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

FORM 6-K

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

For the date of May 14, 2014

Commission File Number: 001-33632

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.
(Exact name of registrant as specified in its charter)

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

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

Form 20-F Form 40-F

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

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

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82.

The information contained in Exhibit 99.1 of this Form 6-K is incorporated by reference into the registrant's following registration statements on Form F-3: File No. 333-188410 and 333-167860.

The following document, which is attached as an exhibit hereto, is incorporated by reference herein:

<u>Exhibit</u>	<u>Title</u>
99.1	Brookfield Infrastructure Partners L.P.'s interim report for the quarter ended March 31, 2014
99.2	Certification of Samuel Pollock, Chief Executive Officer, Brookfield Infrastructure Group L.P., pursuant to Canadian law
99.3	Certification of Bahir Manios, Chief Financial Officer, Brookfield Infrastructure Group L.P., pursuant to Canadian law

SIGNATURES

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

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

Date: May 14, 2014

By: /s/ Don Mackenzie

Name: Don Mackenzie

Title: Director

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.**UNAUDITED INTERIM CONDENSED AND CONSOLIDATED FINANCIAL STATEMENTS**

AS OF MARCH 31, 2014 AND DECEMBER 31, 2013 AND FOR THE THREE MONTH PERIOD ENDED MARCH 31, 2014 AND 2013

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Brookfield Infrastructure Partners L.P. (the “partnership” and together with its subsidiary and operating entities “Brookfield Infrastructure”) owns and operates high quality, long-life assets that generate stable cash flows, require relatively minimal maintenance capital expenditures and, by virtue of barriers to entry or other characteristics, tend to appreciate in value over time. Our current operations consist of utility, transport, and energy businesses in North and South America, Australasia and Europe.

Brookfield Asset Management Inc. (“Brookfield”) has an approximate 30% interest in Brookfield Infrastructure. Brookfield Infrastructure has appointed Brookfield as its Manager to provide certain management, administrative and advisory services, for a fee, under the Master Services Agreement.

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

US\$ MILLIONS, UNAUDITED	Notes	As of	
		March 31, 2014	December 31, 2013
Assets			
Cash and cash equivalents	4	\$ 363	\$ 538
Financial assets	4	406	362
Accounts receivable and other	4	347	346
Inventory		25	22
Current assets		1,141	1,268
Property, plant and equipment	5	7,866	7,763
Intangible assets	6	4,034	4,006
Investments in associates	7	2,167	2,039
Investment properties		166	164
Goodwill		53	48
Financial assets (non-current)	4	130	178
Other assets (non-current)		89	92
Deferred income tax assets		109	124
Total assets		\$ 15,755	\$ 15,682
Liabilities and Partnership capital			
Liabilities			
Accounts payable and other	4	\$ 516	\$ 491
Non-recourse borrowings	4,8	128	71
Financial liabilities	4	86	36
Current liabilities		730	598
Corporate borrowings	4	363	377
Non-recourse borrowings (non-current)	4,8	5,706	5,719
Financial liabilities (non-current)	4	586	511
Other liabilities (non-current)		564	557
Deferred income tax liabilities		1,300	1,295
Preferred shares	4	20	20
Total liabilities		9,269	9,077
Partnership capital			
Limited partners		3,693	3,751
Non-controlling interest – Redeemable Partnership Units held by Brookfield		1,385	1,408
Non-controlling interest – in operating subsidiaries		1,381	1,419
General partner		27	27
Total partnership capital		6,486	6,605
Total liabilities and partnership capital		\$ 15,755	\$ 15,682

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

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF OPERATING RESULTS

US\$ MILLIONS, UNAUDITED	Notes	For the three month period ended March 31	
		2014	2013
Revenues		\$ 480	\$ 463
Direct operating costs		(212)	(222)
General and administrative expenses		(27)	(28)
Depreciation and amortization expense	5,6	(91)	(86)
		150	127
Interest expense		(87)	(87)
Share of earnings from investments in associates	7	12	17
Mark-to-market on hedging items	4	(16)	(62)
Other expenses		(3)	(37)
Income (loss) before income tax		56	(42)
Income tax (expense) recovery			
Current		(6)	(6)
Deferred		(6)	26
Net income (loss) from continuing operations		44	(22)
Income from discontinued operations, net of income tax	3	—	21
Net income (loss)		\$ 44	\$ (1)
Attributable to:			
Limited partners		\$ 15	\$ (25)
Non-controlling interest attributable to:			
Redeemable Partnership Units held by Brookfield		6	(10)
Interest of others in operating subsidiaries		12	27
General partner		11	7
Basic and diluted earnings (loss) per limited partner unit		\$ 0.10	\$ (0.17)

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

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

**UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME (LOSS)**

US\$ MILLIONS, UNAUDITED	Notes	For the three month period ended March 31	
		2014	2013
Net income (loss)		\$ 44	\$ (1)
Other comprehensive income (loss):			
Items that will not be reclassified subsequently to profit or loss:			
Unrealized actuarial losses		—	(8)
Taxes on the above items		—	2
Equity accounted investments	7	—	(4)
		—	(10)
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation		—	(66)
Cash flow hedges	4	4	27
Net investment hedges	4	(37)	13
Available-for-sale securities		11	—
Taxes on the above items		(3)	(5)
Equity accounted investments	7	(1)	(2)
		(26)	(33)
Total other comprehensive loss		(26)	(43)
Comprehensive income (loss)		\$ 18	\$ (44)
Attributable to:			
Limited partners	3	\$ 13	\$ (43)
Non-controlling interest attributable to:			
Redeemable Partnership Units held by Brookfield	3	5	(16)
Interest of others in operating subsidiaries	3	(11)	8
General partner	3	11	7

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

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.

UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF PARTNERSHIP CAPITAL

THREE MONTH PERIOD ENDED MARCH 31, 2014 US\$ MILLIONS, UNAUDITED	Limited Partners					General Partner				Non-Controlling Interest—Redeemable Partnership Units held by Brookfield					Non-controlling interest of others in operating subsidiaries	Total partnership capital
	Limited partners' capital	Deficit	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Limited partners	General Partner Capital	Retained earnings	Accumulated other comprehensive income ⁽¹⁾	General partner	Redeemable Partnership Units held by Brookfield	Deficit	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Non-Controlling Interest— Redeemable Partnership Units held by Brookfield		
Balance as at January 1, 2014	\$ 3,199	\$ (213)	\$ 77	\$ 688	\$3,751	\$ 19	\$ 2	\$ 6	\$ 27	\$ 1,178	\$ (95)	\$ 30	\$ 295	\$ 1,408	\$ 1,419	\$ 6,605
Net income	—	15	—	—	15	—	11	—	11	—	6	—	—	6	12	44
Other comprehensive loss	—	—	—	(2)	(2)	—	—	—	—	—	—	—	(1)	(1)	(23)	(26)
Comprehensive income (loss)	—	15	—	(2)	13	—	11	—	11	—	6	—	(1)	5	(11)	18
Unit issuance	2	—	—	—	2	—	—	—	—	—	—	—	—	—	—	2
Partnership distributions	—	(73)	—	—	(73)	—	(11)	—	(11)	—	(28)	—	—	(28)	—	(112)
Subsidiary distributions to non-controlling interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(27)	(27)
Balance as at March 31, 2014	\$ 3,201	\$ (271)	\$ 77	\$ 686	\$3,693	\$ 19	\$ 2	\$ 6	\$ 27	\$ 1,178	\$ (117)	\$ 30	\$ 294	\$ 1,385	\$ 1,381	\$ 6,486

(1) Refer to note 13 for an analysis of accumulated other comprehensive income by item.

THREE MONTH PERIOD ENDED MARCH 31, 2013 US\$ MILLIONS, UNAUDITED	Limited Partners					General Partner				Non-Controlling Interest—Redeemable Partnership Units held by Brookfield					Non-controlling interest of others in operating subsidiaries	Total partnership capital
	Limited partners' capital	Retained earnings (deficit)	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Limited partners	General Partner Capital	Retained earnings	Accumulated other comprehensive income ⁽¹⁾	General partner	Redeemable Partnership Units held by Brookfield	Retained Earnings (deficit)	Ownership changes	Accumulated other comprehensive income ⁽¹⁾	Non-Controlling Interest— Redeemable Partnership Units held by Brookfield		
Balance as at January 1, 2013	\$ 2,955	\$ 48	\$ —	\$ 629	\$3,632	\$ 19	\$ 3	\$ 5	\$ 27	\$ 1,084	\$ 9	\$ —	\$ 272	\$ 1,365	\$ 2,784	\$ 7,808
Net (loss) income	—	(25)	—	—	(25)	—	7	—	7	—	(10)	—	—	(10)	27	(1)
Other comprehensive loss	—	—	—	(18)	(18)	—	—	—	—	—	—	—	(6)	(6)	(19)	(43)
Comprehensive (loss) income	—	(25)	—	(18)	(43)	—	7	—	7	—	(10)	—	(6)	(16)	8	(44)
Unit issuance	2	—	—	—	2	—	—	—	—	—	—	—	—	—	—	2
Partnership distributions	—	(62)	—	—	(62)	—	(8)	—	(8)	—	(24)	—	—	(24)	—	(94)
Acquisition of interests	—	—	—	—	—	—	—	—	—	—	—	—	—	—	129	129
Subsidiary distributions to non-controlling interest	—	—	—	—	—	—	—	—	—	—	—	—	—	—	(21)	(21)
Ownership changes	—	—	76	—	76	—	—	—	—	—	30	—	—	30	—	106
Balance as at March 31, 2013	\$ 2,957	\$ (39)	\$ 76	\$ 611	\$3,605	\$ 19	\$ 2	\$ 5	\$ 26	\$ 1,084	\$ (25)	\$ 30	\$ 266	\$ 1,355	\$ 2,900	\$ 7,886

(1) Refer to note 13 for an analysis of accumulated other comprehensive income by item.

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

BROOKFIELD INFRASTRUCTURE PARTNERS L.P.
UNAUDITED INTERIM CONDENSED AND CONSOLIDATED STATEMENTS OF CASH FLOWS

US\$ MILLIONS, UNAUDITED	Notes	For the three month period ended	
		March 31	
		2014	2013
Operating Activities			
Net income (loss)		\$ 44	\$ (1)
Adjusted for the following items:			
Earnings from investments in associates, net of distributions received	7	(11)	(11)
Fair value adjustments		—	16
Depreciation and amortization expense	5,6	91	86
Mark-to-market on hedging items		16	62
Provisions and other items		12	44
Deferred tax expense (recovery)		6	(24)
Changes in non-cash working capital, net		(18)	(25)
Cash from operating activities		<u>140</u>	<u>147</u>
Investing Activities			
Acquisition of subsidiaries, net of cash acquired		—	(13)
Additions of investments in associates	7	(39)	(4)
Purchase of long lived assets	5,6	(109)	(103)
Purchase of financial assets		(50)	—
Net settlement of foreign exchange hedging items		(8)	7
Cash used by investing activities		<u>(206)</u>	<u>(113)</u>
Financing Activities			
Distributions to general partner	12	(11)	(8)
Distributions to other unitholders	12	(101)	(86)
Subsidiary distributions to non-controlling interest		(27)	(21)
Proceeds from corporate credit facility		—	317
Repayment of corporate credit facility		—	(539)
Proceeds on subsidiary borrowings	8	42	1,269
Repayments on subsidiary borrowings	8	(22)	(946)
Partnership units issued (inclusive of dividend reinvestment plan)	11	2	2
Cash from financing activities		<u>(117)</u>	<u>(12)</u>
Cash and cash equivalents			
Change during the period		(183)	22
Impact of foreign exchange on cash		8	1
Balance, beginning of year		538	263
Balance, end of period		<u>\$ 363</u>	<u>\$ 286</u>

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

1. ORGANIZATION AND DESCRIPTION OF THE BUSINESS

Brookfield Infrastructure Partners L.P. (the “partnership”) owns and operates utility, transport and energy businesses in North and South America, Australasia and Europe. The partnership was formed as a limited partnership established under the laws of Bermuda, pursuant to a limited partnership agreement dated May 17, 2007, as amended and restated. The managing general partner of the partnership is a subsidiary of Brookfield. The partnership’s limited partnership units are listed on the New York Stock Exchange and the Toronto Stock Exchange under the symbols “BIP” and “BIP.UN”, respectively. The registered office is 73 Front Street, Hamilton, HM12, Bermuda.

2. SUMMARY OF ACCOUNTING POLICIES

a) Statement of Compliance

These interim condensed and consolidated financial statements of the partnership and its subsidiaries (together “Brookfield Infrastructure”) have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”) and using the accounting policies Brookfield Infrastructure applied in its consolidated financial statements as of and for the year ended December 31, 2013, except for the adoption of Standards and amendments effective January 1, 2014 in Note 2 b). The accounting policies the partnership applied in its annual consolidated financial statements as of and for the year ended December 31, 2013 are disclosed in Note 3 of such financial statements, with which reference should be made in reading these interim condensed and consolidated financial statements.

These interim condensed and consolidated financial statements were authorized for issuance by the Board of Directors of the partnership on May 14, 2014.

b) Recently Adopted Accounting Standards and Amendments

Brookfield Infrastructure applied, for the first time, certain Standards and amendments to Standards applicable to Brookfield Infrastructure that became effective January 1, 2014. The impact of adopting these Standards on the partnership’s accounting policies and disclosures are as follows:

IFRIC 21, *Levies* (“IFRIC 21”) provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, and those where the timing and amount of the levy is certain. IFRIC 21 identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation. A liability is recognized progressively if the obligating event occurs over a period of time or, if an obligation is triggered on reaching a minimum threshold, the liability is recognized when that minimum threshold is reached. IFRIC 21 was applied retrospectively and the application of this new standard had no impact on Brookfield Infrastructure’s accounting for levies for the current and prior periods presented.

