

Brookfield Infrastructure Partners (Q1 2026 Results)
April 29, 2026

Corporate Speakers:

- Sam Pollock, Chief Executive Officer
- David Krant, Chief Financial Officer
- Ben Vaughan, Chief Operating Officer
- Dave Joynt, Managing Partner
- Lief Williams, Managing Director

Participants:

- Devin Dodge; BMO Capital Markets; Analyst
- Maurice Choy; RBC Capital Markets; Analyst
- Robert Catellier; CIBC Capital Markets; Analyst
- Cherilyn Radbourne; TD Cowen; Analyst
- Robert Hope; Scotiabank; Analyst
- Frederic Bastien; Raymond James; Analyst

PRESENTATION

Operator: Welcome to the Brookfield Infrastructure Partners First Quarter 2026 Results Conference Call and Webcast.

David Krant: Thank you, Cherie, and good morning, everyone. Welcome to Brookfield Infrastructure Partners' first quarter 2026 earnings conference call. As introduced, my name is David Krant, and I am the Chief Financial Officer of Brookfield Infrastructure.

I'm joined today by our Chief Executive Officer, Sam Pollock, and our Chief Operating Officer, Ben Vaughan. Also joining us today is Dave Joynt, a Managing Partner on our investments team.

I'll begin the call today with a discussion of our first quarter 2026 financial and operating results, followed by an update on our capital recycling initiatives. I'll then turn the call over to Sam, who will provide an update on our recent strategic initiatives before concluding with an outlook for the business.

At this time, I'd like to remind you that in our remarks today we may make forward-looking statements. These statements are subject to known and unknown risk factors and future results may differ materially. For further information on known risk factors, I would encourage you to review our latest annual report on Form 20-F, which is available on our website.

With that, Brookfield Infrastructure had a strong start to the year, delivering record results while continuing to advance a number of strategic initiatives across the

business. We generated funds from operations, or FFO, of \$709 million, or \$0.90 per unit in the first quarter. This is a 10% increase compared to the prior year. This performance was driven by strong base business results, highlighted by FFO from our data and midstream segments increasing 46% and 12%, respectively, compared to the prior year. Results in our utilities and transport segments reflected resilient underlying performance, with the current period impacted by higher levels of capital recycling activity achieved during 2025.

I'll now go through our results by segment in more detail. Our utilities segment generated FFO of \$201 million, up 5% year-over-year. The increase was primarily driven by inflation indexation and the benefit of over \$500 million of capital commissioned into rate base, along with the contribution from our recently acquired South Korean industrial gas business.

Moving on to our transport segment, FFO was \$283 million, slightly below the same period last year. The decrease was primarily attributable to lost contributions from our successful asset sales. As a reminder, this included our Australian export and container terminal operations, the partial sale of a U.K. port operation, and the majority interest in a portfolio of fully contracted containers at our global intermodal logistics business. This was partially offset by the acquisition of our North American railcar leasing platform that closed on January 1. After adjusting for all these factors, FFO was ahead of the prior year, reflecting higher volumes and tariffs generally across our rail and road operations.

Our midstream segment generated FFO of \$190 million, up 12% compared to the same period last year. The increase reflects attractive commodity pricing, strong asset utilization, and robust customer activity levels across our portfolio.

Lastly, FFO from our data segment was \$149 million, representing a step change increase of 46% compared to the prior year. The increase was driven by the contribution from our U.S. bulk fiber network, which we acquired in the third quarter of last year, as well as organic growth across our data storage businesses, which included the commissioning of over 200 MW of operating data centers into earnings over the last year.

In addition to the strong financial and operating results we have delivered, we also made meaningful progress towards our 2026 capital recycling goal, with proceeds secured of \$1 billion to date. This includes closing the initial tranche of our partnership on a portfolio of stabilized and under-construction data centers in North America and the closing of the sale of the largest of four concessions within our Brazilian electricity transmission business.

