2015

Supplemental Information

For the year ended December 31

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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", "growth", "increase", "return", "expand", "maintain", 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 for products and services in the markets for the commodities that underpin demand for our infrastructure, 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 36-45 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 segments 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.

$808 **million of FFO or $3.59 per unit**

12% **'same store' constant currency FFO growth**

$2.12 **per unit distribution**

KEY PERFORMANCE METRICS

See "Reconciliation of Non-IFRS Measures" on page 37

US$ MILLIONS, EXCEPT PER UNIT INFORMATION, UNAUDITED	12 months ended December 31 **2015**	2014
Funds from operations (FFO)	**$ 808**	$ 724
Per unit FFO[1]	**3.59**	3.45
Distributions	**2.12**	1.92
Payout ratio[2]	**68%**	62%
Growth of per unit FFO	**4%**	5%
Adjusted funds from operations (AFFO)	**672**	593
Net income[3]	**298**	184
Net income per limited partner unit	**1.04**	0.67
AFFO yield[4]	**13%**	13%

KEY BALANCE SHEET METRICS

US$ MILLIONS, UNAUDITED	As of **Dec 31 2015**	Dec 31 2014
Total assets	**$ 17,735**	$ 16,495
Corporate borrowings	**1,380**	588
Partnership capital[5]	**5,379**	4,878

1. *Average units outstanding for the 12 month period ended December 31, 2015 of 224.9 million (2014: 210.1 million).*
2. *Payout ratio is defined as distributions paid (inclusive of GP incentive and preferred unit distributions) divided by FFO.*
3. *Includes net income 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.*

PERFORMANCE HIGHLIGHTS

- FFO increased to $808 million reflecting deployment of capital in organic growth initiatives and the contribution from new investments, partially offset by impact of weakening foreign currencies against the U.S. dollar
  - 'Same store' FFO growth of 12% on a constant currency basis
  - FFO/unit of $3.59, a 4% increase from prior year and 12% increase on a constant unit basis
  - AFFO yield of 13% was in-line with prior year
- Distribution of $0.53 per unit represents payout ratio of 68%
  - Within 60-70% long-term target range
  - 63% on a constant unit basis; 58% on a constant unit, constant currency basis
- Net income of $298 million versus $184 million in prior year
  - Increase in net income is attributable to higher earnings from operations and larger gains on hedging program compared to the prior year, partially offset by the impact of foreign exchange
- Total assets include impact of investment in Communications Infrastructure business, acquisition of toe-hold position in Australian port and logistics operator Asciano and the increase in PP&E from asset appreciation during the year, partially offset by impact of foreign exchange and depreciation

OPERATIONS

- Deployed ~$600 million into growth capital expenditure projects
- Added over $850 million to capital investment backlog across all segments; total backlog stands at $1.4 billion
- Experienced another record year of connections sales with 243,000, 9% above the prior year, bringing the total connections backlog to ~700,000
  - Close to signing first contract under the UK's smart meter roll-out initiative which will add up to 700,000 meters to the capital investment backlog comprising ~ $220 million
- Acquired an additional 24% interest in our North American natural gas transmission operation for $106 million
  - Volumes were 5% higher compared to the prior year
- Continue to phase in automation at our North America container terminal and completed an upgrade to the No. 1 Quay at UK port operation
  - Container volumes were ~15% higher on a weighted average basis compared to the prior year

BUSINESS DEVELOPMENT

- Completed $415 million investment in communications infrastructure business and secured investments in Niska Gas Storage and an Indian toll road portfolio
- Invested ~$900 million in a toe-hold position in Asciano during Q4, currently awaiting regulatory approval
- Partnered with Spanish construction company to develop 1,600 km of Brazilian transmission assets

FINANCING AND LIQUIDITY

- Raised ~$1.9 billion during the year
  - $950 million unit issuance
  - ~$750 million in corporate debt issuances
  - ~$200 million in preferred units
- Current liquidity of almost $3 billion following increase in corporate credit facility
- Hedged ~75% of FFO generated in foreign currencies through the end of 2017

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 returns 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 segment, this Supplemental Information outlines Brookfield Infrastructure's proportionate share of results in order to demonstrate the impact of key value drivers of each operating segment on the partnership's overall performance

DISTRIBUTION PROFILE

- 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 has declared a quarterly distribution in the amount of $0.57 per unit, payable on March 31, 2016 to unitholders of record as at the close of business on February 29, 2016. This distribution represents an 7.5% increase compared to the prior year
  - Distribution levels will be further assessed in mid-2016, subject to progress of new investment activities
  - Distributions have grown at a **compound annual growth rate of 12%** since inception of the partnership in 2008
- Below is a breakdown of distribution history since the spin-off

US$, UNAUDITED	2008	2009	2010	2011	2012	2013	2014	2015	2016F
Annual Distribution	$ 0.88*	$ 1.06	$ 1.10	$ 1.32	$ 1.50	$ 1.72	$1.92	$2.12	$2.28
Growth	N/A	—	4%	20%	14%	15%	12%	10%	7.5%

** 2008 distribution was prorated from spin-off*

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

SEGMENT	DESCRIPTION	PLATFORM	PRIMARY LOCATION
Utilities	Regulated or contractual businesses which earn a return on their asset base	• Regulated Terminal • Electricity Transmission • Regulated Distribution	• Australia • North & South America • Europe & South America
Transport	Provide transportation for freight, bulk commodities and passengers	• Rail • Toll Roads • Ports	• Australia & South America • South America • Europe & North America
Energy	Systems that provide energy transmission, distribution and storage services	• Energy Transmission, Distribution & Storage • District Energy	• North America & Europe • North America & Australia
Communications Infrastructure	Provide essential services and critical infrastructure to the media broadcasting and telecom sectors	• Tower Infrastructure Operations	• Europe

