjusted EBITDA and FFO increased versus the prior year primarily as a result of additional investment in our Brazilian toll roads completed in Q3'13
 - Adjusted for ownership interest, toll revenues increased by ~10% from prior year driven by higher traffic volumes and regulatory tariff increases
 - Ports – Adjusted EBITDA and FFO increased versus the prior year mainly due to improved volumes across our various terminals as economic conditions continue to improve in the region
 - FFO also benefited from lower borrowing costs following a refinancing at our European port operations in Q2'13

CAPITAL BACKLOG

Enhancements to our networks over the next two to three years that will expand capacity to support additional volumes, leading to cash flow growth over the long term

The following tables presents our proportionate share of growth capital backlog:

US\$ MILLIONS, UNAUDITED	As of	
	March 31, 2014	December 31, 2013
Growth capital backlog		
Railroad	\$ 106	\$ 108
Toll roads	288	245
Ports	20	20
Total growth capital to be commissioned	\$ 414	\$ 373

- Consists of the following types of projects:
 - Railroad
 - Upgrading the integrity of our network to support incremental volumes by allowing for longer and faster trains to go through our systems
 - Toll roads
 - Increasing the capacity of our roads by increasing and widening lanes on certain routes to support growing traffic
 - Ports
 - Increasing capacity of our terminals by deepening the berths and enhancing and modernizing our existing infrastructure

PLATFORM OVERVIEW

- Systems that provide energy transportation, storage and distribution services
- Profitability based on the volume and price achieved for the provision of these services
- Businesses are typically unregulated or subject to price ceilings

OBJECTIVES

- Satisfy customer growth requirements by increasing the utilization of our assets and expanding our capacity in a capital efficient manner
- Provide safe and reliable service to our customers

OPERATIONS

- Energy Transmission, Distribution & Storage – 15,500 kilometres of transmission pipelines, over 50,000 gas distribution customers and 300 billion cubic feet of natural gas storage in the U.S. and Canada
- District Energy – Heating plants capable of delivering 1,905,000 pounds per hour of steam and 136,800 tons of cooling capacity sourced primarily from deep lake water system

The following table presents selected key performance metrics for our energy platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Growth capital expenditures	\$ 11	\$ 3
Adjusted EBITDA margin ¹	48%	46%
Funds from operations (FFO)	26	22
Maintenance capital	(3)	(6)
Adjusted fund from operations (AFFO)	\$ 23	\$ 16

1. Adjusted EBITDA margin is adjusted EBITDA divided by revenues.

- FFO of \$26 million in 2014 compared to \$22 million in 2013
 - Primarily driven by improved performance at our North American gas transmission business as a result of increased natural gas volume demand into the Chicago market due to record cold weather
 - Also benefited from improved results at our UK energy distribution operation from higher tariffs and lower costs from margin improvement program

The following table presents our energy platform's proportionate share of financial results:

US\$ MILLIONS, UNAUDITED	Three months ended March 31			
	2014		2013	
Revenue	\$	91	\$	83
Cost attributable to revenues		(47)		(45)
Adjusted EBITDA		44		38
Interest expense		(18)		(17)
Other income		—		1
Fund from operations (FFO)		26		22
Depreciation and amortization		(17)		(17)
Deferred taxes and other items		—		4
Net income	\$	9	\$	9

The following table presents our proportionate adjusted EBITDA and FFO for each business in this operating platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31		Adjusted EBITDA		FFO			
	2014	2013	2014	2013	2014	2013		
Energy Transmission, Distribution & Storage	\$	41	\$	35	\$	24	\$	20
District Energy		3		3		2		2
Total	\$	44	\$	38	\$	26	\$	22

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were \$44 million and \$26 million, respectively, versus \$38 million and \$22 million, respectively, in the prior year
 - Energy Transmission, Distribution & Storage
 - Adjusted EBITDA and FFO increased versus prior year due to higher revenues driven by increased natural gas volumes into the Chicago market and higher basis spreads
 - Higher spreads were primarily driven by natural gas price volatility caused by an unusually long and cold winter
 - Our UK energy distribution operations also benefited from higher tariffs as well as lower costs associated with a margin improvement program implemented over past year
 - District Energy
 - Adjusted EBITDA and FFO were consistent with the prior year

