

Targa Resources Corp.

Investor Presentation

November 2019



TARGA

Forward Looking Statements



Certain statements in this presentation are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements, other than statements of historical facts, included in this presentation that address activities, events or developments that Targa Resources Corp. (NYSE: TRGP; "Targa", "TRC" or the "Company") expects, believes or anticipates will or may occur in the future are forward-looking statements. These forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside the Company's control, which could cause results to differ materially from those expected by management of Targa Resources Corp. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including declines in the production of natural gas or in the price and market demand for natural gas and natural gas liquids, the timing and success of business development efforts, the credit risk of customers and other uncertainties. These and other applicable uncertainties, factors and risks are described more fully in the Company's Annual Report on Form 10-K for the year ended December 31, 2018 and subsequently filed reports with the Securities and Exchange Commission. The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Premier Energy Infrastructure Company



Diverse Asset Platform Connects Low Cost Natural Gas and NGL Supply Growth to Key Demand Markets

Substantial natural gas gathering & processing in top-tier basins

~10.8 Bcf/d gross processing capacity and growing⁽¹⁾

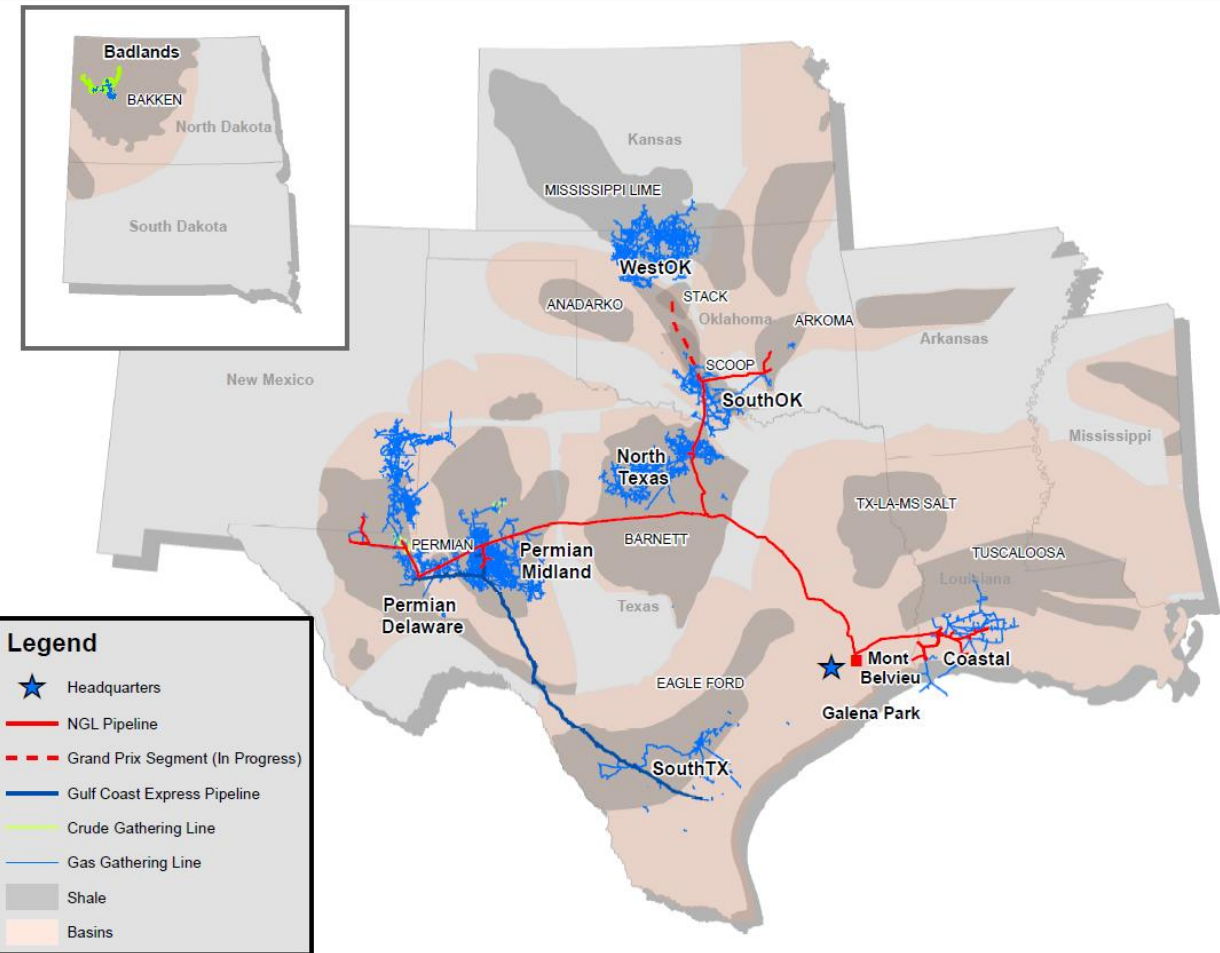
Premier NGL fractionation footprint in Mont Belvieu

~938 MBbl/d gross fractionation capacity and growing⁽²⁾

Grand Prix NGL Pipeline connects G&P volumes to Mont Belvieu frac and export assets

