Brookfield Infrastructure Partners L.P.

SUPPLEMENTAL INFORMATION *FOR THE QUARTER ENDED JUNE 30, 2008*

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Cautionary Statement Regarding Forward-Looking Statements
This Supplemental Report to Unitholders contains forward-looking information within the meaning of Canadian provincial securities laws and other "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. These forward-looking statements include among others, statements with respect to cash flows generated by our assets, maintenance capital expenditure requirements, the increase in value of our assets over time, revenue, margin and growth expectations for our electricity transmission business, long-term return on capital expectations and anticipated margins in connection with our timber operations, increases in harvest levels and margins and the effects on adjusted net operating income and net income within our timber operations, near, and mid-to-long term factors expected to effect timber operations, future growth and prospects of the PPP market, our ability to successfully leverage its relationship with Brookfield Multiplex in the PPP market and successfully build our operations in this area, completion of the PPP acquisition, our estimated future general and administrative expenses and maintenance capital expenditures, our ability to maintain sufficient financial liquidity, sustainability of distribution levels, our ability to secure financing through the issuance of equity or debt and other statements with respect to our beliefs, outlooks, plans, expectations, and intentions.

The words "believe", "expect", "tend", "should", "seek", "anticipate", "intend", "expand", "opportunities", "estimate", derivatives thereof and other expressions of similar import, or the negative variations thereof, and similar expressions of future or conditional verbs such as "will", "may", which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters, identify forward-looking statements. 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 achievement 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: economic and financial conditions in the countries in which we do business generally, and which may impact markets for timber; the behavior of financial markets, including fluctuations in interest and exchange rates as well as inflation rates; market demand for an infrastructure company, which is unknown; ability to compete for new acquisitions in the competitive infrastructure space; availability of equity and debt financing; the ability to effectively integrate acquisitions into existing operations and the ability to attain expected benefits; regulatory and political factors within the countries in which the Partnership operates; acts of God, such as earthquakes and hurricanes; the possible impact of international conflicts and other developments including terrorist acts; and other risks and factors detailed from time to time in documents filed by the Partnership with the securities regulators in Canada and the United States including the Partnership's 2007 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 the Partnership or 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-GAAP Accounting Measures
Although our financial results are determined in accordance with U.S. generally accepted accounting principles ("GAAP"), the basis of presentation throughout much of this report differs from GAAP in that it is organized by business unit and utilizes adjusted net operations income as an important measure. 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 in this supplemental information. Readers are encouraged to consider both measures in assessing Brookfield infrastructure's results.

Business Environment and Risks
The Partnership's and Brookfield Infrastructure's financial results are impacted by: the performance of each of our operations and various external factors influencing the specific sectors 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 factors are described in the Partnership's 2007 Annual Report on Form 20-F which is available on our web site and at *www.sec.gov/edgar.shtml.com* and *www.sedar.com.*

INTRODUCTION

Business Overview

Brookfield Infrastructure Partners L.P. (the "Partnership") was established by Brookfield Asset Management Inc. ("Brookfield") as its primary vehicle to own and operate certain infrastructure assets on a global basis. The Partnership, through its related entities, 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. Its current business consists of the ownership and operation of premier electricity transmission systems and timberlands in North and South America, and it seeks acquisition opportunities in other infrastructure sectors with similar attributes.

Basis of Presentation

The Partnership's sole material asset is its 60% limited partnership interest in Brookfield Infrastructure L.P. ("Brookfield Infrastructure"), which is accounted for using the equity method. As a result, we believe the financial statements of Brookfield Infrastructure are more relevant than the Partnership's because they present the financial position and results of our underlying operations in greater detail. Brookfield and its affiliates own the remaining 40% of Brookfield Infrastructure, which through a redemption exchange mechanism can be converted into an equivalent interest in the Partnership.

Upon close of the spin-off of Brookfield Infrastructure from Brookfield on January 31, 2008, Brookfield Infrastructure's ownership interests in its underlying operations were as follows: 10.7% of Transelec Chile S.A. ("Transelec" or our "Chilean transmission operations"), 37.5% of Island Timberlands Limited Partnership ("Island Timberlands" or our "Canadian timber operations"), 30% of Longview Timber Holdings Corp. ("Longview" or our "U.S. timber operations") and 7-18% of Transmissions Brasilerios de Companies ("TBE"). On March 12, 2008, Brookfield Infrastructure acquired 100% of the transmission division of Great Lakes Power Limited (our "Ontario transmission operations") from Brookfield. Since our Ontario transmission operations remained under common control by Brookfield following the transfer to Brookfield Infrastructure, its results of operations are included in our historical results from January 1, 2008. However, since the economic benefit from our Ontario transmission operations began accruing to Brookfield Infrastructure as of March 12, 2008, we present results prior to that date as income from predecessor company in our income statement. On April 4, 2008, Brookfield Infrastructure acquired an additional 7.1% interest in Transelec.

The unaudited results that are presented in this supplemental information package reflect the financial position and results of our current operations for the three-month and six-month periods ended June 30, 2008.

We will also present our results on a proforma basis to reflect the following transactions as if they occurred on January 1, 2008:

- Brookfield Infrastructure's increased investment in Transelec, which increased our ownership to approximately 17.8%;
- The acquisition of 100% of our Ontario transmission operations; and
- The spin-off of Brookfield Infrastructure from Brookfield and related transactions including entry into the master services agreement with Brookfield (the "Master Services Agreement").

For each of its business segments, this supplemental information discusses Brookfield Infrastructure's proportionate share of results for its consolidated operations and equity accounted investments in order to demonstrate the impact of key value drivers of each of these segments on Brookfield Infrastructure's overall performance. Consistent with how the business is managed, the segments are electricity transmission and timber. Each of these platforms have their own management teams responsible for their operations and investments. Certain items, such as corporate administration costs, are not included in this segmented financial information.