The following table presents the components of corporate and other on a proportionate basis:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Timber EBITDA	\$ —	\$ 18
General and administrative costs	(2)	(2)
Base management fee	(25)	(26)
Adjusted EBITDA	(27)	(10)
Other income	6	—
Financing costs		
- Timber	—	(6)
- Corporate	(3)	(5)
Funds from operations (FFO)	(24)	(21)
Deferred taxes and other items	(23)	(10)
Net loss	\$ (47)	\$ (31)

FINANCIAL RESULTS

- General and administrative costs were in-line with prior year
 - Anticipate corporate and administrative costs of \$8 million to \$10 million per year, excluding base management fee
- We pay Brookfield an annual base management fee equal to 1.25% of our market value, plus recourse debt net of cash
 - Base management fee decreased versus the prior year due to higher recourse debt in the prior year as our corporate credit facility was drawn to fund new investments made in the fourth quarter of 2012
 - This was partially offset by the increase in market capitalization following the May 2013 equity issuance and higher unit trading price
- Corporate financing costs include interest expense and standby fees on committed credit facility, less interest earned on cash balances
 - Decreased due to lower interest costs on corporate credit facility as we were drawn in the prior year to fund new investments that closed in the fourth quarter of 2012
- Other income includes interest and distribution income earned on corporate cash and financial assets

Our group-wide liquidity of ~\$2.6 billion at March 31, 2014 was in line with December 31, 2013 and was comprised of the following:

US\$ MILLIONS, UNAUDITED	As of	
	March 31, 2014	December 31, 2013
Corporate cash and financial assets	\$ 416	\$ 523
Committed corporate credit facility	1,400	1,400
Draws under corporate credit facility	—	—
Commitments under corporate credit facility	(99)	(99)
Proportionate cash retained in businesses	379	330
Proportionate availability under subsidiary credit facilities	454	428
Group-wide liquidity	\$ 2,550	\$ 2,582

- We maintain sufficient liquidity at all times to participate in attractive opportunities as they arise, withstand sudden adverse changes in economic circumstances and maintain a relatively high payout of our FFO to unitholders
- Principal sources of liquidity are cash flows from operations, undrawn credit facilities and access to public and private capital markets
- We may, from time to time, invest in financial assets comprised mainly of liquid equity and debt infrastructure securities in order to earn attractive short-term returns and for strategic purposes

MATURITY PROFILE

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 proportionate basis as of March 31, 2014, scheduled principal repayments over the next five years are as follows:

US\$ MILLIONS, UNAUDITED	Average Term (years)	2014	2015	2016	2017	2018	Beyond	Total
Recourse borrowings								
Net corporate borrowings	4	\$ —	\$ —	\$ —	\$ 363	\$ —	\$ —	\$ 363
Total recourse borrowings	4	—	—	—	363	—	—	363
Utilities								
Regulated Distribution	13	—	—	35	—	—	935	970
Regulated Terminal	7	—	18	230	—	—	961	1,209
Electricity Transmission	11	81	38	80	64	5	611	879
	11	81	56	345	64	5	2,507	3,058
Transport								
Railroad	9	—	—	16	—	—	1,114	1,130
Ports	9	10	39	49	10	227	123	458
Toll Roads	7	54	217	13	69	13	650	1,016
	8	64	256	78	79	240	1,887	2,604
Energy								
Energy Transmission, Distribution & Storage	7	16	—	—	506	—	385	907
District Energy	20	—	—	21	—	—	64	85
	8	16	—	21	506	—	449	992
Total non-recourse borrowings	10	161	312	444	649	245	4,843	6,654
Total borrowings	10	\$ 161	\$ 312	\$ 444	\$ 1,012	\$ 245	\$ 4,843	\$ 7,017
		2%	5%	6%	14%	4%	69%	100%

The following table presents proportionate net debt by operating platform:

US\$ MILLIONS, UNAUDITED	As of	
	March 31, 2014	December 31, 2013
Non-recourse borrowings		
Utilities	\$ 3,058	\$ 2,899
Transport	2,604	2,542
Energy	992	987
Corporate & Other	363	377
Total borrowings	\$ 7,017	\$ 6,805
Cash retained in businesses		
Utilities	\$ 69	\$ 61
Transport	244	209
Energy	66	60
Corporate & Other	416	523
Total cash retained	\$ 795	\$ 853
Net debt		
Utilities	\$ 2,989	\$ 2,838
Transport	2,360	2,333
Energy	926	927
Corporate & Other	(53)	(146)
Total net debt	\$ 6,222	\$ 5,952