Superior connectivity to US petrochemical complex and top-tier LPG export facility⁽³⁾

Up to 15.0 MMBbl/month capacity LPG export terminal



- 48 natural gas processing plants owned & operated⁽¹⁾
- ~30,100 miles of natural gas, NGL and crude oil pipelines
- 6 crude terminals with 145 MBbls of storage capacity
- 9 fractionation trains⁽¹⁾
- New NGL and residue pipelines

(1) Includes plants and frac trains publicly announced and in process

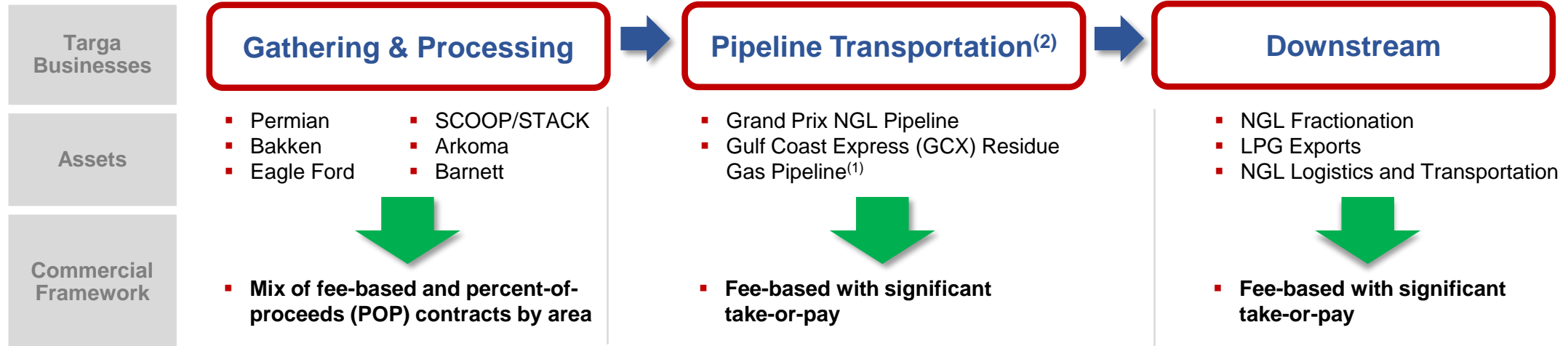
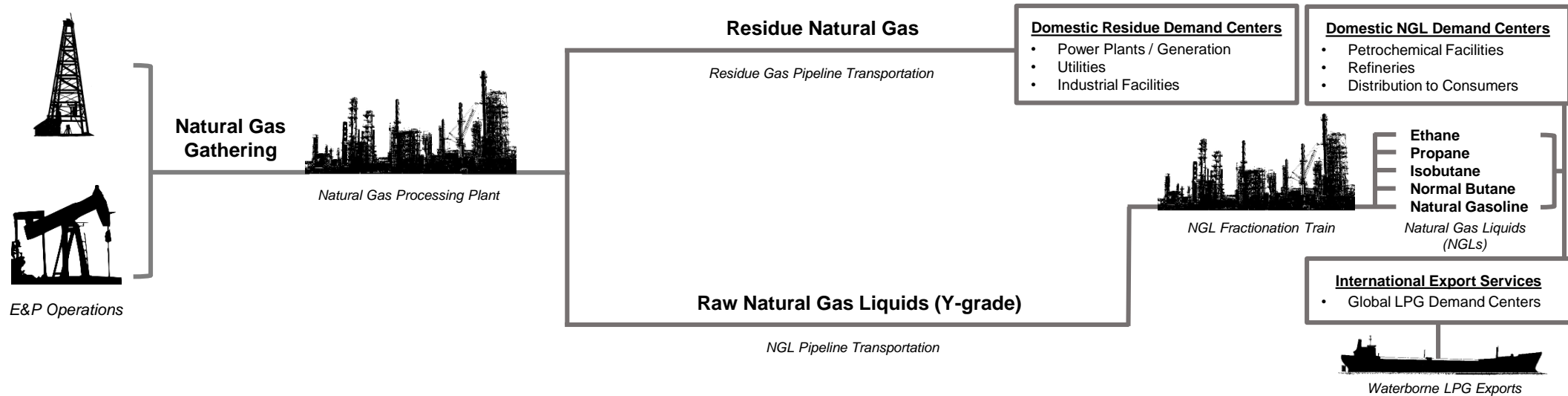
(2) Includes both 110 MBbl/d Trains 7 and 8 expansions underway in Mont Belvieu

(3) Directly linked to Mont Belvieu, the US NGL hub, which handles the majority of US NGLs; expansion underway to increase capacity up to 15 million barrels per month in Q3 2020

Targa Business Overview



Portfolio of Integrated Assets Across Natural Gas and Natural Gas Liquids Value Chain