All figures are provided in U.S. dollars, unless otherwise noted.

Non-GAAP Financial Measure

To measure performance, we focus on net income as well as adjusted net operating income. We define adjusted net operating income ("ANOI") as net income excluding the impact of depreciation, depletion and amortization, deferred taxes and other items as discussed below. Furthermore, ANOI does not include income from predecessor company as discussed above. Adjusted net operating income is a measure of operating performance that is not calculated in accordance with, and does not have any standardized meaning prescribed by, U.S. generally accepted accounting principles, or U.S. GAAP. Adjusted net operating income is therefore unlikely to be comparable to similar measures presented by other issuers. Adjusted net operating income has limitations as an analytical tool:

- Adjusted net operating income 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;
- Adjusted net operating income does not include deferred income taxes, which may become payable if we own our assets for a long period of time; and

- Adjusted net operating income does not include performance fees accrued relating to our Canadian timber operations, which will be required to be paid in cash and which type of fee we expect to accrue in the future.

Because of these limitations, adjusted net operating income 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 U.S. GAAP. We compensate for these limitations by relying on our U.S. GAAP results and using adjusted net operating income only supplementally. However, adjusted net operating income is a key measure that management uses to evaluate the performance of our operations and forms the basis for our Partnership's distribution policy. When viewed with our U.S. GAAP results, we believe that adjusted net operating income provides a more complete understanding of factors and trends affecting our underlying operations. Adjusted net operating income allows our management to evaluate our businesses on the basis of cash return on net capital deployed 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 or our assets will typically increase over time provided we make all necessary maintenance expenditures. We add back depletion because we endeavor to manage our timberlands on a sustainable basis over the long term. Furthermore, changes in asset values typically do not decline on a predetermined schedule, as suggested by accounting depreciation or depletion, but instead will inevitably vary upwards and downwards based on a number of market and other conditions that cannot be determined in advance. 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. Finally, we add back a performance fee payable to Brookfield by Island Timberlands. This performance fee was calculated based upon a percentage of the increased appraised value of the timber and higher and better use ("HBU") land assets held by our Canadian timber operations over a threshold level. We believe it is appropriate to measure our performance excluding the impact of this accrual as we expect that over time the financial impact of this fee will be more than offset by increased income associated with the increased appraised value of these assets, which benefit is not reflected in the period in which the related fee accrues. In addition, as a result of our fee netting mechanism which is designed to eliminate any duplication of fees, any performance fees will reduce future incentive distributions that may otherwise be made to Brookfield by Brookfield Infrastructure. As this credit is reflected as a reduction in distributions to Brookfield, it would not be reflected in adjusted net operating income without adding back the performance fee.

We provide reconciliations of this non-GAAP financial measure to the most directly comparable U.S. GAAP measure, which is net income, in this supplemental information package. We urge you to review the U.S. GAAP financial measures in the supplemental financial information contained herein, and to not rely on any single financial measure to evaluate Brookfield Infrastructure.

OVERVIEW OF PERFORMANCE

In this section we review our performance and our financial position for the three and six months ended June 30, 2008. We also review our performance on a proforma basis as described earlier for the three and six months ended June 30, 2008 as compared to the same periods in 2007. Further details on our operations and financial position are contained within the review of Operating Platforms below.

Results of Operations

The following table summarizes the results of Brookfield Infrastructure for the quarter.

	As at and for the Three Months Ended June 30	As at and for the Six Months Ended June 30
MILLIONS, UNAUDITED	**2008**	**2008**
Revenue	**$ 8.3**	**$ 10.0**
Operating expenses	**(3.8)**	**(5.9)**
Equity accounted earnings	**3.6**	**2.2**
Dividend income	**0.1**	**5.7**
Income from predecessor company	**—**	**2.6**
Interest expense	**(2.3)**	**(2.9)**
Net income	**2.3**	**7.9**
Adjusted net operating income	**16.4**	**31.8**
Total assets	**1,049.1**	**1,049.1**
Non-recourse borrowings	**116.6**	**116.6**
Partnership capital	**$ 870.4**	**$ 870.4**

Due to our levels of ownership and control, Brookfield Infrastructure's financial statements reflect a mix of consolidation accounting (Ontario transmission operations), equity accounting (Transelec, Island Timberlands, Longview) and cost accounting (TBE). For the three and six months ended June 30, 2008, we recorded net income of $2.3 million and $7.9 million respectively. For the six-month period, net income and ANOI reflect a 10.7% interest in Transelec for the first three months of 2008, and ANOI also reflects a partial period of results from our Ontario transmission operations which was transferred into Brookfield Infrastructure on March 12, 2008.

As at June 30, 2008, Brookfield Infrastructure had $1,049.1 million in assets, $116.6 million in non-recourse borrowings at our Ontario transmission operations and $870.4 million in partnership capital.

The following table reconciles net income to adjusted net operating income. In doing so, we add back to net income the amounts recorded in respect of depreciation, depletion and amortization, deferred taxes and certain other items less income from predecessor company, as well as the minority interest related to those items such that, similar to net income, adjusted net operating income reflects Brookfield Infrastructure's ownership interest.