- Average cash interest rates for our utilities, transport, energy and corporate platforms were 5.2%, 6.5%, 6.9% and 2.9%, respectively
- Weighted average cash interest rate is 5.8% for the overall business

To the extent that it is economic to do so, we hedge a portion of our equity investments and/or cash flows exposed to foreign currencies. The following 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 following table presents our hedged position in foreign currencies as at March 31, 2014:

	Net Investment Hedges							
US\$ MILLIONS, UNAUDITED	USD	AUD	GBP	BRL	CLP	CAD	EUR	COP
Net equity Investment- US\$	\$ 977	\$ 1,648	\$ 988	\$ 794	\$ 300	\$ 169	\$ 166	\$ 63
FX contracts – US\$	2,747	(1,334)	(988)	(111)	—	(169)	(145)	—
Net unhedged – US\$	\$ 3,724	\$ 314	\$ —	\$ 683	\$ 300	\$ —	\$ 21	\$ 63
% of equity investment hedged	N/A	81%	100%	14%	—%	100%	87%	—%

- As at March 31, 2014, hedges in place are equal to 67% of net equity in foreign currencies
- We have also implemented an FFO hedging strategy and have hedged approximately 80% of our expected FFO over the next eight quarters that is generated in AUD, GBP, CAD and EUR
- For the three months ended March 31, 2014, 8%, 39%, 26% and 15% of our FFO was generated in USD, AUD, GBP and BRL, respectively
- Due to our FFO hedging program, 63%, 8%, 5% and 15% of our FFO was effectively generated in USD, AUD, GBP and BRL, respectively

The following table highlights the sources and uses of cash during the year:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Funds from operations (FFO)	\$ 186	\$ 160
Maintenance capital	(23)	(26)
Funds available for distribution (AFFO)	163	134
Distributions paid	(112)	(94)
Funds available for reinvestment	51	40
Growth capital expenditures	(145)	(106)
Asset level debt funding of growth capex	71	49
New investments, net of disposals	(39)	(17)
Project level (repayments) draws	(27)	290
Repayments of corporate credit facility	—	(222)
Changes in working capital and other	31	(22)
Change in proportionate cash	(58)	12
Opening, proportionate cash	853	210
Closing, proportionate cash	\$ 795	\$ 222

- Financing plan:
 - We fund recurring growth capital expenditures with cash flow generated by operations, as well as debt financing that is sized to maintain credit profile
 - To fund large scale development projects and acquisitions, we will evaluate a number of capital sources including proceeds from the sale of non-core assets as well as equity and debt financings

The following tables present the components of growth and maintenance capital expenditures by operating platform:

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Growth capital expenditures by segment		
Utilities	\$ 68	\$ 55
Transport	66	48
Energy	11	3
Total	\$ 145	\$ 106

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Maintenance capital expenditures by segment		
Utilities	\$ 2	\$ 6
Transport	18	14
Energy	3	6
Total	\$ 23	\$ 26

- We estimate annual maintenance capital expenditures of \$15-20 million, \$80-90 million, and \$25-35 million for our Utilities, Transport and Energy operations, respectively, for a total range between \$120-145 million

The total number of partnership units outstanding was comprised of the following:

MILLIONS OF PARTNERSHIP UNITS, UNAUDITED	As of	
	March 31, 2014	December 31, 2013
Redeemable partnership unit	58.7	58.7
Limited partnership unit	150.3	150.2
General partnership unit	1.1	1.1
Total partnership units	210.1	210.0

- The general partner may be entitled to incentive distribution rights, as follows:
 - To the extent distributions on partnership units are greater than \$0.305, the general partner is entitled to 15% of incremental distributions above this threshold until distributions reach \$0.33 per unit;
 - To the extent distributions on partnership units are greater than \$0.33, the general partner is entitled to 25% of incremental distributions above this threshold
- Incentive distributions of \$11 million were paid during the quarter versus \$8 million in the prior year as a result of the 12% increase in our distribution on partnership units from 2013