A Core Energy Infrastructure Holding

Premier Asset Position	Visible Growth	Financial Discipline	Positioned for Long-Term Success
<ul style="list-style-type: none">▪ One of the largest G&P positions in the Permian Basin with significant access to NGL supply▪ Integrated asset platform: top-tier basins; Grand Prix Pipeline to Downstream▪ Downstream NGL business connected to US domestic hub and international demand	<ul style="list-style-type: none">▪ Capital investments largely complete, driving sustainable fee-based growth outlook▪ Transformative growth has increased size, scale and enhanced business diversity▪ Ramping EBITDA significantly increases free cash flow over forecast period	<ul style="list-style-type: none">▪ Strong track-record of financial execution to preserve balance sheet strength▪ Balance sheet metrics improving from recently completed growth projects▪ Disciplined capital allocation bolsters long-term shareholder value	<ul style="list-style-type: none">▪ Asset platform aligns with key energy supply and demand fundamentals▪ Investments enhance integration across the value chain and strengthens competitive position▪ Single C-Corp public security and excellent alignment with common shareholders
~\$10 Billion Market Cap⁽¹⁾ ~\$18 Billion Enterprise Value	~75% Fee-Based Operating Margin⁽²⁾		\$3.64/share Annual Dividend

Integrated Platform Supports Increasing Fee-Based Profile



Business Mix and Fee-Based Profile⁽¹⁾



Integrated Midstream Platform Strengthens the Durability of Targa's Earnings and Cash Flow Profile

Increasing Fee-Based Trajectory

- **Migration of business mix towards Downstream driven by Targa's integrated midstream platform, recently completed growth projects and expansions underway**
 - ▶ Grand Prix Pipeline volume ramp
 - ▶ Fractionation expansions underway
 - ▶ LPG export expansion underway
- **G&P segment growth is predominantly fee-based**
 - ▶ Delaware Basin processing expansions underway
 - ▶ Badlands processing growth
- **Enhanced focus in increasingly adding fee-based margin across G&P**

(1) Business mix and fee-based profile based on 2019E operating margin

(2) Fee-based margin in Gathering & Processing segment includes Badlands (fully consolidated operating margin), SouthOK, SouthTX and significant portions of Permian and WestOK



Strategic Outlook

Focus in recent years has been to transform into a fully integrated midstream company with scale and asset diversity

- Transformation of asset footprint from growth capital investments is largely complete

Targa's Grand Prix NGL Pipeline was the missing piece of the integrated platform advantage

- ~\$2 billion project and largest capital investment in Targa's history
- In-service and flowing significant volumes to Mont Belvieu that are expected to grow over time

Heavily invested in supply aggregation through our premier G&P footprint with connectivity to downstream demand

- Since 2015, ~\$8.5 billion in capital invested across the Targa value chain
- Supply aggregation – Gathering & Processing
 - ▶ Added 15 new plants with an aggregate 2.7 Bcf/d of incremental processing capacity
- Demand markets – Downstream (Fractionation and Exports)
 - ▶ Added frac trains 5, 6, 7 and 8 with an aggregate 420 MBbl/d incremental fractionation capacity in Mont Belvieu, the premier U.S. NGL market hub
 - ▶ LPG export debottlenecking and expansions that will bring capacity up to 15 MMBbl/month⁽¹⁾





Next Phase: Optimize and Continue to Invest in Asset Base

- **Focus on Operating our Business and Assets More Efficiently**
 - ▶ Continue to focus on safety and improvement across all business functions in the Company
 - ▶ Optimizing our integrated business from G&P through Downstream
- **Continue to Invest in our Business – Right-Sizing Future Organic Investments**
 - ▶ Scrutiny on new capital projects focused on aligning capital spend with strategic priorities and cash flow from operations going forward
 - ▶ Quarterly business unit reviews, deal reviews and other internal processes focused on organizational alignment on capital allocation, contracting and cash flow generation
- **Improving Cash Flow Profile from Recently Completed Growth Projects**
 - ▶ Increasing EBITDA, strengthening financial metrics and more moderate capital expenditures
 - ▶ Moving towards free cash flow
- **Stronger Balance Sheet and Increasing Fee-Based Cash Flows Looking Forward**
 - ▶ Trajectory of improving Targa balance sheet; enhances our path towards becoming investment-grade
 - ▶ Integrated midstream platform strengthens the durability of and increases Targa's fee-based earnings and cash flow profile



Strengthening Financial Profile



- **Increasing cash flows and strengthening dividend coverage are expected to continue to improve**
 - ▶ Increasing Adjusted EBITDA and cash flow outlook from recently completed growth projects provides strong momentum for 2020
 - ▶ Targa's net growth capex substantially moderates as major expansions are largely complete; 2020 net growth capex estimated to be approximately \$1.2 - \$1.3 billion
- **Focused on continuing to manage the balance sheet prudently over the short- and long-term**
 - ▶ Targa expects to benefit from rapid deleveraging over time with focus on balance sheet management
 - ▶ Continue to evaluate and execute asset sales to reduce leverage and focus on core operations
- **Scrutiny on new capital projects focused on aligning capital spend with available cash flow going forward**
 - ▶ Continue to scrutinize and focus on identifying strategic opportunities that leverage core integrated strategy of touching the molecule multiple times, for example, G&P → Grand Prix → Mont Belvieu → Export Markets
 - ▶ Increasing fee-based margin outlook is driven by integrated midstream platform; enhanced focus on increasing fee-based margin across G&P
- **Partial interest sale of the Badlands and other asset sales through 2019 funded the equity portion of Targa's capital program**



