

Letter to Unitholders

Dear unitholders,

Overview

During the third quarter we progressed several strategic initiatives including the completion of a number of acquisitions and the issuance of \$600 million of equity to fund this growth. Within our services segment, we expanded our road fuels marketing and distribution platform with the acquisition of Loblaw's gas station operations in Canada. This business will be rebranded to the premier Mobil fuel brand. We were also selected as the successful proponent to operate and manage the largest gaming concession ever awarded in Canada. In our energy segment, we completed our acquisition of the services business Teekay Offshore Partners L.P. ("Teekay Offshore").

Operating Report

In total, Company Funds from Operations¹ ("Company FFO") was \$46 million for the period ended September 30, 2017, and net income attributable to unitholders² was \$9 million.

Business Services

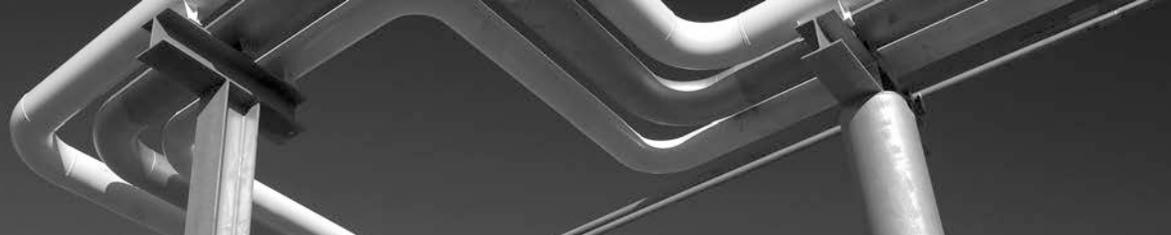
Our business services segment generated Company FFO of \$23 million in the third quarter of 2017, supported by contributions from our recently acquired road fuels marketing and distribution operations which generated strong cash flow. Our facilities management operations reported strong results for the quarter. We manage over 30,000 locations globally and this quarter we completed a small tuck-in acquisition of a fuel maintenance specialist, continuing our growth strategy of entering new locations and service areas. Our real estate services companies continued to perform well, driven by an increased agent count in Canada and an increase in both the number of transactions and average selling price in our U.S. joint venture.

Construction Services

Our construction services segment generated \$17 million of Company FFO in the quarter. Results in our Australian and UK operations were stable while we had reduced activity from our Middle Eastern operations. We continue to benefit from diversity across our portfolio as well as increased backlog.

¹ Company FFO is presented as a net amount attributable to unitholders, 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 for equity accounted investments.

² Attributable to limited partnership unitholders, general partnership unitholders, redemption-exchange unitholders and special limited partnership unitholders post Spin-off.



During the quarter we secured seven projects with a total value of \$1.7 billion. This included One Nine Elms, a mixed-use development in London, 447 Collins Street in Melbourne, which comprises two linked 39-level towers and AYKON London One, a 50-story residential tower in London. Following quarter end, we were awarded The Address Residences Jumeirah Gate development, a mixed-use linked 77 floor twin tower in Dubai, and Transit City, a residential development in Toronto. Including these two projects, our backlog is at a historic high of \$8.8 billion.

Energy

Our energy segment reported negative Company FFO of \$5 million during the quarter, impacted by a one-time realization of a \$16 million loss on the sale of Insignia Energy, a small oil and gas producer in Western Canada. Despite current natural gas pricing weakness, our Canadian operation performed better than in the same period last year as we benefited from our hedging program. The duration of the hedges can range from six to 36 months and hedges are rolled forward on a quarterly basis. Our Australian operation continued to benefit from its long-term fixed price customer contracts for natural gas.

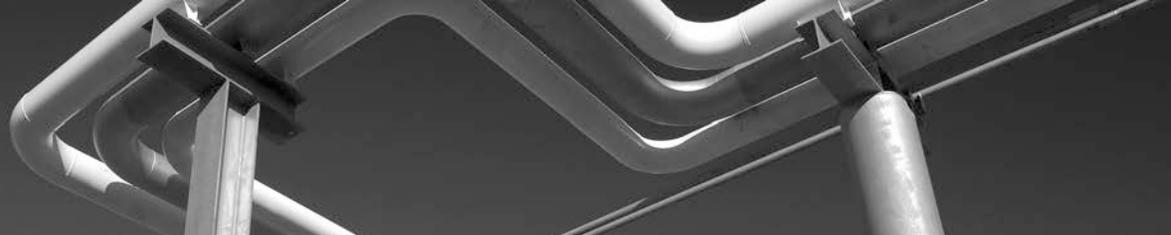
The energy sector has been challenging for several years as a result of declining oil and gas prices. Global oil prices have fallen by more than half over the past three years, while North American natural gas prices have remained low relative to historic levels for several years. Most oil and gas exploration and production companies require ongoing investment to offset and sustain production. As cash flow deteriorates due to weak prices, maintaining production can become challenging. Low cost producers that exhibit low decline rates and have low capital reinvestment requirements are well positioned in these environments. Ember, for example, exhibits these characteristics and continues to be an attractive business. Quadrant has contracted output so has limited exposure to price volatility.

