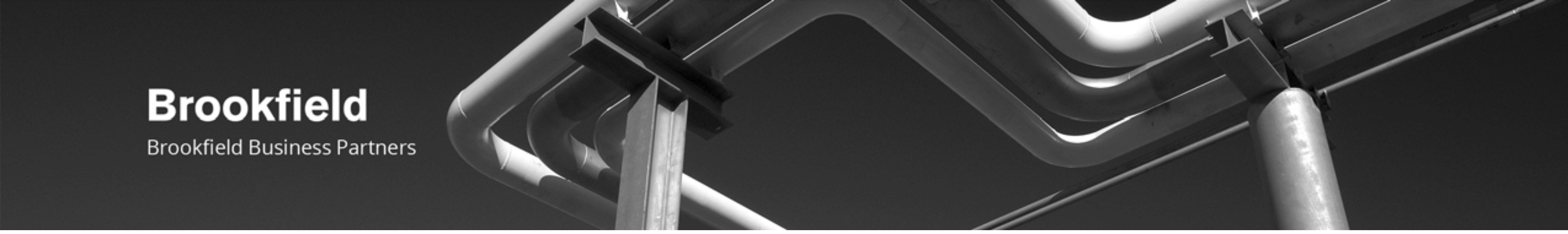


Letter to Unitholders

Dear unitholders,

Overview

We had a solid start to 2017, generating Company Funds from Operations[1] (“Company FFO”) totaling $95 million or $0.88 per unit for the period ended March 31, 2017, and net income attributable to unitholders of $66 million or $0.61 per unit. Our results were positively impacted by a gain on the sale of our bath and shower manufacturing operations, offset partly by ongoing repositioning initiatives at certain of our other operations. With significant liquidity to support growth, we remain focused on closing previously announced acquisitions, pursuing new opportunities to grow our business, and improving the profitability of our existing businesses.

Results of Operations

Our **business services** segment generated Company FFO of $4 million in the first quarter of 2017. We are starting to recognize the benefit of the two acquisitions completed in our facilities management business in 2016 and have also seen a modest improvement in our real estate services businesses with an early start to the spring selling season. The positive contribution from these businesses was partially offset by a slow start to the year in our global financial advisory business, which tends to fluctuate from quarter to quarter.

Our **construction services** segment contributed negative $3 million of Company FFO during the quarter as margin compression at three projects in Australia offset the positive contribution from the remainder of our business. We currently have over 100 projects under construction, and although the negative impact on these three projects lowered the current quarter’s results, we are confident with the projects across our diversified business. The overall business is performing well and continues to benefit from a greater level of regional diversity than in the past.

We constructed over $1 billion in residential, office and retail work during the quarter and delivered six projects, representing over $800 million in project value. This included a 63-storey luxury hotel and residence in Dubai, the National Library in Qatar and a 43-storey residential tower in Melbourne.

[1] *Company FFO is presented as a net amount attributable to unitholders and is a non-IFRS measure and is calculated as net income excluding the impact of depreciation and amortization, deferred income taxes, breakage and transaction costs, non-cash gains or losses and other items. When determining Company FFO, we include our proportionate share of Company FFO of equity accounted investments.*

We continue to replenish our workbook and secured $500 million of new work during the quarter; our backlog remains strong at approximately $7.3 billion. In addition, we have been awarded preferred status on a number of sizeable projects across our portfolio over the past few months and expect to convert these into main works contracts. This includes the University of Glasgow redevelopment project in Scotland, which puts us in a preferred position to deliver the University's significant construction program over the next eight years. Subsequent to the end of the quarter, we also secured the construction of a new 12-storey central acute services building, part of the Westmead Hospital redevelopment in New South Wales. We expect these contracts, once signed, to increase our backlog to a record level, while maintaining targeted margins.