	Three Months Ended June 30	Six Months Ended June 30
MILLIONS, UNAUDITED	**2008**	**2008**
Net income	**$ 2.3**	**$ 7.9**
Add back or deduct the following:		
Depreciation, depletion and amortization	**14.3**	**25.2**
Deferred taxes	**(4.2)**	**(8.6)**
Income from predecessor company	**—**	**(2.6)**
Other non-cash items	**4.0**	**9.9**
Adjusted net operating income	**$ 16.4**	**$ 31.8**

For the quarter, the difference between net income and adjusted net operating income is primarily attributable to depreciation and depletion expense which reflects purchase accounting adjustments for Transelec and Longview associated with their respective acquisitions, deferred taxes due to the step up in tax basis associated with those acquisitions, as well as non-cash expenses in Transelec, primarily relating to non-cash inflation indexations on its Chilean peso denominated debt.

The following table presents both net income and adjusted net operating income on a segmented basis:

	Three Months Ended June 30	Six Months Ended June 30
MILLIONS, UNAUDITED	**2008**	**2008**
Net income (loss) by segment		
Electricity transmission	**$ 8.6**	**$ 17.4**
Timber	**(2.9)**	**(4.5)**
Corporate	**(3.4)**	**(5.0)**
Net income	**$ 2.3**	**$ 7.9**
Adjusted net operating income by segment		
Electricity transmission	**$ 15.4**	**$ 27.7**
Timber	**4.4**	**9.1**
Corporate	**(3.4)**	**(5.0)**
Adjusted net operating income	**$ 16.4**	**$ 31.8**

Our results reflect a strong performance by our transmission segment, combined with continuing weakness in our timber segment due primarily to the impact of the softness of the U.S. housing market on sawlog pricing. Net income of $8.6 million and $17.4 million from our transmission segment for the three- and six-month periods ended June 30, 2008, respectively, was partly offset by losses of $2.9 million and $4.5 million from our timber segment for the three- and six-month periods ended June 30, 2008, respectively. Adjusted net operating income from our transmission segment was $15.4 million and $27.7 million for the three- and six-month periods ended June 30, 2008, respectively, compared with $4.4 million and $9.1 million from our timber segment for the same periods.

Proforma Results of Operations

The following table summarizes the results of Brookfield Infrastructure for the quarter on a pro forma basis:

	For the Three Months Ended June 30		For the Six Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007	**2008**	**2007**
Revenue	**$ 8.3**	$ 8.6	**$ 17.2**	$ 17.6
Operating expenses	**(3.8)**	(3.3)	**(7.0)**	(6.0)
Equity accounted earnings	**3.6**	1.7	**2.8**	3.1
Dividend income	**0.1**	1.0	**5.7**	5.2
Interest expense	**(2.3)**	(2.2)	**(4.5)**	(4.3)
Net income	**2.3**	1.0	**7.6**	6.0
Adjusted net operating income	**$ 16.4**	$ 17.9	**$ 39.1**	$ 30.2

For the three and six months ended June 30, 2008, we recorded pro forma net income of $2.3 million and $7.6 million, respectively, compared to $1.0 million and $6.0 million for the same periods of 2007.

On a proforma basis, the following table reconciles net income to adjusted net operating income.

	Three Months Ended June 30		Six Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007	**2008**	2007
Net income	**$ 2.3**	$ 1.0	**$ 7.6**	$ 6.0
Add back or deduct the following:				
Depreciation, depletion and amortization	**14.3**	14.1	**27.7**	21.1
Deferred taxes	**(4.2)**	2.8	**(9.9)**	3.1
Other non-cash items	**4.0**	—	**13.7**	—
Adjusted net operating income	**$ 16.4**	$ 17.9	**$ 39.1**	$ 30.2

On a proforma basis, the following table presents both net income and adjusted net operating income on a segmented basis:

	Three Months Ended June 30		Six Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007	**2008**	2007
Net Income (loss) by segment				
Electricity transmission	**$ 8.6**	$ 4.4	**$ 18.0**	$ 13.3
Timber	**(2.9)**	—	**(4.5)**	(1.4)
Corporate	**(3.4)**	(3.4)	**(5.9)**	(5.9)
Net income	**$ 2.3**	$ 1.0	**$ 7.6**	$ 6.0
Adjusted net operating income by segment				
Electricity transmission	**$ 15.4**	$ 11.8	**$ 35.9**	$ 24.4
Timber	**4.4**	9.5	**9.1**	11.7
Corporate	**(3.4)**	(3.4)	**(5.9)**	(5.9)
Adjusted net operating income	**$ 16.4**	$ 17.9	**$ 39.1**	$ 30.2

OPERATING PLATFORMS

In this section, we review the results of our principal operating platforms.

Electricity Transmission

Our transmission segment generates stable revenue that is governed by regulated frameworks and long-term contracts. Accordingly, we expect this segment to produce consistent revenue and margins that should increase with inflation and other factors such as operational improvements. We also expect to achieve continued growth in revenues and income as we earn a return on investments of additional capital into our existing operations.

The following table presents our transmission segment's proportionate share of results for the three-month and six-month periods ended June 30, 2008. For TBE, which is accounted for on a cost basis, these results reflect its dividend income.

	Three Months Ended June 30	Six Months Ended June 30
MILLIONS, UNAUDITED	**2008**	**2008**
Revenue	**$ 26.2**	**$ 37.1**
Costs attributed to revenues	**(3.7)**	**(5.1)**
Dividend income	**0.1**	**5.7**
Net operating income	**22.6**	**37.7**
Other expenses	**(0.6)**	**(0.6)**
Interest expense	**(5.9)**	**(8.6)**
Cash taxes	**(0.7)**	**(0.8)**
Adjusted net operating income	**15.4**	**27.7**
Depreciation and amortization	**(3.9)**	**(6.2)**
Income from predecessor company	**—**	**2.6**
Deferred taxes and other items	**(2.9)**	**(6.7)**
Net income	**$ 8.6**	**$ 17.4**

On a proportionate basis, our transmission segment earned $22.6 million of net operating income, $15.4 million of adjusted net operating income and $8.6 million of net income for the three months ended June 30, 2008.