Key Takeaways

Integrated & Strategically Located Assets

- Right assets in the right places - premier position in the Permian Basin and G&P volume growth further increases Downstream asset utilization
- Grand Prix NGL Pipeline bolsters integrated infrastructure capabilities and connects growing premier basin supply to premier demand market hub for NGLs

Visible Growth Outlook

- Increasing EBITDA and fee-based margin outlook underpinned by attractive organic growth projects and expansions underway
- Integrated midstream platform to drive continued commercial success and strengthen durability of cash flow profile

Benefiting from Key Domestic Energy Themes

- Continued strong long-term outlook for Permian Basin growth, complemented by significant size, scale and operating leverage further strengthens Targa's competitiveness
- Strong Downstream connection with Permian and other basins enhanced by demand pull from petrochemical expansions and positive long-term fundamentals for international LPG exports

Financially Disciplined

- Significant incremental EBITDA growth expected through 2021+ strengthens balance sheet outlook and to drive increasing free cash flow
- Disciplined capital allocation to bolster long-term shareholder value

Integrated Infrastructure Platform

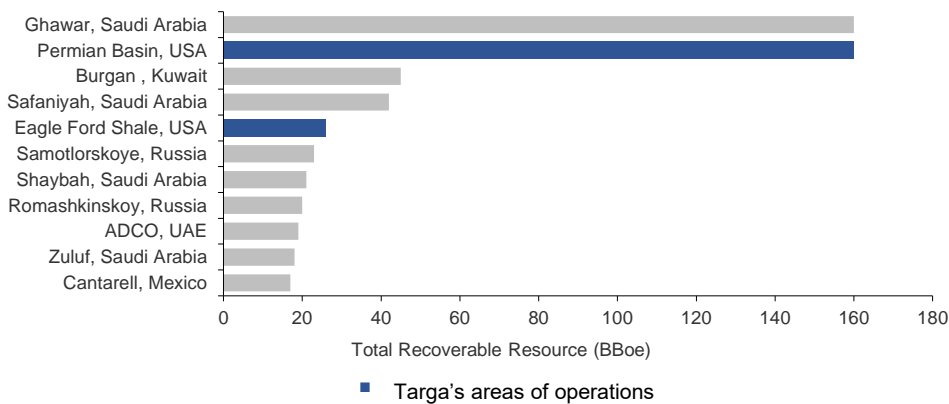




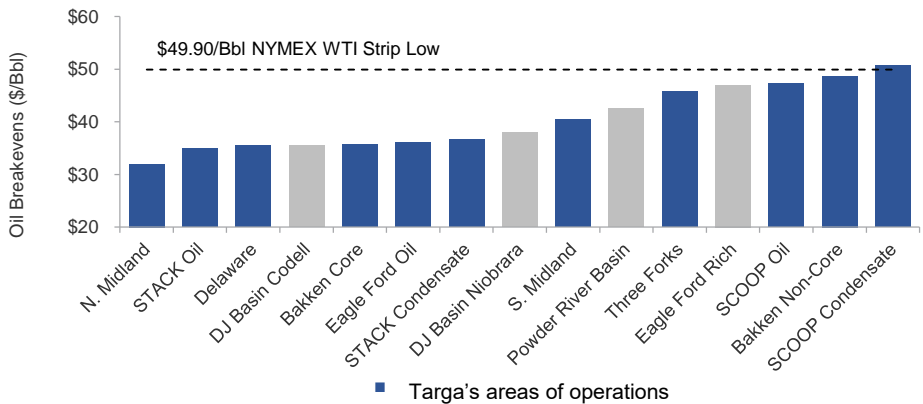
Permian Basin is a World Class Resource

- The Permian Basin's multi-stack shale formation delivers low-cost, highly economic drilling inventory supporting a multi-decade growth platform