We also completed a secondary sale of a 12% interest in our North American gas storage business. Finally, in April, we signed an agreement to sell our bulk liquid storage business, the largest independent storage provider in Scandinavia. These asset sales improved our strong corporate liquidity position, which was \$2.5 billion

at the end of the first quarter. Our balance sheet remains well capitalized, and our proactive approach to managing debt maturities has allowed us to remain opportunistic in the capital markets. During the quarter, we refinanced approximately \$1.5 billion of non-recourse debt on a net-to-BIP basis, with no incremental borrowing costs for the business.

Before turning the call over to Sam, I would like to briefly note that we have recently begun exploring whether a single combined corporate structure would be the best path forward for the business. The goal is to determine if, on a tax-free basis, we can create a single corporate security that would enhance liquidity, increase index inclusion and create value for investors. We are in the early stages of this evaluation, and we'll provide an update when appropriate.

That concludes my remarks for this morning. I'll now turn the call over to Sam.

Sam Pollock: Great. Thank you, David, and good morning, everyone. For my remarks today I'm going to discuss our strategic initiatives before concluding with an outlook for the year ahead.

We have had an active start to the year, with business development activity resulting in new strategic capital partnerships and continued progress under established frameworks. These partnerships are bilaterally sourced with high-quality counterparties and gives us exclusive access to investment opportunities that require long-duration capital at scale.

Increasingly, these frameworks are becoming a more meaningful avenue for growth, reinforcing our position as a partner of choice and expanding our opportunity set to deploy large-scale capital at attractive risk-adjusted returns.

During the quarter, we established a new framework with a leading global investment-grade OEM, launching an exclusive leasing platform for industrial equipment. Through this platform, we will provide long-term leasing solutions that are expected to generate predictable cash flows without residual value, interest rate or refinancing risk.

We will have the sole discretion to enter leases under the framework, with BIP's share of the equity investment expected to be upwards of \$375 million. Our \$5 billion strategic partnership to install up to 1 GW of behind-the-meter power generation advanced further this quarter as well. We secured an additional \$430 million capex project, bringing the total capital committed under the framework to approximately \$1.6 billion. BIP's total equity commitment associated with the framework to date is approximately \$60 million.

Given the success of the behind-the-meter solution and strong customer demand based on speed to market, we may have the ability to expand the platform in the coming months. We also remain on track to close Clarus, New Zealand's leading

gas infrastructure utility, in the second quarter for an equity purchase price of approximately \$70 million at our share.

Now moving to our outlook. We are progressing through 2026 from a position of strength and remain very constructive on the backdrop for infrastructure. While recent geopolitical developments have contributed to greater market volatility, the essential nature of our businesses and the regulated or contractual profile of our cash flows continue to provide resilience and growth.

More broadly, demand for additional power, connectivity and logistics capacity continues to expand. This is being driven by digitalization, accelerating power demand, the rapid build-out of AI infrastructure and the ongoing reconfiguration of global supply chains. These tailwinds are expanding our opportunity set and providing attractive avenues to deploy capital at compelling risk-adjusted returns. Coupled with strong operating performance and a visible pipeline of organic growth projects, these factors position us well to deliver 10%+ per unit FFO growth in 2026.

As David mentioned, our capital recycling program and balance sheet continue to provide the flexibility to fully self-fund the growth ahead. With multiple sale processes underway across our business and continued access to capital markets during windows of opportunity, we are well positioned to fund our investment pipeline while maintaining financial discipline. Taken together, this supports our confidence in the outlook for 2026 and our ability to continue compounding value for our unitholders over the long term.

That concludes our remarks, and I'm going to pass it back to Cherie to open the line for Q&A.

QUESTIONS AND ANSWERS

Devin Dodge: Thanks. Good morning. I wanted to start on the recently launched equipment leasing business. I'm just trying to get a sense if this is part of the strategy for investing inside data centers, what kind of timeframe you'd expect to deploy that \$1.5 billion of capital, and what do you view as the main risks associated with that investment?