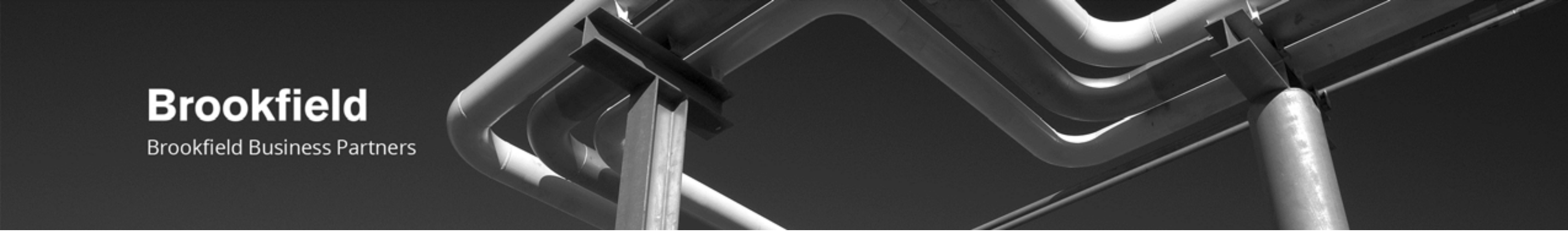
Our **energy** segment generated $20 million of Company FFO during the quarter including $10 million net to us on the monetization of our remaining energy related high yield debt. Results from our Canadian operations have improved with higher commodity prices during the quarter and we continue to benefit from the active cost management and operational improvements made over the past few years. Our Australian operation continues to benefit from a large hedge position for oil and long term fixed contracts for gas with our customers. This operation paid a $250 million dividend, or $25 million net to us, during the first quarter. Since our acquisition in June 2015, we have recovered approximately half of our capital invested.

Our **industrials** segment generated Company FFO of $79 million during the first quarter. We realized a net gain for unitholders of $82 million on the monetization of our bath and shower manufacturing operations, Maax Bath and Maax Spas ("Maax"). After acquiring it at the beginning of the U.S credit and housing crisis, we built Maax into an industry leader in North America, with strong sales growth and efficient operations, which attracted interest from a strategic buyer and resulted in the sale of the business.

Our palladium mining operation started a lower cost underground mining method in 2016, which has led to increased production volumes. With the current rebound in the market price of palladium metal, we are selling forward the majority of our near term sales as a means to de-risk our cash flows.

Losses during the quarter from our graphite electrode operation ("GrafTech") were as expected. GrafTech is currently the largest business in our industrials segment, and we are beginning to benefit from our operational improvements, as well as pricing across the industry. To date, we have rationalized capacity by shutting one plant and refocused efforts on the company's core electrode product. Our management team has sustainably reduced annual fixed costs by $75 million, while achieving productivity improvements at all major operating sites, improving product quality, reducing variable costs and increasing investment in research & development.

Market conditions in the graphite electrode industry are improving after an extended period of weak pricing. Electrode demand has rapidly increased over the past six months with rising steel production from electric arc furnace (mini mill) operations driving increased electrode consumption and electrode inventory re-stocking. This reflected a normalization of steelmaking raw material prices (iron ore versus steel scrap) and a return to profitability for our mini mill customers. In addition, Chinese steel exports have declined, further supporting steel production outside of China. As a result, we estimate graphite electrode industry capacity utilization has increased to approximately 85% from a trough of approximately 65% in early 2016 and is driving a recovery in pricing with spot prices for graphite electrodes increasing by $1,000 per metric ton over the past few months, with continued momentum. While pricing has improved, it remains below the 20 year average trend line price.



As graphite electrodes are primarily sold under annual fixed price contracts that are negotiated in the fourth quarter of each year in advance of delivery, recent spot price improvements will not have a major impact on our 2017 results. However, if all of 2017 sales volume had been contracted at current spot prices, GrafTech would have generated approximately $150 million of incremental Company FFO[2] (approximately $50 million to us), even after accounting for cost increases which we expect in a strengthening market.

Update on Strategic Initiatives

BRK Ambiental

Following the end of the first quarter we completed the acquisition of a 70% controlling interest in the largest private water company in Brazil, which we have renamed BRK Ambiental (“BRK”). We are concurrently acquiring a direct interest in related assets and providing additional capital to BRK and in total, the investment will be approximately $1 billion, our share of which is approximately $384 million.

BRK operates water and sewage treatment systems and serves approximately 17 million people, representing a little over 8% of the Brazilian population. It has long-term concession contracts with municipalities, charging its customers a tariff that is adjusted annually for inflation. As part of the agreements with municipalities it serves, BRK also invests significant new capital to improve and expand the networks, typically over a 25 to 35 year period. This means that we expect to generate long term cash flows which are not only stable, but will grow over time.

Over the last two decades Brazil has made significant progress in increasing GDP per capita and improving the overall standard of living of its citizens. As the standard of living improves, the population is demanding better infrastructure and services. While the vast majority of Brazilians have access to water, water distribution in Brazil is generally in poor condition and sewage collection and treatment levels are low. We believe this is a great opportunity. The Federal Government of Brazil has been focused on improving these service levels and has set a goal of investing more than $100 billion in water and wastewater services over the next twelve years. In addition, many state governments are cash strapped and have announced plans to privatize their water systems. There are few businesses with the scale of growth opportunity that BRK has due to these factors.

