Macquarie Infrastructure Co LLC
Form 424B7
November 04, 2014

**Filed Pursuant to Rule 424(b)(7)**
**Registration No. 333-187794**

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.

# Subject to Completion, dated November 4, 2014

## Prospectus Supplement
## (To Prospectus dated April 8, 2013)

## 1,296,992 Shares

# Macquarie Infrastructure Company LLC

The Voting Trust of IMTT Holdings Inc. is offering 1,296,992 of our limited liability company interests, which we refer to as shares. We will not receive any proceeds from the sale of the shares by the selling shareholder.

Our shares trade on The New York Stock Exchange, or the NYSE, under the symbol MIC. The last reported trading price of our shares on November 3, 2014, was $72.28. Our Board of Directors declared a quarterly cash dividend of $0.98 per share, payable on November 13, 2014 to shareholders of record at the close of business on November 10, 2014. This offering is expected to close on or prior to such record date, and therefore purchasers of shares in this offering that take delivery of such shares on the closing date and continue to hold the shares as of the close of business on November 10, 2014 will be entitled to receive this dividend on November 13, 2014.

*Investing in our shares involves risks. See Risk Factors beginning on page S-14 of this prospectus supplement and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013, and in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, which are incorporated by reference into this prospectus supplement and the accompanying prospectus.*

The underwriter has agreed to purchase the shares from the selling shareholder at a price of $ per share, which will result in $ of proceeds to the selling shareholder before expenses. See Underwriting.

| | Per Share | Total |
|---|---|---|
| Price to the public | $ | $ |
| Underwriting discounts and commissions | $ | $ |
| Proceeds to selling shareholder (before expenses) | $ | $ |

**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 underwriter expects to deliver the shares on or about , 2014.

# Barclays

Prospectus Supplement dated , 2014

TABLE OF CONTENTS

**Macquarie Infrastructure Company LLC 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 Company LLC.**

---

# TABLE OF CONTENTS



# PROSPECTUS

TABLE OF CONTENTS

**We and the selling shareholder have not, and the underwriter has 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. You must not rely upon 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 an 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.**

TABLE OF CONTENTS

# 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 shares by the selling shareholder 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 8, 2013, which we refer to as the accompanying prospectus, which gives more general information about our shares that we may offer from time to time. This prospectus supplement and the accompanying prospectus incorporate 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.

You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any free writing prospectus provided by us or on our behalf. 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. We and the selling shareholder have not, and the underwriter has not, authorized any other person to provide you with different information or representations.

# 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.

# FORWARD-LOOKING STATEMENTS

We have included in or incorporated by reference into this prospectus supplement certain statements that may constitute forward-looking statements. These include without limitation those under the headings Prospectus Supplement Summary Macquarie Infrastructure Company LLC and Risk Factors, as well as those contained in any applicable 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 September 30, 2014 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2013. 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, intend, should, would, may, or other words that convey uncertainty of future events or outcomes to identify 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.

S-iii

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 U.S. or changes in the political environment, level of travel or construction or transportation costs where we operate, including changes in interest rates and price levels;

our holding company structure and/or investments in businesses that we may not control, may limit our ability to pay or increase a dividend or receive timely and accurate information;

changes in patterns of commercial or general aviation air travel, including variations in customer demand for our business;

our Manager s affiliation with the Macquarie Group or equity market sentiment, which may affect the market price of our shares;

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

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

our ability to service, comply with the terms of and refinance at maturity our substantial indebtedness;

our ability to make, finance and integrate acquisitions, including the IMTT Acquisition (as defined below), and the quality of financial information and systems of acquired entities;

our ability to implement our operating and internal growth strategies;

the regulatory environment, including U.S. energy policy, in which our businesses and the businesses in which we hold investments operate and our ability to estimate compliance costs, comply with any changes thereto, rates implemented by regulators of our businesses and the businesses in which we hold investments, and our relationships and rights under and contracts with governmental agencies and authorities;

the extent to which federal spending cuts, including potentially those resulting from sequestration, reduce the U.S. military presence on Hawaii or flight activity at airports on which Atlantic Aviation operates;

fluctuations in fuel costs, or the costs of supplies upon which our gas processing and distribution business is dependent, and our ability to recover increases in these costs from customers;

changes in U.S. domestic 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;

technological innovations leading to a change in energy, production, distribution and consumption patterns;

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

the competitive environment for attractive acquisition opportunities facing our businesses and the businesses in which we hold investments;

environmental risks, including the impact of climate change and weather conditions, pertaining to our businesses and the businesses in which we hold investments;

work interruptions or other labor stoppages at our businesses or the businesses in which we hold investments;

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 our income and gains for such treatment;

TABLE OF CONTENTS

disruptions or other extraordinary or force majeure events affecting the facilities or operations of our businesses and the businesses in which we hold investments and our ability to insure against any losses resulting from such events or disruptions; and

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

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 September 30, 2014 and our Annual Report on Form 10-K for the fiscal year ended December 31, 2013. 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.