Sam Pollock: Hi Devin, this is Sam. I'll tackle that one. The opportunity will likely be broader than just data centers, but initially a good portion of the investment will be equipment for data centers. We get a lot of comfort over the transaction itself because we're able to provide capital to high-quality counterparties with investment-grade profiles and fully self-amortizing cash flow streams. It's very attractive from that perspective.

We think we can scale this up. As far as timing and deployment of capital, our hope is that on a gross basis we'll deploy \$1 billion to \$2 billion of equity capital, so BIP's

share would be 25% of that. It's hard to predict flow, but we would hope to do that within a 24-month period.

Devin Dodge: Okay. I appreciate that. Second question, I was going to ask about that Intel JV. I didn't see any mention of it in your release, but I think Intel disclosures suggested the payments to the JV may have started in Q1. I guess, first, was that the case? And how quickly can returns on investment ramp up in the coming quarters as both those fabs come online?

David Krant: Hi Devin, it's Dave here. I'll take that one. In the past, we generally won't provide many updates specifically on the project. Those generally come from the Intel side. Largely, the project has gone well. It's coming online in line with our targets in terms of scheduling. They did make their first small wafer payment in the quarter.

I would expect the final capital contributions to go in over the next six months. As those go in, I would expect the earnings to start to ramp up. I would expect to start seeing that come through our transmission and distribution segment of our data business in Q3, and then full run rate will be in 2027.

Maurice Choy: Thank you, good morning, everyone. I wanted to start with this concept of a single combined corporate structure. I have to assume that when the BIPC shares were first created back in 2020, something like this was contemplated. If so, what were some of the obstacles back then, and how may those no longer be as big of an obstacle, or even an obstacle at all, this time around?

David Krant: Hey Maurice, it's David again. Look, as we talked about this morning, we're in the early stages of considering this with the Board's direction, so it's probably hard to say what the obstacles are today. That's the work we'd like to complete over the next little while. As you know, the two companies for the last six years have served us well, but we're always looking at ways to improve our access to capital.

We think following the completion of our sister company BBU's process, we can now have some insights into how one simplified corporate structure will trade in the market, and early indications are positive that this is the right time to reassess. So I think that's probably all we can say at the moment in light of that, and I'll leave it there.

Maurice Choy: Fair enough. Maybe if I could just finish off more on your energy portfolio. Obviously, we've seen a series of supportive federal and provincial government changes in Alberta and broader Canada, and there's also been the conflict in the Middle East. Just your thoughts on the outlook for your business in the province, notably Inter Pipeline and NorthRiver?

Ben Vaughan: Yes, it's Ben here. I'll take that question. Look, all those developments are very positive for our midstream businesses in Canada. We're seeing really strong demand from all of our clients for more access to our facilities and our pipelines. We completed about \$400 million worth of growth projects in the past several months that are now starting to ramp up in terms of their revenue profile and delivering results.

Probably most importantly, we have a really tangible, meaningful pipeline of pretty bite-sized, relatively straight forward-to-execute, very low build multiple and highly accretive growth projects right in front of us. I would expect our pipeline to grow the backlog in midstream is really attractive right now, and we expect to bring a number of those projects to FID in the coming quarters. Maybe just to put it in perspective, the magnitude of the projects that we're looking at at the opco level would be roughly in the \$8 billion range from a pipeline perspective. It's a fairly meaningful size number of projects we have to look at.

Robert Catellier: I'd like to follow up on the potential corporate conversion that the Board is exploring, understanding it's quite early days. I wondered if you had any timelines for us in terms of what's reasonable to expect in terms of when a decision might be made?

David Krant: Rob, as I said, unfortunately, there's probably not a ton we can share on the timeline as of yet. We're just kicking off the process now.

Robert Catellier: Okay, no that's reasonable. I just wanted to dig into the Csquare IPO, which I understand has filed a confidential registration statement. I'm just curious as to how you chose the IPO route versus a private sale, and maybe you're dual tracking it, but maybe you could comment on that and how much you're expecting to sell by way of IPO.

