Macquarie Infrastructure Corp
Form 424B5
October 05, 2016

The information in this prospectus supplement is not complete and may be changed. This prospectus supplement is not an offer to sell these securities, and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Filed pursuant to Rule 424(b)(5)
File No. 333-210615

Subject to Completion, dated October 5, 2016

Prospectus Supplement
(To Prospectus dated April 5, 2016)

$325,000,000

Macquarie Infrastructure Corporation

% Convertible Senior Notes due 2023

We are selling $325,000,000 aggregate principal amount of our % Convertible Senior Notes due 2023, which we refer to as the notes. We will receive all of the net proceeds from the sale of the notes.

You may convert your notes at your option at any time prior to the close of business on the business day immediately preceding July 1, 2023 only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on December 31, 2016 (and only during such calendar quarter), if the last reported sale price of our common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price on each applicable trading day; (2) during the five business day period after any five consecutive trading day period (the measurement period) in which the trading price (as defined herein) per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate on each such trading day; or (3) upon the occurrence of specified corporate events. On or after July 1, 2023, until the close of business on the second scheduled trading day immediately preceding the maturity date, you may convert your notes at any time, regardless of the foregoing circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, as described in this prospectus supplement.

The conversion rate will initially be shares of our common stock per $1,000 aggregate principal amount (equivalent to an initial conversion price of approximately $ per share), subject to adjustment as described in this prospectus supplement.

If certain types of corporate events occur, we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances.

The notes will bear interest at a rate of % per year, payable on April 1 and October 1 of each year, commencing April 1, 2017. The notes will mature on October 1, 2023.

You may require us to repurchase all or a portion of your notes upon a fundamental change at a cash repurchase price equal to 100% of the principal amount plus accrued and unpaid interest (including additional interest, if any) to, but excluding the repurchase date.

The notes will be our senior unsecured obligations and will rank equal in right of payment with all of our existing and future senior unsecured indebtedness. The notes will be effectively subordinated to our secured indebtedness to the extent of the value of the related collateral and structurally subordinated to indebtedness and other liabilities of our subsidiaries.

The notes will not be listed on any securities exchange. Currently there is no public market for the notes. Our common stock trades on The New York Stock Exchange, or the NYSE, under the symbol MIC. The last reported sale price of our common stock on October 4, 2016 was $81.84.

Investing in our notes involves risks. See Risk Factors beginning on page S-17 of this prospectus supplement, page 4 of the accompanying prospectus and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015, which is incorporated by reference into this prospectus supplement and the accompanying prospectus.

	Per Note	Total
Price to the public[(1)]	%	$
Underwriting discounts and commissions[(2)]	%	$
Proceeds to Macquarie Infrastructure Corporation (before expenses)[(2)]	%	$

(1) Plus accrued interest, if any, from October , 2016.

(2) See Underwriting (Conflicts of Interest) Commissions and Discounts for additional information regarding underwriter compensation and for a description of the arrangements under which the underwriters will reimburse us for approximately $ million in respect of our out-of-pocket expenses in connection with the offering and certain other expenses. To the extent the over-allotment option granted to the underwriters described below is exercised, the fees payable to the underwriters (and the corresponding expense reimbursement to us from the underwriters) will be proportionately increased.

We have granted the underwriters the option to purchase up to an additional $48,750,000 aggregate principal amount of notes within 30 days of the date of this prospectus supplement, solely to cover over-allotments. If the underwriters exercise this option in full, the total underwriting discounts and commissions will be $, and our total proceeds, before expenses, will be $.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes on or about October , 2016, which will be the fourth business day following the date of pricing of the notes (such settlement cycle being herein referred to as T+4). Under Rule 15c6-1 under the Securities Exchange Act of 1934, as amended (the Exchange Act), trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, if you wish to trade notes on the date of pricing or the next succeeding business day, you will be required, by virtue of the fact that the notes initially settle T+4, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. If you wish to trade the notes on the date of pricing or the next succeeding business day, you should consult your own advisor.

Joint Book-Running Managers

J.P. Morgan **Barclays**

Co-Manager

Credit Agricole CIB

Prospectus Supplement dated October , 2016

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Macquarie Infrastructure Corporation is not an authorized deposit-taking institution for the purposes of the Banking Act 1959 (Commonwealth of Australia) and its obligations do not represent deposits or other liabilities of Macquarie Bank Limited ABN 46 008 583 542 (MBL). MBL does not guarantee or otherwise provide assurance in respect of the obligations of Macquarie Infrastructure Corporation.