TABLE OF CONTENTS

# 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-14 of this prospectus supplement and page 3 of the accompanying prospectus and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, and our consolidated financial statements and the related notes thereto incorporated by reference herein before making a decision to invest in our shares.*

*Macquarie Infrastructure Company LLC, a Delaware limited liability company, was formed on April 13, 2004. Except as otherwise specified, Macquarie Infrastructure Company, MIC, the Company, our Company, we, us, and our refer to Macquarie Infrastructure Company LLC and its subsidiaries together from June 25, 2007 and, prior to that date, to Macquarie Infrastructure Company Trust, the Company and its subsidiaries. Macquarie Infrastructure Management (USA) Inc., which we refer to as our Manager, is part of the Macquarie Group, comprising Macquarie Group Limited and its subsidiaries and affiliates worldwide.*

# Macquarie Infrastructure Company LLC

We own, operate and invest in a diversified group of infrastructure businesses that provide basic services to businesses and individuals primarily in the U.S. The businesses we own and operate include:

***International-Matex Tank Terminals, or IMTT***: a bulk liquid terminals business which provides bulk liquid storage and handling services at ten marine terminals in the U.S. and two in Canada and is one of the largest participants in this industry in the U.S., based on storage capacity. On July 16, 2014, we completed the acquisition of the remaining 50% interest in IMTT that we did not previously own, which we refer to as the IMTT Acquisition;

***Hawaii Gas***: a full-service gas energy company processing and distributing gas and providing related services in Hawaii;

***Atlantic Aviation***: a network of fixed-base operations (FBO) that provide fuel, terminal, aircraft hangaring and other offerings primarily to owners and operators of general aviation (GA) jet aircraft at 68 airports in the U.S. The network is one of the largest in the United States; and

***Contracted Power and Energy segment, or CP&E***: controlling interests in five contracted solar power generation facilities and one contracted wind power generation facility in the southwest U.S., and an equity interest in a wind power generation facility in Idaho. On August 21, 2014, we completed the sale of our controlling interest in the district energy business.

Our infrastructure businesses generally operate in sectors with limited direct competition and significant barriers to entry, including high initial development and construction costs, the existence of long-term contracts or the requirement to obtain government approvals and a lack of immediate cost-efficient alternatives to the services provided. Overall they tend to generate a growing level of cash flows over the long term.

## Dividends

We view MIC as a total return investment opportunity. In particular, we believe that the growth in Free Cash Flow generated by our businesses could result in dividend per share growing at 12% for at least the next two years. Consistent with that view, we believe that our businesses are capable of generating growing amounts of Free Cash

Flow over time and that we will distribute cash equal to approximately 80% to 85% of the Free Cash Flow generated, subject to the business continued stable performance and prevailing economic conditions. We define Free Cash Flow as cash from operating activities, which includes cash paid for interest, taxes and pension contributions, less maintenance capital expenditures and excludes changes in working capital and the cash settled portion of the management fee. From 2007 through 2013, our proportionately combined Free Cash Flow per share grew at a compound annual rate of 12.3% per year.

TABLE OF CONTENTS

On October 27, 2014, the Board of Directors declared a dividend of $0.98 per share ($3.92 annualized) for the quarter ended September 30, 2014. The dividend is expected to be paid on November 13, 2014 to shareholders of record at the close of business on November 10, 2014. This offering is expected to close on or prior to such record date, and therefore purchasers of shares in this offering that take delivery of such shares on the closing date and continue to hold the shares as of the close of business on November 10, 2014 will be entitled to receive this dividend on November 13, 2014.