Sam Pollock: Hi Robert, I'll tackle that one. Look, I think in discussions with our advisers, the capital markets for IPOs are quite open at the moment. Obviously, there's a lot of anticipation for the upcoming SpaceX IPO. Public investors are looking for businesses that generate high cash flow, have significantly strong growth prospects and have great tailwinds related to the AI sector. Our business, Csquare, basically ticks all those boxes. We think it has the potential to be one of the leading IPOs of the year. We're really excited about bringing that forward, so just stay tuned.

Cherilyn Radbourne: Thanks very much, and good morning. I wanted to ask a couple of questions on the data segment. I appreciate that data centers and Intel are the major growth drivers at the moment. Just curious how you think about the balance of your data portfolio in towers, fiber and so forth, and what value that provides in terms of diversity, but also what you see in terms of organic and inorganic opportunities there?

Sam Pollock: Hi Cherilyn, maybe I'll start. I think you've given us a good segue to talk about what's going on in the AI infrastructure sector in particular, and we have Lief Williams here, who I think can expand on some of the things going on. Maybe just talking about some of our other businesses, we're seeing continued strong growth across the sector. One of the things our colleague Scott Peak mentioned a number of months ago at our Investor Day is this domino effect.

The huge growth in data centers and AI is having impacts across basic utilities, power, midstream and our other data businesses, including fiber and towers. The types of things that we're seeing are that all our customers are looking to expand density across their networks. On the tower side, we have a number of build-to-suit opportunities that we continue to execute in all our businesses across Europe and Asia.

On our fiber businesses, there's still a huge amount of the U.S., in particular, and other parts of the world that have not been fiberized and are still operating on copper. So that remains a lot of white space for us to continue to build out those networks and allow people to run all these new devices and programs more effectively. We see this as a continued 5 to 10 year build-out, and so all our businesses are well positioned. But maybe turning to some of the even more exciting stuff going on in the AI infrastructure space, Lief, maybe just give us a little update on that.

Lief Williams: Yes. Thanks, Sam, and good morning, Cherilyn. The large users of AI factories and data centers are highly active in the market. There's effectively no data center inventory remaining for 2026, and even 2027 is quite scarce. What's interesting as well is that the demand profile has broadened from just data center capacity into also looking for compute. It's the leasing of GPUs as a service, as well as behind-the-meter power opportunities. We see a large opportunity for groups like Brookfield, which have tremendous access to capital and an asset base to participate across all of those different asset classes.

Cherilyn Radbourne: Great. Then maybe just a quick follow-up on the data center side. I imagine that site selection and acquisition is particularly competitive and secretive. I'm not going to ask you to reveal anything proprietary. To what extent does having a sister real estate business help in that regard?

Lief Williams: I would say it certainly helps. And certainly, the scale of Brookfield is helpful in that regard. Just to give a sense, there is a kind of dual-track search for powered land. There are front-of-the-meter options, and then there are behind-the-meter options. Front-of-the-meter options are challenging in the sense that the number of load applications going to utilities just massively overwhelms the grid. Utilities are now increasingly requesting large letters of credit or financial deposits, which is a huge disincentive to many of the parties out there looking for those front-of-the-meter power solutions.

Behind-the-meter also has its challenges in terms of delivering baseload power at speed that is low-emissions and highly modular. That's a place where, again, we think our Bloom partnership will be tremendously effective. More broadly, we're starting to see some pushback in some locations in terms of the scale of these AI factories and the risk of it pushing up rates for local ratepayers. Again, I think Brookfield has been doing large-scale projects across a number of asset classes for many years. We think we're very well positioned to help identify credible powered land sites and help bring them to fruition.

Robert Hope: Morning, everyone. Hoping to dive a little bit deeper on the AI factory and digital hub strategy. How are we progressing on those discussions with counterparties? Should we be in a position in 2026 to see some notable or sizable project announcements?

Lief Williams: Hey Robert, it's Lief again. I'll take this one as well. Yes, look, I think you do see, as I mentioned, tremendous demand from the large technology companies. The demand profile has broadened a little bit as well. There used to be a handful of large hyperscalers. We now have a wave of foundation model companies and inference operators who are also looking to secure the capacity.