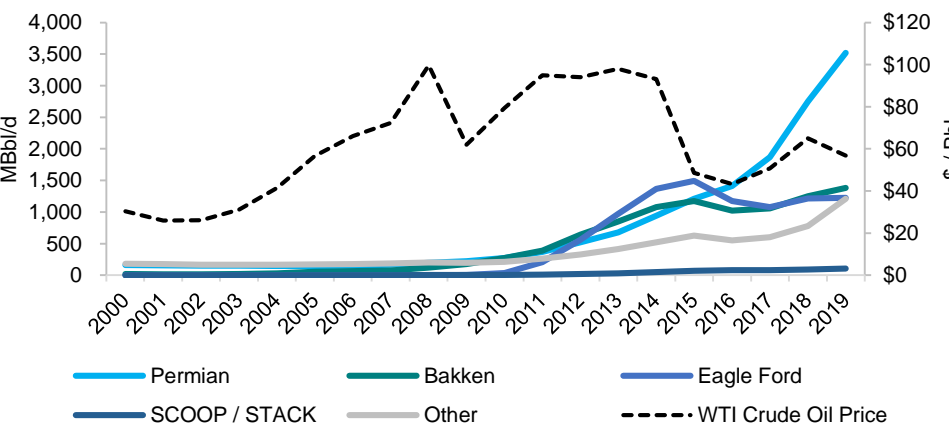
Substantial Recoverable Resources⁽¹⁾



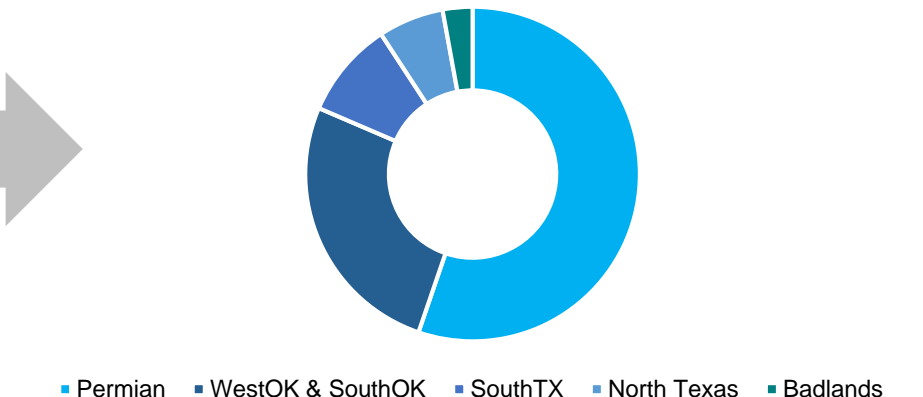
Basin Breakeven Prices⁽²⁾



U.S. Production Growth Engine⁽³⁾



Targa G&P Plant Natural Gas Inlet Volume, MMcf/d⁽⁴⁾

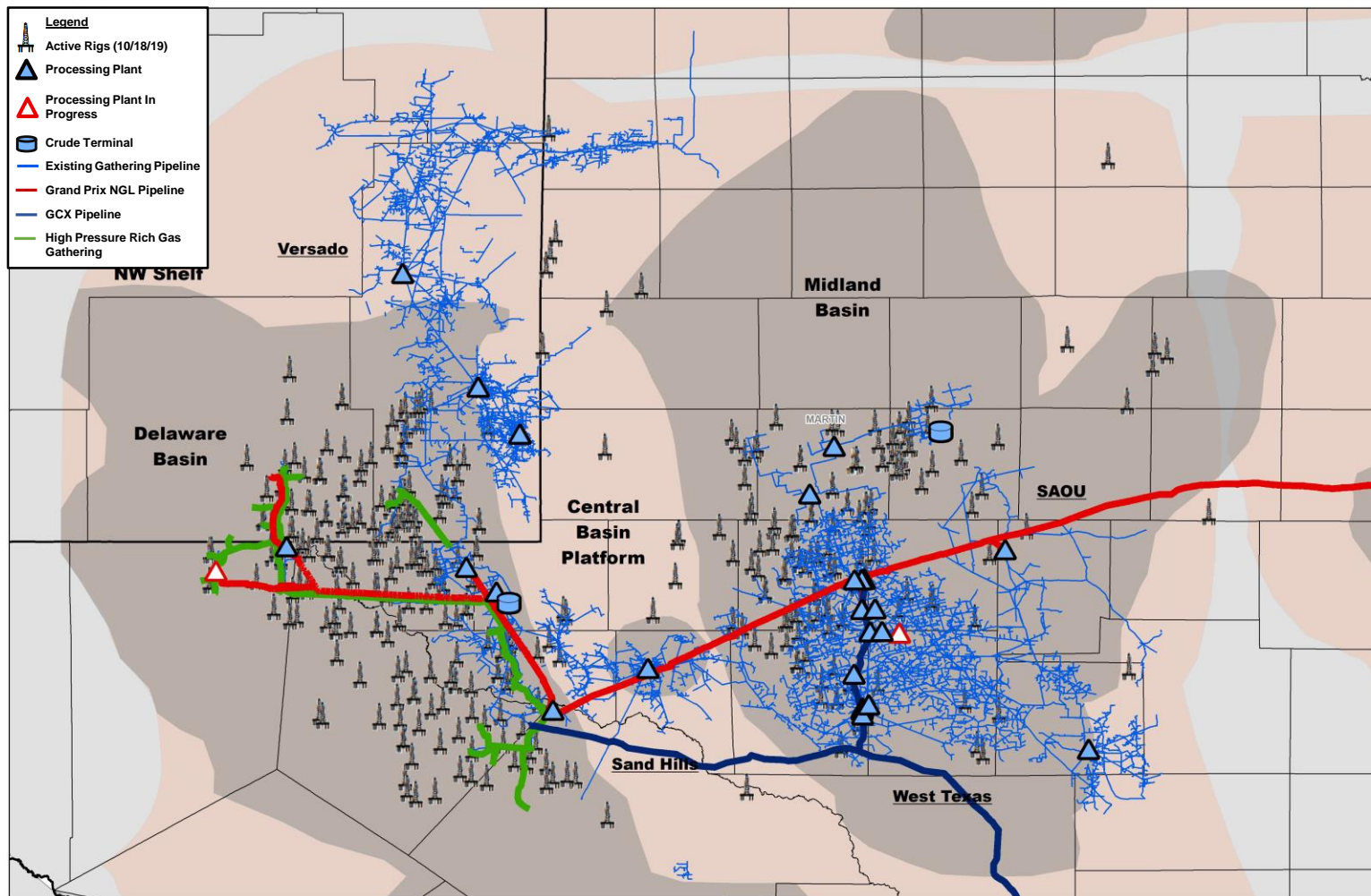


(1) IEA; resources include oil and gas
(2) Self-side research; strip low in 2021 as of October 8, 2019; breakevens assume \$3.00/Mmbtu gas pricing and 15% pre-tax return
(3) EIA short-term energy outlook data as of 9/30/2019
(4) Based on average inlet for nine months ended 9/30/2019; Targa Badlands also includes significant crude gathering infrastructure position