IAS 32, *Financial Instruments: Presentation* (“IAS 32”) was amended to clarify certain aspects as a result of the application of offsetting requirements, namely focusing on the following four main areas: the interpretation of “currently has a legally enforceable right of set-off”, the application of simultaneous realization and settlement, the offsetting of collateral amounts, and the unit of account for applying the offsetting requirements. The amendments to IAS 32 were applied retrospectively and the application of these amendments had no impact on Brookfield Infrastructures accounting for or presentation of financial instruments for the current and prior periods presented.

c) Standard issued not yet adopted

IFRS 9 Financial Instruments – (“IFRS 9”)

IFRS 9, *Financial Instruments* (“IFRS 9”) was issued by the IASB on November 12, 2009 and will replace IAS 39, *Financial Instruments: Recognition and Measurement* (“IAS 39”). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is tentatively effective for annual periods beginning on or after January 1, 2018. Brookfield Infrastructure is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

3. DISCONTINUED OPERATIONS

The revenues and expenses related to the U.S. and Canadian freehold timberlands, Brookfield Infrastructure's timber segment, have been presented on the interim condensed and consolidated statements of operating results as discontinued operations as a result of the following transactions:

- i) Brookfield Infrastructure sold its 30% interest in its U.S. freehold timberlands to a third party for proceeds of \$467 million. This transaction closed in the third quarter of 2013;
- ii) During the second quarter of 2013, Brookfield Infrastructure disposed of its 25% interest in its Canadian freehold timberlands to a third party for proceeds of \$173 million.

The timber segment was reported as part of continuing operations until the second quarter of 2013 and has since been classified as discontinued operations for both the current and comparative periods presented.

Operating results of discontinued operations for the three month periods ended March 31, 2014 and 2013 are as follows:

<u>US\$ MILLIONS</u>	<u>For the three month period ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Revenues	\$ —	\$ 149
Direct operating costs	—	(86)
	—	63
Interest expense	—	(21)
Fair value adjustments	—	(16)
Other expenses	—	(3)
Income before income tax	—	23
Attributable current and deferred taxes	—	(2)
Income from discontinued operations, net of income tax	\$ —	\$ 21

Income (loss) attributable to unitholders for the three month periods ended March 31, 2014 and 2013 are as follows:

<i>US\$ MILLIONS</i>	For the three month period ended March 31	
	2014	2013
Income (loss) from continuing operations attributable to:		
Limited partners	\$ 15	\$ (29)
Non-controlling interest – Redeemable Partnership Units held by Brookfield	6	(12)
Non-controlling interest – in operating subsidiaries	12	12
General partner	<u>11</u>	<u>7</u>
Income from discontinued operations attributable to:		
Limited partners	\$ —	\$ 4
Non-controlling interest – Redeemable Partnership Units held by Brookfield	—	2
Non-controlling interest – in operating subsidiaries	—	15
General partner	<u>—</u>	<u>—</u>
Basic and diluted earnings (loss) per unit attributable to:		
Limited partners from continuing operations	\$ 0.10	\$ (0.20)
Limited partners from discontinued operations	—	0.03
Basic and diluted earnings (loss) per unit attributable to Limited partners	<u>\$ 0.10</u>	<u>\$ (0.17)</u>

Comprehensive income (loss) attributable to unitholders for the three month periods ended March 31, 2014 and 2013 is as follows:

Comprehensive income (loss) from continuing operations attributable to:		
Limited partners	\$ 13	\$ (46)
Non-controlling interest – Redeemable Partnership Units held by Brookfield	5	(18)
Non-controlling interest – in operating subsidiaries	(11)	(5)
General partner	<u>11</u>	<u>7</u>
Comprehensive income from discontinued operations attributable to:		
Limited partners	\$ —	\$ 3
Non-controlling interest – Redeemable Partnership Units held by Brookfield	—	2
Non-controlling interest – in operating subsidiaries	—	13
General partner	<u>—</u>	<u>—</u>

Other comprehensive loss relating to the disposal group for the three month periods ended March 31, 2014 and 2013 is as follows:

<i>US\$ MILLIONS</i>	For the three month period ended March 31	
	2014	2013
Cash flow hedges	\$ —	\$ (3)
Taxes on the above items	—	—
Total	<u>\$ —</u>	<u>\$ (3)</u>

The net cash flows attributable to the operating, investing and financing activities of discontinued operations for the three month periods ended March 31, 2014 and 2013 are as follows:

	For the three month period ended March 31	
	2014	2013
Operating cash flows	\$ —	\$ 30
Investing cash flows	—	(1)
Financing cash flows	—	(11)
Net cash flows	\$ —	\$ 18

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Classification of Financial Instruments

Financial instruments classified as fair value through profit or loss are carried at fair value on the Consolidated Statements of Financial Position. Changes in the fair values of financial instruments classified as fair value through profit or loss are recognized in profit and loss. Mark-to-market adjustments on hedging items for those in an effective hedging relationship and changes in the fair value of available-for-sale securities are recognized in other comprehensive income. Breakage costs relating to the refinancing of the Australian railroad operation of \$37 million for the three months ended March 31, 2013 has been reclassified from mark-to-market on hedging items to other expenses on the Consolidated Statement of Operating Results to conform with current period presentation.

Carrying Value and Fair Value of Financial Instruments

The following table provides the allocation of financial instruments and their associated financial instrument classifications as at March 31, 2014:

US\$ MILLIONS Financial Instrument Classification	FVTPL	Available-for-sale securities	Loans and receivables/ Other liabilities	
MEASUREMENT BASIS	(Fair Value)	(Fair Value through OCI)	(Amortized Cost)	Total
Financial assets				
Cash and cash equivalents	\$ —	\$ —	\$ 363	\$ 363
Accounts receivable and other	—	—	347	347
Financial assets (current and non-current) ⁽¹⁾	171	—	66	237
Marketable securities	—	296	—	296
Restricted cash	—	—	3	3
Total	\$ 171	\$ 296	\$ 779	\$ 1,246
Financial liabilities				
Corporate borrowings	\$ —	\$ —	\$ 363	\$ 363
Non-recourse borrowings (current and non-current)	—	—	5,834	5,834
Accounts payable and other	—	—	516	516
Preferred shares	—	—	20	20
Financial liabilities (current and non-current) ⁽¹⁾	596	—	76	672
Total	\$ 596	\$ —	\$ 6,809	\$ 7,405

(1) Derivative instruments which are elected for hedge accounting totaling \$151 million are included in financial assets and \$225 million of derivative instruments are included in financial liabilities.

The following table provides the allocation of financial instruments and their associated financial instrument classifications as at December 31, 2013:

US\$ MILLIONS Financial Instrument Classification	FVTPL	Available-for-sale securities	Loans and receivables/ Other liabilities	
MEASUREMENT BASIS	(Fair Value)	(Fair Value through OCI)	(Amortized Cost)	Total
Financial assets				
Cash and cash equivalents	\$ —	\$ —	\$ 538	\$ 538
Accounts receivable and other	—	—	346	346
Financial assets (current and non-current) ⁽¹⁾	241	—	66	307
Marketable securities	—	230	—	230
Restricted cash	—	—	3	3
Total	\$ 241	\$ 230	\$ 953	\$ 1,424
Financial liabilities				
Corporate borrowings	\$ —	\$ —	\$ 377	\$ 377
Non-recourse borrowings (current and non-current)	—	—	5,790	5,790
Accounts payable and other	—	—	491	491
Preferred shares	—	—	20	20
Financial liabilities (current and non-current) ⁽¹⁾	547	—	—	547
Total	\$ 547	\$ —	\$ 6,678	\$ 7,225

(1) Derivative instruments which are elected for hedge accounting totaling \$196 million are included in financial assets and \$195 million of derivative instruments are included in financial liabilities.

The following table provides the carrying values and fair values of financial instruments as at March 31, 2014 and December 31, 2013:

US\$ MILLIONS	March 31, 2014		December 31, 2013	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets				
Cash and cash equivalents	\$ 363	\$ 363	\$ 538	\$ 538
Accounts receivable and other financial assets	347	347	346	346
Financial assets (current and non-current)	237	237	307	307
Marketable securities	296	296	230	230
Restricted cash	3	3	3	3
Total	\$ 1,246	\$ 1,246	\$ 1,424	\$ 1,424
Financial liabilities				
Corporate borrowings ⁽¹⁾	\$ 363	\$ 372	\$ 377	\$ 381
Non-recourse borrowings ⁽²⁾	5,834	6,052	5,790	5,973
Accounts payable and other financial liabilities	516	516	491	491
Preferred shares	20	20	20	20
Financial liabilities (current and non-current)	672	672	547	547
Total	\$ 7,405	\$ 7,632	\$ 7,225	\$ 7,249

(1) Corporate borrowings is classified under level 1 of the fair value hierarchy; quoted prices in an active market are available.

(2) Non-recourse borrowings are classified under level 2 of the fair value hierarchy with the exception of borrowings at the UK port operation and Chilean toll road which are classified under level 1. For level 2 fair values, future cash flows are estimated based on observable forward interest rates at the end of the reporting period.

Hedging Activities

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

Cash Flow Hedges

Brookfield Infrastructure uses interest rate swaps to hedge the variability in cash flows related to a variable rate asset or liability. The settlement dates typically coincide with the dates on which the interest is payable on the underlying debt, and the amount accumulated in equity is reclassified to income or loss over the period that the floating rate interest payments on debt affect income or loss. For the three months ended March 31, 2014, pre-tax net unrealized gains of \$4 million (2013: gains of \$27 million) were recorded in other comprehensive income (loss) for the effective portion of the cash flow hedges. As at March 31, 2014, there was a derivative liability balance of \$27 million relating to hedging items designated as cash flow hedges (December 31, 2013: derivative liability balance of \$31 million).

Net Investment Hedges

Brookfield Infrastructure uses foreign exchange hedging items and foreign currency denominated debt instruments to manage its foreign currency exposures arising from net investments in foreign operations having a functional currency other than the U.S. dollar. For the three months ended March 31, 2014 unrealized pre-tax net losses of \$29 million, (2013: gains of \$6 million) were recorded in other comprehensive income (loss) for the effective portion of hedges of net investments in foreign operations. Further, Brookfield Infrastructure recognized a \$8 million loss (2013: gain of \$7 million) in other comprehensive income (loss) related to the net settlement of foreign exchange hedging items in the three month period ended March 31, 2014. As at March 31, 2014, there was a derivative liability balance of \$29 million relating to hedging items designated as net investment hedges (December 31, 2013: derivative asset balance of \$8 million).

Fair Value Hierarchical Levels

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

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

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

US\$ MILLIONS	Fair value hierarchy	March 31, 2014	Dec. 31, 2013
Marketable securities	Level 1 ⁽¹⁾	\$ 296	\$ 230
Foreign currency forward contracts	Level 2 ⁽²⁾		
Financial asset		30	64
Financial liability		51	36
Interest rate swaps & other	Level 2 ⁽²⁾		
Financial asset		\$ 141	\$ 177
Financial liability		545	511

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

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

Assets and liabilities measured at fair value on a recurring basis include \$467 million (2013: \$471 million) of financial assets and \$596 million (2013: \$547 million) of financial liabilities which are measured at fair value using valuation inputs based on management's best estimates. During the three months ended March 31, 2014 and 2013, no transfers were made between level 1 and 2 or level 2 and 3. The following table categorizes financial assets and liabilities, which are carried at fair value, based upon the level of input.

US\$ MILLIONS	March 31, 2014			December 31, 2013		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets						
Marketable securities	\$ 296	\$ —	\$ —	\$ 230	\$ —	\$ —
Financial assets (current and non-current) ¹	—	171	—	—	241	—
Financial liabilities						
Financial liabilities (current and non-current) ¹	\$ —	\$ 596	\$ —	\$ —	\$ 547	\$ —

(1) Level 1 financial assets relate to marketable securities. Level 2 financial assets and liabilities primarily relate to derivative instruments.

5. PROPERTY, PLANT AND EQUIPMENT

US\$ MILLIONS	Utility Assets	Transport Assets	Energy Assets	Timberland Assets	Total Assets
Gross carrying amount:					
Balance at January 1, 2013	\$ 3,320	\$ 3,000	\$ 1,082	\$ 651	\$ 8,053
Additions (disposals)	172	170	38	—	380
Acquisitions (dispositions) through business combinations	—	—	145	(651)	(506)
Fair value adjustments	167	225	39	—	431
Net foreign currency exchange differences	(13)	(410)	(71)	—	(494)
Balance at December 31, 2013	\$ 3,646	\$ 2,985	\$ 1,233	\$ —	\$ 7,864
Additions	54	32	17	—	103
Net foreign currency exchange differences	(9)	110	(17)	—	84
Balance at March 31, 2014	\$ 3,691	\$ 3,127	\$ 1,233	\$ —	\$ 8,051
Accumulated depreciation:					
Balance at January 1, 2013	\$ (10)	\$ (43)	\$ (25)	\$ (5)	\$ (83)
Depreciation expense	(121)	(111)	(43)	—	(275)
Fair value adjustment	102	93	32	—	227
Disposals	—	—	—	5	5
Net foreign currency exchange differences	5	17	3	—	25
Balance at December 31, 2013	\$ (24)	\$ (44)	\$ (33)	\$ —	\$ (101)
Depreciation expense	(36)	(31)	(12)	—	(79)
Net foreign exchange differences	4	(8)	(1)	—	(5)
Balance at March 31, 2014	\$ (56)	\$ (83)	\$ (46)	\$ —	\$ (185)
Net book value:					
March 31, 2014	\$ 3,635	\$ 3,044	\$ 1,187	\$ —	\$ 7,866
December 31, 2013	\$ 3,622	\$ 2,941	\$ 1,200	\$ —	\$ 7,763

6. INTANGIBLE ASSETS

<u>US\$ MILLIONS</u>	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013
Cost	\$ 4,159	\$ 4,117
Accumulated amortization	(125)	(111)
Total	\$ 4,034	\$ 4,006

Intangible assets are allocated to the following cash generating units:

<u>US\$ MILLIONS</u>	<u>As of</u>	
	<u>March 31, 2014</u>	<u>December 31, 2013</u>
Regulated terminal	\$ 2,316	\$ 2,231
Chilean toll roads	1,219	1,278
UK port operation	357	355
Other ⁽¹⁾	142	142
Total	\$ 4,034	\$ 4,006

(1) Other intangibles are comprised of customer order backlogs and easements and permits to use and operate on government land.