The following table presents the transmission segment's proforma proportionate share of results for the three months and six months ended June 30, 2008 and 2007.

	Three Months Ended June 30		Six Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007	**2008**	2007
Revenue	**$ 26.2**	$ 19.5	**$ 50.8**	$ 38.3
Costs attributed to revenues	**(3.7)**	(3.1)	**(6.6)**	(6.1)
Dividend income	**0.1**	1.0	**5.7**	5.2
Net operating income	**22.6**	17.4	**49.9**	37.4
Other income (expenses)	**(0.6)**	1.2	**(0.7)**	1.1
Interest expense	**(5.9)**	(5.4)	**(11.5)**	(11.5)
Cash taxes	**(0.7)**	(1.4)	**(1.8)**	(2.6)
Adjusted net operating income	**15.4**	11.8	**35.9**	24.4
Depreciation and amortization	**(3.9)**	(4.6)	**(8.7)**	(8.4)
Deferred taxes and other items	**(2.9)**	(2.8)	**(9.2)**	(2.7)
Net income	**$ 8.6**	$ 4.4	**$ 18.0**	$ 13.3

On a proforma proportionate basis, our transmission businesses recorded strong results, earning $22.6 million of net operating income, $15.4 million of adjusted net operating income and $8.6 million of net income for the three months ended June 30, 2008, compared to $17.4 million of net operating income, $11.8 million of adjusted net operating income and $4.4 million of net income for the same period of 2007. The increase in net operating income was a result of improved results in our Chilean operations due to non-recurring revenue of $4.7 million associated with implementation of Transelec's recently finalized transmission rate proceeding retroactively to March 2004 and increased revenues due to inflationary indexation and the commissioning of growth capital expenditures. Adjusting for the non-recurring revenue, operating margins at our Chilean transmission operations decreased to 84.4% for 2008, in comparison with 86.8% for the quarter ended June 30, 2007, primarily as a result of a negative impact of foreign exchange rates on our predominantly Chilean peso based cost structure. Results from our Ontario transmission operations were essentially flat with the prior year. The dividends received from our Brazilian transmission investment declined to $0.1 million during the current period compared to $1.0 million in the same period of 2007. Dividends from TBE are paid on a periodic basis, not necessarily quarterly. Offsetting these benefits were certain non-cash expenses in our Chilean transmission operations, primarily depreciation and amortization which reflect application of purchase accounting, as well as non-cash inflation indexations on our Chilean peso denominated debt. Depreciation and amortization amounted to $3.9 million compared to $4.6 million in the comparable period in 2007. Maintenance capital expenditures for our transmission segment were $1.5 million and $1.9 million for the quarters ended June 30, 2008 and 2007, respectively.

Our transmission operations have a combination of regulatory and contractual frameworks, some of which are indexed by inflation. For our transmission operations with revenue indexation, increases in revenue are primarily a result of inflation and growth capital expenditures. For our remaining operations, revenue increases are primarily attributable to growth capital expenditures.

The following table breaks down our proportionate share of revenue by these categories:

	Three Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007
Contractual revenue with indexation	**$ 7.4**	$ 6.4
Regulated revenue with indexation	**10.3**	3.9
	17.7	10.3
Other transmission revenue	**8.5**	9.2
	$ 26.2	$ 19.5

For the quarter, adjusting for non-recurring revenues, our proportionate share of revenues with indexation increased by $2.7 million or 26.2% in 2008 compared with 2007. Of the total, $1.4 million was attributable to growth capital expenditures. The balance was a result of inflation indexation and to a lesser extent foreign exchange rates. The average Chilean inflation rate was 8.9% and U.S. inflation was 4.4% on an annualized basis for the second quarter of 2008.

Business Developments

Our TBE investment is subject to put/call agreements with third parties whereby we have the right to sell and the third parties have the right to buy our investments at a price that will yield a real, compounded annual return equal to 14.8% paid in cash in Brazilian reais, after taking into account all distributions received to the date of sale. We have the right to exercise our put between September 16, 2008 and November 15, 2008. For two months following the expiration of our put option, the third parties have a corresponding right to call our investment at a price calculated with the same formula. In the event that we decide to exercise our put option, we estimate that we would receive proceeds of approximately R$480 million. During the quarter, we have put in place forward foreign exchange contracts to lock-in TBE's estimated put value in U.S. dollars.

In order to partially finance its growth plan, Transelec is finalizing a credit facility of approximately $200 million. The facility will be drawn to fund capital expenditures and will be refinanced through the issuance of long-term debt. On the foreign exchange front, in order to reduce our exposure to the Chilean peso, Transelec increased its short-term portfolio of currency hedges during the quarter. Furthermore, with our partners, we agreed on a long-term hedge program that we are in the process of implementing. The hedging program calls for entering into matched maturity, cross currency interest rate swaps that will convert our remaining U.S. dollar debt into Chilean peso debt that is indexed to inflation, effectively matching liabilities with the Chilean inflation indexed component of Transelec's asset base. We are also swapping additional Chilean peso exposure to U.S. dollars, on a nominal basis.

TIMBER OPERATIONS

Our timber operations consist of high quality timberlands located in the coastal region of British Columbia, Canada and the Pacific Northwest region of the U.S. These timberlands are characterized by their ability to generate strong operating margins due to the premium prices that can be earned for many of their species. These operations are expected to provide attractive risk adjusted returns on capital employed over the long term.

The following table presents our timber segment's proportionate share of financial results for the three-month and six-month periods ended June 30, 2008.