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

STATEMENTS OF OPERATIONS

US$ MILLIONS, UNAUDITED	12 months ended December 31			
		2015		2014
Net income (loss) by segment				
Utilities	**$**	**210**	$	154
Transport		**135**		103
Energy		**—**		4
Communications Infrastructure		**15**		—
Corporate and other		**(62)**		(77)
Net income	**$**	**298**	$	184
Adjusted EBITDA by segment				
Utilities	**$**	**524**	$	519
Transport		**555**		599
Energy		**166**		139
Communications Infrastructure		**66**		—
Corporate and other		**(134)**		(115)
Adjusted EBITDA	**$**	**1,177**	$	1,142
FFO by segment				
Utilities	**$**	**387**	$	367
Transport		**398**		392
Energy		**90**		68
Communications Infrastructure		**60**		—
Corporate and other		**(127)**		(103)
FFO	**$**	**808**	$	724

STATEMENTS OF FINANCIAL POSITION

US$ MILLIONS, UNAUDITED	As of			
		Dec 31 2015		Dec 31 2014
Total assets by segment				
Utilities	**$**	**4,723**	$	4,805
Transport		**5,338**		4,970
Energy		**2,744**		1,816
Communications Infrastructure		**824**		—
Corporate and other		**(196)**		(56)
Total assets	**$**	**13,433**	$	11,535
Net debt by segment				
Utilities	**$**	**2,721**	$	2,843
Transport		**2,118**		2,513
Energy		**1,735**		1,030
Communications Infrastructure		**386**		—
Corporate and other		**1,094**		271
Net debt	**$**	**8,054**	$	6,657
Partnership capital by segment				
Utilities	**$**	**2,002**	$	1,962
Transport		**3,220**		2,457
Energy		**1,009**		786
Communications Infrastructure		**438**		—
Corporate and other		**(1,290)**		(327)
Partnership capital	**$**	**5,379**	$	4,878

Brookfield

OPERATING SEGMENTS

SEGMENT 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 11,100 km of transmission lines in North and South America
- Regulated distribution – approximately 2.6 million electricity and natural gas connections

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

	12 months ended December 31	
US$ MILLIONS, UNAUDITED	**2015**	2014
Rate base	**$ 4,018**	$ 4,118
Funds from operations (FFO)	**$ 387**	$ 367
Maintenance capital	**(13)**	(14)
Adjusted funds from operations (AFFO)	**$ 374**	$ 353
Return on rate base[1,2]	**11%**	11%

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 $387 million in 2015 compared to $367 million in 2014
  - FFO increased from the prior year as results benefitted from record connections activity at our UK regulated distribution business, inflation indexation and additions to rate base, partially offset by the impact of foreign exchange

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
Revenue	**$ 612**	$ 670
Connections revenue	**86**	66
Cost attributable to revenues	**(174)**	(217)
Adjusted EBITDA	**524**	519
Interest expense	**(142)**	(158)
Other income	**5**	6
Funds from operations (FFO)	**387**	367
Depreciation and amortization	**(153)**	(155)
Deferred taxes and other items	**(24)**	(58)
Net income	**$ 210**	$ 154

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

12 months ended December 31	Adjusted EBITDA		FFO	
US$ MILLIONS, UNAUDITED	**2015**	2014	**2015**	2014
Regulated Distribution	**$ 228**	$ 200	**$ 183**	$ 158
Regulated Terminal	**156**	172	**92**	93
Electricity Transmission	**140**	147	**112**	116
Total	**$ 524**	$ 519	**$ 387**	$ 367

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were $524 million and $387 million, respectively, versus $519 million and $367 million, respectively, in the prior year
  - Regulated Distribution: Adjusted EBITDA and FFO increased versus prior year primarily due to solid performance at our UK regulated distribution business from record connections activity, increased rate base and inflation indexation
  - Regulated Terminal: Adjusted EBITDA and FFO decreased from prior year as inflation indexation and the benefit of additions to rate base were offset by the impact of foreign exchange
  - Electricity Transmission: Adjusted EBITDA and FFO decreased slightly as inflation indexation and additions to rate base were offset by the impact of foreign exchange and the sale of our New England electricity transmission business in August of this year

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 **2015**	2014
Capital backlog, start of period	**$ 397**	$ 300
Additional capital project mandates	**341**	395
Less: capital expenditures	**(258)**	(242)
Foreign exchange and other	**(28)**	(56)
Capital backlog, end of period	**452**	397
Construction work in progress	**124**	101
Total capital to be commissioned	**$ 576**	$ 498

US$ MILLIONS, UNAUDITED	12 months ended December 31 **2015**	2014
Rate base, start of period	**$ 4,118**	$ 4,242
Impact of asset sales	**(38)**	—
Capital expenditures commissioned	**234**	189
Inflation and other indexation	**97**	110
Regulatory depreciation	**(53)**	(72)
Foreign exchange and other	**(340)**	(351)
Rate base, end of period	**$ 4,018**	$ 4,118

CAPITAL BACKLOG

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

- Ended the year with $576 million of total capital to be commissioned into rate base; a 16% increase from December 31, 2014
  - Capital project mandates awarded were partially offset by capital expenditures made during the period and the impact of foreign exchange
  - Our UK regulated distribution business and Chilean transmission system are the largest contributors at ~$400 million and ~$150 million, respectively

RATE BASE

- Our rate base has decreased from year-end as increases from new connections at our UK Regulated Distribution business, the commissioning of 17 projects in our Electricity Transmission segment and inflation indexation were offset by regulatory depreciation and the impact of foreign exchange

SEGMENT OVERVIEW

- Networks that provide transportation for freight, bulk commodities and passengers, for which we are paid an access fee
- Rail 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

- Rail – sole provider of rail network in Southwestern Western Australia with ~5,100 km of track and operator of ~4,800 km of rail in South America
- Toll Roads – ~3,500 km of motorways in Brazil, Chile and India
- Ports – 33 terminals in North America, UK and across Europe

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 **2015**		2014	
Growth capital expenditures	**$**	**297**	$	332
Adjusted EBITDA margin[1]		**49%**		48%
Funds from operations (FFO)	**$**	**398**	$	392
Maintenance capital		**(72)**		(80)
Adjusted funds from operations (AFFO)	**$**	**326**	$	312