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

<u>US\$ MILLIONS</u>	<u>For the three months ended March 31, 2014</u>
Cost at beginning of the period	\$ 4,117
Additions	6
Foreign currency translation	36
Balance at March 31, 2014	\$ 4,159

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

<u>US\$ MILLIONS</u>	<u>For the three months ended March 31, 2014</u>
Accumulated amortization at beginning of period	\$ (111)
Amortization	(12)
Foreign currency translation	(2)
Balance at March 31, 2014	\$ (125)

7. INVESTMENTS IN ASSOCIATES

The following table represents the reconciliation of movement in the partnership's investments in associates:

US\$ MILLIONS	For the three month period ended March 31, 2014	For the 12 month period ended December 31, 2013
Balance at beginning of period	\$ 2,039	\$ 2,179
Share of earnings for the period	12	(217)
Foreign currency translation	(8)	(81)
Share of other reserves for the period-OCI	(1)	160
Investments, net of disposals ⁽¹⁾	126	88
Distributions	(1)	(90)
Ending balance	\$ 2,167	\$ 2,039

(1) On March 26, 2014, Brookfield Infrastructure, through an arrangement formed between Brookfield and Mitsui O.S.K. Lines Ltd., acquired a 20% interest in a North American container terminal operation. Brookfield Infrastructure has significant influence through Brookfield's position in the arrangement. Accordingly, Brookfield Infrastructure equity accounts for the entity. The purchase price is payable in a series of three equal payments, one on the date of acquisition as well as one and two years subsequent to this date. Also, an acquisition earn-out may be payable to the extent that certain earnings-based performance metrics are met. The estimated amount payable by Brookfield Infrastructure of \$87 million is recorded as a financial liability within the condensed and consolidated statements of financial position.

The following table represents the carrying value of the partnership's investments in associates:

US\$ MILLIONS	As of	
	March 31, 2014	December 31, 2013
Brazilian toll road operation	\$ 798	\$ 773
South American transmission operation	694	717
Other associates	675	549
	\$ 2,167	\$ 2,039

The following table summarizes the aggregate balances of investments in associates:

US\$ MILLIONS	As of	
	March 31, 2014	December 31, 2013
Financial position:		
Total assets	\$ 20,023	\$ 19,988
Total liabilities	(13,016)	(12,971)
Net assets	\$ 7,007	\$ 7,017
US\$ MILLIONS	For the three month period ended March 31	
	2014	2013
Financial performance:		
Total revenue	\$ 717	\$ 694
Total income for the period	46	48
Brookfield Infrastructure's share of associates' net income	12	17

8. NON-RECOURSE BORROWINGS

US\$ MILLIONS	As of	
	March 31, 2014	December 31, 2013
Current	\$ 128	\$ 71
Non-current	5,706	5,719
Total	\$ 5,834	\$ 5,790

During the three months ended March 31, 2014, subsidiary borrowings, net of repayments, were \$20 million.

Foreign currency translation gains associated with non-recourse borrowings for the three months ended March 31, 2014 were \$34 million, primarily attributable to the impact of higher exchange rates on Australian dollar denominated non-recourse borrowings.

9. SEGMENTED INFORMATION

IFRS 8, *Operating Segments*, requires operating segments to be determined based on internal reports that are regularly reviewed by the Executive Management and the Board of Directors for the purpose of allocating resources to the segment and to assessing its performance. Key measures used by the Chief Operating Decision Maker (“CODM”) in assessing performance and in making resource allocation decisions are funds from operations (“FFO”) and earnings before interest, tax, depreciation and amortization (“Adjusted EBITDA”), measures not defined by IFRS, which enable the determination of cash return on the equity deployed. FFO is calculated 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. Adjusted EBITDA is calculated as FFO excluding the impact of interest expense and other cash income (expenses), which includes cash taxes.

FOR THE THREE MONTHS ENDED MARCH 31, 2014 US\$ MILLIONS	Total attributable to Brookfield Infrastructure					Contribution from investments in associates	Attributable to non- controlling interest	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure			
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 (expenses)	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)
Other (expenses) income	(9)	(13)	4	(4)	(22)	18	(8)	(12)
Share of earnings from associates	—	—	—	—	—	12	—	12
Income from discontinued operations, net of income tax	—	—	—	—	—	—	—	—
Net income attributable to non- controlling interest	—	—	—	—	—	—	(12)	(12)
Net income (loss) attributable to partnership⁽²⁾	\$ 37	\$ 33	\$ 9	\$ (47)	\$ 32	\$ —	\$ —	\$ 32

(1) The above table provides each segment’s results 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 accounted for using the consolidation and equity methods under IFRS. The above table reconciles Brookfield Infrastructure’s proportionate results to the partnership’s condensed and consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from the partnership’s investments in associates and reflecting the portion of each line item attributable to non-controlling interests.

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

FOR THE THREE MONTHS ENDED MARCH 31, 2013 US\$ MILLIONS	Total attributable to Brookfield Infrastructure					Contribution from investments in associates	Attributable to non- controlling interest	Discontinued Operations	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure				
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 (expenses)	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)
Other (expenses) income	(13)	(35)	(2)	(6)	(56)	8	2	6	(40)
Share of earnings from associates	—	—	—	—	—	17	—	—	17
Income from discontinued operations, net of income tax	—	—	—	—	—	—	—	21	21
Net income attributable to non-controlling interest	—	—	—	—	—	—	(12)	(15)	(27)
Net (loss) income attributable to partnership⁽²⁾	\$ (5)	\$ (1)	\$ 9	\$ (31)	\$ (28)	\$ —	\$ —	\$ —	\$ (28)

(1) The above table provides each segment's results 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 accounted for using the consolidation and equity methods under IFRS. The above table reconciles Brookfield Infrastructure's proportionate results to the partnership's condensed and consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from the partnership's investments in associates and reflecting the portion of each line item attributable to non-controlling interests.

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

Segment assets

For the purpose of monitoring segment performance and allocating resources between segments, Brookfield Infrastructure's Executive Management and Board of Directors monitor the assets, including investments accounted for using the equity method, attributable to each segment.

The following is an analysis of Brookfield Infrastructure's assets by operating segment for the periods under review:

Total attributable to Brookfield Infrastructure									
AS AT MARCH 31, 2014 US\$ MILLIONS	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure	Contribution from investments in associates	Attributable to non- controlling interest	Working capital adjustment	As per IFRS financials ⁽¹⁾
Total assets	\$ 4,920	\$ 4,887	\$ 1,637	\$ (117)	\$ 11,327	\$ (2,035)	\$ 3,864	\$ 2,599	\$ 15,755

Total attributable to Brookfield Infrastructure									
AS AT DECEMBER 31, 2013 US\$ MILLIONS	Utilities	Transport	Energy	Corporate & Other	Brookfield Infrastructure	Contribution from investments in associates	Attributable to non- controlling interest	Working capital adjustment	As per IFRS financials ⁽¹⁾
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 and reflecting the assets attributable to non-controlling interests, and adjusting for working capital assets which are netted against working capital liabilities.

10. SUBSIDIARY PUBLIC ISSUERS

In June 2012, wholly-owned subsidiaries of Brookfield Infrastructure, Brookfield Infrastructure Finance ULC, Brookfield Infrastructure Finance LLC, Brookfield Infrastructure Finance Pty Ltd, Brookfield Infrastructure Finance Limited, and Brookfield Infrastructure Preferred Equity Inc. (collectively, the “Issuers”), registered with securities commissions for the distribution of debt securities or Class A preference shares. The Issuers may offer and sell these instruments in one or more issuances in the aggregate, of up to C\$750 million (or the equivalent in other currencies). The outstanding debt securities are unconditionally guaranteed by Brookfield Infrastructure Partners L.P., Brookfield Infrastructure L.P., and wholly-owned subsidiaries, Brookfield Infrastructure Holdings (Canada) Inc., Brookfield Infrastructure US Holdings I Corporation, Brookfield Infrastructure LLC and BIP Bermuda Holdings I Limited.

The following debt securities were issued as of March 31, 2014:

On October 10, 2012, wholly-owned subsidiaries of Brookfield Infrastructure executed a C\$400 million, five-year medium term note offering in the Canadian bond market with a coupon of 3.5%, which was swapped into U.S. dollars on a matched maturity basis at an all-in rate of 2.7%. The following tables set forth consolidated summary financial information for Brookfield Infrastructure and the Issuers:

	Brookfield Infrastructure ⁽²⁾	The Issuers	Subsidiaries of the partnership other than the Issuers ⁽³⁾	Consolidating adjustments ⁽⁴⁾	Brookfield Infrastructure consolidated
FOR THE THREE MONTHS ENDED MARCH 31, 2014					
Revenue	\$ —	\$ —	\$ 480	\$ —	\$ 480
Net income (loss) attributable to partnership ⁽¹⁾	15	—	66	(49)	32
FOR THE THREE MONTHS ENDED MARCH 31, 2013					
Revenue	\$ —	\$ —	\$ 463	\$ —	\$ 463
Net (loss) income from continuing operations attributable to partnership ⁽¹⁾	(34)	—	174	(174)	(34)
Net (loss) income attributable to partnership ⁽¹⁾	(28)	—	175	(175)	(28)
AS AT MARCH 31, 2014					
Current assets	\$ —	\$ 6	\$ 1,141	\$ (6)	\$ 1,141
Non-current assets	3,653	360	14,614	(4,013)	14,614
Current liabilities	—	(9)	730	9	730
Non-current liabilities	—	(369)	11,206	(2,298)	8,539
Non-controlling interests – Redeemable Partnership Units held by Brookfield	—	—	1,385	—	1,385
Non-controlling interests – in operating subsidiaries	—	—	1,381	—	1,381
AS AT DECEMBER 31, 2013					
Current assets	\$ —	\$ 3	\$ 1,268	\$ (3)	\$ 1,268
Non-current assets	3,711	377	14,414	(4,088)	14,414
Current liabilities	—	(3)	598	3	598
Non-current liabilities	—	(377)	11,146	(2,288)	8,479
Non-controlling interest – Redeemable Partnership Units held by Brookfield	—	—	1,408	—	1,408
Non-controlling interests – in operating subsidiaries	—	—	1,419	—	1,419

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

(2) Includes investments in all subsidiaries of the partnership under the equity method.

(3) Includes investments in all subsidiaries of the partnership other than the Issuers on a consolidated basis.

(4) Includes elimination of intercompany transactions and balances necessary to present Brookfield Infrastructure on a consolidated basis.

11. PARTNERSHIP CAPITAL

Brookfield Infrastructure's capital structure is comprised of three classes of partnership units: general partnership units, limited partnership units and Redeemable Partnership Units held by Brookfield.

In March 2014 Brookfield Infrastructure's holding entity Brookfield Infrastructure LP (the "Holding LP") underwent a restructuring whereby the Holding LP's limited partnership agreement was amended to make the partnership the managing general partner of the Holding LP by redesignating the limited partner units as managing general partner units and to make the general partner a special limited partner of the Holding LP by redesignating the general partner units to special limited partner units. This change was made in order to simplify our governance structure and to more clearly delineate the partnership's governance rights in respect of the Holding LP.

(a) General and Limited Partnership Capital

	General partnership units		Limited partnership units		Total	
	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013
UNITS MILLIONS						
Authorized to issue						
Opening balance	1.1	1.1	150.2	143.6	151.3	144.7
Issued for cash	—	—	0.1	6.6	0.1	6.6
Ending balance	1.1	1.1	150.3	150.2	151.4	151.3

	General Partnership Units		Limited Partnership Units		Total	
	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013	For the three months ended March 31, 2014	For the 12 months ended December 31, 2013
US\$ MILLIONS						
Opening balance	\$ 19	\$ 19	\$ 3,199	\$ 2,955	\$ 3,218	\$ 2,974
Share issuance	—	—	2	244	2	244
Ending balance	\$ 19	\$ 19	\$ 3,201	\$ 3,199	\$ 3,220	\$ 3,218

In June 2010, we implemented a distribution reinvestment plan ("the Plan") that allows eligible holders of the partnership to purchase additional units by reinvesting their cash distributions. Under the Plan, units are acquired at a price per unit calculated by reference to the volume weighted average of the trading price for our units on the New York Stock Exchange for the five trading days immediately preceding the relevant distribution date. During the three-month period ended March 31, 2014, the partnership issued less than 1 million units for proceeds of \$2 million (2013: less than 1 million units for proceeds of \$2 million) under the Plan.