	Three Months Ended June 30	Six Months Ended June 30
MILLIONS, UNAUDITED	**2008**	**2008**
Revenue	**$ 32.8**	**$ 63.9**
Cost attributed to revenues	**(21.1)**	**(41.0)**
Net operating income	**11.7**	**22.9**
Other income	**0.2**	**0.6**
Interest expense	**(7.5)**	**(14.1)**
Cash taxes	**—**	**(0.3)**
Adjusted net operating income	**4.4**	**9.1**
Depreciation, depletion and amortization	**(10.4)**	**(19.0)**
Deferred taxes and other items	**3.1**	**5.4**
Net losses	**$ (2.9)**	**$ (4.5)**

On a proportionate basis, our timber operations generated $11.7 million of net operating income, $4.4 million of adjusted net operating income and a net loss of $2.9 million for the three months ended June 30, 2008. Our timber operations continue to be challenged by poor lumber market conditions in the U.S. In this environment, we are optimizing the value of our timber inventory by shifting product mix to stands with a higher proportion of logs whose pricing has held firm in the current environment, increasing export volumes to capitalize on higher realized prices net of transportation costs and delaying the ramp up of harvest of our premium Douglas-fir product until market conditions improve.

The following table presents our timber segment's proforma proportionate share of financial results for the three-month and six-month periods ended June 30, 2008 and 2007.

	Three Months Ended June 30		Six Months Ended June 30	
MILLIONS, UNAUDITED	**2008**	2007	**2008**	2007
Revenue	**$ 32.8**	$ 46.2	**$ 63.9**	$ 78.1
Cost attributed to revenues	**(21.1)**	(28.8)	**(41.0)**	(45.6)
Net operating income	**11.7**	17.4	**22.9**	32.5
Other income	**0.2**	(0.2)	**0.6**	(6.4)
Interest expense	**(7.5)**	(7.7)	**(14.1)**	(14.6)
Cash taxes	**—**	—	**(0.3)**	0.2
Adjusted net operating income	**4.4**	9.5	**9.1**	11.7
Depreciation, depletion and amortization	**(10.4)**	(9.5)	**(19.0)**	(12.7)
Deferred taxes and other items	**3.1**	—	**5.4**	(0.4)
Net losses	**$ (2.9)**	$ —	**$ (4.5)**	$ (1.4)

On a proportionate proforma basis, our timber operations generated $11.7 million of net operating income, $4.4 million of adjusted net operating income and a net loss of $2.9 million for the three months ended June 30, 2008, compared to $17.4 million of net operating income, $9.5 million of adjusted net operating income and a net loss of nil for the same quarter of 2007.

In our Canadian operations, our sales volumes for the second quarter of 2008 were 35% below the second quarter of 2007, which benefited from a strong price environment and exceptional harvest conditions. The second quarter of 2008 reflected a reduction of sales of second growth Douglas-fir and a shift of our product mix to species for which demand is less dependant on U.S. home construction such as cedar and appearance grade logs. Due to higher prices net of transportation costs, we also continued our efforts to increase exports to the Asian market with 38.9% of sales in the quarter shipped to this market (versus 29.9% in the comparable period last year). However, due to the lower margins of our cedar and appearance grade products compared with our second growth Douglas-fir product, as well as higher fuel costs, our net operating margin fell to 28.4% for the quarter versus 34.8% in the prior year. Additionally, harvest levels, particularly for primary growth stands which are at higher elevations, were well below plan as a result of above normal snow packs which were slow to melt due to a relatively cold spring.

In the second quarter of 2008, our U.S. timber operations sales volumes were down approximately 5% compared to the prior year, and we maintained a higher than normal proportion of pulp logs and low grade saw logs in our product mix. This change in mix was accomplished by shifting production to stands with a greater proportion of these products. While this strategy offers an opportunity to achieve reasonable sales realizations and protect long-term values, margins for these products are lower than our higher value Douglas-fir stands resulting in lower overall profitability. In order to take advantage of the greater relative strength of Asian markets, we are continuing to develop new channels to access the export market. However, volume shipped to Asia declined in the quarter to 17.8% compared to 19.1% in the prior year due in part to the timing of export shipments, a number of which fell into the first and third quarters of 2008. For the quarter, margins decreased to 38.9% versus 42.8% in the prior year due to the change in product mix, lower overall pricing, as well as higher fuel costs.

Net loss for the three months ended June 30, 2008 reflects a higher level of depreciation and depletion as a result of the application of purchase accounting following the close of our acquisition of Longview in April 2007. For the three-month periods ended June 30, 2008 and 2007, depreciation, depletion and amortization were $10.4 million and $9.5 million, respectively. Maintenance capital expenditures were $1.5 million and $1.3 million for the three-month periods ended June 30, 2008 and 2007, respectively.

The following table summarizes our proportionate share of operating metrics for our timber operations:

	Three-Month Period Ended June 30, 2008			Three-Month Period Ended June 30, 2007		
MILLIONS, VOLUME IN THOUSANDS, UNAUDITED	**Harvest (m^3)**	**Sales (m^3)**	**Revenue**	Harvest (m^3)	Sales (m^3)	Revenue
Douglas-fir	**215.6**	**215.6**	**$ 19.0**	252.6	302.9	$ 28.7
Whitewood	**112.6**	**104.3**	**6.3**	155.8	160.1	10.8
Other	**69.7**	**63.4**	**7.5**	36.6	40.3	6.7
			$ 32.8			$ 46.2

For the three-month period ended June 30, 2008, Douglas-fir and whitewood sales volumes decreased by 25% and 28%, respectively, compared to the same period of 2007, due to a strategic decision to preserve the value of this premium inventory and, to a lesser extent, less favorable harvest conditions for our primary growth product. Sales volumes of other logs increased by 90%, reflecting a shift in product mix due to better relative market conditions for pulp logs and cedar.