APPENDIX – RECONCILIATION OF NON-IFRS FINANCIAL MEASURES



RECONCILIATION OF NET INCOME (LOSS)¹ TO FUNDS FROM OPERATIONS

US\$ MILLIONS, UNAUDITED	Three months ended March 31	
	2014	2013
Net income (loss) attributable to partnership ¹	32	\$ (28)
Add back or deduct the following:		
Depreciation and amortization	117	110
Deferred income taxes	(1)	(23)
Mark-to-market on hedging items	16	45
Valuation losses and other	22	56
FFO	186	160
Maintenance capital expenditures	(23)	(26)
AFFO	163	\$ 134

1. Includes net income (loss) attributable to non-controlling interest – Redeemable Partnership units held by Brookfield, general partner and limited partners.

RECONCILIATION OF PROPORTIONATE OPERATING RESULTS TO CONSOLIDATED OPERATING RESULTS

Brookfield Infrastructure's Share

FOR THE THREE MONTHS ENDED MARCH 31, 2014 US\$ MILLIONS, UNAUDITED	Brookfield Infrastructure's Share					Contribution from investments in associates	Attributable to non- controlling interest	As per IFRS financials
	Utilities	Transport	Energy	Other	Total			
Revenues	\$ 176	\$ 286	\$ 91	\$ —	\$ 553	\$ (223)	\$ 150	\$ 480
Costs attributed to revenues	(50)	(142)	(47)	—	(239)	105	(78)	(212)
General and administrative costs	—	—	—	(27)	(27)	—	—	(27)
Adjusted EBITDA	126	144	44	(27)	287	(118)	72	
Other income (expense)	2	(7)	—	6	1	3	(1)	3
Interest expense	(39)	(42)	(18)	(3)	(102)	40	(25)	(87)
FFO	89	95	26	(24)	186	(75)	46	
Depreciation and amortization	(39)	(61)	(17)	—	(117)	51	(25)	(91)
Deferred taxes	(6)	7	(4)	4	1	(6)	(1)	(6)
Mark-to-market on hedging items	2	5	—	(23)	(16)	—	—	(16)
Valuation (losses) gains and other	(9)	(13)	4	(4)	(22)	18	(8)	(12)
Share of earnings from associates	—	—	—	—	—	12	—	12
Net income attributable to non- controlling interest	—	—	—	—	—	—	(12)	(12)
Net income (loss) attributable to partnership¹	\$ 37	\$ 33	\$ 9	\$ (47)	\$ 32	\$ —	\$ —	\$ 32

1. Includes net income (loss) attributable to non-controlling interest – Redeemable Partnership units held by Brookfield, general partner and limited partners

RECONCILIATION OF PROPORTIONATE OPERATING RESULTS TO CONSOLIDATED OPERATING RESULTS

Brookfield Infrastructure's Share

 FOR THE THREE MONTHS ENDED MARCH 31, 2013
 US\$ MILLIONS, UNAUDITED

	Utilities	Transport	Energy	Other	Total	Contribution from investments in associates	Attributable to non-controlling interest	Discontinued Operations	As per IFRS financials
Revenues	\$ 206	\$ 252	\$ 83	\$ 38	\$ 579	\$ (218)	\$ 140	\$ (38)	\$ 463
Costs attributed to revenues	(73)	(145)	(45)	(20)	(283)	115	(74)	20	(222)
General and administrative costs	—	—	—	(28)	(28)	—	—	—	(28)
Adjusted EBITDA	133	107	38	(10)	268	(103)	66	(18)	
Other income (expense)	2	(4)	1	—	(1)	2	(4)	—	(3)
Interest expense	(43)	(36)	(17)	(11)	(107)	39	(25)	6	(87)
FFO	92	67	22	(21)	160	(62)	37	(12)	
Depreciation and amortization	(42)	(51)	(17)	—	(110)	46	(22)	—	(86)
Deferred taxes	1	18	6	(2)	23	(3)	6	—	26
Mark-to-market on hedging items	(43)	—	—	(2)	(45)	(6)	(11)	—	(62)
Valuation (losses) gains and other	(13)	(35)	(2)	(6)	(56)	8	2	6	(40)
Share of income from associates	—	—	—	—	—	17	—	—	17
Income from discontinued operations, net of tax	—	—	—	—	—	—	—	21	21
Net income attributable to non-controlling interest	—	—	—	—	—	—	(12)	(15)	(27)
Net (loss) income attributable to partnership¹	\$ (5)	\$ (1)	\$ 9	\$ (31)	\$ (28)	\$ —	\$ —	\$ —	\$ (28)