The weighted average number of general partnership units outstanding for the three months ended March 31, 2014 was 1.1 million (2013: 1.1 million). The weighted average number of limited partnership units outstanding for the three months ended March 31, 2014 was 150.3 million, (2013: 150.2 million).

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

UNITS MILLIONS	Non-controlling interest—Redeemable Partnership Units held by Brookfield	
	For the three months ended	For the 12 months ended
	March 31, 2014	December 31, 2013
Opening balance	58.7	56.1
Issued for cash	—	2.6
Ending balance	58.7	58.7

US\$ MILLIONS	Non-controlling interest—Redeemable Partnership Units held by Brookfield	
	For the three months ended	For the 12 months ended
	March 31, 2014	December 31, 2013
Opening balance	\$ 1,178	\$ 1,084
Issued for cash	—	94
Ending balance	\$ 1,178	\$ 1,178

The weighted average number of Redeemable Partnership Units held by Brookfield outstanding for the three months ended March 31, 2014 was 58.7 million, (2013: 58.7 million).

12. DISTRIBUTIONS

For the three months ended March 31, 2014, distributions to partnership unitholders were \$101 million or \$0.48, per partnership unit (2013: \$86 million or \$0.43 per unit, for the three months ended March 31, 2013).

Additionally, incentive distributions were made to an affiliate of Brookfield, in its capacity as the special limited partner of the Holding LP, in the amount of \$11 million for the three months ended March 31, 2014 (\$8 million for the three months ended March 31, 2013).

13. ACCUMULATED OTHER COMPREHENSIVE INCOME

(a) Attributable to Limited Partners

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2014	\$ 652	\$ (94)	\$ (65)	\$ (63)	\$ 10	\$ (6)	\$ 254	\$ 688
Other comprehensive income (loss)	—	16	(26)	1	8	—	(1)	(2)
Balance at March 31, 2014	\$ 652	\$ (78)	\$ (91)	\$ (62)	\$ 18	\$ (6)	\$ 253	\$ 686

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale Securities	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2013	\$ 398	\$ 142	\$ (57)	\$ (53)	\$ —	\$ (1)	\$ 200	\$ 629
Other comprehensive (loss) income	(8)	(25)	9	14	—	(4)	(4)	(18)
Balance at March 31, 2013	\$ 390	\$ 117	\$ (48)	\$ (39)	\$ —	\$ (5)	\$ 196	\$ 611

(b) Attributable to General Partner

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale Securities	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2014	\$ 5	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ 2	\$ 6
Other comprehensive income	—	—	—	—	—	—	—	—
Balance at March 31, 2014	\$ 5	\$ —	\$ —	\$ (1)	\$ —	\$ —	\$ 2	\$ 6

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale Securities	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2013	\$ 3	\$ 1	\$ —	\$ (1)	\$ —	\$ —	\$ 2	\$ 5
Other comprehensive income	—	—	—	—	—	—	—	—
Balance at March 31, 2013	\$ 3	\$ 1	\$ —	\$ (1)	\$ —	\$ —	\$ 2	\$ 5

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

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale Securities	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2014	\$ 272	\$ (30)	\$ (27)	\$ (28)	\$ 4	\$ (2)	\$ 106	\$ 295
Other comprehensive income (loss)	—	6	(10)	1	3	(1)	—	(1)
Balance at March 31, 2014	\$ 272	\$ (24)	\$ (37)	\$ (27)	\$ 7	\$ (3)	\$ 106	\$ 294

US\$ MILLIONS	Revaluation Surplus	Foreign Currency Translation	Net Investment Hedges	Cash Flow Hedges	Available for Sale Securities	Unrealized Actuarial losses	Equity Accounted Investments	Accumulated Other Comprehensive Income
Balance at January 1, 2013	\$ 171	\$ 62	\$ (24)	\$ (24)	\$ —	\$ —	\$ 87	\$ 272
Other comprehensive (loss) income	(3)	(9)	4	6	—	(2)	(2)	(6)
Balance at March 31, 2013	\$ 168	\$ 53	\$ (20)	\$ (18)	\$ —	\$ (2)	\$ 85	\$ 266

14. RELATED PARTY TRANSACTIONS

In the normal course of operations, Brookfield Infrastructure entered into the transactions below with related parties on market terms. These transactions have been measured at fair value and are recognized on the interim condensed and consolidated financial statements.

The immediate parent of Brookfield Infrastructure is the managing general partner of the partnership. The ultimate parent of Brookfield Infrastructure is Brookfield. Other related parties of Brookfield Infrastructure represent its subsidiary and operating entities.

a) Transactions with the immediate parent

Throughout the period, the managing general partner, in its capacity as the partnership's general partner, incurs director fees, a portion of which are charged at cost to the partnership in accordance with the limited partnership agreement. Less than \$1 million in director fees were incurred during the three months ended March 31, 2014 (less than \$1 million during the three months ended March 31, 2013).

b) Transactions with other related parties

Since inception, Brookfield Infrastructure had a management agreement with its external managers, wholly owned subsidiaries of Brookfield.

Pursuant to the Master Services Agreement, on a quarterly basis, Brookfield Infrastructure pays a Base Management Fee, (the “Base Management Fee”,) to affiliates of Brookfield (the “Manager”) equal to 0.3125% per quarter (1.25% annually) of the market value of the partnership. The Base Management Fee was \$25 million for the three months ended March 31, 2014 (\$26 million during the three months ended March 31, 2013).

For purposes of calculating the Base Management Fee, the market value of the partnership is equal to the volume weighted average of the closing prices of the partnership’s units on the NYSE (or other exchange or market where the partnership’s units are principally traded) for each of the last five trading days of the applicable quarter multiplied by the number of issued and outstanding units of the partnership on the last of those days (assuming full conversion of Brookfield’s interest in Brookfield Infrastructure into units of the partnership), plus the amount of third-party debt, net of cash, with recourse to the partnership and the Holding LP and certain holding entities held directly by the Holding LP.

During the three months ended March 31, 2014, \$2 million was reimbursed at cost to our Manager of the partnership (\$2 million and during the three months ended March 31, 2013). These amounts represent third party costs that were paid for by Brookfield on behalf of Brookfield Infrastructure relating to general and administrative expenses, and acquisition related expenses of Brookfield Infrastructure. These expenses were charged to Brookfield Infrastructure at cost.

Brookfield Infrastructure has placed funds on deposit with Brookfield. Interest earned on the deposits is at market terms. At March 31, 2014, Brookfield Infrastructure’s deposit balance with Brookfield was \$90 million (December 31, 2013: \$262 million) and earned interest of less than \$1 million for the three months ended March 31, 2014 (\$nil during the three months ended March 31, 2013).

Brookfield Infrastructure’s North American district energy operation has various right-of-way easements and leases office space on market terms with subsidiaries of Brookfield Office Properties Inc. The North American district energy operation also utilizes consulting and engineering services provided by wholly-owned subsidiaries of Brookfield on market terms.

15. SUBSEQUENT EVENTS

(a) Acquisition of district energy businesses

Subsequent to period end, Brookfield signed definitive agreements to acquire a 100% stake in two district energy businesses located in Chicago and Seattle, of which Brookfield Infrastructure will acquire a 40% interest through a Brookfield sponsored infrastructure fund for \$50 million. Concurrently, Brookfield Infrastructure will enter into a voting arrangement with an affiliate of Brookfield, providing Brookfield Infrastructure with the right to elect the Board of Directors of these entities, thereby providing Brookfield Infrastructure with control. Accordingly, Brookfield Infrastructure will consolidate these entities. Completion of these transactions is expected to occur in the second quarter of 2014, subject to customary closing conditions.

(b) U.K. regulated distribution and Australian railroad refinancing

Subsequent to period end, the UK regulated distribution operation and Australian railroad operation priced a £100 million refinancing with a 15 year term and A\$520 million refinancing with a 10 year term, respectively. These financings are expected to close in the second and third quarters of 2014, respectively, and are subject to customary closing conditions.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED MARCH 31, 2014

INTRODUCTION

The following Management's Discussion and Analysis ("MD&A") is the responsibility of management of Brookfield Infrastructure Partners L.P. (the "partnership" collectively with its subsidiary and operating entities "Brookfield Infrastructure"). This MD&A is dated May 14, 2014 and has been approved by the Board of Directors of the general partner of the partnership for issuance as of that date. The Board of Directors carries out its responsibility for review of this document principally through its audit committee, comprised exclusively of independent directors. The audit committee reviews and, prior to its publication, approves this document, pursuant to the authority delegated to it by the Board of Directors. The terms "Brookfield Infrastructure", the "partnership", "we", "us" and "our" refer to Brookfield Infrastructure Partners L.P., and the partnership's direct and indirect subsidiaries as a group. This MD&A should be read in conjunction with Brookfield Infrastructure Partners L.P.'s most recently issued annual and interim financial statements. Additional information, including Brookfield Infrastructure's Form 20-F, is available on its website at www.brookfieldinfrastructure.com, on SEDAR's website at www.sedar.com and on EDGAR's website at www.sec.gov/edgar.shtml.

Business Overview

Brookfield Infrastructure owns and operates high quality, long-life assets that generate stable cash flows, require relatively minimal maintenance capital expenditures and, by virtue of barriers to entry and other characteristics, tend to appreciate in value over time. Our current operations¹ consist of utility, transport and energy businesses in North and South America, Australasia and Europe. Our mission is to own and operate a globally diversified portfolio of high quality infrastructure assets that will generate sustainable and growing distributions over the long term for our unitholders. To accomplish this objective, we will seek to leverage our operating platforms to acquire infrastructure assets and actively manage them to extract additional value following our initial investment. An integral part of our strategy is to participate with institutional investors in Brookfield Asset Management Inc. ("Brookfield") sponsored partnerships that target acquisitions that suit our profile. We will focus on partnerships in which Brookfield has sufficient influence or control to deploy an operations-oriented approach.

Performance Targets and Key Measures

We target a total return of 12% to 15% per annum on the infrastructure assets that we own, measured over the long term. We intend to generate this return from the in-place cash flow from our operations plus growth through investments in upgrades and expansions of our asset base, as well as acquisitions. If we are successful in growing our funds from operations ("FFO") per unit, we will be able to increase distributions to unitholders. Furthermore, the increase in our FFO per unit should result in capital appreciation. We also measure the growth of FFO per unit, which we believe is a proxy for our ability to increase distributions. In addition, we have performance measures that track key value drivers for each of our operating platforms. See "Segmented Disclosures" on page 28 for more detail.

Distribution Policy

Our objective is to pay a distribution that is sustainable on a long-term basis while retaining sufficient liquidity within our operations to fund recurring growth capital expenditures, debt repayments and general corporate requirements. We currently believe that a payout of 60% to 70% of our FFO is appropriate.

In light of the current strong prospects for our business, the Board of Directors of our Managing General Partner has approved a 12% increase in our quarterly distribution to 48 cents per unit starting with the distribution paid in March 2014. This increase reflects the forecasted contribution from our recently commissioned capital projects, as well as the expected cash yield on acquisitions that we closed in the past year. Since the spin-off, we have increased our quarterly distribution from 26.5 cents per unit to 48 cents, a compound annual growth rate in excess of 10%. We target 5% to 9% annual distribution growth in light of the per unit FFO growth we foresee in our operations.

Basis of Presentation

Our condensed and consolidated financial statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB") and using the accounting policies Brookfield Infrastructure applied in its consolidated financial statements as of and for the year ended December 31, 2013. Our condensed and consolidated financial statements include the accounts of Brookfield Infrastructure and the entities over which it has control. Brookfield Infrastructure accounts for investments over which it exercises significant influence, but does not control, using the equity method.

¹ During the second quarter of 2013, we announced the sale of our interests in our timberland operations. The results of these operations are presented in the 'Corporate and other' segment in this document.

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

When we discuss the results of our operating platforms, we present Brookfield Infrastructure's proportionate share of results for operations accounted for using consolidation and the equity method, in order to demonstrate the impact of key value drivers of each of these operating platforms on the partnership's overall performance. As a result, segment revenues, costs attributable to revenues, other income, interest expense, depreciation and amortization, deferred taxes, fair value adjustments and other items will differ from results presented in accordance with IFRS as they (1) include Brookfield Infrastructure's proportionate share of earnings from investments in associates attributable to each of the above noted items, and (2) exclude the share of earnings (loss) of consolidated investments not held by Brookfield Infrastructure apportioned to each of the above noted items. However, net income for each segment is consistent with results presented in accordance with IFRS. See "Reconciliation of Operating Segments" on page 43 for a reconciliation of segment results to the partnership's statement of operating results in accordance with IFRS.

Our presentation currency and functional currency is the U.S. dollar, and has been throughout each of the last six years. There were no changes in accounting policies that have had a material impact on the comparability of the results between financial years since the adoption of IFRS.

OUR OPERATIONS

Brookfield Infrastructure owns a balanced portfolio of infrastructure assets that are diversified by sector and by geography. We have a stable cash flow profile with approximately 90% of our Adjusted EBITDA supported by regulated or contractual revenues. In order to assist our unitholders in evaluating our performance and assessing our value, we group our businesses into operating platforms based on similarities in their underlying economic drivers.

Our operating platforms are summarized below:

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

REVIEW OF CONSOLIDATED FINANCIAL RESULTS

In this section we review our financial position and consolidated performance as at March 31, 2014 and December 31, 2013 and for the three month periods ended March 31, 2014 and 2013. Further details on the key drivers of our operations and financial position are contained within the Segmented Disclosures section on page 28.