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

- FFO of $398 million in 2015 compared to $392 million in 2014
  - Increase driven by strong volumes at our Australian rail operation, inflationary tariff increases, container volume growth at our North American and UK port operations, contribution from investment in Brazilian rail operation acquired in 2014 and cost savings at Australian rail business, results were partially offset by the impact of foreign exchange

TRANSPORT OPERATIONS CONT'D

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
Revenue	$ 1,143	$ 1,238
Cost attributable to revenues	(588)	(639)
Adjusted EBITDA	555	599
Interest expense	(142)	(173)
Other expenses	(15)	(34)
Funds from operations (FFO)	398	392
Depreciation and amortization	(217)	(250)
Deferred taxes and other items	(46)	(39)
Net income	$ 135	$ 103

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

12 months ended December 31	Adjusted EBITDA		FFO	
US$ MILLIONS, UNAUDITED	2015	2014	2015	2014
Rail	$ 292	$ 270	$ 231	$ 201
Toll roads	180	248	111	140
Ports	83	81	56	51
Total	$ 555	$ 599	$ 398	$ 392

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were $555 million and $398 million, respectively, versus $599 million and $392 million, respectively, in the prior year
  - Rail: Adjusted EBITDA and FFO increased versus prior year as a result of improved agricultural volumes and a full year contribution from our South American rail operation acquired mid-way through 2014 as well as improved margins at our Australian operation, partially offset by the impact of foreign exchange
  - Toll roads: Adjusted EBITDA and FFO decreased versus prior year as benefits of regulatory tariff increases and stronger light vehicle volumes were more than offset by the impact of foreign exchange and lower heavy vehicle volumes
    - In local currency, toll road EBITDA was 5% higher than prior year
  - Ports: Adjusted EBITDA and FFO have increased versus the prior year as the delivery of the first phase of the automation project at our North American container terminal and the continued modernization at our UK port operation have increased container moves by ~15%, partially offset by the impact of foreign exchange

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	12 months ended December 31 **2015**	2014
Capital backlog, start of period	**$ 655**	$ 373
Impact of acquisitions, net of disposals	—	242
Additional capital project mandates	**316**	412
Less: capital expenditures	**(297)**	(332)
Foreign exchange and other	**(207)**	(40)
Capital backlog, end of period	**467**	655
Construction work in progress	**110**	77
Total capital to be commissioned	**$ 577**	$ 732

- Consists of the following types of projects:
  - Rail: Upgrading and expanding our network to capture volume growth from incremental activity in the sectors we serve
  - 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
- Our Brazilian toll road business and Brazilian rail operation are the largest contributors to our capital to be commissioned over the next two to three years at ~$325 million and ~$150 million, respectively

SEGMENT OVERVIEW

- Systems that provide energy transportation, distribution and storage 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 – 14,800 km of transmission pipelines, over 40,000 gas distribution customers in the UK and 600 billion cubic feet of natural gas storage in the U.S. and Canada
- District Energy – Delivers 2,870,000 pounds per hour of heating and 255,000 tons of cooling capacity to North American customers, as well as in Australia where we provide heating, cooling and distributed water and sewage services to 1,800 customers

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

	12 months ended December 31	
US$ MILLIONS, UNAUDITED	**2015**	2014
Growth capital expenditures	**$ 27**	$ 37
Adjusted EBITDA margin[1]	**48%**	45%
Funds from operations (FFO)	**$ 90**	$ 68
Maintenance capital	**(45)**	(37)
Adjusted funds from operations (AFFO)	**$ 45**	$ 31

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

- FFO of $90 million in 2015 compared to $68 million in 2014
  - Increase attributable to organic growth initiatives and tuck-in acquisitions made over the last 12 months in our district energy business, and higher volumes and an increased ownership in our North American natural gas transmission business

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
Revenue	**$ 349**	$ 311
Cost attributable to revenues	**(183)**	(172)
Adjusted EBITDA	**166**	139
Interest expense	**(79)**	(71)
Other income	**3**	—
Funds from operations (FFO)	**90**	68
Depreciation and amortization	**(90)**	(76)
Deferred taxes and other items	**—**	12
Net income	**$ —**	$ 4

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

12 months ended December 31	Adjusted EBITDA		FFO	
US$ MILLIONS, UNAUDITED	**2015**	2014	**2015**	2014
Energy Transmission, Distribution & Storage	**$ 118**	$ 111	**$ 49**	$ 45
District Energy	**48**	28	**41**	23
Total	**$ 166**	$ 139	**$ 90**	$ 68

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were $166 million and $90 million, respectively, versus $139 million and $68 million, respectively, in the prior year
  - Energy Transmission, Distribution & Storage: Adjusted EBITDA and FFO increased versus prior year as results benefitted from higher transportation volumes at our North American natural gas transmission operation
    - Volumes for the year were 5% higher than prior year at our North American natural gas transmission operation
  - District Energy: Adjusted EBITDA and FFO increased from the prior year primarily as a result of contribution from new systems acquired in the second half of 2014 and the benefit of organic capital investments made to increase the number of in-place connections

CAPITAL BACKLOG

Enhancements to our systems 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:

	12 months ended December 31	
US$ MILLIONS, UNAUDITED	**2015**	2014
Capital backlog, start of period	**$ 73**	$ 30
Additional capital project mandates	**151**	84
Less: capital expenditures	**(27)**	(37)
Foreign exchange and other	**(16)**	(4)
Capital backlog, end of period	**181**	73
Construction work in progress	**37**	21
Total capital to be commissioned	**$ 218**	$ 94

- Consists of the following energy projects:
  - Expanding systems to capture volume growth underpinned by long-term take or pay contracts
  - Upgrading systems to attain incremental volumes from increased demand in regions we serve
- Capital to be commissioned includes ~$140 million within our Energy Transmission, Distribution & Storage operations and ~$80 million in our District Energy platform
  - Transmission, Distribution & Storage projects include the Chicago market expansion and the first phase of the Gulf Coast Reversal project at our North American natural gas transmission business; projects underpinned by long-term contracts with key customers including Rice Energy Inc. and Cheniere Energy Inc.
  - District Energy projects include ~$60 million for an energy network and district water expansions in Australia and ~$20 million of expansionary projects in North America systems