Typically a business with stable and growing existing cash flows, a leading market position and abundant growth opportunities would rarely become available to acquire, and if it did, it would be highly sought after by multi-national strategic buyers seeking to earn single digit rates of return. We expect to earn significantly higher returns from our investment in BRK because there were many challenges that caused most logical buyers to not pursue this opportunity: (a) Brazil was in deep recession and its currency had weakened at the time we got involved, (b) the government has been mired in a corruption scandal that resulted in the President being impeached, (c) the seller of BRK was implicated in the same corruption scandal and forced to pay very substantial fines to authorities, leaving it liquidity constrained, and (d) the transaction itself was multi-faceted given the need to deal with multiple partners and dozens of municipalities, as well as execute a corporate carve out which required us to take over management of the business immediately at closing.

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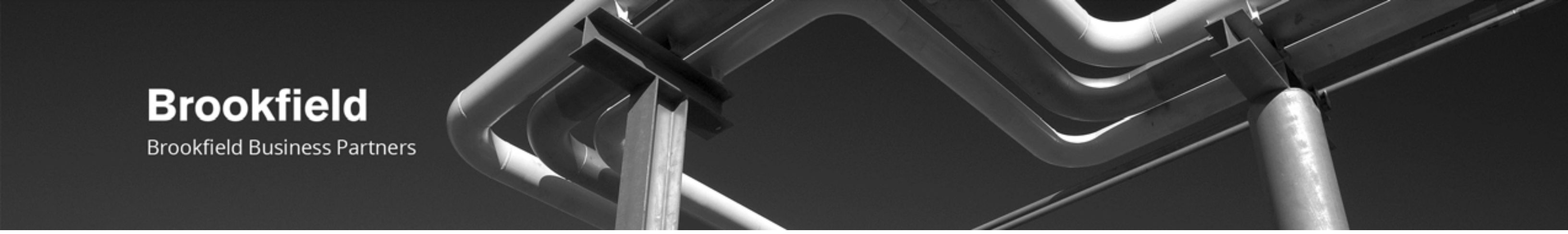
[2] *Assumes 168,000 metric tons of sales volume multiplied by a price increase of $1,000 per ton, less raw materials cost increases and no incremental cash taxes due to existing net operating losses.*



As we often do, we took a contrarian view of this opportunity at a time when few others had the ability to, due to various factors. The advantage of this is that there are few organizations that could have completed this transaction so our competition was limited. This was largely due to our strong presence and solid reputation in Brazil, access to capital, and scale of operations necessary to complete such a transaction.

Greenergy

During the first quarter of 2017, we entered into a definitive agreement to acquire Greenergy Fuels Holdings Ltd (“Greenergy”) and expect to close the transaction imminently. Greenergy is a leading U.K. provider of road fuels with over 300 kT of biodiesel production capacity and significant import and storage infrastructure. The business offers an extensive distribution network which delivers over 18 billion liters of road fuels annually. This investment expands our footprint in the European market, and we plan to broaden the company’s operations outside of the U.K. by leveraging our global presence and infrastructure knowledge.

Loblaw gas station operations

Subsequent to quarter end, with institutional partners, we entered into a definitive agreement to acquire 100% of the gas station operations of Loblaw Companies Limited (“Loblaw”) for approximately $410 million. Loblaw is Canada’s largest grocery retailer, and over thirty years, has built one of the largest gas station businesses in the country, consisting of 213 stations and associated convenience kiosks adjacent to Loblaw-owned grocery stores. The gas station network will continue to offer Loblaw's PC Plus loyalty program following closing.