Targa's Premier Permian Infrastructure



Asset position across the Midland and Delaware Basins offers competitive and integrated G&P, NGL transportation and fractionation services to producer customers



Multi-plant, multi-system Permian footprint, complemented by Grand Prix and GCX pipeline integration

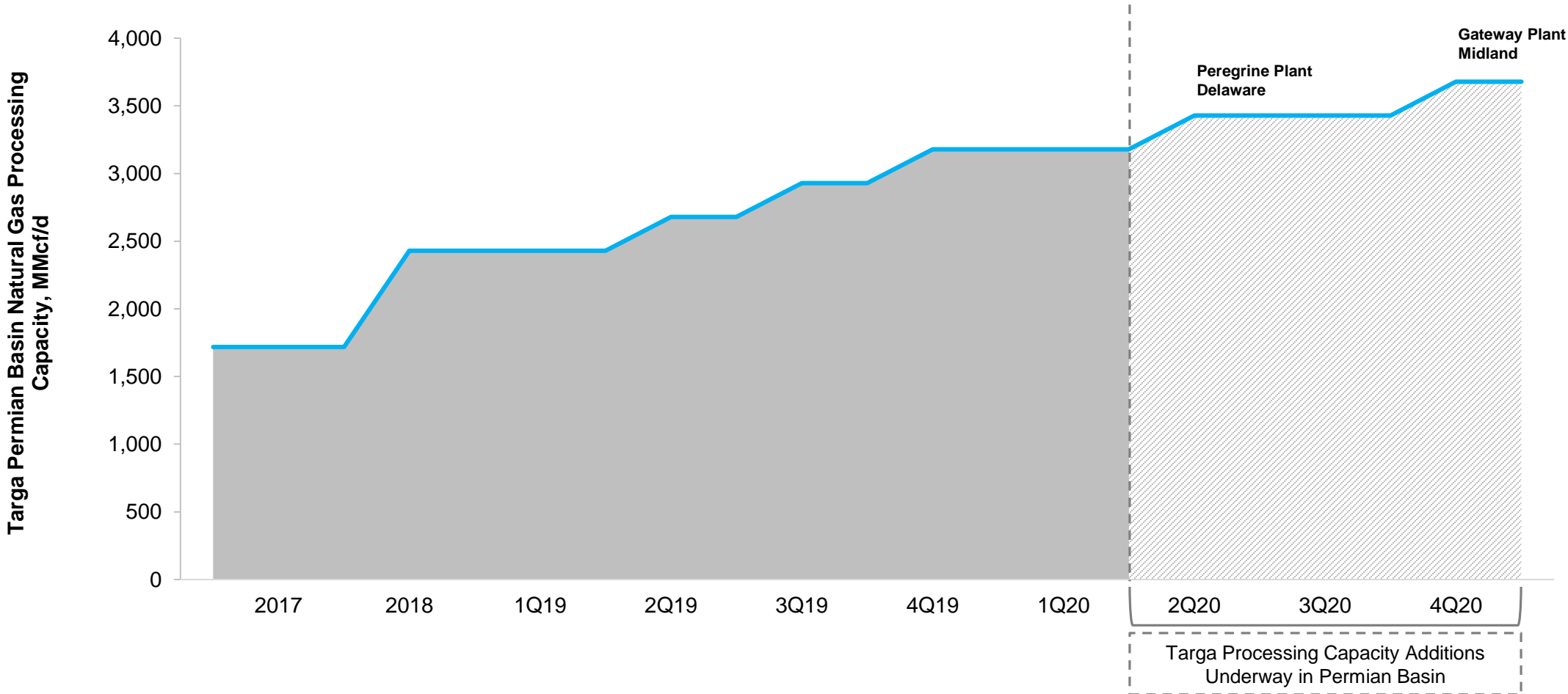
One of the largest Permian G&P positions supports significant acreage dedications from diverse producer group

~3.7 Bcf/d⁽¹⁾ of total gross natural gas processing capacity by Q4 2020



Aggregator Of Permian Associated Gas Supply

- Targa’s Permian natural gas processing expansions are driven by producer needs for incremental infrastructure, resulting in increasing NGL supply managed by Targa





Downstream Assets: Linking Supply to Demand

Growing Targa and third-party NGL supply

Grand Prix connects growing NGL supply to NGL market hub and to Targa Downstream assets

Premier fractionation ownership position in Mont Belvieu

Superior connectivity to growing petrochemical complex

Most flexible LPG export facility along the US Gulf Coast; substantially contracted over the long-term

Mont Belvieu is unique - The US NGL market hub developed over decades of industry investment

