

Letter to Unitholders

We hope this letter finds you healthy and safe. Since our last update to you in early February, we have seen the unprecedented impact of the COVID-19 pandemic affect us all and dramatically alter the global economic landscape.

Our focus these past weeks has been on protecting the health and safety of our people and partners around the world, working closely with management teams across our businesses to rapidly reposition operations and maximize liquidity. We are also doing our part to support our communities, with concerted efforts being carried out across our offices and portfolio companies to donate funds, time and essential equipment and supplies to support relief efforts across the markets in which we operate.

BBU's first quarter Company EBITDA was \$294 million and Company FFO was \$194 million reflecting the impact of the current crisis on a select few of our operations. We are well positioned with strong liquidity, and businesses of exceptional quality with products and services that are essential to their customers. We are managing our businesses and cautiously pursuing new investments with the expectation that there may be severe economic disruption for several more months, and the economic recovery afterward will be slow. Thereafter our operations should recover quickly as global activity levels resume.

Our unit price, like the equity trading prices of most companies, has traded at levels which are materially disconnected from intrinsic value. The intrinsic value of BBU's units is best calculated as the present value of cashflows our operations will generate in the future. This comprises near-term cash flows, which will be meaningfully impacted by the current economic slowdown, medium-term cash flows, which should be closer to what they would have been pre-pandemic, and long-term cash flows, or terminal values, which should remain largely unaffected. We intend to continue acquiring BBU units on your behalf as opportunities arise.

Navigating the Current Environment

Operational Focus

Over the past several years we have meaningfully enhanced our scale and capabilities to both invest in new opportunities and bring operational excellence to our businesses. We have grown our in-house business operations team which now includes approximately 30 dedicated operating professionals, many of whom are senior executives experienced in repositioning and running global businesses. Our local presence in the key regions in which we operate provides a meaningful advantage and allows us to respond with speed and certainty as operating conditions rapidly change.

In the current environment, our business operations team is working closely with each of our companies to assess risk and minimize operational disruption where possible. At our manufacturing and service operations, our businesses have adjusted shiftwork, rotated the workforce and encouraged employees to work remotely to protect themselves and ensure continuity of operations.

Across our portfolio we are focused on protecting liquidity, and to that end have implemented strategies to optimize working capital, reduce operating expenses, defer discretionary capital expenditures and consolidate fragmented supply chains. While defensively positioning all our companies we are also selectively pursuing add-on acquisitions to strengthen market positions and acquire new capabilities.

Portfolio Resiliency

Over the last few years, we have significantly improved the overall quality of the companies we are invested in. We sold many of our smaller more cyclical businesses and reinvested the proceeds to fund the acquisition of larger businesses with increased scale, stronger barriers to entry and more resilient cash flows. BBU is now largely comprised of high-quality businesses with durable cash flows that are market leading providers of essential products and services. While our companies, like most globally, are being impacted by the pandemic and related economic downturn in a variety of ways, including reduced sales volumes and some increased delinquency in collections, they are well positioned to withstand the current economic volatility and disruption.

As we think about the impact of the pandemic on our operations, we can segment them into three categories:

1. Essential service providers experiencing limited impact to operations

Some of our largest businesses have been deemed essential service providers within their industries, and as a result have experienced limited impact from the pandemic and slowdown in economic activity. Westinghouse is an essential service provider to the nuclear power industry and deferral of non-critical maintenance work at customer facilities should not impact the resiliency of the business' overall cash flows. At Altera Infrastructure, our essential service provider to the offshore oil and gas sector, the vast majority of annual revenue and cash flow is secured under medium-term fixed-price contracts that are largely unaffected by short-term volatility in oil prices. BRK Ambiental, which provides essential water distribution and sewage treatment services to over 15 million Brazilians, is benefiting from the resiliency of residential demand for its water and wastewater services.

2. Essential service providers experiencing manageable near-term impact

At a number of our other businesses, operations have slowed and are likely to remain at meaningfully lower levels through the downturn. That said, near-term disruption is not expected to impact the long-term cash flows of these businesses, and each of them has adequate liquidity to manage through. Clarion, our leading manufacturer of advanced automotive battery technologies, has operations in China and was the first of our businesses to be impacted by the pandemic. The business has experienced a reduction in demand as global auto production declined abruptly and travel has been curtailed. Aftermarket battery demand, which drives much of Clarion's profitability, has already meaningfully recovered in China and we expect the same to happen in other regions in time.

Healthscope, the second largest private hospital operator in Australia and the largest pathology services provider in New Zealand, has been directly impacted by the Australian government's decision to suspend all non-critical elective surgeries and preserve hospital capacity to treat COVID-19 patients. Healthscope is finalizing contractual arrangements with government agencies across the country that will make available its entire hospital network at cost. While profit will be impacted during this period, there has been significant government acknowledgement in Australia that the private hospital system and Healthscope, specifically, is critical social infrastructure and provides best-in-class essential services. In New Zealand, our pathology labs are providing COVID-19 testing, playing an essential role in that country's strategy to mitigate the impact of the pandemic.