The declaration and payment of any future dividends will be subject to a decision of our Board of Directors. Our Board of Directors will take into account such matters as the state of the capital markets and general business conditions, our financial condition, results of operations, capital requirements, capital opportunities and any contractual, legal and regulatory restrictions on the payment of dividends by us to our shareholders or by our subsidiaries to us, and any other factors that it deems relevant. In particular, each of our businesses and investments has debt commitments and restrictive covenants, which must be satisfied before any of them can make distributions to our Company. Although historically we have declared cash dividends on our shares, any or all of these factors could result in the modification of our dividend policy, or the reduction, modification or elimination of our dividend in the future.

# Our Manager

We are managed externally by Macquarie Infrastructure Management (USA) Inc., our Manager. Our Manager is a member of the Macquarie Group, a diversified international provider of financial, advisory and investment services. The Macquarie Group is headquartered in Sydney, Australia and is a global leader in management of infrastructure investment vehicles on behalf of third-party investors and advising on the acquisition, disposition and financing of infrastructure assets.

We have entered into a management services agreement with our Manager. Our Manager is responsible for our day-to-day operations and oversees the management teams of our operating businesses. At the holding company level, we do not have any employees. Our Manager has assigned, or seconded to us, two of its employees to serve as our chief executive officer and chief financial officer and seconds or makes other personnel available as required. In addition, our Manager has appointed the chairman of our Board of Directors and an alternate, subject to minimum equity ownership. The services performed for us by our Manager are provided at our Manager s expense, and include the compensation of our seconded personnel.

We pay our Manager a monthly base management fee based primarily on our market capitalization. Our Manager can also earn a performance fee if the quarterly total return to shareholders (capital appreciation plus dividends) exceeds the quarterly total return of a U.S. utilities index. For our Manager to earn the performance fee, our quarterly total returns must be positive and in excess of any prior underperformance. If payable, the performance fee is equal to 20% of the difference between the benchmark return and the return for our shareholders, in excess of any prior underperformance. Our Manager may, in its sole discretion, choose to receive its base management and/or performance fees, if applicable, in cash or to reinvest such fees in additional shares. The default election is for our Manager to reinvest fees in shares, and any election to do otherwise would be prospective to the actual determination of the price at which reinvestment would occur. The price for such shares is calculated based on the volume weighted average trading price of our shares over a specified period of time up to a maximum share price that is equal to double the closing share price of our shares on the last day of the election window. Over the period commencing in January 2014 and through September 2014, our Manager has become entitled to base management fees of $32.4 million and performance fees of $121.5 million. Consistent with the management services agreement, our Manager has elected to reinvest all of the base management fees and performance fees, to which it has become entitled, in additional shares of our Company. However, for the third quarter of 2014, the Board of Directors requested, and our Manager agreed, that $65.0 million of the performance fee be settled in cash using the proceeds from the sale of the district energy business in order to minimize dilution.

We believe that Macquarie Group s demonstrated expertise and experience in the management, acquisition and funding of infrastructure businesses provide us with an advantage in pursuing our strategy. Our Manager is part of the Macquarie Funds Group, the asset management division of Macquarie globally. Macquarie-managed entities own, operate and/or invest in a global portfolio of approximately 110 businesses

TABLE OF CONTENTS

including toll roads, airports and airport-related infrastructure, bulk liquid terminals, ports, communications, electricity and gas distribution networks, water utilities, renewable energy generation, rail and ferry assets across 25 countries.

## Industry Overview

Infrastructure businesses characteristically:

- Own long-lived, high-value physical assets that are difficult to replicate or substitute around;
- Benefit from consistent, relatively inelastic demand for their services;
- Are scalable, such that relatively small amounts of growth can generate significant increases in earnings before interest, taxes, depreciation and amortization, or EBITDA;
- Provide basic, often essential services;
- Require predictable maintenance capital expenditures; and
- Hold strong 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 the business;
  - long-term concessions or leases and customer contracts; and
  - lack of cost-effective alternatives to customers in the foreseeable future.

In addition to the benefits associated with these characteristics, the revenues generated by infrastructure businesses generally can be expected to keep pace with inflation. The price escalators built into many customer contracts, and the inflation and cost pass-through adjustments typically a part of pricing terms in user pays businesses or provided for by the regulatory process to regulated businesses, serve to insulate infrastructure businesses to a significant degree from the negative effects of inflation and commodity price risk.

## Our Business Strategy

We focus on the ownership and operation of infrastructure businesses in the following categories:

- those with revenues derived from per-use or rental charges in medium-term contracts (three to five years), such as at IMTT, or in our CP&E segment where a majority of the revenues are derived from contracted (currently 20 25 years) power purchase agreements, or PPAs, with creditworthy third parties, typically local and regional utilities, or other long-dated contracts with businesses and governmental entities;
- 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 a function of the number of aircraft that use the services of our fixed base operations, or FBOs.