US\$ MILLIONS, EXCEPT PER UNIT INFORMATION Summary Statements of Operating Results	Three months ended March 31	
	2014	2013
Revenues	\$ 480	\$ 463
Direct operating expenses	(212)	(222)
General and administrative expenses	(27)	(28)
Depreciation and amortization expense	(91)	(86)
Interest expense	(87)	(87)
Mark-to-market on hedging items	(16)	(62)
Earnings from investments in associates	12	17
Net income (loss)	44	(1)
Income (loss) from continuing operations	44	(22)
Income from discontinued operations, net of income tax	—	21
Net income (loss) attributable to the partnership ⁽¹⁾	32	(28)
Net income (loss) per limited partnership unit	\$ 0.10	\$ (0.17)

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

For the three months ended March 31, 2014, we reported net income of \$44 million, of which \$32 million is attributable to the partnership, compared to net loss of \$1 million and net loss attributable to the partnership of \$28 million in the prior year. Net income increased compared to the first quarter of 2013 as the prior year included breakage costs associated with our Australian railroad's execution of a long-term financing and mark-to-market losses on hedging positions at our UK regulated distribution business.

Revenues totaled \$480 million for the first quarter of 2014, representing a year-over-year increase of \$17 million, or 4%. The increase is primarily attributable to organic growth initiatives completed in the last 12 months, which resulted in increased revenue of \$18 million at our Australian railroad and \$14 million at our UK regulated distribution operation as well as the acquisition of our U.S. district energy operation in the fourth quarter of 2013 which contributed incremental revenue of \$5 million. Our business also recorded higher revenues in its transport and energy operations as a result of increased volumes that contributed an incremental \$11 million to our total revenues. These increases were partially offset by a \$31 million reduction in revenue resulting from negative movements in foreign exchange.

Direct operating expenses totaled \$212 million for the first quarter of 2014, which represented a decrease of \$10 million, or 5%, compared to the same period in 2013. This was driven by a \$13 million decrease in expenses as a result of foreign exchange movements, which was partially offset by a \$3 million increase in expenses from new investments and the aforementioned capital expansion programs completed over the last year.

General and administrative expenses totaled \$27 million for the three months ended March 31, 2014, which was a \$1 million decrease relative to the prior year comparative period. This line item is primarily comprised of the Base Management Fee that is paid to Brookfield, which is equal to 1.25% of the partnership's market value plus recourse debt, net of cash. It also includes certain public company expenditures relating to the on-going operations of the partnership. The Base Management Fee decreased versus the same period in 2013 as a result of higher recourse debt in the comparative period as our corporate credit facility was drawn to fund new investments made in the fourth quarter of 2012. This was partially offset by an increase in market capitalization attributable to the increased trading price of the partnership units and the equity issuance completed in May 2013.

Depreciation and amortization expense totaled \$91 million in the first quarter of 2014, an increase of \$5 million over the first quarter of 2013. The increase was primarily due to higher property, plant and equipment values as a result of our annual revaluation process.

Earnings from investments in associates were \$12 million for the three months ended March 31, 2014, representing a decline of \$5 million over the first quarter of 2013. The decline was primarily attributable to the sale of our Australasian regulated distribution operation in the fourth quarter of 2013, as well as a foreign exchange loss recognized on translation of U.S. denominated debt in our Chilean electricity transmission system. These items were partially offset by higher earnings at our North American gas transmission business which benefited from increased natural gas demand into the Chicago market caused by record cold weather, as well as the contribution from our additional investment in our Brazilian toll road in the prior year.

US\$ MILLIONS Summary Statements of Financial Position Key Metrics	As of	
	March 31, 2014	December 31, 2013
Cash and cash equivalents	\$ 363	\$ 538
Other current assets	778	730
Total assets	15,755	15,682
Current liabilities	602	527
Corporate borrowings	363	377
Non-recourse borrowings	5,834	5,790
Other long-term liabilities	2,470	2,383
Limited Partners' capital	3,693	3,751
Non-controlling interest – Redeemable Partnership Units held by Brookfield	1,385	1,408
Non-controlling interest – in operating subsidiaries	1,381	1,419
General Partner capital	27	27

As of March 31, 2014, we had \$15,755 million in assets, compared to \$15,682 million at the end of 2013. This \$73 million increase is primarily due to foreign currency translation gains of \$186 million that resulted from the appreciation of the Australian dollar and Brazilian reais relative to the U.S. dollar. These gains were partially offset by approximately \$125 million of foreign currency translation losses due to the depreciation of the Chilean peso and Canadian dollar versus the U.S. dollar during the period.

Non-recourse borrowings increased by \$44 million to \$5,834 million at March 31, 2014 from \$5,790 million at December 31, 2013. The increase was primarily due to the impact of the appreciation of the Australian dollar relative to the U.S. dollar since year end, which led to an increase in debt balances of approximately \$110 million. This was partially offset by an approximate \$66 million decline in Chilean peso, Canadian dollar and Colombian peso denominated debt balances in conjunction with the depreciation of these currencies versus the U.S. dollar during the three months ended March 31, 2014.

Partnership capital decreased by \$81 million to \$5,105 million as of March 31, 2014 from \$5,186 million at the end of 2013 as distributions paid during the period exceeded earnings.

Summary of Quarterly Results

Total revenues and net income for the eight most recent quarters are as follows:

THREE MONTHS ENDED (US\$ MILLIONS, EXCEPT PER UNIT AMOUNTS)	2014		2013			2012		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Revenues	\$ 480	\$ 470	\$ 431	\$ 462	\$ 463	\$ 451	\$ 374	\$ 368
Direct operating costs	(212)	(212)	(187)	(202)	(222)	(229)	(190)	(187)
Equity accounted income (loss)	12	(272)	20	18	17	(8)	40	(32)
Expenses								
Interest	(87)	(98)	(87)	(90)	(87)	(98)	(75)	(75)
Corporate costs	(27)	(28)	(28)	(26)	(28)	(28)	(25)	(22)
Valuation items								
Fair value changes and other	(19)	55	(33)	107	(99)	(5)	14	(29)
Depreciation and amortization	(91)	(79)	(81)	(83)	(86)	(73)	(56)	(53)
Income tax (expense) recovery	(12)	(12)	33	(36)	20	4	6	16
Net income (loss) from continuing operations	44	(176)	68	150	(22)	14	88	(14)
(Loss) income from discontinued operations, net of tax	—	—	(11)	35	21	166	7	7
Net income (loss)	44	(176)	57	185	(1)	180	95	(7)
Net income (loss) attributable to others	29	(32)	39	97	24	147	49	14
Net income (loss) attributable to limited partners	15	(144)	18	88	(25)	33	46	(21)
Per limited partnership unit	<u>\$0.10</u>	<u>\$(0.96)</u>	<u>\$0.12</u>	<u>\$0.60</u>	<u>\$(0.17)</u>	<u>\$0.23</u>	<u>\$0.33</u>	<u>\$(0.16)</u>

A significant driver of our results continues to be new investments that we execute in addition to organic expansion projects that we commission within our various businesses, which add to the ongoing earnings profile of our current businesses. These factors all contributed to the consistent increases in our revenues, operating and interest costs, as well as depreciation expense. In addition to the factors mentioned, net income is also impacted by other items that relate to fair value adjustments to our assets and financial instruments.

We do not consider the effects of seasonality to be significant to the business overall. This is primarily due to the diversification of our business from a geographic and a segment perspective.

SEGMENTED DISCLOSURES

In this section, we review the results of our principal operating segments: utilities, transport and energy. Each segment is presented on a proportionate basis, taking into account Brookfield Infrastructure's ownership in operations accounted for using the consolidation and equity method, whereby the partnership either controls or exercises significant influence over its investments. See "Discussion of Segment Reconciling Items" on page 46 for a reconciliation of segment results to the partnership's statement of operating results in accordance with IFRS.

Utilities Operations

Our utilities platform is comprised of regulated businesses, which earn a return on their asset base, as well as businesses with long-term contracts designed to generate a return on capital over the life of the contract. In all cases, we own and operate assets that earn a return on a regulated or notionally stipulated asset base, which we refer to as rate base. Our rate base increases in accordance with capital that we invest to upgrade and expand our systems. Depending on the jurisdiction, our rate base may also increase by inflation and maintenance capital expenditures and decrease by regulatory depreciation. The return that we earn is typically determined by a regulator or contracts for prescribed periods of time. Thereafter, it may be subject to customary reviews based upon established criteria. Due to the regulatory diversity we have within our utilities platform, we mitigate exposure to any single regulatory regime. In addition, due to the regulatory frameworks and economies of scale of our utilities businesses, we often have significant competitive advantages in competing for projects to expand our rate base. Accordingly, we expect this segment to produce stable revenue and margins that should increase with investment of additional capital and inflation. Virtually all of our utility platform's Adjusted EBITDA is supported by regulated or contractual revenues.

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

Our utilities platform is comprised of the following:

Regulated Terminal

- One of the world's largest coal export terminals in Australia, with 85 Mtpa of capacity

Electricity Transmission

- Approximately 10,500 kilometres of transmission lines in North and South America

Regulated Distribution

- Approximately 2.1 million electricity and natural gas connections

Results of Operations

The following table presents our proportionate share of our rate base and selected key metrics:

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
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	24	(68)
Rate base, end of period	<u>\$ 4,335</u>	<u>\$ 4,880</u>

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Funds from operations (FFO)	\$ 89	\$ 92
Maintenance capital	(2)	(6)
Adjusted funds from operations (AFFO)	<u>\$ 87</u>	<u>\$ 86</u>

For the three months ended March 31, 2014, our utilities platform produced FFO of \$89 million, compared with \$92 million in the same period in the prior year. The decrease in FFO was primarily attributable to the sale of our Australasian regulated distribution operation in the fourth quarter of 2013. Excluding the impact of the sale, FFO increased by \$6 million as the business benefited from inflation indexation and the commissioning of capital projects into rate base.

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

(US\$ MILLIONS)	Three months ended March 31	
	2014	2013
Revenue	\$ 176	\$ 206
Costs attributed to revenues	(50)	(73)
Adjusted EBITDA	126	133
Interest expense	(39)	(43)
Other income	2	2
Funds 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)	Adjusted EBITDA		FFO	
	Three months ended March 31		Three months ended March 31	
	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

Our regulated distribution operations generated Adjusted EBITDA and FFO of \$47 million and \$36 million, respectively, for the current quarter, versus \$53 million and \$40 million, respectively, in the comparative period. This decrease was due primarily to the sale of our Australasian regulated distribution operation in the fourth quarter of 2013. Excluding the impact of the sale, results were ahead of the prior year due primarily to improved performance at our UK regulated distribution business due to higher rate base, inflation indexation and higher connections revenue.

Our regulated terminal operation reported Adjusted EBITDA and FFO of \$42 million and \$23 million, respectively, for the three months ended March 31, 2014, versus \$45 million and \$23 million, respectively, in the comparative period. Adjusted EBITDA decreased due to negative movements in foreign exchange. In natural currency, Adjusted EBITDA and FFO were ahead of prior year as we benefited from additions to our rate base.

Our electricity transmission operations reported Adjusted EBITDA and FFO of \$37 million and \$30 million, respectively, for the current quarter, versus \$35 million and \$29 million, respectively, in the comparative period. Adjusted EBITDA and FFO increased primarily due to inflation indexation and commissioning of projects into our rate base which was partially offset by the impact of foreign exchange.

Non-cash expenses are primarily comprised of depreciation and amortization, inflation indexation on our Chilean peso denominated debt, deferred taxes and other items. Depreciation and amortization decreased to \$39 million for the three months ended March 31, 2014, down from \$42 million for the same period in 2013. The decrease is primarily due to the sale of the Australasian regulated distribution operation in the fourth quarter of 2013. Deferred taxes and other items for the three months ended March 31, 2014 was \$13 million compared to \$55 million for the same period in 2013, as the prior year results contained mark-to-market losses of \$46 million on hedging positions at our UK regulated distribution business.

Transport Operations

Our transport platform is comprised of open access systems that provide transportation, storage and handling services for freight, bulk commodities and passengers, for which we are paid an access fee. Profitability is based on the volume and price achieved for the provision of these services. This operating platform is comprised of businesses with price ceilings as a result of regulation, such as our railroad and toll road operations, as well as unregulated businesses, such as our ports. Transport businesses typically have high barriers to entry and, in many instances, have very few substitutes in their local markets. While these businesses have greater sensitivity to market prices and volume than our utilities platform, revenues are generally stable and, in many cases, are supported by long-term contracts or customer relationships. Our transport platform is expected to benefit from increases in demand for commodities as well as increases in the global movement of goods. Furthermore, the diversification within our transport platform mitigates the impact of fluctuations in demand from any particular sector, commodity, or customer. Approximately 80% of our transport platform's Adjusted EBITDA is supported by long-term contractual revenues.