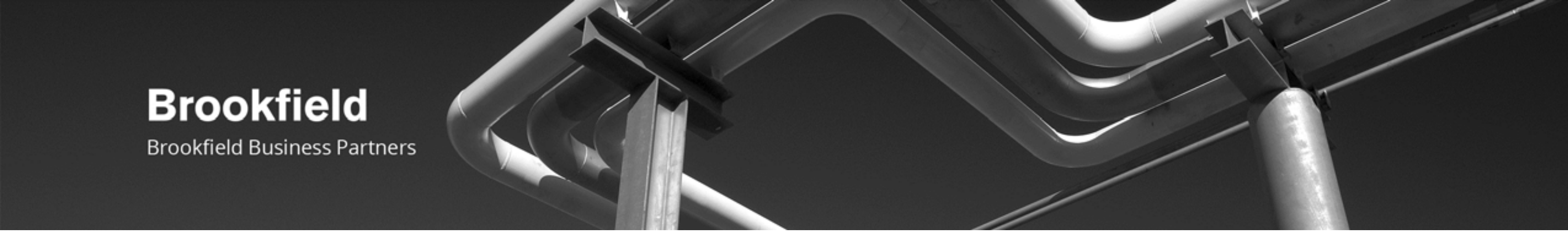
Concurrently, we are entering into an agreement with Imperial Oil to introduce the premier Mobil fuel brand to this portfolio and to ensure that we have a highly competitive source of fuel supply across the country. This acquisition enables us to enter the business with significant scale, strong customer loyalty, and opportunities for further growth. The transaction is expected to close in the third quarter of 2017.

Capital Position

Our liquidity is strong, having raised approximately $400 million of equity in December 2016. We will have over $700 million of liquidity following the closing of BRK Ambiental, Greenergy and the Loblaw gas station acquisition. We employ a conservative financing strategy with debt predominantly at the operating company level, ideally laddering principal repayments over a number of years. We believe that utilizing prudent and appropriate amounts of leverage at our operating businesses and maintaining substantial liquidity at the Brookfield Business Partners level both minimizes risk and maximizes flexibility.

Looking Forward

We continue to focus on organic growth within our current operations and the repositioning of certain of our businesses. Our strategy is to take a long-term view on the regions in which Brookfield has an established presence, and benefit from value investments across essential business sectors which are adjacent to or highly complementary to Brookfield’s global real asset operations. Our primary



focus this year is to complete and integrate our announced strategic initiatives, which will significantly expand the scale of our operations and add to our overall earnings and cash flow over the longer term. In addition, our global business development teams are working diligently to convert our strong pipeline of opportunities into investments that will provide further profitable growth for our business segments.

On behalf of the board and management of Brookfield Business Partners, I would like to thank all our unitholders for your ongoing interest and support.

Sincerely,

Cyrus Madon

Chief Executive Officer

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 and its subsidiaries, 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".

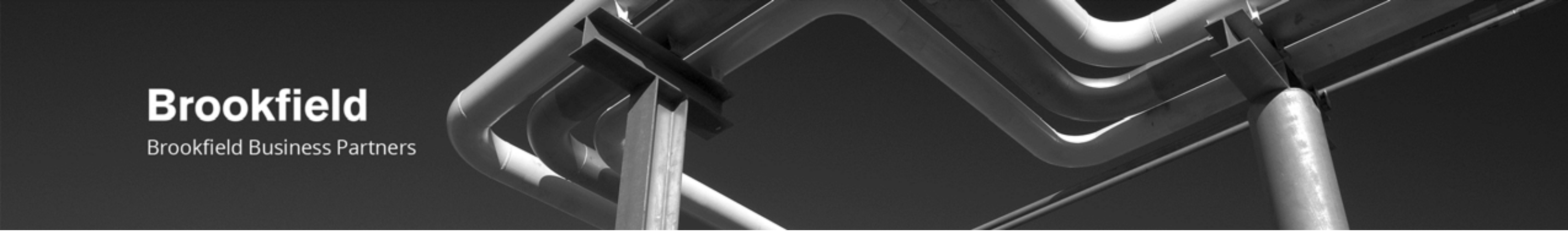
Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information 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; 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; the possible impact of international conflicts and other developments including terrorist acts and cyberterrorism; and other risks and factors detailed from time to time in our documents filed with the securities regulators in Canada and the United States.

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 USE OF NON-IFRS MEASURES

This letter to unitholders contains references to Company FFO. When determining Company FFO, we include our unitholders' proportionate share of Company FFO for equity accounted investments. Company FFO is not a generally accepted accounting measure under IFRS and therefore may differ from definitions of Company FFO or Funds from Operations used by other entities. We believe that this is a useful



supplemental measure that may assist investors in assessing the financial performance of Brookfield Business Partners and its subsidiaries. Company FFO should not be considered as the sole measure of our performance and should not be considered in isolation from, or as a substitute for, analysis of our financial statements prepared in accordance with IFRS.

References to Brookfield Business Partners or BBU are to Brookfield Business Partners L.P. together with its subsidiaries unless the context reflects otherwise. 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 year ended December 31, 2016.