The average realized price for Douglas-fir decreased by 25% compared to the prior year as this product was most affected by softness in the structural lumber market. The average realized price for our other category decreased by 28% due to a change in the product mix in this segment.

Our share of HBU gains and other sales were $0.1 million for the quarter ended June 30, 2008, as compared to $0.8 million for the quarter ended June 30, 2007. An increase in HBU sales in our Canadian operations is expected to occur in the second half of the year.

Outlook

We believe operating results for the timber segment will consistently improve over the long term, however, they are highly dependent on harvest levels and log prices.

Although it is difficult to predict the impact of variances in these factors, we believe that we will achieve increases in adjusted net operating income and net income from this segment of our business for the following two reasons:

1) Increase in harvest levels. Production levels in the second quarter of 2008 in our Canadian operations were 9% below planned levels, due to unfavorable weather and market conditions. We expect production levels to return to planned levels going forward. As a result of a substantial surplus of merchantable, standing inventory in our U.S. operations, we expect to increase harvest levels by approximately 40% relative to historical harvest levels and sustain this higher level for a period of 10 years before returning to a long-run sustainable yield of approximately 10% above current levels. In order to capture the full value of this inventory, this increase in harvest will be staged in as market conditions improve. We currently anticipate operating at harvest plan commencing during 2009.

2) Increased margins. As our product mix evolves over time to a greater percentage of second growth harvest relative to primary growth harvest in our Canadian operations, we expect our margins to increase due to the lower harvesting costs of this product.

In the near term, we expect that the softness in the U.S. housing market, exacerbated by extreme dislocations in the mortgage financing market, will result in continued reduction in demand from sawmills that produce structural lumber for the housing market, putting downward pressure on sawlog prices. Over the mid-to-long term, we expect that our timber operations will be positively impacted by a number of fundamental factors affecting the supply of timber in the markets that we serve, namely (i) the western Canadian mountain pine beetle infestation which is having a significant impact on the supply of Canadian timber from the interior of British Columbia and Alberta; (ii) Russian timber supply to the Asian markets, which is expected to be constrained as a result of Russia's newly implemented log export restrictions; and (iii) timberlands that are continuing to be withdrawn for conservation and alternate uses.

We have entered into an agreement with Brookfield that provides for us to acquire an additional indirect interest in Longview in the event that Brookfield contributes its remaining interest in Longview to a timberlands focused partnership with institutional investors. The agreement provides that we will participate in any such partnership through a combined commitment of up to $600 million provided that (i) third-party institutional investors commit at least $400 million; (ii) the transfer of Longview is at a price equal to the appraised value of the timberlands and real estate; and (iii) the transaction is completed within 18 months of December 2007. Our agreement is also subject to a financing condition in our favor.

Other Business Developments

Consistent with our growth strategy, we are seeking to expand into other infrastructure sectors. One sector we have been assessing is social infrastructure, which includes assets such as hospitals, community centers, court houses and police stations. We see opportunities to deploy capital in this sector through Public Private Partnerships (PPP), which capitalize on Brookfield Multiplex's activities in this area. Brookfield Multiplex has been active in this market for many years, principally focused in Australia and the United Kingdom, and has constructed or is constructing over 25 projects with capital costs in excess of $2.0 billion. We believe that based on current trends, the PPP market is positioned to experience significant growth as governments continue to realize the benefits of delivering social infrastructure in conjunction with the private sector. To establish a platform to participate in PPPs within the social infrastructure sector, we have reached an agreement to acquire Brookfield Multiplex's equity investment in three PPP projects – Royal Melbourne Showgrounds and Long Bay Forensics and Prison Hospitals in Australia and the Peterborough Hospital in the United Kingdom – for approximately $25 million. While the initial investment is relatively modest, we believe that we can build this into a meaningful business unit. Since this is a related-party transaction, the acquisition is subject to obtaining a satisfactory fairness opinion from an independent financial advisor, in addition to customary closing conditions, including regulatory approvals. We anticipate that closing will occur in the third quarter of 2008.

EXPENSES

We estimate that our general and administrative costs related to Brookfield Infrastructure will be approximately $5 million per annum on a going-forward basis. Prospectively, any base fees and/or performance fees paid by our operations to Brookfield will be netted against the base fees and/or incentive distributions payable to Brookfield under the Master Services Agreement and other arrangements in order to avoid double payment of fees.

CAPITAL EXPENDITURES

Maintenance capital expenditures are expenditures that are required to maintain the current revenue generating capability of our asset base; these expenditures do not increase our revenues. Growth capital investments are investments on which we expect to earn additional revenues; as these investments are typically discretionary, we invest this capital if we believe we can earn attractive risk-adjusted returns.

For the quarter ended June 30, 2008, Brookfield Infrastructure's share of maintenance capital expenditures (based on 17.8% ownership of our Chilean operations) was $3.0 million compared to $1.9 million for the same period in 2007. For the quarter ended June 30, 2008, approximately $1.5 million of maintenance capital expenditures were related to our transmission segment and approximately $1.5 million of maintenance capital expenditures were related to our timber segment.

For the quarter ended June 30, 2008, our share of growth capital investments (based on 17.8% ownership of our Chilean operations) was $3.9 million, comprised almost exclusively of regulated transmission projects, which increased our regulated asset base and accordingly should result in additional adjusted net operating income, compared to $0.4 million in 2007.

Based on our current operations, we expect our share of maintenance capital expenditures will be approximately $15 million per year.

