Macquarie Infrastructure Corp
Form 424B4
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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 3, 2016

Prospectus Supplement
(To Prospectus dated April 5, 2016)

2,870,000 Shares

Macquarie Infrastructure Corporation

Macquarie Infrastructure Management (USA) Inc., our manager and the selling shareholder in this offering (our Manager or the selling shareholder), is offering 2,870,000 shares of our common stock, par value $0.001 per share, which we refer to as shares. We will not receive any proceeds from the sale of the shares by the selling shareholder.

Our common stock trades on the New York Stock Exchange, or the NYSE, under the symbol MIC. The last reported trading price of our common stock on November 2, 2016, was $83.67.

Investing in our shares involves risks. See Risk Factors beginning on page S-13 of this prospectus supplement, page 4 of the accompanying prospectus and in our Annual Report on Form 10-K for the year ended December 31, 2015 and in our Quarterly Report on Form 10-Q for the period ended September 30, 2016, which are incorporated by reference into this prospectus supplement and the accompanying prospectus.

	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 supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriter expects to deliver the shares on or about November , 2016.

Barclays

Prospectus Supplement dated November , 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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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. 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 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.

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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 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 5, 2016, 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, which we refer to together as the 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.

INDUSTRY AND MARKET DATA

In this prospectus supplement and the accompanying prospectus (and the documents incorporated by reference herein or therein), 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, 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, our Quarterly Report on Form 10-Q for the quarter ended September 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, 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.

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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;
- 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;

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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, our Quarterly Report on Form 10-Q for the quarter ended September 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-13 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 in our Quarterly Report on Form 10-Q for the period ended September 30, 2016, 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 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 (the Conversion). 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 an energy company that processes and distributes gas and provides related services (Hawaii Gas), controlling interests in renewable and distributed 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.

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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 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 our businesses.

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 capital structure and tax planning; and
- distributing a majority of our available cash to stockholders as a quarterly dividend.

Dividends

Consistent with our view of MIC as a total return investment opportunity, we believe that over the long term we will distribute between 75% and 85% of the Free Cash Flow generated by our businesses as a cash dividend. We define Free Cash Flow as cash from operating activities, which includes cash paid for interest, taxes and pension contributions, less maintenance capital expenditures, which includes principal repayments on capital lease obligations used to fund maintenance capital expenditures, and excludes changes in working capital. For the avoidance of doubt, base management fees and performance fees, if any, are excluded from the calculation of Free Cash Flow whether paid in cash or stock.

On October 27, 2016, our Board of Directors approved a cash dividend of $1.29 per share for the quarter ended September 30, 2016, or a 3.2% increase over the dividend for the quarter ended June 30, 2016 and 14.2% increase over the dividend for the quarter ended September 30, 2015. This dividend is payable on November 15, 2016 to all stockholders of record as of the close of business on November 10, 2016.

In determining whether to adjust the amount of our quarterly dividend, 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 stockholders or by our subsidiaries to us, and any other factors that it deems relevant, subject to maintaining a prudent level of reserves and without creating undue volatility in the amount of such dividends where possible. Moreover, our senior secured revolving credit facility and the debt commitments at our businesses contain restrictions that may limit our ability to pay dividends. Although historically we have declared cash dividends on our shares of common stock, 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.

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Our Manager

We are managed externally by Macquarie Infrastructure Management (USA) Inc., our Manager and the selling shareholder in this offering. 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 the 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 (the Management Services Agreement) with our Manager. Subject to the oversight and supervision of our Board of Directors, our Manager manages our day-to-day operations and affairs and oversees the management teams of our operating businesses. 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. 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 and holding company net debt, among other items. Our Manager can also earn a performance fee if the quarterly total return for our stockholders (capital appreciation plus dividends) is positive and exceeds the quarterly total return of a U.S. utilities index benchmark, both in the quarter and cumulatively. If payable, the performance fee is equal to 20% of the difference between the benchmark return and the return for our stockholders. In accordance with the Management Services Agreement, our Manager has currently elected to reinvest base management fees, and performance fees, if any, in shares. Our Manager s election to invest its fees in shares of our common stock can only change during a 20 trading day window following our earnings release. Any change would apply to fees paid thereafter.

Our Businesses

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

IMTT

IMTT Business Overview

IMTT is one of the larger independent providers of bulk liquid terminal services in the United States, based on capacity. IMTT stores and handles primarily refined petroleum products, various commodity and specialty chemicals, renewable fuels and vegetable and animal oils (collectively liquid commodities). The business operates a network of 12 terminals including ten in the United States and two in Canada (one partially owned) with principal operations in the New York Harbor (NYH) market and on the Lower Mississippi River. IMTT also owns OMI Environmental Solutions (formerly Oil Mop), an environmental emergency response, industrial services, waste transportation and disposal business.

Industry Overview

Bulk liquid terminals provide an important link in the supply chain for a broad range of liquids such as refined petroleum products, commodity and specialty chemicals and/or crude oil (not a material product for IMTT). In addition to renting storage tanks, dock access and intra-modal transportation access, bulk liquid terminals generate revenue by offering ancillary services including product transfer (throughput), heating, blending and packaging.

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 United States. Demand for storage rises and falls according to local and regional consumption. In addition, import and export activity 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 imbalances in different geographic regions. Demand for storage is also driven by fluctuations in the current and perceived future price and demand for the product being stored and the resulting temporal price arbitrage.