- ✓ Y-grade (mixed) NGL supply coming from basins across the country
- ✓ Spec product NGL demand
- ✓ Ideal underground salt dome storage for NGLs
- ✓ An interconnected petrochemical complex that grew up around Mont Belvieu

Targa's infrastructure network is very well positioned and exceedingly difficult to replicate -

superior assets in Mont Belvieu, with connectivity to supply, fractionation, storage, terminaling infrastructure, and connectivity to demand (petrochemical complex and exports)

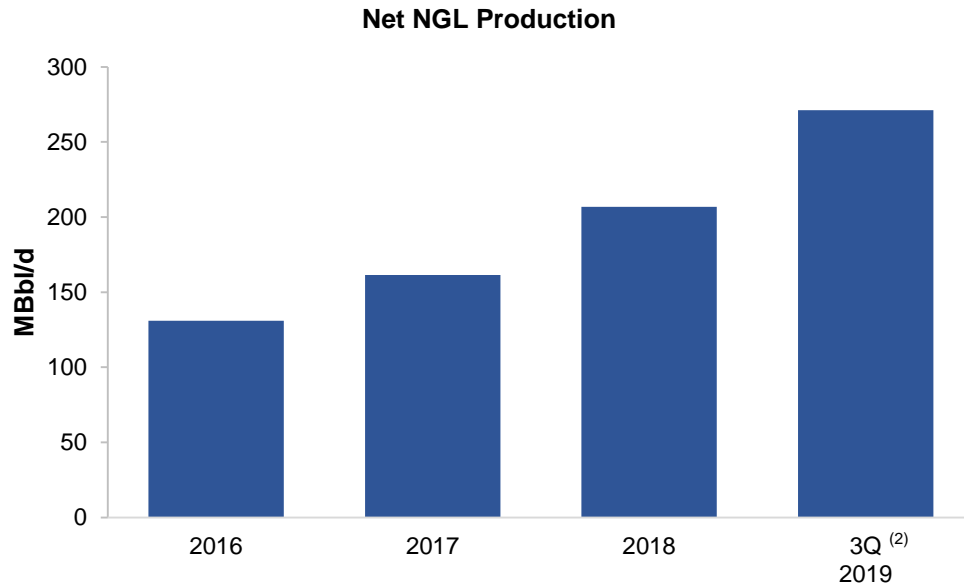
Grand Prix NGL Pipeline directs more volumes to Targa fractionation and export facilities -

improves linkage of supply to demand with advantages for Targa customers and Targa Downstream assets