CAPITAL RESOURCES AND LIQUIDITY

We target assets the nature and associated cash flows of which enable us to maintain a stable and low cost capitalization. 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 adjusted net operating income to unitholders.

Our principal sources of liquidity are undrawn credit and equity facilities, cash flow from our operations 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. At June 30, 2008, we had approximately $3.0 million of cash for working capital purposes. In addition, Brookfield has provided Brookfield Infrastructure with an equity commitment in the amount of $200 million. The equity commitment may be called by our Partnership and/or Brookfield Infrastructure in exchange for the issuance of a number of units of our Partnership or of Brookfield Infrastructure, as the case may be, to Brookfield, corresponding to the amount of the equity commitment called divided by the five day, volume-weighted average trading price for our partnership's units. This liquidity will be used for general corporate working capital purposes as well as to fund growth capital investments and acquisitions.

On June 18, 2008, Brookfield Infrastructure closed a $450 million senior secured revolving credit facility with Citibank, N.A., Credit Suisse, Toronto Branch, HSBC Bank USA, N.A., Toronto Branch, Royal Bank of Canada and The Royal Bank of Scotland. The facility includes two tranches, tranche A in maximum principal amount of $135 million for general working capital including acquisitions and tranche B in a maximum principal amount of $315 million for acquisitions. The facility is available on a revolving basis for one-year after transaction close unless extended in accordance with the terms of the credit agreement. All amounts outstanding under this facility will be repayable in full three years after transaction close. All obligations of Brookfield Infrastructure under the facility are guaranteed by certain subsidiaries of Brookfield Infrastructure and are secured by our partnership's limited partnership interests in Brookfield Infrastructure and all of the assets of Brookfield Infrastructure and the guarantors. Loans under the facility accrue interest at a floating rate based on LIBOR plus 2.75%, increasing, in the case of loans under tranche B which are at any time outstanding for a period longer than six months, by 0.50% on each six month anniversary of the date of advance of such loans. We are required to pay an unused commitment fee for each tranche under the facility equal to 35% of the applicable margin per annum.

Our equity strategy is to issue equity in conjunction with future acquisitions; we may also issue an amount of equity opportunistically to enhance our liquidity to pursue future acquisitions.

The following table summarizies our proportionate share of non-recourse and recourse debt:

	Three-Month Period Ended June 30, 2008			Six-Month Period Ended June 30, 2008		
MILLIONS, UNAUDITED	Proportionate Debt	Average interest rate	Cash interest	Proportionate Debt	Average interest rate	Cash interest
Total Timber segment	$ 513.8	5.9%	$ 7.5	$ 513.8	5.5%	$ 14.1
Total Transmission segment	$ 388.7	6.1%	$ 5.9	$ 385.7	6.0%	$ 11.5
Total	$ 902.5		$ 13.4	$ 899.5		$ 25.6

APPENDIX TO THE SUPPLEMENTAL INFORMATION FOR THE QUARTER ENDED JUNE 30, 2008
UNAUDITED PRO FORMA FINANCIAL INFORMATION

Brookfield Infrastructure

The unaudited pro forma financial information of Brookfield Infrastructure L.P. ("Brookfield Infrastructure") for the three- and six-month periods ended June 30, 2008 and 2007 present Brookfield Infrastructure's results of operations, adjusted to give effect to:

- the transfer to Brookfield Infrastructure of a 10.7% ownership interest in Transelec (which was acquired by Brookfield Asset Management Inc. ("Brookfield") on June 30, 2006) and a 37.5% interest in Island Timberlands (acquired by Brookfield on May 30, 2005);

- the transfer to Brookfield Infrastructure of interests ranging from 7% to 18% in five separate, but related, Brazilian electricity transmission investments, which are collectively referred to as TBE;

- the transfer to Brookfield Infrastructure of a 30% interest in Longview Fibre Company's ("Longview") timberland operations (which was acquired by Brookfield on April 20, 2007) reflecting adjustments to Longview's historical financial statements for the sale by Longview of eight converting facilities and all of its manufacturing operations prior to Brookfield Infrastructure's acquisition of its interest in Longview;

- the transfer to Brookfield Infrastructure of a 100% ownership interest in Great Lakes Power Transmission L.P. ("Ontario Transmission") on March 12, 2008. These operations are accounted for as a pooling of interest as they were in the common control of Brookfield, before and after the transfer. However, Brookfield Infrastructure's historical statements include Ontario Transmission's results prior to March 12, 2008 as income from predecessor company rather than on a line-by-line basis;

- the additional equity investment in Transelec (made on April 3, 2008) to fund an adjustment to the original purchase price of Transelec due to an increase in the regulated asset value of our Chilean transmission operations, which resulted in an increase in Brookfield Infrastructure's ownership interest in Transelec from 10.7% to 17.8%; and

- the spin-off ("Spin-off") of the Partnership's units to Brookfield shareholders on January 31, 2008 and related transactions including entry into our Master Services Agreement with Brookfield and the issuance of preferred shares to Brookfield by Brookfield Infrastructure's holding entity subsidiaries,

as if the transactions were completed on January 1, 2007.

The unaudited pro forma financial information has been prepared based upon currently available information and assumptions deemed appropriate. The unaudited pro forma financial information is provided for informational purposes only and may not be indicative of the results that would have occurred if the Spin-off and the other transactions had been effected on the dates indicated nor is it necessarily indicative of future performance.

The unaudited pro forma financial information should be read together with Brookfield Infrastructure Partner L.P.'s (the "Partnership") Supplementary Information for the quarter ended June 30, 2008 and the historical financial statements found on the Partnership's website and included as exhibits to the Partnership's Form 6-K filed in connection with its second quarter results press release.