SEGMENT OVERVIEW

- Businesses that provide essential services and critical infrastructure to media broadcasting and telecom sectors
- Adjusted EBITDA underpinned by both regulated and unregulated services, secured by long-term inflation-linked contracts

OBJECTIVES

- Increase profitability through site rental revenue growth
- Maintain high level of service by managing availability and reliability of our customers network
- Deploy capital in response to customer demands for increased densification of their networks

OPERATIONS

- ~7,000 multi-purpose towers and active rooftop sites
- 5,000 km of fibre backbone located in France

The following table presents selected key performance metrics for our communications infrastructure segment:

	12 months ended December 31			
US$ MILLIONS, UNAUDITED		**2015**		2014
Growth capital expenditures	**$**	**15**	$	—
Adjusted EBITDA margin[1]		**54%**		—
				—
Funds from operations (FFO)	**$**	**60**	$	—
Maintenance capital		**(6)**		—
Adjusted funds from operations (AFFO)	**$**	**54**	$	—

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

- We acquired an interest in a French telecommunications infrastructure business for $415 million on March 31, 2015
- FFO of $60 million in 2015 slightly ahead of expectations

COMMUNICATIONS INFRASTRUCTURE OPERATIONS CONT'D

The following table presents our communications infrastructure segment's proportionate share of financial results:

US$ MILLIONS, UNAUDITED		12 months ended December 31 2015		2014[1]
Revenue	**$**	**123**	$	—
Cost attributable to revenues		**(57)**		—
Adjusted EBITDA		**66**		—
Interest expense		**(6)**		—
Funds from operations (FFO)		**60**		—
Depreciation and amortization		**(46)**		—
Deferred taxes and other items		**1**		—
Net income	**$**	**15**	$	—

[1] *Communications Infrastructure business acquired March 31, 2015*

FINANCIAL RESULTS

- Adjusted EBITDA and FFO were $66 million and $60 million, respectively
  - EBITDA and FFO slightly ahead of underwriting
- Organic growth opportunities in this segment include further site roll-outs associated with minimum coverage requirements, acquiring additional sites from customers looking to enhance liquidity and network densification
  - Marketable rooftop portfolio continues to grow with 700 rooftop sites signed during the year
- Current capital project backlog for this segment is ~$30 million
  - Projects anticipated to be completed in next 2 – 3 years

CORPORATE AND OTHER

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
General and administrative costs	**$ (8)**	$ (8)
Base management fee	**(126)**	(107)
Adjusted EBITDA	**(134)**	(115)
Other income	**34**	26
Financing costs	**(27)**	(14)
Funds from operations (FFO)	**(127)**	(103)
Deferred taxes and other items	**65**	26
Net loss	**$ (62)**	$ (77)

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
  - Increased from prior year due to a larger market capitalization driven by April equity issuance
- Corporate financing costs include interest expense and standby fees on committed credit facility, less interest earned on cash balances
  - Financing costs increased compared to the prior year due to increased borrowings used to finance new investments made in the current year
- Other income includes interest and distribution income, as well as realized gains earned on corporate financial assets

LIQUIDITY

Total liquidity was ~$2.4 billion at December 31, 2015, subsequently increased to $2.9 billion, and was comprised of the following:

US$ MILLIONS, UNAUDITED	As of Dec 31, 2015	As of Dec 31, 2014	Pro-forma[1]
Corporate cash and financial assets	**$ 286**	$ 317	286
Committed corporate credit facility	**1,875**	1,400	1,875
Subordinated corporate credit facility	**—**	—	500
Draws under corporate credit facility	**(407)**	(246)	(407)
Commitments under corporate credit facility	**(83)**	(110)	(83)
Proportionate cash retained in businesses	**257**	380	257
Proportionate availability under subsidiary credit facilities	**472**	384	472
Total liquidity	**$ 2,400**	$ 2,125	2,900

[1] *Includes $500 million subordinated facility from Brookfield Asset Management Inc.*

- 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

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 December 31, 2015, scheduled principal repayments over the next five years are as follows:

US$ MILLIONS, UNAUDITED	Average Term (years)	2016	2017	2018	2019	2020	Beyond	Total
Recourse borrowings								
Net corporate borrowings	4	$ —	$ 287	$ 90	$ —	$ 678	$ 325	**$ 1,380**
Total recourse borrowings	4	—	287	90	—	678	325	**1,380**
Utilities								
Regulated Distribution	11	—	—	—	—	47	966	**1,013**
Regulated Terminal	6	181	—	—	55	154	602	**992**
Electricity Transmission	11	73	5	5	5	6	659	**753**
	9	254	5	5	60	207	2,227	**2,758**
Transport								
Rail	8	12	16	16	15	89	821	**969**
Toll Roads	9	163	104	67	68	53	492	**947**
Ports	5	18	54	175	11	12	89	**359**
	8	193	174	258	94	154	1,402	**2,275**
Energy								
Energy Transmission, Distribution & Storage	6	28	913	—	275	96	250	**1,562**
District Energy	12	6	31	2	2	2	156	**199**
	6	34	944	2	277	98	406	**1,761**
Communications Infrastructure								
Telecommunications Infrastructure	5	—	63	—	160	63	137	**423**
	5	—	63	—	160	63	137	**423**
Total non-recourse borrowings	8	481	1,186	265	591	522	4,172	**7,217**
Total borrowings	8	$ 481	$ 1,473	$ 355	$ 591	$ 1,200	$ 4,497	**$ 8,597**
		6%	17%	4%	7%	14%	52%	**100%**

PROPORTIONATE NET DEBT

The following table presents proportionate net debt by operating segment:

US$ MILLIONS, UNAUDITED	As of December 31, 2015		As of December 31, 2014	
Non-recourse borrowings				
Utilities	**$**	**2,758**	$	2,891
Transport		**2,275**		2,804
Energy		**1,761**		1,071
Communications Infrastructure		**423**		—
Corporate & Other		**1,380**		588
Total borrowings	**$**	**8,597**	$	7,354
Cash retained in businesses				
Utilities	**$**	**37**	$	48
Transport		**157**		291
Energy		**26**		41
Communications Infrastructure		**37**		—
Corporate & Other		**286**		317
Total cash retained	**$**	**543**	$	697
Net debt				
Utilities	**$**	**2,721**	$	2,843
Transport		**2,118**		2,513
Energy		**1,735**		1,030
Communications Infrastructure		**386**		—
Corporate & Other		**1,094**		271
Total net debt	**$**	**8,054**	$	6,657

- Weighted average cash interest rate is 5.8% for the overall business, in which our utilities, transport, energy, communications infrastructure and corporate segments were 5.3%, 6.6%, 6.9%, 2.1%, and 3.2%, respectively

FOREIGN CURRENCY HEDGING STRATEGY

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 December 31, 2015:

	Net Investment Hedges							
US$ MILLIONS, UNAUDITED	USD	AUD	GBP	BRL	CLP	CAD	EUR	COP
Net equity Investment – US$	$ (26)	$ 2,238	$ 1,260	$ 885	$ 127	$ 220	$ 618	$ 57
FX contracts – US$	3,583	(1,999)	(1,031)	—	—	(111)	(442)	—
Net unhedged – US$	$ 3,557	$ 239	$ 229	$ 885	$ 127	$ 109	$ 176	$ 57
% of equity investment hedged	N/A	89%	82%	—%	—%	50%	72%	—%

- As at December 31, 2015, hedges in place are equal to 66% of net equity in foreign currencies
- We have implemented a strategy to hedge approximately 75% of our expected FFO generated in foreign currencies
- For the twelve months ended December 31, 2015, 17%, 29%, 24% and 16% of our FFO was generated in USD, AUD, GBP and BRL, respectively
- Due to our FFO hedging program, 80%, 1%, -% and 16% of our FFO for the twelve months ended December 31, 2015 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	12 months ended December 31 2015		2014	
Funds from operations (FFO)	**$**	**808**	$	724
Maintenance capital		**(136)**		(131)
Funds available for distribution (AFFO)		**672**		593
Distributions paid		**(546)**		(448)
Funds available for reinvestment		**126**		145
Growth capital expenditures		**(597)**		(611)
Asset level debt funding of growth capex		**364**		339
Project level (repayments) financings		**(243)**		77
New investments, net of disposals		**(1,669)**		(310)
Draws on corporate credit facility		**161**		246
Partnership unit issuances, net of repurchases		**889**		—
Proceeds from debt issuances		**738**		—
Proceeds from preferred share issuances		**189**		—
Changes in working capital and other		**(112)**		(42)
Change in proportionate cash		**(154)**		(156)
Opening, proportionate cash		**697**		853
Closing, proportionate cash	**$**	**543**	$	697

- 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

CAPITAL REINVESTMENT CONT'D

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

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
Growth capital expenditures by segment		
Utilities	**$ 258**	$ 242
Transport	**297**	332
Energy	**27**	37
Communications Infrastructure	**15**	—
Total	**$ 597**	$ 611

US$ MILLIONS, UNAUDITED	12 months ended December 31 2015	2014
Maintenance capital expenditures by segment		
Utilities	**$ 13**	$ 14
Transport	**72**	80
Energy	**45**	37
Communications Infrastructure	**6**	—
Total	**$ 136**	$ 131

- We estimate annual maintenance capital expenditures of $10-15 million, $90-100 million, $60-70 million and $5-10 million for our Utilities, Transport, Energy and Communications Infrastructure segments, respectively, for a total range of $165-$195 million

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

MILLIONS OF PARTNERSHIP UNITS, UNAUDITED	As of Dec. 31, 2015	As of Dec. 31, 2014
Redeemable partnership unit	**66.8**	58.7
Limited partnership unit	**162.1**	150.3
General partnership unit	**1.1**	1.1
Total partnership units	**230.0**	210.1

- 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 $64 million were paid during the year versus $44 million in the prior year as a result of the 10% increase in our distribution on partnership units from 2014 and the unit issuance in April 2015
- 10 million Preferred Limited Partnership units outstanding at December 31, 2015, issued at par value of C$25 per unit
  - Distributions of $3 million were paid during the year

Brookfield

REVIEW OF FOURTH QUARTER PERFORMANCE

$204 million of FFO | **$0.89 per unit FFO** | **$0.53 per unit quarterly distribution**

KEY PERFORMANCE METRICS

See "Use of Non-IFRS Measures" on page 37

US$ MILLIONS, EXCEPT PER UNIT INFORMATION, UNAUDITED	Three months ended December 31 2015	2014
Funds from operations (FFO)	**$ 204**	$ 180
Per unit FFO[1]	**0.89**	0.86
Distributions	**0.53**	0.48
Payout ratio[2]	**68%**	62%
Growth of per unit FFO	**3%**	4%
Adjusted funds from operations (AFFO)	**164**	136
Net income[3]	**25**	67
Net income (loss) per limited partner unit	**0.04**	0.28
AFFO yield[4]	**12%**	12%

1. *Average units outstanding during the three months ended December 31, 2015 of 230.0 million (2014: 210.1 million).*
2. *Payout ratio is defined as distributions paid (inclusive of GP incentive and preferred unit 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.*

PERFORMANCE HIGHLIGHTS

- FFO increased to $204 million reflecting deployment of capital in organic growth initiatives and the contribution from new investments, partially offset by impact of weakening foreign currencies against the U.S. dollar
  - ‘Same store’ FFO growth of 13% on a constant currency basis
  - FFO/unit of $0.89, a 3% increase from prior year and 13% increase on a constant unit basis
  - AFFO yield of 12% was in-line with prior year
- Distribution of $0.53 per unit represents payout ratio of 68%
  - Within 60-70% long-term target range
  - 62% on a constant unit basis; 56% on a constant unit, constant currency basis
- Net income of $25 million versus $67 million in prior year
  - Higher earnings from operations were offset by increased depreciation from recently acquired operations and increased deferred tax expense