Industrials

Our industrial operations segment generated Company FFO of \$22 million during the quarter, benefiting from a full quarter contribution from our Brazilian water services operation, BRK Ambiental. Results at our palladium mining operation continue to improve with higher palladium prices during the quarter on the back of strong demand fundamentals and higher sales volumes. The successful implementation of a new mining method has resulted in a roughly 50% increase in underground production rates from a year ago and unit production costs at the minesite have fallen by approximately 20% over the same period. Our graphite electrode operation reported higher Company FFO with increases in both volume and average pricing. Tightness of graphite electrode supply and higher demand have led to a substantial increase in pricing. While we have realized some benefit this quarter, we believe that we will achieve significantly better results in the coming year as we finalize pricing at higher levels for 2018. GrafTech's needle coke production facility in Houston was impacted by Hurricane Harvey and lost a couple of weeks of production which was offset by third party purchases of coke. More importantly, all our GrafTech team members and their families were safe.

Acquisitions and New Initiatives

In September, we closed our acquisition of Teekay Offshore, a leading provider of critical transportation and production services to the offshore oil industry. Teekay Offshore has several attributes that we believe are attractive. It is a market leader in offshore production services, controlling approximately 40% of the global fleet in the shuttle tanker market and is among the largest



players in the FPSO (floating production, storage and offloading) market with a focus on mid-size projects. It generates stable cash flows underpinned by diverse medium to long term, fixed rate contracts with high quality, primarily investment grade counterparties. As a fee-based business, it has limited direct commodity exposure and its customers have competitive operating costs supportive of continuing production, even in a lower oil price environment. This is a well-managed business at the operating level that experienced liquidity constraints with an overleveraged balance sheet. We were able to provide new capital to Teekay Offshore to address their balance sheet leverage and provide liquidity to execute their strategic plan.

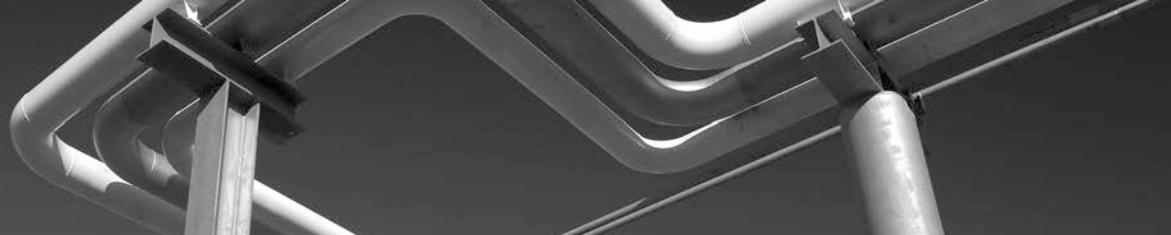
During the quarter, and in partnership with Great Canadian Gaming Corporation, we were selected as the successful proponent by the Ontario Lottery and Gaming Corporation (“OLG”) to operate and manage three gaming facilities in the Greater Toronto Area (the “GTA Concession”). This is the largest casino concession ever awarded in Canada and includes the premier Woodbine location, which is located near Toronto’s Pearson International Airport. The GTA Concession currently generates over a billion dollars of gross gaming revenue and we have the exclusive right to operate and improve the existing sites for a minimum period of 22 years, with the option to develop a new site and extend the concession period by 10 years. We plan to broaden the offering through our hospitality and urban development expertise. The modernization will include integrated property expansions that will enhance gaming offerings and offer additional food, hotel and entertainment experiences. We expect to close this investment in early 2018.

We continue to build our business in India and during the quarter provided a first lien secured loan to Total Environment Group, an experienced Bangalore-based home builder who has completed and delivered three million square feet of housing to date. Bangalore is a growing residential real estate market because of its status as the center of India’s burgeoning high tech industry. The loan will be used to fund construction of a portfolio of five residential projects with units fit-out with materials focused on sustainability. The loan carries a guaranteed return, in addition to equity participation linked to revenue from apartment sales, with protection against cost overruns.

We continue to monitor recapitalization opportunities in India, through our engagement with lenders and sponsors. With bank non-performing loans at an all-time high of \$150 billion, we are seeing attractive opportunities to recapitalize owners who need assistance with their financial situation. We are selectively evaluating businesses in industries where we can leverage Brookfield’s global experience and operating capability.