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

Our transport platform is comprised of the following:

Railroad

- Sole provider of rail service in southwestern Western Australia with approximately 5,100 kilometres of tracks

Toll Roads

- 3,200 kilometres of motorways in Brazil and Chile

Ports

- 30 terminals primarily in North America, UK and across Europe

Results of Operations

The following table presents our proportionate share of the key metrics of our transport platform:

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

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

In our transport platform, we generated FFO of \$95 million in the first quarter of 2014 compared to \$67 million in the same period of 2013. The increase in FFO was primarily driven by contributions from the additional investment in our Brazilian toll road operation in the third quarter of 2013. We 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:

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Revenues	\$ 286	\$ 252
Cost attributed to revenues	(142)	(145)
Adjusted EBITDA	144	107
Interest expense	(42)	(36)
Other expenses	(7)	(4)
Funds 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 proportionate Adjusted EBITDA and FFO for each business in this operating platform:

(US\$ MILLIONS)	Adjusted EBITDA		FFO	
	Three months ended March 31		Three months ended March 31	
	2014	2013	2014	2013
Railroad	\$ 65	\$ 57	\$ 49	\$ 42
Toll Roads	60	32	34	16
Ports	19	18	12	9
Total	<u>\$ 144</u>	<u>\$ 107</u>	<u>\$ 95</u>	<u>\$ 67</u>

For the three months ended March 31, 2014, our Australian railroad reported Adjusted EBITDA and FFO of \$65 million and \$49 million, respectively, versus \$57 million and \$42 million, respectively, in the comparative period. Adjusted EBITDA and FFO increased versus the prior period due to benefits of our expansion program, as volumes ramped up substantially over the past year with full take-or-pay operating levels achieved by the end of March 2013. Results also benefited from a stronger grain harvest, which contributed \$3 million of incremental Adjusted EBITDA to our results.

For the three months ended March 31, 2014, our toll roads contributed Adjusted EBITDA and FFO of \$60 million and \$34 million, respectively, compared to Adjusted EBITDA and FFO of \$32 million and \$16 million, respectively, in the comparative period. This increase is primarily a result of the additional investment in our Brazilian toll roads completed in the third quarter of 2013. Adjusted for ownership interest, toll revenues increased by approximately 10% from prior year due to higher traffic volumes and regulatory tariff increases.

For the three months ended March 31, 2014, our port operations reported Adjusted EBITDA and FFO of \$19 million and \$12 million, respectively, compared to Adjusted EBITDA and FFO of \$18 million and \$9 million, respectively, in the comparative period. 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 was also aided by the benefit of lower borrowing costs following a refinancing at our European port operations in the second quarter of 2013.

Non-cash expenses are primarily comprised of depreciation and amortization, deferred taxes and other items. Depreciation and amortization increased to \$61 million for the current quarter, up from \$51 million for the same period in 2013. The increase is primarily due to higher depreciation at our Brazilian toll road operation, as a result of our additional investment in our Brazilian toll road operation in the third quarter of 2013. Deferred taxes and other items were \$1 million compared to \$17 million for the same period in 2013. The variance is primarily attributable to a break fee relating to the refinancing of our railroad operation of \$37 million, which was recorded in the comparative period.

Energy Operations

Our energy platform is comprised of systems that provide energy transportation, storage, and distribution services. Profitability is based on the volume and price achieved for the provision of these services. This operating platform is comprised of businesses that are subject to light regulation, such as our natural gas transmission business whose services are subject to price ceilings, and businesses that are essentially unregulated like our district energy business. Energy businesses typically have high barriers to entry as a result of significant fixed costs combined with economies of scale or unique positions in their local markets. Our energy platform is expected to benefit from forecasted increases in demand for energy. Although these businesses have greater sensitivity to market prices and volume than our utilities platform, revenues are typically generated under contracts with varying durations and are relatively stable. Approximately 80% of our energy platform's Adjusted EBITDA is supported by long-term contractual revenues.

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

Our energy platform is comprised of the following:

Energy Transmission, Distribution and Storage

- 15,500 kilometres of natural gas transmission pipelines, located primarily in the U.S.
- Gas distribution to over 50,000 customers
- 300 billion cubic feet of natural gas storage in the U.S. and Canada

District Energy

- Consists of heating plants capable of delivering 1,905,000 pounds per hour of steam, as well as 136,800 tons of cooling capacity, sourced from a deep lake water system

Results of Operations

The following table presents our proportionate share of the key metrics of our energy platform:

(US\$ MILLIONS)	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 funds from operations (AFFO)	\$ 23	\$ 16

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

Our energy platform generated FFO of \$26 million in the first quarter of 2014 compared to \$22 million in the same period of 2013. The increase in FFO was 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. We also benefited from improved results at our UK energy distribution operation from higher tariffs and lower costs from a margin improvement program.

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

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

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

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

For the three months ended March 31, 2014, our energy transmission, distribution and storage operations reported Adjusted EBITDA and FFO of \$41 million and \$24 million, respectively, versus \$35 million and \$20 million respectively, in the comparative period. Adjusted EBITDA and FFO increased versus prior year primarily due to higher revenues driven by increased natural gas volumes into the Chicago market and higher basis spreads. These 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 over the past year.

Our district energy business contributed Adjusted EBITDA and FFO of \$3 million and \$2 million, respectively, for the first quarter of 2014, which is consistent with the prior year.

Non-cash expenses are primarily comprised of depreciation, amortization, deferred taxes and other items. Depreciation and amortization was consistent with the comparative period at \$17 million.

Corporate and other

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

(US\$ MILLIONS)	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	(23)	(10)
Net loss	\$ (47)	\$ (31)

General and administrative costs for the period ended March 31, 2014 were in-line with prior year. We anticipate that our general and administrative costs, excluding the Base Management Fee, will be in the range of \$8 million to \$10 million per year.

Pursuant to our Master Services Agreement, we pay an annual Base Management Fee to Brookfield equal to 1.25% of our market value, plus recourse debt net of cash. The Base Management Fee for the current quarter decreased versus the prior year due to higher recourse debt in the comparative period as our corporate credit facility was drawn to fund new investments made in the fourth quarter of 2012. This was partially offset by an increase in market capitalization following the May 2013 equity issuance and a higher unit trading price.

Financing costs include interest expense and standby fees on our committed credit facility, less interest earned on cash balances. The decrease in financing costs is primarily due to lower interest costs on our 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.

Deferred taxes and other items for the period ended March 31, 2014 were \$23 million, compared to \$10 million in the same period in 2013, as the current period included \$22 million of mark-to-market losses on derivative positions hedging foreign currency exposures.

SELECTED STATEMENT OF OPERATING RESULTS AND FINANCIAL POSITION INFORMATION

To measure performance, we focus on FFO and AFFO, among other measures. We also focus on Adjusted EBITDA and net income, taking into account items that we consider unusual or otherwise not reflective of the ongoing profitability of our operations. We define FFO 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. We define AFFO as FFO less maintenance capex, as detailed in the Reconciliation of Non-IFRS Financial Measures section of this MD&A. FFO is a measure of operating performance, and AFFO is a measure of the sustainable cash flow of our business. Since they are not calculated in accordance with, and do not have any standardized meanings prescribed by IFRS, FFO and AFFO are unlikely to be comparable to similar measures presented by other issuers, and FFO and AFFO have limitations as analytical tools. See the Reconciliation of Non-IFRS Financial Measures section for a more fulsome discussion, including a reconciliation to the most directly comparable IFRS measures.

Key Metrics (US\$ MILLIONS, EXCEPT PER UNIT INFORMATION)	Three months ended March 31	
	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 ¹	11%	38%
Adjusted funds from operations (AFFO) ³	163	134

1. Calculation based on average units outstanding during the three month period ending March 31, 2014 of 210.1 million (2013: 200.8 million).
2. Payout ratio is defined as distributions paid (inclusive of general partner incentive distributions) divided by FFO.
3. AFFO is defined as FFO less maintenance capital expenditures.

We posted strong results for the quarter ended March 31, 2014 with funds from operations (“FFO”) totaling \$186 million (\$0.89 per unit) compared to FFO of \$160 million (\$0.80 per unit) in the first quarter of 2013. This 16% increase in year-over-year FFO (11% per unit) reflects steady improvements in each of our operating segments and the deployment of capital in both organic growth initiatives and new acquisitions. The payout ratio was 60%, which is at the low end of the target range of 60-70%, and we generated a solid AFFO yield of 14% during the quarter.

The following tables present selected statement of operating results and financial position information by operating platform on a proportionate basis:

(US\$ MILLIONS) Statement of Operating Results	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

(US\$ MILLIONS) Statement of Financial Position	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

CAPITAL RESOURCES AND LIQUIDITY

The nature of our asset base and the quality of our associated cash flows enable us to maintain a stable and low cost capital structure. We attempt to maintain sufficient financial liquidity at all times so that we are able to participate in attractive opportunities as they arise, better withstand sudden adverse changes in economic circumstances and maintain a relatively high distribution of our FFO to unitholders. Our principal sources of liquidity are cash flows from our operations, undrawn credit facilities and access to public and private capital markets. We also structure the ownership of our assets to enhance our ability to monetize them to provide additional liquidity, if necessary. Certain subsidiaries may be subject to limitations on their ability to declare and pay dividends. Any limitations existing at March 31, 2014 and 2013 were insignificant and would not adversely impact our ability to meet cash obligations.

Our group-wide liquidity was \$2,550 million at March 31, 2014, was in line with at December 31, 2013, and comprised of the following:

(US\$ MILLIONS)	As of	
	March 31, 2014	December 31, 2013
Corporate cash and cash equivalents	\$ 416	\$ 523
Committed corporate credit facility	1,400	1,400
Draws on 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	<u>\$ 2,550</u>	<u>\$ 2,582</u>

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. At the operating company level, we endeavour to maintain prudent levels of debt. We also strive to ladder our principal repayments over a number of years. On a proportionate basis as of March 31, 2014, scheduled principal repayments over the next five years are as follows:

(US\$ MILLIONS)	Average Term (years)	2014	2015	2016	2017	2018	Beyond	Total
Recourse borrowings								
Corporate borrowings	4	\$ —	\$ —	\$ —	\$ 363	\$ —	\$ —	\$ 363
Total recourse borrowings	4	—	—	—	363	—	—	363
Non-recourse borrowings ^{1, 2}								
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^{1, 2}	10	161	312	444	649	245	4,843	6,654
Total borrowings³	10	\$ 161	\$ 312	\$ 444	\$ 1,012	\$ 245	\$ 4,843	\$ 7,017
Cash retained in businesses								
Utilities								\$ 69
Transport								244
Energy								66
Corporate and other								416
Total cash retained								\$ 795
Net debt								
Utilities								\$ 2,989
Transport								2,360
Energy								926
Corporate								(53)
Total net debt		2%	5%	6%	14%	4%	69%	\$ 6,222

1. Represents non-recourse debt to Brookfield Infrastructure as the holders have recourse only to the underlying operations.
2. Non-recourse project debt from our social infrastructure operations has been excluded from the above tables as this is long-term debt which is fully amortized during the term of our concession contracts.
3. As of March 31, 2014, approximately 39% has been issued as floating rate debt. Brookfield Infrastructure and its subsidiaries have entered into interest rate swaps whereby the floating rate debt has been converted to fixed rate debt, effectively reducing floating rate debt maturities to approximately 12% of our total borrowings.

Our debt has an average term of 10 years. On a proportionate basis, our net debt-to-capitalization ratio as of March 31, 2014 was 55%. The average cash interest rates for our utilities, transport, energy and corporate platforms were 5.2%, 6.5%, 6.9% and 2.9%, respectively (March 31, 2013: 5.5%, 6.2%, 7.4% and 3.5% respectively). The weighted average cash interest rate was 5.8% for the overall business (March 31, 2013: 6.6%).

Proportionate debt can be reconciled to consolidated debt as follows:

(US\$ MILLIONS)	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 investments in associates:		
Utilities	700	716
Transport	911	885
Energy	779	779
Proportionate debt	\$ 7,017	\$ 6,805

CONTRACTUAL OBLIGATIONS

The table below outlines Brookfield Infrastructure's contractual obligations as at March 31, 2014:

(US\$ MILLIONS)	Payments due by period				
	Total	Less than 1 year	1-2 years	2-5 years	5+ years
Accounts payable and other liabilities	\$ 685	\$ 596	\$ 3	\$ 8	\$ 78
Interest-bearing liabilities ⁽¹⁾	8,925	417	587	2,125	5,796
Finance lease liabilities	34	3	3	5	23
Other long-term liabilities	649	—	135	236	278
	\$10,293	\$ 1,016	\$ 728	\$ 2,374	\$ 6,175

1. Comprised of non-recourse borrowings and corporate borrowings and includes interest payments of \$286 million, \$284 million, \$698 million and \$1,302 million for the periods as follows: less than 1 year, 1-2 years, 2-5 years and 5 years and thereafter, respectively. Interest payments are calculated based on interest rates in effect as at the balance sheet date.

In addition, pursuant to the Master Services Agreement, on a quarterly basis we pay a Base Management Fee to Brookfield equal to 0.3125% (1.25% annually) of the market value, plus non-recourse debt of the partnership. Based on the market value of the partnership as of March 31, 2014, this fee is estimated to be approximately \$100 million per year based on our current capitalization and unit price.

FINANCIAL INSTRUMENTS—FOREIGN CURRENCY HEDGING STRATEGY

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

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

The following table presents our hedged position in foreign currencies as of March 31, 2014:

(US\$ MILLIONS)	Net Investment Hedges							
	USD	AUD	GBP	BRL	CLP	CAD	EUR	COP
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

At March 31, 2014, we had hedges in place equal to approximately 67% of our net equity investment in foreign currencies. In the three months ended March 31, 2014, we recorded losses in comprehensive income of \$37 million related to these contracts.

CAPITAL REINVESTMENT

Our financing plan is to fund our recurring growth capital expenditures with cash flow generated by our operations, as well as debt financing that is sized to maintain our credit profile. To fund large scale development projects and acquisitions, we will evaluate a variety of capital sources including proceeds from selling non-core assets, equity and debt financing. We will seek to raise additional equity if we believe that we can earn returns on these investments in excess of the cost of the incremental equity.