I would say there's a tremendous amount of noise in the market in terms of the number of sites available and when the power ramps. What we're increasingly seeing is these users are looking for credible partners who have placed long-lead equipment orders and who have true ready-for-service dates for when the power is available.

We think that will benefit groups like Brookfield, which are institutional and have tangible sites that have a real ramp. I would say the demand profile is very strong. I think you will see, and we have seen, strong leasing activity on the Brookfield portfolio over the last couple of quarters. I think you'll continue to see strong demand through 2026 and certainly through 2027.

Robert Hope: All right. Appreciate that. Then maybe moving over to the 10% organic growth rate, or to the 10%+ FFO growth rate for 2026, can you comment how you're tracking on that? The organic growth at 8% seems strong, and the commodity price environment seems to be helping, though it does appear that asset sales are coming a little quicker than M&A activity on the other side. Can you maybe talk about the headwinds and tailwinds that you're seeing there?

David Krant: Yes, Rob, it's Dave here. Look, I think you did a great job summarizing my answer, probably. I'll start by saying the first quarter was an excellent start. We delivered on our 10% target. With that behind us, I think we feel good with how the year is progressing. It's always hard to predict the timing of new investments and asset sales.

But to your point, we have had some good initial success on the capital recycling front. I think from an all-in cost of capital, it's very attractive. The yield we'll see on that \$1 billion is somewhere in the mid-single digits, probably. So I think from an accretion perspective, I don't expect that to be a meaningful drag on the business as we look ahead. All in all, I think we started the year off well. I think we feel confident with our 10% for the year still, and we'll continue to provide an update as we progress through the year.

Frederic Bastien: Good morning. You've historically leaned into periods of uncertainty and dislocation to pursue large acquisitions. How are you thinking about your ability to deploy capital into a sizable transaction this year?

Sam Pollock: Hey Fred, I'll take that one. Yes, I think you're right. We've been historically successful taking advantage of dislocations, and when others have paused, we've seized the moment. At the moment, I'd say the market remains relatively calm and constructive. Given all the volatility, there's still a fair amount of buyers out there, so I wouldn't describe this as an opportunistic market environment.

Nonetheless, I do think we're always on the lookout for large value opportunities. What we're seeing today is that the opportunity set around our AI infrastructure strategy is extremely strong. I'm very optimistic about us being able to do some exciting transactions there. We're also seeing an uptick in activity across Europe, and I think there are some larger value opportunities there that we can take advantage of.

We keep monitoring the capital markets. Often some of our best acquisitions are when the public markets pull back and we can take advantage of a take-private opportunity. So those are the things that we're up to. I can't give you a timeline on when we'll do our next large deal, but we're always out there. We have tremendous partnerships so that we can execute on those things, and I'm optimistic there will be some exciting deals in front of us.

Frederic Bastien: That's helpful. I just wanted to tack on a midstream-related question as well, switching gears on monetization. How are you thinking about NorthRiver and a potential monetization there?

Sam Pollock: Well, look, I could turn it over to Ben in a second if he wants to add anything. What I would just say is the business has had tremendous commercial success in the past couple of years. We've extended our contract term, I think, to close to 12 years now. We think it's pretty well positioned.

Our debate internally is whether or not we continue to build out the business and take advantage of some of the additional growth that's there, or whether we bring it to market and seize what is probably a pretty constructive environment for

midstream businesses. So we're weighing those considerations. It's performing really well, and we just don't have an answer at this point in time.

Operator: That concludes today's question-and-answer session. I'd like to turn the call back to Sam Pollock for closing remarks.

Sam Pollock: Great. Thank you, everyone, and thank you, Cherie, for hosting this call. We appreciate you joining us today to hear about our results. We look forward to the warmer weather that's in front of us and the hockey playoff season. I hope all you Habs fans are cheering for my team. And we look forward to providing an update in the quarter ahead.