There are four principal components to our corporate strategy:

1. We intend to function as a dividend growth-oriented owner and operator of a diversified portfolio of infrastructure businesses. We define infrastructure businesses as those having high value, long-lived physical assets, preferred positions in their respective markets, or revenues that are principally a function of contract/regulation.
2. We intend to drive performance improvement in the businesses we own and those in which we have invested primarily along these dimensions:
   - environmental, social and governance;
   - gross profit growth, including through the execution of growth projects;

TABLE OF CONTENTS

expense and tax management; and
capital structure optimization.

3. We intend to deploy internally generated capital and available debt capital in a prudent balance between quarterly cash dividends to our shareholders and investments in the growth of existing businesses.
4. We intend, when it is economically sensible to do so, to grow through the acquisition of infrastructure businesses in the sub-sectors in which we currently participate, or adjacent sub-sectors that will complement and enhance our existing portfolio. We have and will continue to focus on businesses within which we can identify opportunities for performance improvement, the ability to deploy growth capital at attractive rates of return and where such acquisitions would be accretive to our yield at the time.

We sometimes employ interest rate hedging contracts in connection with our businesses floating rate debt to effectively fix our interest expense and reduce variability in cash flows resulting from changes in interest rates.

We have elected to treat MIC as a corporation for federal tax purposes. As a result, all investor tax reporting regarding dividends and/or return of capital will be provided on Form 1099.

Our businesses and investments, along with the industries in which they operate and their strategies, are discussed below.

# IMTT

## IMTT Business Overview

IMTT provides bulk liquid terminal and handling services in North America through ten terminals located on the East, West, Gulf Coasts and the Great Lakes region of the U.S. and partially owned terminals in Quebec and Newfoundland, Canada. IMTT derives the majority of its revenue from storage and handling of petroleum products, various chemicals, renewable fuels and vegetable and animal oils. Based on storage capacity, IMTT is one of the largest third-party bulk liquid terminals businesses in the U.S.

IMTT also owns OMI Environmental Solutions, or OMI, an environmental emergency response, industrial services, waste transportation and disposal business. OMI has a network of facilities along the U.S. Gulf Coast between Houston and New Orleans. These facilities primarily service the Gulf region, but also respond to spill events and provide services as needed throughout the U.S. and internationally.

On July 16, 2014, we completed the IMMT Acquisition. See Recent Developments IMTT Acquisition.

## Industry Overview

Bulk liquid terminals provide an important link in the supply chain for liquid commodities such as crude oil, refined petroleum products and commodity and specialty chemicals. In addition to renting storage tanks, dock access and intra-modal transportation access, bulk liquid terminals generate revenues by offering ancillary services including product transfer (throughput), heating and blending. Pricing for storage and other services typically reflects local supply and demand as well as the specific attributes of each terminal including access to deepwater berths and connections to land-based infrastructure such as roads, pipelines and rail.

Both domestic and international factors influence demand for bulk liquid terminals in the U.S. Demand for storage rises and falls according to local and regional consumption. In addition to these domestic forces, import and export activity also accounts for a material portion of the business. Shippers require storage for the staging, aggregation and/or distribution of products before and after shipment. The extent of import/export activity depends on macroeconomic trends such as currency fluctuations as well as industry-specific conditions, such as supply and demand balances in different geographic regions. The medium-term length of storage contracts tends to offset short-term fluctuations in demand for storage in both the domestic and import/export markets.

TABLE OF CONTENTS

Potential entrants into the bulk liquid terminals business face several barriers. Strict environmental regulations, availability of waterfront land with the necessary access to land-based infrastructure, local community resistance to new fuel/chemical sites, and high initial investment costs limit the construction of new bulk liquid terminal facilities. These deterrents are most formidable around waterways near major urban centers. As a consequence, new tanks are generally built where existing docks, pipelines and other infrastructure can support them, resulting in higher returns on invested capital compared with greenfield developments. However, restrictions on land use, difficulties in securing environmental permits, and the potential for operational bottlenecks due to infrastructure constraints may limit the ability of existing terminals to expand the storage capacity of their facilities.

## IMTT Strategy

The key components of IMTT s strategy are:

1. to drive growth in revenue and cash flows by attracting and retaining customers who place a premium on flexibility, speed and efficiency in bulk liquid terminals;