1. Includes net (loss) income attributable to non-controlling interest – Redeemable Partnership units held by Brookfield, general partner and limited partners

RECONCILIATION OF PARTNERSHIP CAPITAL TO INVESTED CAPITAL

US\$ MILLIONS, UNAUDITED	As of March 31	
	2014	2013
Partnership capital	\$ 5,105	\$ 4,986
Cumulative differences ¹	669	56
Maintenance capital expenditures	(23)	(26)
Non-cash statement of operating results items	154	188
Accumulated other comprehensive income and other	(1,176)	(988)
Invested capital	\$ 4,729	\$ 4,216
Weighted average invested capital		
– three months ended	\$ 4,703	\$ 4,196

1. Cumulative differences are comprised of total cumulative maintenance capital expenditures, non-cash statement of operating results items and other adjustments since capital was invested.

RECONCILIATION OF PROPORTIONATE ASSETS TO CONSOLIDATED ASSETS – AS OF MARCH 31, 2014

US\$ MILLIONS, UNAUDITED	Total Attributable to Brookfield Infrastructure					Contribution from investment in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials ¹
	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure				
Total assets	\$4,920	\$4,887	\$1,637	\$(117)	\$11,327	\$(2,035)	\$3,864	\$2,599	\$15,755

RECONCILIATION OF PROPORTIONATE ASSETS TO CONSOLIDATED ASSETS – AS OF DECEMBER 31, 2013

US\$ MILLIONS, UNAUDITED	Total Attributable to Brookfield Infrastructure					Contribution from investment in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials ¹
	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure				
Total assets	\$4,766	\$4,789	\$1,629	\$(46)	\$11,138	\$(2,156)	\$3,899	\$2,801	\$15,682

1. The above tables provide each segment's assets in the format that management organizes its segments to make operating decisions and assess performance. Each segment is presented on a proportionate basis, taking into account Brookfield Infrastructure's ownership in operations using consolidation and the equity method whereby the Partnership either controls or exercises significant influence over the investment respectively. The above table reconciles Brookfield Infrastructure's proportionate assets to total assets presented on the Partnership's consolidated statements of financial position by removing net liabilities contained within investments in associates, reflecting the assets attributable to non-controlling interests, and adjusting for working capital assets which are netted against working capital liabilities.

RECONCILIATION OF CONSOLIDATED DEBT TO PROPORTIONATE DEBT

US\$ MILLIONS, UNAUDITED	As of	
	March 31 2014	December 31 2013
Consolidated debt	\$ 6,197	\$ 6,167
Less: borrowings attributable to non-controlling interest	(1,675)	(1,675)
Premium on debt and cross currency swaps	105	(67)
Add: proportionate share of borrowings of investment in associates		
Utilities	700	716
Transport	911	885
Energy	779	779
Proportionate debt	\$ 7,017	\$ 6,805

- **Funds from operations (FFO), adjusted funds from operations (AFFO), adjusted EBITDA, invested capital** and their per share equivalents, where applicable, are non-IFRS measures which do not have any standard meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other companies
 - FFO, AFFO and invested capital are reconciled to Net Income and Partnership capital, respectively, the closest measures determined under IFRS on pages 25 and 28, respectively
- **FFO** is defined as net income excluding the impact of depreciation and amortization, deferred income taxes, breakage and transaction costs, non-cash valuation gains or losses, and other items
 - Brookfield Infrastructure uses FFO to assess its operating results
- **Adjusted EBITDA** is defined as FFO excluding the impact of interest expense, and other income or expenses
 - Brookfield Infrastructure uses Adjusted EBITDA as a measure of operating performance
- **AFFO** is a measure of our sustainable cash flow and is calculated as FFO less maintenance capital expenditures
 - In order to assess our performance as stewards of capital, we also focus on AFFO yield, which is a proxy for our returns on invested capital
- **Invested capital** is meant to track the initial investment that we make in a business plus all cash flow that we re-invest in the business