Genworth Canada, the largest private residential mortgage insurer in Canada, has a national footprint and diversified customer base. While the business has been impacted by slowing housing activity, and its results could be impacted by prolonged unemployment which would increase mortgage delinquency rates, Genworth is very well capitalized with only 15% debt to capitalization and a \$4 billion investment portfolio. This should enable

Genworth to manage through a prolonged recovery if there is a prolonged broad-based slowdown in Canadian economic activity.

3. Businesses experiencing more material impact

We have a few businesses within our portfolio that have been meaningfully impacted by the global pandemic and will require additional capital support. These situations are small relative to the overall size of our broader business, and readily financeable given our significant liquidity. Multiplex, our construction services company operates primarily in the U.K. and Australia. Today the business is facing significant challenges with work suspensions in the U.K. and project productivity reductions resulting from government mandated guidelines. While the company has no debt, we expect ongoing performance limitations to cause a need for liquidity. Thereafter we expect the business will be profitable and generate cash.

Cardone is a U.S. based remanufacturer of automotive aftermarket replacement parts. We recently recapitalized the company as a result of operational and liquidity challenges and had been effectively working to get it back on stable footing prior to the pandemic outbreak. The slowdown in auto related demand brought on by the pandemic has severely impacted Cardone's operations, and the business will require additional operational and capital support to navigate the current environment.

Liquidity and Financing Approach

Our approach to financial risk management is designed to protect our business during challenging times. At the corporate level we are fortunate to be in a very strong liquidity position with approximately \$2 billion of cash, marketable securities and undrawn capacity on our credit facilities. Our credit facilities are backed by large global banks that continue to be highly supportive of our business. We expect to utilize our bank facilities to bridge the funding of new investments or support working capital needs in our business.

Our companies have an additional approximately \$4 billion of liquidity comprised of cash and available credit facilities. As noted above, each of our larger businesses should have sufficient liquidity to fund themselves through this downturn.

We have also been mindful to finance each of our companies with debt that has no recourse back to BBU or across other businesses. Nearly all our larger-scale businesses have long-dated maturities and no financial maintenance covenants, so we are not forced to repay debt even if our businesses experience a reduction in earnings. At our companies that are more susceptible to volatility, we have chosen to keep leverage levels low, and in certain cases, like Multiplex, there is no debt at all.

Our approach to financial risk management is serving us well in the current environment, providing us flexibility to support our operations and fund growth initiatives alongside our institutional partners.

Overview of Operational Performance

Our Infrastructure Services segment generated Company EBITDA of \$156 million for the first quarter 2020.

Westinghouse performed well in the quarter, benefitting from the resiliency of its core fuel manufacturing and servicing operations. The business executed on all fuel reloads as planned during the quarter and progress continues on new plant projects that Westinghouse is supporting. We are working with governments to ensure business continuity, including access to sites and key suppliers across Asia, Europe and the U.S. During the quarter Westinghouse completed the acquisition of Rolls-Royce's Civil Nuclear Systems and Services business. While relatively small, this acquisition enhances Westinghouse's technological capabilities to support delivery and development of new products and services around plant automation, monitoring systems, and digital engineering services.

At BrandSafway, we are working with the management team to mitigate operational disruption through the crisis. The business has been impacted by a slowdown in the level of activity at customer facilities. Much of BrandSafway's revenue and profitability is derived from essential maintenance activity that we expect will recover as economic activity improves.

Altera Infrastructure's contribution increased in the quarter primarily as a result of our increased ownership of the company. Shuttle tanker utilization was strong, and the company took delivery of two new shuttle tankers during the quarter as part of its shuttle tanker renewal program.

Our Industrials segment generated Company EBITDA of \$145 million. Results benefited from Clarios, which we acquired in the second quarter of 2019, partially offset by a reduced contribution from GrafTech.

At Clarios, sales volumes were impacted by warmer weather in the U.S. and Europe, lower OEM production levels and lower aftermarket demand due to the pandemic particularly in the last few weeks of the quarter. The company's two plants in China have resumed operations following extended operational shutdowns due to the virus and the company is leveraging learned experiences to safely manage through similar disruptions occurring in Europe and the U.S. We recently appointed Mark Wallace as CEO, who brings nearly 30 years of experience in the automotive and commercial vehicle industries to the role and will lead the company through the next phase of its long-term strategic enhancement initiatives. Clarios has substantial liquidity available under its bank facilities and its debt does not mature for over six years.