Integration of our New Operations

Over the past year, we have deployed or committed approximately \$3 billion of capital alongside institutional partners to acquire five businesses with solid long term fundamentals. When we buy businesses we seek to enhance their value by generating higher and more sustainable operating and product margins, which results in higher and less variable cash flows. Much of the plan to achieve this is identified prior to an acquisition, including developing a comprehensive operating and financial onboarding plan tailored to the unique features of the business. We undertake margin analyses, identify contributing versus underperforming products and services, and assess business processes with the aim to streamline and remove unnecessary costs. We analyze the organization and structure, ensuring we have effective people in critical roles and ensure that the management team is



appropriately aligned with our objectives. The businesses we have acquired over the past year require differing levels of attention from us and are in various stages of onboarding.

Our carve-out acquisitions of BRK Ambiental and the Canadian gas stations required us to move quickly to build management teams with the skills and experience to manage them. In both cases, we secured CEOs early in the process and turned our focus to identifying and retaining high potential individuals from both within and outside of the organizations.

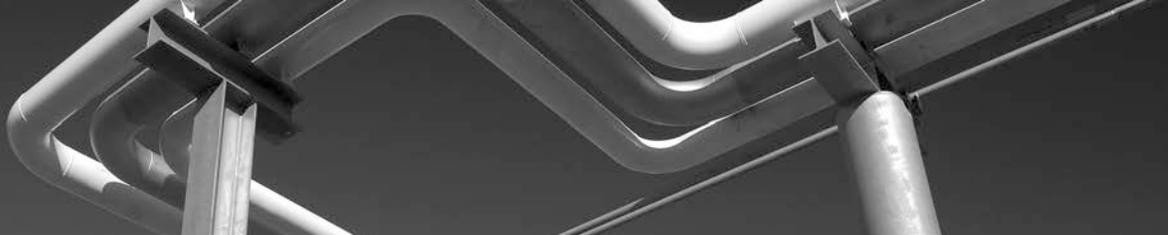
Immediately following closing of each acquisition, our operations and finance teams become involved in governance and reporting. At BRK Ambiental we have instituted timely and detailed financial and operating reporting, set up governance structures and initiated compliance training for employees. With certain investments, rebranding can also be a key component of our onboarding efforts. For instance, rebranding at BRK Ambiental's highly visible municipal water and sewage facilities in Brazil will be completed by the end of the year. Similarly, rebranding of our Canadian gas stations to the Mobil brand is underway with completion targeted for the second quarter 2018.

Several of our businesses have growth potential, and we work with our management teams to develop growth strategies. Teekay Offshore, for example, has current growth projects in the late stages of completion which we expect will contribute to near term cash flow, as well as longer term market opportunities. Greenergy completed a small tuck-in this quarter to augment its growing footprint in Canada and the company continues to plan for growth into Brazil and the Middle East. We expect to grow our Canadian gasoline marketing business primarily through increasing market share and through the addition of value-added services. Similarly, BRK Ambiental is a scalable growth platform because of the social need in Brazil for water and sewage treatment, as well as supportive government policy. Here we plan to surface value from longer term mature projects and reinvest the capital into high returning, new concessions.

The initial business plans, longer term governance and strategies for growth represent a large part of what we do at Brookfield Business Partners to create value.

Capital Position

In September, we raised \$600 million in gross proceeds through an equity offering and concurrent private placements, with approximately \$30 million in additional gross proceeds after quarter end when underwriters exercised their over-allotment option. We increased our revolving unsecured credit facilities by \$100 million for an aggregate of \$250 million with several banks. These capital raises brought our total liquidity, after accounting for our closed and announced transactions, to approximately \$1 billion. We will use the proceeds of the equity offering for general corporate purposes including the funding of announced transactions and future growth opportunities. At the corporate level, our credit facilities remain undrawn. Our intention is not to utilize corporate debt except as a bridge for acquisitions or working capital needs with longer term debt placed at the operating company level.



Looking Forward

For the balance of this year our primary focus is to implement our integration strategy at our newly acquired operations. We continue to work closely with the management teams in our businesses to build value through operational enhancement initiatives, which should contribute meaningfully to our results in the coming year.

Looking ahead we remain optimistic as we believe that business conditions, particularly for our Industrial Operations segment, are positive. In addition, we are well positioned to enhance the scale and global diversity of Brookfield Business Partners as we benefit from a combination of being able to source attractive acquisitions and add value post-acquisition.

On behalf of everyone at Brookfield Business Partners, I would like to thank you 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 Third Quarter 2017.