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

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Funds from operations (FFO)	\$ 186	\$ 160
Less 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	(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 retained in business	(58)	12
Opening, proportionate cash retained in business	853	210
Closing, proportionate cash retained in business	\$ 795	\$ 222

The following table presents the components of growth and maintenance capital expenditures by operating platform:

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Growth capital expenditures by segment		
Utilities	\$ 68	\$ 55
Transport	66	48
Energy	11	3
	\$ 145	\$ 106

<u>THREE MONTHS ENDED MARCH 31</u> <u>(US\$ MILLIONS)</u>	<u>Actual Capex</u> <u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Maintenance capital expenditures by segment		
Utilities	\$ 2	\$ 6
Transport	18	14
Energy	3	6
	\$ 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.

PARTNERSHIP CAPITAL

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

	As of	
	March 31, 2014	December 31, 2013
Redeemable Partnership Units, held by Brookfield	58,739,416	58,739,416
General partnership units	1,066,929	1,066,929
Limited partnership units	150,297,157	150,252,174
Total	210,103,502	210,058,519

The partnership had total units outstanding of 210,103,502 as of March 31, 2014.

An affiliate of Brookfield, in its capacity as the special limited partner of the Holding LP is entitled to incentive distributions which are based on the amount by which quarterly distributions on the limited partnership units exceed specified target levels. To the extent distributions on partnership units exceed \$0.305 per quarter, the incentive distribution rights entitle the special limited partner to 15% of incremental distributions above this threshold to \$0.33 per unit. To the extent that distributions on limited partnership units exceed \$0.33 per unit, the incentive distribution rights entitle the special limited partner to 25% of incremental distributions above this threshold. During the three months ended March 31, 2014, an incentive distribution of \$11 million was paid to the special limited partner (for the three months ended March 31, 2013: \$8 million).

RELATED PARTY TRANSACTIONS

In the normal course of operations, Brookfield Infrastructure entered into the transactions below with related parties on market terms. These transactions have been measured at fair value and are recognized on the interim condensed and consolidated financial statements.

The immediate parent of Brookfield Infrastructure is the managing general partner of the partnership. The ultimate parent of Brookfield Infrastructure is Brookfield. Other related parties of Brookfield Infrastructure represent its subsidiary and operating entities.

Transactions with the immediate parent

Throughout the period, the managing general partner, in its capacity as the partnership's general partner, incurs director fees, a portion of which are charged at cost to the partnership in accordance with the limited partnership agreement. Less than \$1 million in director fees were incurred during the three months ended March 31, 2014 (less than \$1 million during the three months ended March 31, 2013).

Transactions with other related parties

Since inception, Brookfield Infrastructure had a management agreement with its external managers, wholly owned subsidiaries of Brookfield.

Pursuant to the Master Services Agreement, on a quarterly basis, Brookfield Infrastructure pays a base management fee, (the "Base Management Fee"), to affiliates of Brookfield (the "Manager") equal to 0.3125% per quarter (1.25% annually) of the market value of the partnership. The Base Management Fee was \$25 million for the three months ended March 31, 2014 (\$26 million during the three months ended March 31, 2013).

For purposes of calculating the Base Management Fee, the market value of the partnership is equal to the volume weighted average of the closing prices of the partnership's units on the NYSE (or other exchange or market where the partnership's units are principally traded) for each of the last five trading days of the applicable quarter multiplied by the number of issued and outstanding units of the partnership on the last of those days (assuming full conversion of Brookfield's interest in Brookfield Infrastructure into units of the partnership), plus the amount of third-party debt, net of cash, with recourse to the partnership and Brookfield Infrastructure's holding entity Brookfield Infrastructure LP ("Holding LP") and certain holding entities held directly by the Holding LP.

During the three months ended March 31, 2014, \$2 million was reimbursed at cost to the Manager of the partnership (\$2 million and during the three months ended March 31, 2013). These amounts represent third party costs that were paid for by Brookfield on behalf of Brookfield Infrastructure relating to general and administrative expenses, and acquisition related expenses of Brookfield Infrastructure. These expenses were charged to Brookfield Infrastructure at cost.

Brookfield Infrastructure has placed funds on deposit with Brookfield. Interest earned on the deposits is at market terms. At March 31, 2014, Brookfield Infrastructure's deposit balance with Brookfield was \$90 million (December 31, 2013: \$262 million) and earned interest of less than \$1 million for the three months ended March 31, 2014 (\$nil during the three months ended March 31, 2013).

Brookfield Infrastructure's North American district energy operation has various right-of-way easements and leases office space on market terms with subsidiaries of Brookfield Office Properties Inc. The North American district energy operation also utilizes consulting and engineering services provided by wholly-owned subsidiaries of Brookfield on market terms.

OFF-BALANCE SHEET ARRANGEMENTS

Brookfield Infrastructure has no off-balance sheet arrangements.

Brookfield Infrastructure, on behalf of our subsidiaries provide letters of credit, which include, but are not limited to, guarantees for debt service reserves, capital reserves, construction completion and performance. As at March 31, 2014, letters of credit issued by subsidiaries of Brookfield Infrastructure amounted to \$116 million.

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

RECONCILIATION OF NON-IFRS FINANCIAL MEASURES

To measure performance, amongst other measures, we focus on FFO. We define FFO 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. FFO is a measure of operating performance that is not calculated in accordance with, and does not have any standardized meaning prescribed by IFRS. FFO is therefore unlikely to be comparable to similar measures presented by other issuers.

FFO has limitations as an analytical tool:

- FFO does not include depreciation and amortization expense; because we own capital assets with finite lives, depreciation and amortization expense recognizes the fact that we must maintain or replace our asset base in order to preserve our revenue generating capability;
- FFO does not include deferred income taxes, which may become payable if we own our assets for a long period of time;
- FFO does not include any non-cash fair value adjustments or mark-to-market adjustments recorded to net income.

Because of these limitations, FFO should not be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, analysis of our results as reported under IFRS. However, FFO is a key measure that we use to evaluate the performance of our operations and forms the basis for the partnership's distribution policy.

When viewed with our IFRS results, we believe that FFO provides a more complete understanding of factors and trends affecting our underlying operations. FFO allows us to evaluate our businesses on the basis of cash return on invested capital by removing the effect of non-cash and other items. We add back depreciation and amortization to remove the implication that our assets decline in value over time since we believe that the value of most of our assets will typically increase over time provided we make all necessary maintenance expenditures.

We add back deferred income taxes because we do not believe this item reflects the present value of the actual cash tax obligations we will be required to pay, particularly if our operations are held for a long period of time. We add back non-cash valuation gains or losses recorded in net income as these are non-cash in nature and indicate a point in time approximation of value on long-term items. We also add back breakage and transaction costs as they are capital in nature.

In addition, we focus on adjusted funds from operations or AFFO, which is defined as FFO less maintenance capital expenditures. Management uses AFFO as a measure of long-term sustainable cash flow.

The following table reconciles FFO and AFFO to the most directly comparable IFRS measure, which is net income. We urge you to review the IFRS financial measures within the MD&A and to not rely on any single financial measure to evaluate the partnership.

(US\$ MILLIONS)	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	(23)	(26)
AFFO	\$ 163	\$ 134

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

The difference between net income and FFO is primarily attributable to depreciation and amortization and mark-to-market losses on hedging items during the period.

We also use Adjusted EBITDA as a measure of performance. We define Adjusted EBITDA as FFO excluding the impact of interest expense and other income (expenses).

Reconciliation of Operating Segments

Adjusted EBITDA, FFO, and AFFO are presented based on Brookfield Infrastructure's proportionate share of results in operations accounted for using consolidation and the equity method whereby the partnership either controls or exercises significant influence over the investment respectively, in order to demonstrate the impact of key value drivers of each of these operating platforms on the partnership's overall performance. As a result, segment depreciation and amortization, deferred income taxes, breakage and transaction costs, non-cash valuation gains and losses and other items are reconciling items that will differ from results presented in accordance with IFRS as these reconciling items (1) include Brookfield Infrastructure's proportionate share of earnings from investments in associates attributable to each of the above-noted items, and (2) exclude the proportionate share of earnings (loss) of consolidated investments not held by Brookfield Infrastructure apportioned to each of the above-noted items.

The following tables present each segment's results 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 accounted for using the consolidation and equity method whereby the partnership either controls or exercises significant influence over the investment, respectively. These tables reconcile Brookfield Infrastructure's proportionate results to the partnership's consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from the partnership's investments in associates and reflecting the portion of each line item attributable to non-controlling interests. See "Discussion of Segment Reconciling Items" on page 46 for a reconciliation of segment results to the partnership's statement of operating results in accordance with IFRS.

Brookfield Infrastructure's Share

FOR THE THREE MONTHS ENDED MARCH 31, 2014 (US\$ MILLIONS)	<u>Brookfield Infrastructure's Share</u>					Contribution from investments in associates	Attributable to non- controlling interest	As per IFRS financials ⁽¹⁾
	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) and 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 partnership²	\$ 37	\$ 33	\$ 9	\$ (47)	\$ 32	\$ —	\$ —	\$ 32

(1) The above table provides each segment's results 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 accounted for using the consolidation and equity methods under IFRS. The above table reconciles Brookfield Infrastructure's proportionate results to the partnership's consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from the partnership's investments in associates and reflecting the portion of each line item attributable to non-controlling interests.

(2) Net income attributable to the partnership includes net income attributable to non-controlling interests—Redeemable Partnership Units held by Brookfield, general partners and limited partners

Brookfield Infrastructure's Share

FOR THE THREE MONTHS ENDED MARCH 31, 2013 (US\$ MILLIONS)	<u>Brookfield Infrastructure's Share</u>					Contribution from investments in associates	Attributable to non- controlling interest	Discontinued operations	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Energy	Other	Total				
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) and gains and other	(13)	(35)	(2)	(6)	(56)	8	2	6	(40)
Share of earnings from associates	—	—	—	—	—	17	—	—	17
Income from discontinued operations, net of income tax	—	—	—	—	—	—	—	21	21
Net income attributable to non- controlling interest	—	—	—	—	—	—	(12)	(15)	(27)
Net income (loss) attributable to partnership²	\$ (5)	\$ (1)	\$ 9	\$ (31)	\$ (28)	\$ —	\$ —	\$ —	\$ (28)

(1) The above table provides each segment's results 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 accounted for using the consolidation and equity methods under IFRS. The above table reconciles Brookfield Infrastructure's proportionate results to the partnership's consolidated statements of operating results on a line by line basis by aggregating the components comprising the earnings from the partnership's investments in associates and reflecting the portion of each line item attributable to non-controlling interests.

(2) Net (loss) income attributable to the partnership includes net income attributable to non-controlling interests—Redeemable Partnership Units held by Brookfield, general partners and limited partners

The following 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. These tables reconcile 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 and reflecting the assets attributable to non-controlling interests, and adjusting for working capital assets which are netted against working capital liabilities.

As at March 31, 2014 US\$ millions	Brookfield Infrastructure's Shares					Contribution from investments in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Energy	Corporate & Other	Total				
Total assets	\$4,920	\$4,887	\$1,637	\$(117)	\$11,327	\$(2,035)	\$3,864	\$2,599	\$15,755

As at December 31, 2013 US\$ millions	Brookfield Infrastructure's Shares					Contribution from investments in associates	Attributable to non-controlling interest	Working capital adjustment	As per IFRS financials ⁽¹⁾
	Utilities	Transport	Energy	Corporate & Other	Total				
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 and reflecting the assets attributable to non-controlling interests, and adjusting for working capital assets which are netted against working capital liabilities

Discussion of Segment Reconciling Items

The following tables detail and provide discussion, where applicable, of material changes between reporting periods for each operating segment, the reconciliation of contributions from investments in associates and attribution of non-controlling interest in the determination of Adjusted EBITDA, FFO, and net income attributable to the partnership in order to facilitate the understanding of the nature of and changes to reconciling items.

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Utilities		
Adjustments to items comprising Adjusted EBITDA ¹		
Contributions from investment in associates	\$ (28)	\$ (43)
Attribution to non-controlling interest	48	45
Adjusted EBITDA	20	2
Adjustments to items comprising Adjusted FFO ²		
Contributions from investment in associates	6	11
Attribution to non-controlling interest	(17)	(19)
FFO	9	(6)
Adjustments to items comprising net income attributable to Partnership ³		
Contributions from investment in associates	22	32
Attribution to non-controlling interest	(31)	(26)
Net income attributable to partnership	\$ —	\$ —

1. Revenues, costs attributed to revenues, general and administrative costs.
2. Other income, interest expense and cash taxes.
3. Depreciation and amortization, deferred taxes, fair value adjustments, other expenses, share of earnings from associates, net income attributable to non-controlling interest.

Contributions from investments in associates decreased compared to the first quarter of 2013, primarily as a result of the disposition of our Australasian regulated distribution operation in the fourth quarter of 2013.

Attribution to non-controlling interest increased over the prior year primarily due to inflation indexation and commissioning of projects into our rate base.

<u>(US\$ MILLIONS)</u>	<u>Three months ended March 31</u>	
	<u>2014</u>	<u>2013</u>
Transport		
Adjustments to items comprising Adjusted EBITDA ¹		
Contributions from investment in associates	\$ (61)	\$ (33)
Attribution to non-controlling interest	16	13
Adjusted EBITDA	(45)	(20)
Adjustments to items comprising Adjusted FFO ²		
Contributions from investment in associates	25	15
Attribution to non-controlling interest	(7)	(8)
FFO	(27)	(13)
Adjustments to items comprising net income attributable to Partnership ³		
Contributions from investment in associates	36	18
Attribution to non-controlling interest	(9)	(5)
Net income attributable to partnership	\$ —	\$ —

1. Revenues, costs attributed to revenues, general and administrative costs.
2. Other income, interest expense and cash taxes.
3. Depreciation and amortization, deferred taxes, fair value adjustments, other expenses, share of earnings from associates, net income attributable to non-controlling interest.