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PROSPECTUS SUPPLEMENT

PROSPECTUS

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters have not, authorized any dealer, salesperson or other person to give any information or to make any representation other than those contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any free writing prospectus that may be provided to you by us or on our behalf. We take no responsibility for, and can provide no assurance as to the reliability of, any information or representation not contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any free writing prospectus that may be provided to you. This prospectus supplement, the accompanying prospectus and any such free writing prospectus do not constitute an offer to sell or the solicitation of an offer to buy any securities other than the registered securities to which they relate, nor do this prospectus supplement, the accompanying prospectus or any such free writing prospectus constitute an offer to sell or the solicitation of any offer to buy securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated herein and therein by reference and any such free writing prospectus is correct on any date after their respective dates, even though this prospectus supplement, the accompanying prospectus and any such free writing prospectus are delivered or securities are sold on a later date. Our business, financial condition, results of operations and cash flows may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is this prospectus supplement, which describes the terms of the offering of our notes and also adds to and updates information contained in the accompanying prospectus as well as the documents incorporated by reference into this prospectus supplement and the accompanying prospectus. The second part is the accompanying prospectus, dated April 5, 2016, which we refer to as the accompanying prospectus, which gives more general information about the securities that we may offer from time to time. This prospectus supplement and the accompanying prospectus incorporates by reference important business and financial information about us that is not included in or delivered with this prospectus. You should read both this prospectus supplement and the accompanying prospectus together with the additional information below under the headings Where You Can Find More Information and Incorporation of Certain Documents by Reference.

To the extent there is a conflict between the information contained in this prospectus supplement, on the one hand, and the information contained in the accompanying prospectus or any document that has previously been filed with the Securities and Exchange Commission, or the SEC, and is incorporated into this prospectus by reference, on the other hand, the information in this prospectus supplement shall control.

INDUSTRY AND MARKET DATA

In this prospectus supplement and the accompanying prospectus (and the documents incorporated herein or hereto), we rely on and refer to information and statistics regarding market data and the industries of our businesses and investments obtained from market research, independent industry publications and other publicly available information. We believe this information is reliable but we have not independently verified it. In addition, we have made statements in this prospectus supplement and the accompanying prospectus regarding our industry and our position in the industry based on our experience in the industry and our own evaluation of market conditions.

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FORWARD-LOOKING STATEMENTS

We have included in or incorporated by reference into this prospectus supplement, and from time to time may make in our public filings, press releases or other public statements, certain statements that may constitute forward-looking statements. These include without limitation those under the headings Prospectus Supplement Summary Macquarie Infrastructure Corporation and Risk Factors, as well as those contained in this prospectus supplement and the accompanying prospectus or in any document incorporated by reference into this prospectus supplement and the accompanying prospectus such as our Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2015. In addition, our management may make forward-looking statements to analysts, investors, representatives of the media and others. These forward-looking statements are not historical facts and represent only our beliefs regarding future events, many of which, by their nature, are inherently uncertain and beyond our control. We may, in some cases, use words such as project, believe, anticipate, plan, expect, estimate, should, would, could, potentially, may, or other words that convey uncertainty of future events or outcomes to i these forward-looking statements.

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, we are identifying important factors that, individually or in the aggregate, could cause actual results to differ materially from those contained in any forward-looking statements made by us. Any such forward-looking statements are qualified by reference to the following cautionary statements.

Forward-looking statements in this prospectus supplement (including any documents incorporated by reference herein) are subject to a number of risks and uncertainties, some of which are beyond our control, including, among other things:

changes in general economic, business or demographic conditions or trends in the United States or changes in the political environment, including changes in gross domestic product, interest rates and inflation;
the ability to service, comply with the terms of and refinance at maturity our indebtedness, including due to dislocation in debt markets;
disruptions or other extraordinary or force majeure events and the ability to insure against losses resulting from such events or disruptions;
the regulatory environment, including U.S. energy policy, and the ability to estimate compliance costs, comply with any changes thereto, rates implemented by regulators, and the relationships and rights under and contracts with governmental agencies and authorities;
any event or occurrence that may limit our ability to pay or increase our dividend;
the ability to conclude a sufficient number of attractive growth projects, deploy growth capital in amounts consistent with our objectives in the prosecution of those and achieve targeted risk adjusted returns on any growth project;
sudden or extreme volatility in commodity prices;
changes in demand for chemical, petroleum and vegetable and animal oil products, the relative availability of tank storage capacity and the extent to which such products are imported or exported;
changes in patterns of commercial or general aviation air travel, including variations in customer demand;
technological innovations leading to changes in energy production, distribution and consumption patterns;
fluctuations in fuel costs, or the costs of supplies upon which our gas processing and distribution business is dependent, and the ability to recover increases in these costs from customers;