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

STATEMENTS OF OPERATIONS

US$ MILLIONS, UNAUDITED	Three months ended December 31 2015	2014
Net income (loss) by segment		
Utilities	**$ 60**	$ 27
Transport	**30**	28
Energy	**(17)**	(1)
Communications Infrastructure	**8**	—
Corporate and other	**(56)**	13
Net income	**$ 25**	$ 67
Adjusted EBITDA by segment		
Utilities	**$ 133**	$ 131
Transport	**131**	148
Energy	**42**	34
Communications Infrastructure	**22**	—
Corporate and other	**(35)**	(31)
Adjusted EBITDA	**$ 293**	$ 282
FFO by segment		
Utilities	**$ 100**	$ 93
Transport	**95**	101
Energy	**20**	16
Communications Infrastructure	**20**	—
Corporate and other	**(31)**	(30)
FFO	**$ 204**	$ 180

UTILITIES OPERATIONS

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

US$ MILLIONS, UNAUDITED	Three months ended December 31 2015		Three months ended December 31 2014	
Revenue	**$**	**151**	$	165
Connection revenue		**27**		17
Cost attributable to revenues		**(45)**		(51)
Adjusted EBITDA		**133**		131
Interest expense		**(35)**		(38)
Other income		**2**		—
Funds from operations (FFO)		**100**		93
Depreciation and amortization		**(38)**		(37)
Deferred taxes and other items		**(2)**		(29)
Net income	**$**	**60**	$	27

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

Three months ended December 31	Adjusted EBITDA				FFO			
US$ MILLIONS, UNAUDITED		**2015**		2014		**2015**		2014
Regulated Distribution	**$**	**63**	$	51	**$**	**51**	$	41
Regulated Terminal		**38**		44		**23**		23
Electricity Transmission		**32**		36		**26**		29
Total	**$**	**133**	$	131	**$**	**100**	$	93

FINANCIAL RESULTS

- Adjusted EBITDA and FFO for the quarter were $133 million and $100 million, respectively, versus $131 million and $93 million, respectively, in the prior quarter
  - Regulated Distribution: Adjusted EBITDA and FFO increased versus prior year primarily due to stronger performance at our UK regulated distribution business from record connections activity, a larger rate base and inflation indexation
  - Regulated Terminal: Adjusted EBITDA decreased while FFO remained consistent compared to the prior year as inflation indexation and the benefit of additions to rate base were offset by the impact of foreign exchange as our hedged rate declined compared to prior year
  - Electricity Transmission: Adjusted EBITDA and FFO decreased versus the prior year as inflation indexation and additions to rate base were more than offset by the impact of foreign exchange and the sale of our New England transmission operation in Q3'15

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

US$ MILLIONS, UNAUDITED	Three months ended December 31 2015	2014
Revenue	**$ 272**	$ 315
Cost attributable to revenues	**(141)**	(167)
Adjusted EBITDA	**131**	148
Interest expense	**(32)**	(41)
Other expenses	**(4)**	(6)
Funds from operations (FFO)	**95**	101
Depreciation and amortization	**(52)**	(64)
Deferred taxes and other items	**(13)**	(9)
Net income	**$ 30**	$ 28

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

Three months ended December 31	Adjusted EBITDA		FFO	
US$ MILLIONS, UNAUDITED	**2015**	2014	**2015**	2014
Rail	**$ 69**	$ 67	**$ 56**	$ 52
Toll roads	**42**	60	**26**	36
Ports	**20**	21	**13**	13
Total	**$ 131**	$ 148	**$ 95**	$ 101

FINANCIAL RESULTS

- Adjusted EBITDA and FFO for the quarter were $131 million and $95 million, respectively, versus $148 million and $101 million, respectively, in the prior year
  - Rail: Adjusted EBITDA and FFO increased versus prior year due improved margins at our Australian operation and higher agricultural volumes at our Brazilian rail business, partially offset by the impact of foreign exchange
  - Toll roads: Adjusted EBITDA and FFO decreased versus prior year as benefits of regulatory tariff increases were more than offset by the impact of foreign exchange and lower traffic volumes
    - In local currency, toll road EBITDA was 6% higher than prior year
  - Ports: Adjusted EBITDA decreased compared to the prior year as benefits from automation project at our North American container terminal and improved volumes in the UK were offset by the loss of a bulk commodity customer at our UK port operation and the impact of foreign exchange, while FFO was consistent with the prior year

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

	Three months ended December 31	
US$ MILLIONS, UNAUDITED	**2015**	2014
Revenue	**$ 90**	$ 80
Cost attributable to revenues	**(48)**	(46)
Adjusted EBITDA	**42**	34
Interest expense	**(23)**	(18)
Other income	**1**	—
Funds from operations (FFO)	**20**	16
Depreciation and amortization	**(57)**	(21)
Deferred taxes and other items	**20**	4
Net loss	**$ (17)**	$ (1)

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

Three months ended December 31	Adjusted EBITDA		FFO	
US$ MILLIONS, UNAUDITED	**2015**	2014	**2015**	2014
Energy Transmission, Distribution & Storage	**$ 29**	$ 25	**$ 9**	$ 9
District Energy	**13**	9	**11**	7
Total	**$ 42**	$ 34	**$ 20**	$ 16

FINANCIAL RESULTS

- Adjusted EBITDA and FFO for the quarter were $42 million and $20 million, respectively, versus $34 million and $16 million, respectively, in the prior year
  - Energy Transmission, Distribution & Storage: Adjusted EBITDA increased versus prior year while FFO remained consistent as EBITDA and interest expense both increased due to the acquisition of an additional 24% in our North American natural gas transmission operation in the fourth quarter
  - District Energy: Adjusted EBITDA and FFO increased from the prior year primarily as a result of the benefit of organic capital investments made to increase the number of in-place connections and tuck-in acquisitions completed in the last year

The following table presents our communication infrastructure segment's proportionate share of financial results:

US$ MILLIONS, UNAUDITED	Three months ended December 31 2015	2014[1]
Revenue	**$ 41**	$ —
Cost attributable to revenues	**(19)**	—
Adjusted EBITDA	**22**	—
Interest expense	**(2)**	—
Funds from operations (FFO)	**20**	—
Depreciation and amortization	**(15)**	—
Deferred taxes and other items	**3**	—
Net income	**$ 8**	$ —

[1] *Communications Infrastructure business acquired March 31, 2015*

The following table presents our proportionate adjusted EBITDA and FFO in this operating segment:

Three months ended December 31	**Adjusted EBITDA**		**FFO**	
US$ MILLIONS, UNAUDITED	**2015**	2014	**2015**	2014
Telecommunications Infrastructure	**$ 22**	$ —	**$ 20**	$ —
Total	**$ 22**	$ —	**$ 20**	$ —

FINANCIAL RESULTS

- Adjusted EBITDA and FFO for the quarter were $22 million and $20 million, respectively
  - EBITDA and FFO slightly ahead of underwriting
- Organic growth opportunities in this segment include further site roll-outs associated with minimum coverage requirements, acquiring additional sites from customers looking to enhance liquidity and network densification
- Current capital project backlog for this segment is ~$30 million
  - Projects anticipated to be completed in next 2 – 3 years

CORPORATE AND OTHER

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

US$ MILLIONS, UNAUDITED	Three months ended December 31 2015	2014
General and administrative costs	**$ (2)**	$ (2)
Base management fee	**(33)**	(29)
Adjusted EBITDA	**(35)**	(31)
Financing costs	**(9)**	(4)
Other income	**13**	5
Funds from operations (FFO)	**(31)**	(30)
Deferred taxes and other items	**(25)**	43
Net (loss) income	**$ (56)**	$ 13

FINANCIAL RESULTS

- We pay Brookfield an annual base management fee equal to 1.25% of our market value, plus recourse debt net of cash
  - Increased from prior year due to a larger market capitalization driven by April equity issuance
- Corporate financing costs include interest expense and standby fees on committed credit facility, less interest earned on cash balances
  - Financing costs increased year over year as a result of increased borrowings used to fund new investments made in the last year
- Other income includes interest and distribution income, as well as realized gains earned on corporate financial assets
  - Increase in other income as a result of investments in interest bearing financial assets made during the year

APPENDIX – RECONCILIATION OF NON-IFRS FINANCIAL MEASURES



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

US$ MILLIONS, UNAUDITED	Three months ended December 31		12 months ended December 31	
	2015	2014	**2015**	2014
Net income attributable to partnership[1]	**$ 25**	$ 67	**$ 298**	$ 184
Add back or deduct the following:				
Depreciation and amortization	**162**	122	**506**	481
Deferred income taxes	**(50)**	(7)	**(53)**	(2)
Mark-to-market on hedging items	**19**	(29)	**(63)**	(39)
Valuation losses and other	**48**	27	**120**	100
FFO	**204**	180	**808**	724
Maintenance capital expenditures	**(40)**	(44)	**(136)**	(131)
AFFO	**$ 164**	$ 136	**$ 672**	$ 593

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

FOR THE 12 MONTHS ENDED DECEMBER 31, 2015 US$ MILLIONS, UNAUDITED	Brookfield Infrastructure's Share								
	Utilities	Transport	Energy	Comm. Infrastructure	Other	Total	Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials
Revenues	$ 698	$ 1,143	$ 349	$ 123	$ —	$ 2,313	$ (1,044)	$ 586	$ 1,855
Costs attributed to revenues	(174)	(588)	(183)	(57)	—	(1,002)	546	(342)	(798)
General and administrative costs	—	—	—	—	(134)	(134)	—	—	(134)
Adjusted EBITDA	524	555	166	66	(134)	1,177	(498)	244	
Other income (expense)	5	(15)	3	—	34	27	13	(4)	36
Interest expense	(142)	(142)	(79)	(6)	(27)	(396)	144	(115)	(367)
FFO	387	398	90	60	(127)	808	(341)	125	
Depreciation and amortization	(153)	(217)	(90)	(46)	—	(506)	246	(115)	(375)
Deferred taxes	(8)	21	14	14	12	53	(41)	14	26
Mark-to-market on hedging items	(1)	(3)	(3)	—	70	63	(12)	32	83
Valuation (losses) gains and other	(15)	(64)	(11)	(13)	(17)	(120)	79	34	(7)
Share of earnings from associates	—	—	—	—	—	—	69	—	69
Net income attributable to non-controlling interest	—	—	—	—	—	—	—	(90)	(90)
Net income (loss) attributable to partnership[1]	$ 210	$ 135	$ —	$ 15	$ (62)	$ 298	$ —	$ —	$ 298

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

FOR THE 12 MONTHS ENDED DECEMBER 31, 2014 US$ MILLIONS, UNAUDITED	Brookfield Infrastructure's Share Utilities	Transport	Energy	Other	Total	Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials
Revenues	$ 736	$ 1,238	$ 311	$ —	$ 2,285	$ (958)	$ 597	$ 1,924
Costs attributed to revenues	(217)	(639)	(172)	—	(1,028)	486	(304)	(846)
General and administrative costs	—	—	—	(115)	(115)	—	—	(115)
Adjusted EBITDA	519	599	139	(115)	1,142	(472)	293	
Other income (expense)	6	(34)	—	26	(2)	23	(10)	11
Interest expense	(158)	(173)	(71)	(14)	(416)	160	(106)	(362)
FFO	367	392	68	(103)	724	(289)	177	
Depreciation and amortization	(155)	(250)	(76)	—	(481)	212	(111)	(380)
Deferred taxes	(27)	8	5	16	2	(37)	(14)	(49)
Mark-to-market on hedging items	7	4	(4)	32	39	(3)	2	38
Valuation (losses) gains and other	(38)	(51)	11	(22)	(100)	67	(9)	(42)
Share of earnings from associates	—	—	—	—	—	50	—	50
Net income attributable to non-controlling interest	—	—	—	—	—	—	(45)	(45)
Net income (loss) attributable to partnership[1]	$ 154	$ 103	$ 4	$ (77)	$ 184	$ —	$ —	$ 184