All financial data in the unaudited pro forma financial information is presented in U.S. dollars and, unless otherwise indicated, has been prepared in accordance with U.S. GAAP.

BROOKFIELD INFRASTRUCTURE
PRO FORMA STATEMENT OF OPERATIONS
FOR THE SIX MONTHS ENDED JUNE 30, 2008
(unaudited, in millions of U.S. dollars)

	Historical Financials	Increase in Transelec Ownership Interest	Ontario Transmission	Other	Pro Forma
Revenues	$ 10.0	$ —	$ 7.2	$ —	$ 17.2
Cost of Sale	(1.4)	—	(0.1)	—	(1.5)
Selling, general and administrative expenses	(5.6)	—	(0.6)	(0.8)[1]	(7.0)
Other income	0.6	—	—	—	0.6
Depreciation expense	(2.0)	—	(1.1)	—	(3.1)
Interest expense	(2.9)	—	(1.6)	—	(4.5)
Loss on disposal of property, plant and equipment	(0.4)	—	(0.4)	—	(0.8)
Earnings (losses) from equity accounted investments	2.1	0.5	—	—	2.6
Income from predecessor company	2.6	—	—	(2.6)[2]	—
Investment income	5.7	—	—	—	5.7
Net income before taxes	8.7	0.5	3.4	(3.4)	9.2
Current taxes	(0.8)	—	(0.8)	—	(1.6)
Net income	$ 7.9	$ 0.5	$ 2.6	$ (3.4)	$ 7.6

1 Adjusts for a full period of management fees payable under the Master Services Agreement.
2 Eliminates income from predecessor company, as full results of Ontario Transmission are included on a line-by-line basis.

BROOKFIELD INFRASTRUCTURE
PRO FORMA STATEMENT OF OPERATIONS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2007
(unaudited, in millions of U.S. dollars)

	HistoricalFi nancial	Equity accounted earnings Island/Transelec & Longview – Historical[1]	Ontario Transmission Operations	TBE	Increase in Transelec ownership Interest	Other	Pro Forma
Revenues	$ —	$ —	$ 17.6	$ —	$ —	$ —	$ 17.6
Cost of Sale	—	—	(3.0)	—	—	—	(3.0)
Selling, general and administrative expenses	—	—	(0.2)	—	—	(5.8)[2]	(6.0)
Other Income	—	—	0.1	—	—	0.6[3]	0.7
Depreciation expense	—	—	(3.9)	—	—	—	(3.9)
Interest expense	—	—	(3.7)	—	—	(0.6)[4]	(4.3)
Earnings (losses) from equity accounted investments	—	3.1	—	—	2.4	(2.8)[5]	2.7
Income from predecessor company	3.9	—	—	—	—	(3.9)[6]	—
Investment income	—	—	—	5.2	—	—	5.2
Net income before taxes	3.9	3.1	6.9	5.2	2.4	(12.5)	9.0
Current taxes	—	—	(3.0)	—	—	—	(3.0)
Net income	$ 3.9	$ 3.1	$ 3.9	$ 5.2	$ 2.4	$ (12.5)	$ 6.0

1 Reflects Brookfield Infrastructure's share of the earnings generated by Island Timberlands, Transelec and Longview for periods after their acquisition by Brookfield, but prior to their transfer to Brookfield Infrastructure.
2 Adjusts for the management fee payable under the Master Services Agreement for six months.
3 Interest income consistent with 2008 periods.
4 Adjusts for interest expense for six months on the preferred shares outstanding.
5 Adjusts for losses generated by Longview for the period from January 1, 2007 to April 19, 2007 prior to its acquisition by Brookfield.
6 Eliminates income from predecessor company, as full results of Ontario Transmission are included on a line-by-line basis.

BROOKFIELD INFRASTRUCTURE
PRO FORMA STATEMENT OF OPERATIONS
FOR THE THREE MONTH PERIOD ENDED JUNE 30, 2007
(unaudited, in millions of U.S. dollars)

	Historical Financials	Equity accounted earnings Island/Transelec & Longview – Historical[1]	Ontario Transmission Operations	TBE	Increase in Transelec ownership Interest	Other	Pro Forma
Revenues	$ —	$ —	$ 8.6	$ —	$ —	$ —	$ 8.6
Cost of Sale	—	—	(1.7)	—	—	—	(1.7)
Selling, general and administrative expenses	—	—	(0.1)	—	—	(3.2)[2]	(3.3)
Other Income	—	—	—	—	—	0.1 [3]	0.1
Depreciation expense	—	—	(2.0)	—	—	—	(2.0)
Interest expense	—	—	(1.9)	—	—	(0.3)[4]	(2.2)
Earnings (losses) from equity accounted investments	—	0.8	—	—	0.9	—	1.7
Income from predecessor company	1.7	—	—	—	—	(1.7)[5]	—
Investment income	—	—	—	1.0	—	—	1.0
Net income before taxes	1.7	0.8	2.9	1.0	0.9	(5.1)	2.2
Current taxes	—	—	(1.2)	—	—	—	(1.2)
Net income	$ 1.7	$ 0.8	$ 1.7	$ 1.0	$ 0.9	$ (5.1)	$ 1.0

1 Reflects Brookfield Infrastructure's share of the earnings generated by Island Timberlands, Transelec and Longview for periods after their acquisition by Brookfield, but prior to their transfer to Brookfield Infrastructure.
2 Adjusts for the management fee payable under the Master Services Agreement for six months.
3 Interest income consistent with 2008 periods.
4 Adjusts for losses generated by Longview for the period from January 1, 2007 to April 19, 2007 prior to its acquisition by Brookfield.
5 Eliminates income from predecessor company, as full results of Ontario Transmission are included on a line-by-line basis.