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the ability to make alternate arrangements to account for any disruptions or shutdowns that may affect suppliers facilities or the operation of the barges upon which our gas processing and distribution business is dependent;

the ability to make, finance and integrate acquisitions or growth projects and the quality of financial information and systems of acquired entities;

the ability to implement operating and internal growth strategies;

environmental risks, including the impact of climate change and weather conditions;

the impact of weather events including potentially hurricanes, tornadoes and/or seasonal extremes;

changes in electricity or other energy costs, including natural gas pricing;

unplanned outages and/or failures of technical and mechanical systems;

payment of performance fees to our Manager, if any, that could reduce distributable cash if paid in cash or could dilute existing stockholders if satisfied with the issuance of shares of our common stock;

changes in the current treatment of qualified dividend income and long-term capital gains under current U.S. federal income tax law and the qualification of income and gains for such treatment;

work interruptions or other labor stoppages;

the inability of principal off-takers in the contracted power businesses to take and/or pay for the energy supplied;

our Manager s affiliation with the Macquarie Group (as defined below) or equity market sentiment, which may affect the market price of our common stock;

the limited ability to remove our Manager for underperformance and our Manager s right to resign;

unanticipated or unusual behavior of municipalities and states brought about by financial distress; and

the extent to which federal spending cuts reduce the U.S. military presence in Hawaii or flight activity at airports at which Atlantic Aviation (as defined below) operates.

Our actual results, performance, prospects or opportunities could differ materially from those expressed in or implied by the forward-looking statements. A description of risks that could cause our actual results to differ appears under the caption Risk Factors and elsewhere in this prospectus supplement and in the documents incorporated by reference into this prospectus supplement such as our Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, our Quarterly Report on Form 10-Q for the quarter ended June 30, 2016 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2015. It is not possible to predict or identify all risk factors and you should not consider that description to be a complete discussion of all potential risks or uncertainties that could cause our actual results to differ.

In light of these risks, uncertainties and assumptions, you should not place undue reliance on any forward-looking statements. The forward-looking events discussed in this prospectus supplement (including any documents incorporated by reference herein) may not occur. These forward-looking statements are made as of the date of this prospectus supplement. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. You should, however, consult further disclosures we may make in future filings with the SEC. See Where You Can Find More Information and Incorporation of Certain Documents by Reference in this prospectus supplement.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights information incorporated by reference into or contained elsewhere in this prospectus supplement and the accompanying prospectus. This summary may not contain all of the information that may be important to you. You should read carefully all of the information contained in or incorporated by reference into this prospectus supplement and the accompanying prospectus, including the information set forth under the caption Risk Factors beginning on page S-17 of this prospectus supplement and page 4 of the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2015, and our consolidated financial statements and the related notes thereto incorporated by reference herein before making a decision to invest in our notes.

Macquarie Infrastructure Corporation, a Delaware corporation, is the successor to Macquarie Infrastructure Company LLC, or MIC LLC, pursuant to the conversion of MIC LLC from a Delaware limited liability company into a Delaware corporation on May 21, 2015. MIC LLC was formed on April 13, 2004. Except as otherwise specified, all references in this prospectus supplement to MIC, our Company, we, us, and our mean, Macquarie Infrastructure Corporation from and after the time of the conversion and MIC LLC, our predecessor, prior to the conversion, and, in each case, its subsidiaries included in our consolidated financial statements. Macquarie Infrastructure Management (USA) Inc., which we refer to as our Manager, is part of the Macquarie Group, comprised of Macquarie Group Limited and its subsidiaries and affiliates worldwide.

Macquarie Infrastructure Corporation

We own, operate and invest in a diversified group of businesses that provide services to other businesses, government agencies and individuals primarily in the United States. The businesses we own and operate include:

International Matex Tank Terminals, or IMTT: a bulk liquid terminals business providing bulk liquid storage, handling and other services to third parties at ten marine terminals in the United States and two in Canada;
Atlantic Aviation: a provider of fuel, terminal, aircraft hangaring and other services primarily to owners and operators of general aviation (GA) aircraft on 69 airports in the United States;
Contracted Power and Energy segment, or CP&E: ownership of a gas-fired power facility and controlling interests in wind and solar power facilities in the United States; and
MIC Hawaii: ownership of a gas energy company that processes and distributes gas and provides related services (Hawaii Gas), controlling interests in solar power facilities and ownership of a design-build mechanical contractor focused on energy efficiency, all based in Hawaii.