GrafTech, our global manufacturer of graphite electrodes, generated reduced EBITDA for BBU due to lower sales volumes in the business. The majority of GrafTech's graphite electrode production is contracted under take-or-pay contracts. Given steel production disruptions caused by the current pandemic, we expect a portion of sales from contracted volumes in 2020 will be deferred to future years. While we expect reduced profitability at GrafTech this year compared to last, the business has been repaying debt and is now prioritizing capital allocation to focus on liquidity and balance sheet flexibility. We believe GrafTech is capitalized appropriately to manage through this downturn.

Our Business Services segment generated Company EBITDA of \$19 million. Results reflect expected and potential losses in our construction services business as well as markedly reduced levels of productivity on projects, especially in the U.K., where Multiplex was forced to stop construction activity as a result of the pandemic. We expect the business to recover as project related activity resumes to more normal levels, and the business is taking steps to actively mitigate losses.

Genworth Canada performed well in the quarter and carve-out activities are progressing on plan. The company issued \$215 million of debentures, extending its debt maturity and bringing Genworth's debt to capital ratio to approximately 15%, in-line with its targeted capital structure. Proceeds from the issuance were used to refinance debt and fund dividends.

At Healthscope, results were not significantly impacted in the first quarter by the pandemic but revenue has been materially impacted following the suspension by government authorities of non-urgent elective surgeries in April. Healthscope has implemented operational readiness initiatives to prepare its facilities for public use and is managing the supply chain of key consumables.

Looking Forward

The global pandemic has upended capital markets around the world and public market valuations have experienced extreme volatility. In the private markets, while buyout firms have substantial levels of capital availability, transaction activity is likely to slow as purchasers face uncertainty and sellers are unwilling to "sell at the bottom".

In this environment we will pursue investments at the portfolio company level, be they add-on acquisitions, customer acquisitions, or the repurchase of debt in the event debt of our businesses trades down to opportunistic price levels.

We are also pursuing new investments where the public securities of high-quality businesses are trading at significant discounts to our view of intrinsic value. In this regard, together with our institutional partners, we invested \$500 million over the past several weeks in the stock market. These public company stakes should lead to strong returns on our invested capital and may position us to privatize businesses as markets and activity normalize.

We are prepared for a challenging environment this year with a strong financial position and significant scale to support our operations and are well positioned to make new investments that could generate considerable returns for BBU unitholders.

We would like to thank all our employees and partners around the world for their unwavering dedication and efforts during these challenging times. On behalf of everyone at BBU, thank you for your ongoing interest and support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Cyrus Madon".

Cyrus Madon
Chief Executive Officer

May 6, 2020

Cautionary Statement Regarding Forward-looking Statements and Information

This letter to unitholders contains “forward-looking information” within the meaning of Canadian provincial securities laws and “forward-looking statements” within the meaning of 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. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, include statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, strategies and outlook of Brookfield Business Partners, as well as the outlook for North American and international economies for the current fiscal year and subsequent periods, and include words such as “expects,” “anticipates,” “plans,” “believes,” “estimates,” “seeks,” “intends,” “targets,” “projects,” “forecasts” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may,” “will,” “should,” “would” and “could.”

Although we believe that our 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, many of which are beyond our control, which may cause the actual results, performance or achievements of Brookfield Business Partners 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, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business, including as a result of the recent novel coronavirus outbreak (“COVID-19”); the behavior of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; ability to collect amounts owed; catastrophic events, such as earthquakes, and hurricanes and pandemics/epidemics; the possible impact of international conflicts and other developments including terrorist acts and cyber terrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States.

In addition, our future results may be impacted by COVID-19 and the related global reduction in commerce and travel and substantial volatility in stock markets worldwide, which may result in a decrease of cash flows and impairment losses and/or revaluations on our investments and assets, and we may be unable to achieve our expected returns. See “Risks Associated with the COVID-19 Pandemic” in the “Risks and Uncertainties” section included in our Management’s Discussion and Analysis of Financial Condition and Results of Operations for the first quarter ended March 31, 2020 to be made available.

We caution that the foregoing list of important factors that may affect future results is not exhaustive. When relying on our forward-looking statements, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by law, Brookfield Business Partners 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 the Use of Non-IFRS Measures

This letter to unitholders contains references to Non-IFRS Measures. When determining Company FFO and Company EBITDA, we include our unitholders’ proportionate share of Company FFO and Company EBITDA for equity accounted investments. Company FFO and Company EBITDA are not generally accepted accounting measures under IFRS and therefore may differ from definitions used by other entities. We believe these metrics are useful supplemental measures that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. However, Company FFO and Company EBITDA should not be considered in isolation from, or as substitutes for, analysis of our financial statements prepared in accordance with IFRS.

References to Brookfield Business Partners are to Brookfield Business Partners L.P. together with its subsidiaries, controlled affiliates and operating entities. Brookfield Business Partners’ results include publicly held limited partnership units, redemption-exchange units, general partnership units and special limited partnership units. More detailed information on certain references made in this letter to unitholders will be available in our Management’s Discussion and Analysis of Financial Condition and Results of Operations for the quarter ended March 31, 2020.