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

FOR THE THREE MONTHS ENDED DECEMBER 31, 2015 US$ MILLIONS, UNAUDITED	Brookfield Infrastructure's Share Utilities	Transport	Energy	Comm. Infrastructure	Other	Total	Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials
Revenues	$ 178	$ 272	$ 90	$ 41	$ —	$ 581	$ (266)	$ 140	$ 455
Costs attributed to revenues	(45)	(141)	(48)	(19)	—	(253)	139	(85)	(199)
General and administrative costs	—	—	—	—	(35)	(35)	—	—	(35)
Adjusted EBITDA	133	131	42	22	(35)	293	(127)	55	
Other income (expense)	2	(4)	1	—	13	12	5	3	20
Interest expense	(35)	(32)	(23)	(2)	(9)	(101)	37	(30)	(94)
FFO	100	95	20	20	(31)	204	(85)	28	
Depreciation and amortization	(38)	(52)	(57)	(15)	—	(162)	102	(22)	(82)
Deferred taxes	13	14	11	9	3	50	(27)	7	30
Mark-to-market on hedging items	(5)	—	—	—	(14)	(19)	(12)	5	(26)
Valuation (losses) gains and other	(10)	(27)	9	(6)	(14)	(48)	8	(10)	(50)
Share of earnings from associates	—	—	—	—	—	—	14	—	14
Net income attributable to non-controlling interest	—	—	—	—	—	—	—	(8)	(8)
Net income (loss) attributable to partnership[1]	$ 60	$ 30	$ (17)	$ 8	$ (56)	$ 25	$ —	$ —	$ 25

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

FOR THE THREE MONTHS ENDED DECEMBER 31, 2014 US$ MILLIONS, UNAUDITED	Brookfield Infrastructure's Share Utilities	Transport	Energy	Other	Total	Contribution from investments in associates	Attributable to non-controlling interest	As per IFRS financials
Revenues	182	$ 315	$ 80	$ —	$ 577	$ (257)	$ 145	$ 465
Costs attributed to revenues	(51)	(167)	(46)	—	(264)	135	(74)	(203)
General and administrative costs	—	—	—	(31)	(31)	—	—	(31)
Adjusted EBITDA	131	148	34	(31)	282	(122)	71	
Other (expense) income	—	(6)	—	5	(1)	5	(2)	2
Interest expense	(38)	(41)	(18)	(4)	(101)	37	(31)	(95)
FFO	93	101	16	(30)	180	(80)	38	
Depreciation and amortization	(37)	(64)	(21)	—	(122)	55	(31)	(98)
Deferred taxes	(15)	5	3	14	7	(4)	3	6
Mark-to-market on hedging items	—	(1)	(3)	33	29	—	—	29
Valuation (losses) gains and other	(14)	(13)	4	(4)	(27)	20	(14)	(21)
Share of earnings from associates	—	—	—	—	—	9	—	9
Net income attributable to non-controlling interest	—	—	—	—	—	—	4	4
Net income (loss) attributable to partnership[1]	**$** 27	$ 28	$ (1)	$ 13	$ 67	$ —	$ —	$ 67

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

RECONCILIATION OF PARTNERSHIP CAPITAL TO INVESTED CAPITAL – AS AT DECEMBER 31, 2015

US$ MILLIONS, UNAUDITED		Total
Partnership capital	$	**5,379**
Cumulative differences[1]		**1,075**
Maintenance capital expenditures		**(136)**
Non-cash statement of operating results items		**510**
Accumulated other comprehensive income and other		**(1,013)**
Invested capital	$	**5,815**
Weighted average invested capital		
– three months ended December 31, 2015	$	**5,344**
– 12 months ended December 31, 2015	$	**4,973**

RECONCILIATION OF PARTNERSHIP CAPITAL TO INVESTED CAPITAL – AS AT DECEMBER 31, 2014

US$ MILLIONS, UNAUDITED		Total
Partnership capital	$	4,878
Cumulative differences[1]		478
Maintenance capital expenditures		(131)
Non-cash statement of operating results items		540
Accumulated other comprehensive income and other		(943)
Invested capital	$	4,822
Weighted average invested capital		
– three months ended December 31, 2014	$	4,759
– 12 months ended December 31, 2014	$	4,665

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 AT DECEMBER 31, 2015

	Total Attributable to Brookfield Infrastructure									
US$ MILLIONS, UNAUDITED	Utilities	Transport	Energy	Comm. Infrastructure	Other	Brookfield Infrastructure	Contribution from investment in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials [1]
Total assets	**$4,723**	**$5,338**	**$2,744**	**$824**	**$(196)**	**$13,433**	**$(3,795)**	**$4,298**	**$3,799**	**$17,735**

RECONCILIATION OF PROPORTIONATE ASSETS TO CONSOLIDATED ASSETS – AS AT DECEMBER 31, 2014

	Total Attributable to Brookfield Infrastructure								
US$ MILLIONS, UNAUDITED	Utilities	Transport	Energy	Other	Brookfield Infrastructure	Contribution from investment in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials [1]
Total assets	$4,805	$4,970	$1,816	$(56)	$11,535	$(1,944)	$4,284	$2,620	$16,495

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 Dec 31 2015	Dec 31 2014
Consolidated debt	**$ 7,232**	$ 6,809
Add: proportionate share of debt of investment in associates		
Utilities	**643**	684
Transport	**764**	1,140
Energy	**1,462**	—
Communications Infrastructure	**423**	—
Add: proportionate share of debt directly associated with assets held for sale	**206**	809
Less: debt attributable to non-controlling interest	**(1,662)**	(1,834)
Premium on debt and cross currency swaps	**(471)**	(254)
Proportionate debt	**$ 8,597**	$ 7,354

USE OF NON-IFRS MEASURES

- ***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 37 and 42, 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