We buy, develop and invest in the growth of our businesses based on a general assumption that we will own them indefinitely. It is neither our intent nor our expectation that we will divest of a business at a particular point in our ownership or as a result of having achieved certain targets, financial or otherwise. This view of ownership as a long-term relationship does not preclude sales of assets when we believe that we have either maximized the value in the asset relative to our capability, or the asset is more highly valued by another owner. Since listing in December 2004, we have divested a total of approximately $360.0 million in assets including partial interests in several non-U.S. businesses, two businesses in the United States and several of the facilities owned and operated by our Atlantic Aviation business. In general, we have redeployed the proceeds of these asset sales in the development of our remaining businesses either through investment in growth projects or acquisitions of small, bolt-on operations consistent with our view of MIC as a long-term owner.

Deployment of growth capital has been and is expected to continue to be an important part of our strategy and the creation of stockholder value. Our sources of growth capital include the capital generated by our businesses but not distributed to stockholders, capital generated through the issuance of additional debt and/or equity securities, or, as noted above, the proceeds of sales of certain assets.

Since 2006, we have owned and operated businesses in the four lines in which we operate today, having acquired a 50% interest in IMTT in May 2006 and Hawaii Gas in June of that year. Since then, and excluding

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the investment in the second half of IMTT and our initial investment in Bayonne Energy Center (BEC), we have deployed over $2.4 billion in the expansion or improvement of, or bolt-on acquisitions on behalf of our businesses. Over time, we expect to deploy growth capital of approximately $350.0 million per year in a combination of projects potentially spanning all of our businesses and bolt-on type acquisitions of smaller operations on behalf of those businesses where we have or may pursue a roll-up type strategy.

Importantly, we are not obligated to invest in the growth of any one business or segment. If the opportunities in any of our businesses or segments are insufficient or the risk adjusted returns are inadequate relative to our financial targets, we will seek to drive stockholder value through other means. In the extreme that could mean that in some years we invest very little in growth and focus instead on operational improvement driving top line increases and/or managing expenses (or the rate of growth in expenses) down. Further, although we find value in diversification and the generally uncorrelated nature of the businesses in our current portfolio, ideally we would prefer to have a portfolio of five or six lines of business as we had following our initial public offering. However, we do not intend to pursue diversification for the sake of diversification if the opportunities are insufficient in number or the expected returns are inadequate relative to our financial hurdles.

Businesses

Our businesses, in general, are defined by a combination of the following characteristics:

- ownership of long-lived, high-value physical assets that are difficult to replicate or substitute around;
- a platform for the deployment of growth capital;
- broadly consistent demand for their services;
- scalability, such that relatively small amounts of growth can generate disproportionate increases in earnings before interest, taxes, depreciation and amortization (EBITDA);
- the provision of basic, often essential services;
- generally predictable maintenance capital expenditure requirements; and
- generally favorable competitive positions, largely due to high barriers to entry, including:
  - high initial development and construction costs;
  - difficulty in obtaining suitable land on which to operate;
  - long-term concessions, leases or customer contracts; and
  - lack of immediate cost-effective alternatives for the services provided.

The different businesses that comprise our Company exhibit these characteristics to different degrees at different times. For example, macro-economically correlated businesses like Atlantic Aviation may exhibit more volatility during periods of economic downturn than businesses with substantially contracted revenue streams. While not every business that we own will meet all of the general criteria described above, we seek to own a diversified portfolio of businesses that possesses a balance of these characteristics.

We may also vertically integrate our businesses by investing in adjacent entities that provide services to customers or suppliers or develop assets for the industries in which we operate.

In addition to the benefits associated with these characteristics, the rate of growth in revenues and/or gross profit generated by most of our businesses generally can be expected to keep pace with historically normal rates of inflation. The price escalators built into many customer contracts, and the inflation and cost pass-through adjustments typically a part of pricing terms or provided for by the regulatory process to regulated businesses, serve to insulate our businesses to a significant degree from the negative effects of inflation and commodity price risk. We sometimes employ hedging contracts in connection with our businesses floating rate debt and limited commodity price exposure as a means of dampening variability in our financial performance associated with these elements.

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Our existing businesses can be categorized as follows:

- those with the majority of their revenues derived from contracts, such as:
  - º IMTT and the unregulated business at Hawaii Gas (1 5 years); and
  - º our CP&E segment (13 25 years);
- those with regulated revenue such as the utility operations of Hawaii Gas; and
- those with long-dated concessions, such as Atlantic Aviation, where revenue is derived on a per-use basis.

MIC Level Strategy

We acquire and invest in the development of a diversified portfolio of businesses that we believe will generate growing amounts of distributable cash flow in support of an attractive risk-adjusted total stockholder return. We intend to execute against this strategy by:

- providing optimal levels of customer service while maintaining high safety, environmental and governance standards;
- increasing revenue/gross profit through optimization of price, volume and margin;
- effectively managing expenses;
- realizing growth and cost synergies across our businesses;
- prudently deploying capital to:
  - º grow our existing businesses; and
  - º develop and/or acquire additional businesses;
- optimizing