Contributions from investments in associates increased over the prior year comparative period as a result of the additional investment in our Brazilian toll roads during the third quarter of 2013.

Attribution to non-controlling interest increased over the prior year mainly due to improved volumes at our UK port operation as economic conditions continue to improve in the region.

(US\$ MILLIONS)	Three months ended March 31	
	2014	2013
Energy		
Adjustments to items comprising Adjusted EBITDA ¹		
Contributions from investment in associates	\$ (29)	\$ (27)
Attribution to non-controlling interest	8	8
Adjusted EBITDA	(21)	(19)
Adjustments to items comprising Adjusted FFO ²		
Contributions from investment in associates	15	15
Attribution to non-controlling interest	(2)	(2)
FFO	(8)	(6)
Adjustments to items comprising Net income attributable to Partnership ³		
Contributions from investment in associates	14	12
Attribution to non-controlling interest	(6)	(6)
Net income attributable to partnership	\$ —	\$ —

1. Revenues, costs attributed to revenues, general and administrative costs.
2. Other income, interest expense and cash taxes.
3. Depreciation and amortization, deferred taxes, fair value adjustments, other expenses, share of earnings from associates, net income attributable to non-controlling interest.

Contributions from investments in associates increased over the prior year primarily due to 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.

Attribution to non-controlling interest for the three months ended March 31, 2014 is in line with the prior year as the results of our district energy operations were consistent with the comparative period.

(US\$ MILLIONS)	Three months ended March 31	
	2014	2013
Other		
Adjustments to items comprising Adjusted EBITDA ¹		
Contributions from investment in associates	\$ —	\$ —
Attribution to non-controlling interest	—	—
Discontinued operations	—	(18)
Adjusted EBITDA	—	(18)
Adjustments to items comprising Adjusted FFO ²		
Contributions from investment in associates	(3)	—
Attribution to non-controlling interest	—	—
Discontinued operations	—	6
FFO	(3)	(12)
Adjustments to items comprising Net income attributable to Partnership ³		
Contributions from investment in associates	3	—
Attribution to non-controlling interest	—	—
Discontinued operations	—	12
Net income attributable to partnership	\$ —	\$ —

1. Revenues, costs attributed to revenues, general and administrative costs.
2. Other income, interest expense and cash taxes.
3. Depreciation and amortization, deferred taxes, fair value adjustments, other expenses, share of earnings from associates, net income attributable to non-controlling interest.

Contributions from our discontinued operations are comprised of the results of our Canadian and U.S. freehold timberland operations, which recognized lower earnings relative to the prior year as result of the disposition of these timberland assets during 2013.

(US\$ MILLIONS)	Three months ended March 31	
	2014	2013
Total		
Adjustments to items comprising Adjusted EBITDA ¹		
Contributions from investment in associates	\$ (118)	\$ (103)
Attribution to non-controlling interest	72	66
Discontinued operations	—	(18)
Adjusted EBITDA	(46)	(55)
Adjustments to items comprising Adjusted FFO ²		
Contributions from investment in associates	43	41
Attribution to non-controlling interest	(26)	(29)
Discontinued operations	—	6
FFO	(29)	(37)
Adjustments to items comprising net income attributable to Partnership ³		
Contributions from investment in associates	75	62
Attribution to non-controlling interest	(46)	(37)
Discontinued operations	—	12
Net income attributable to partnership	\$ —	\$ —

1. Revenues, costs attributed to revenues, general and administrative costs.
2. Other income, interest expense and cash taxes.
3. Depreciation and amortization, deferred taxes, fair value adjustments, other expenses, share of earnings from associates, net income attributable to non-controlling interest.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements requires management to make critical judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses that are not readily apparent from other sources, during the reporting period. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgments made by management and utilized in the normal course of preparing Brookfield Infrastructure's consolidated financial statements are outlined below.

Common control transactions

IFRS 3 (2008) does not include specific measurement guidance for transfers of businesses or subsidiaries between entities under common control. Accordingly, Brookfield Infrastructure has developed a policy to account for such transactions taking into consideration other guidance in the IFRS framework and pronouncements of other standard-setting bodies. Brookfield Infrastructure's policy is to record assets and liabilities recognized as a result of transactions between entities under common control at the carrying value on the transferor's financial statements, and to have the Consolidated Statements of Financial Position, Consolidated Statements of Operating Results, Consolidated Statements of Comprehensive Income and Statements of Cash Flows reflect the results of combining entities for all periods presented for which the entities were under the transferor's common control, irrespective of when the combination takes place.

Classification of assets and liabilities as held for sale

Judgment is applied in determining whether the results of operations associated with the assets should be recorded in discontinued operations on the Consolidated Statements of Operating Results. Brookfield Infrastructure will reclassify the results of operations associated with certain assets to discontinued operations where the assets represent a component of the partnership whose operations and cash flows can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the partnership.

Financial instruments

Brookfield Infrastructure's accounting policies relating to derivative financial instruments are described in note 3(n) of Brookfield Infrastructure's annual consolidated financial statements. The critical judgments inherent in these policies relate to applying the criteria to the assessment of the effectiveness of hedging relationships. Estimates and assumptions used in determining the fair value of financial instruments are equity and commodity prices; future interest rates; the credit worthiness of the company relative to its counterparties; the credit risk of the company's counterparties relative to the company; estimated future cash flows; and discount rates.

Revaluation of property, plant and equipment

Property, plant and equipment is revalued on a regular basis. The critical estimates and assumptions underlying the valuation of property, plant and equipment are set out in note 15 of Brookfield Infrastructure's annual consolidated financial statements.

Valuation of standing timber

Changes in fair value are recorded in profit and loss during the period of change. Brookfield Infrastructure determines fair value on an annual basis. Certain assets recorded at fair value were estimated and determined by management of the partnership with due consideration given to other relevant data points. Key estimates and assumptions in determining the fair value of standing timber are: the timing of forecasted revenues and timber prices; estimated selling costs; sustainable felling plans; growth assumptions; silviculture costs; discount rates; terminal capitalization rates and terminal valuation dates.

Valuation of investment property

The fair value of investment property is primarily determined by discounting the expected future cash flows of each property, generally over a term of 10 years, using a discount and terminal capitalization rate reflective of the characteristics, location and market of each property. The future cash flows of each property are based upon, among other things, rental income from current leases and assumptions about rental income from future leases reflecting current conditions, less future cash outflows in respect of such current and future leases.

In some cases, the fair values are determined based on recent real estate transactions with similar characteristics and location to those of Brookfield Infrastructure. Fair value is estimated by management of the partnership with due consideration given to other relevant data points.

Fair values in business combinations

Brookfield Infrastructure accounts for business combinations using the acquisition method of accounting. This method requires the application of fair values for both the consideration given and the assets and liabilities acquired. The calculation of fair values is often predicated on estimates and judgments including future cash flows, revenue streams and value-in-use calculations. The determination of the fair values may remain provisional for up to 12 months from the date of acquisition due to the time required to obtain independent valuations of individual assets and to complete assessments of provisions. When the accounting for a business combination has not been completed as at the reporting date, this is disclosed in the financial statements, including observations on the estimates and judgments made as of the reporting date.

Impairment of goodwill and intangibles with indefinite lives

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

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

Other critical judgments utilized in the preparation of the partnership's financial statements include the determination of functional currency, determination of operating segments, determination of effectiveness of financial hedges for accounting purposes, recoverability of deferred tax assets and assessment of tax uncertainties, and determination of control.

CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION

Brookfield Infrastructure applied, for the first time, certain Standards and amendments to Standards applicable to Brookfield Infrastructure that became effective January 1, 2014. The impact of adopting these standards on the partnership's accounting policies and disclosures is as follows:

a) Recently Adopted Accounting Standards and Amendments

IFRIC 21, *Levies* ("IFRIC 21") provides guidance on when to recognize a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, and those where the timing and amount of the levy is certain. IFRIC 21 identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation. A liability is recognized progressively if the obligating event occurs over a period of time or, if an obligation is triggered on reaching a minimum threshold, the liability is recognized when that minimum threshold is reached. IFRIC 21 was applied retrospectively and the application of this new standard had no impact on Brookfield Infrastructure's accounting for levies for the current and prior periods presented.

IAS 32, *Financial Instruments: Presentation* ("IAS 32") was amended to clarify certain aspects as a result of the application of offsetting requirements, namely focusing on the following four main areas: the interpretation of "currently has a legally enforceable right of set-off", the application of simultaneous realization and settlement, the offsetting of collateral amounts, and the unit of account for applying the offsetting requirements. The amendments to IAS 32 were applied retrospectively and the application of these amendments had no impact on Brookfield Infrastructures accounting for or presentation of financial instruments for the current and prior periods presented.

b) Standard issued not yet adopted

IFRS 9, *Financial Instruments* ("IFRS 9") was issued by the IASB on November 12, 2009 and will replace IAS 39, *Financial Instruments: Recognition and Measurement* ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is tentatively effective for annual periods beginning on or after January 1, 2018. Brookfield Infrastructure is currently evaluating the impact of IFRS 9 on its consolidated financial statements.

CONTROLS AND PROCEDURES

As of March 31, 2014, an evaluation of the effectiveness of our "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the United States Securities Exchange Act of 1934, or the Exchange Act) was carried out under the supervision and with the participation of persons performing the functions of principal executive and principal financial officers for us and our Manager. Based upon that evaluation, the persons performing the functions of principal executive and principal financial officers for us have concluded that, as of March 31, 2014, our disclosure controls and procedures were effective: (i) to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms; and (ii) to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including the persons performing the functions of principal executive and principal financial officers for us, to allow timely decisions regarding required disclosure.

It should be noted that while our management, including persons performing the functions of principal executive and principal financial officers for us, believe our disclosure controls and procedures provide a reasonable level of assurance that such controls and procedures are effective, they do not expect that our disclosure controls and procedures or internal controls will prevent all error and all fraud. A control system, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

No changes were made in our internal control over financial reporting during the three months ended March 31, 2014, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis 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 "tend", "seek", "target", "foresee", "believe," "expect," "could", "aim to," "intend," "objective", "outlook", "endeavour", "estimate", "likely", "continue", "plan", "positioned to", derivatives thereof and other expressions of similar import, or the negative variations thereof, and similar expressions of future or conditional verbs such as "will", "may", "should," which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters, identify forward-looking statements. Forward-looking statements in this Management's Discussion and Analysis include among others, statements with respect to our assets tending to appreciate in value over time, growth in our assets and operations, increases in FFO per unit and resulting capital appreciation, returns on capital and on equity, increasing demand for commodities and global movement of goods, expected capital expenditures, the impact of planned capital projects by customers of our railroad business on the performance and growth of that business, the extent of our corporate, general and administrative expenses, our ability to close acquisitions (including acquisitions referred to in this Management's Discussion and Analysis), our capacity to take advantage of opportunities in the marketplace, the future prospects of the assets that Brookfield Infrastructure operates or will operate, partnering with institutional investors, ability to identify, acquire and integrate new acquisition opportunities, long-term target return on our assets, sustainability of distribution levels, distribution growth and payout ratios, operating results and margins for our business and each operation, future prospects for the markets for our products, 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 the partnership's anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the partnership to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information.

Factors that could cause actual results to differ materially from those contemplated or implied by 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 mining customers of our railroad business which themselves rely on access to capital and continued favourable commodity prices, our ability to complete large capital expansion projects on time and within budget, ability to negotiate favourable take-or-pay contractual terms, traffic volumes on our toll roads, 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, the partnership undertakes no obligation to publicly update or revise any forward-looking statements or information, whether written or oral, that may be as a result of new information, future events or otherwise.

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") and adjusted funds from operations ("AFFO") 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 in this Management's Discussion and Analysis. 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.

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

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

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Brookfield Infrastructure Partners L.P. (the “issuer”) for the interim period ended March 31, 2014.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is the Internal Control – Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 5.2 **ICFR – material weakness relating to design:** N/A
- 5.3 **Limitation on scope of design:** N/A
6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2014 and ended on March 31, 2014 that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 14, 2014

/s/ Samuel Pollock

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

**FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE**

I, Bahir Manios, Chief Financial Officer of Brookfield Infrastructure Group L.P., manager of Brookfield Infrastructure Partners L.P., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of Brookfield Infrastructure Partners L.P. (the “issuer”) for the interim period ended March 31, 2014.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. **Responsibility:** The issuer’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, for the issuer.
5. **Design:** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer’s other certifying officer and I have, as at the end of the period covered by the interim filings
 - (a) designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
 - (i) material information relating to the issuer is made known to us by others, particularly during the period in which the interim filings are being prepared; and
 - (ii) information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
 - (b) designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.
- 5.1 **Control framework:** The control framework the issuer’s other certifying officer and I used to design the issuer’s ICFR is the Internal Control – Integrated Framework (COSO Framework) published by The Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- 5.2 **ICFR – material weakness relating to design:** N/A
- 5.3 **Limitation on scope of design:** N/A
6. **Reporting changes in ICFR:** The issuer has disclosed in its interim MD&A any change in the issuer’s ICFR that occurred during the period beginning on January 1, 2014 and ended on March 31, 2014, that has materially affected, or is reasonably likely to materially affect, the issuer’s ICFR.

Date: May 14, 2014

/s/ Bahir Manios

Bahir Manios
Chief Financial Officer,
Brookfield Infrastructure Group L.P.