Growing NGL Production Feeds Targa's Fractionation Assets

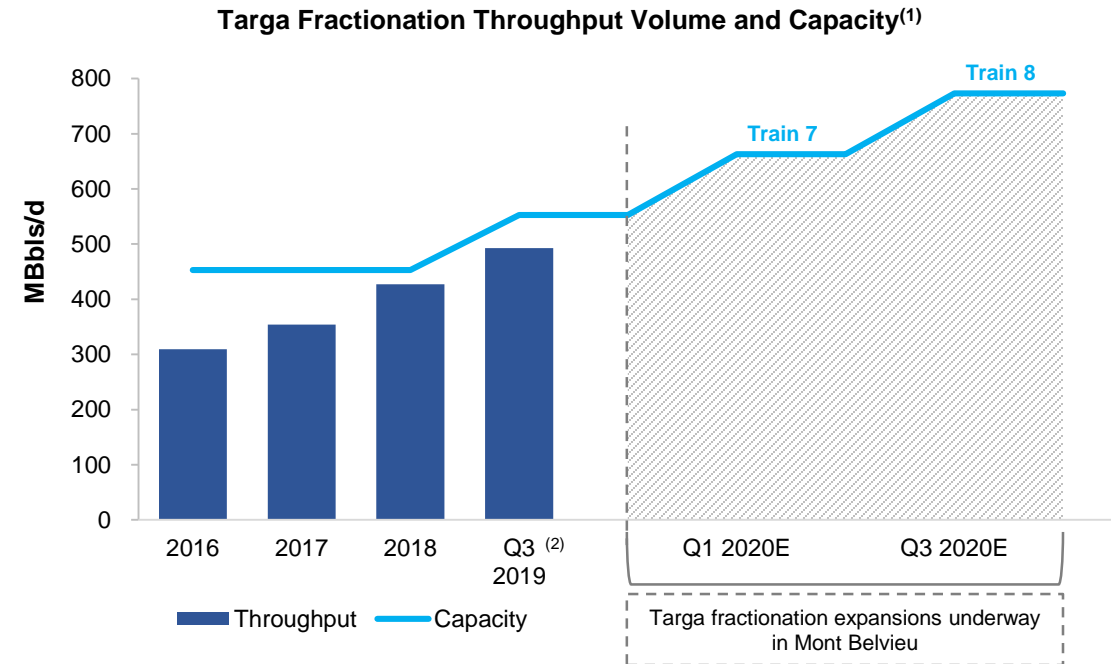


Significant NGLs from Targa Permian Plants



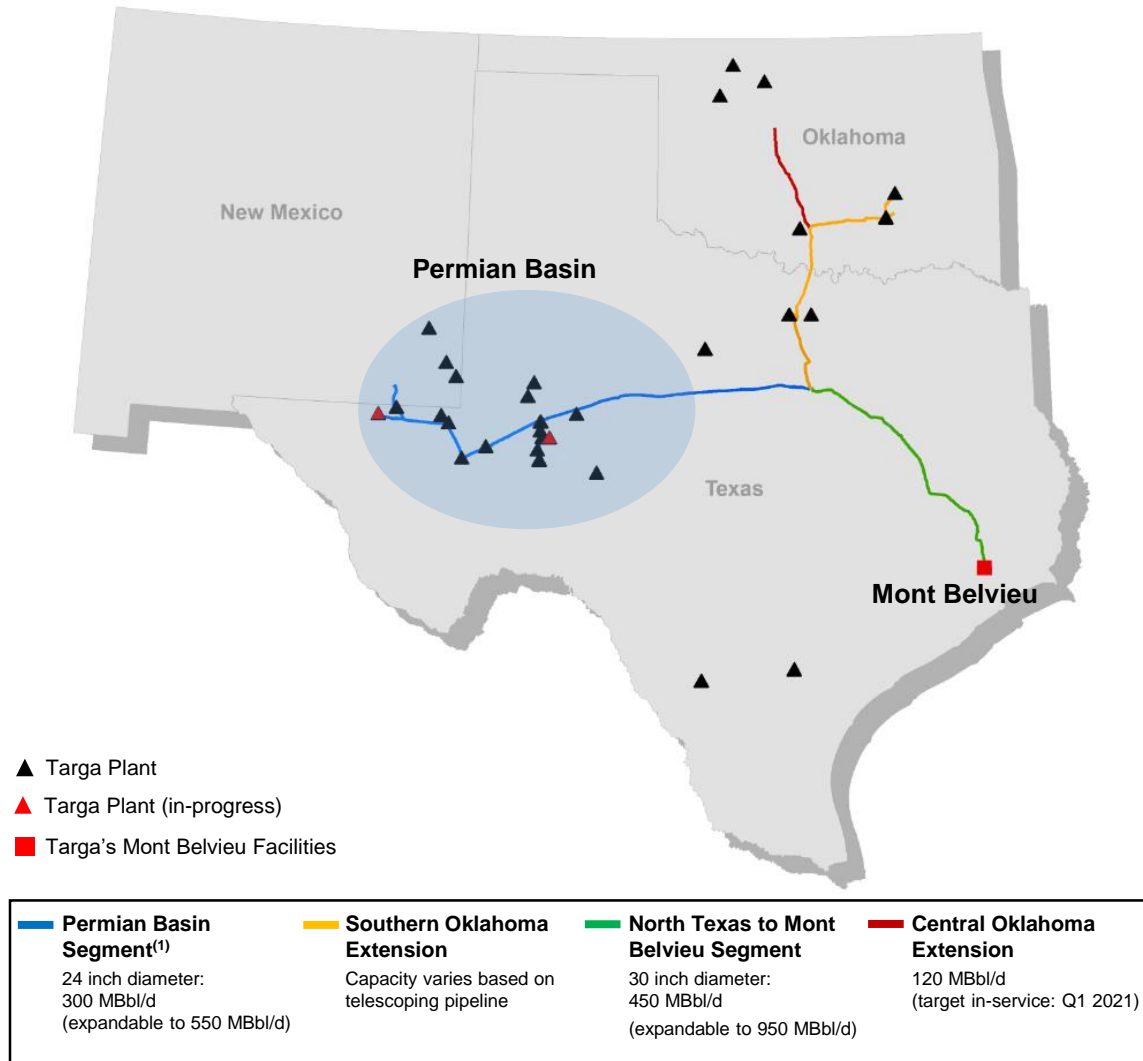
- Targa is currently one of the largest daily movers of NGLs in the Permian Basin
- Targa's Permian NGL production outlook is expected to continue to increase as a result of its incremental processing capacity expansions recently completed and underway
- Targa can direct the vast majority of its NGL production to its fractionation facilities in Mont Belvieu, which has led to significant growth in fractionation volumes over the same time frame

Robust Targa Fractionation Outlook



- 100 MBbl/d Train 6 began operations in Q2 2019
- Additional 220 MBbl/d from Trains 7 and 8 will begin operations late Q1 2020 and late Q3 2020, respectively
- Continued production growth and continued commercial success further increase fractionation volume outlook
- Grand Prix NGL Pipeline will direct significant NGL volumes to Targa's fractionation complex

Growing NGL Production Feeds Grand Prix



Grand Prix Deliveries into Mont Belvieu:

- During September 2019, Grand Prix deliveries into Mont Belvieu averaged ~230 MBbl/d



Grand Prix Volumes Expected to Continue to Increase:

- Incremental Targa Permian processing plant expansions underway⁽¹⁾
 - 250 MMcf/d Falcon Plant (online end of 3Q19)
 - 250 MMcf/d Peregrine Plant (2Q20)
 - 250 MMcf/d Gateway Plant (4Q20)
- Additional third-party volumes
 - Grand Prix extension into the STACK play in Oklahoma that is supported by significant long-term transportation and fractionation volume dedications and commitments from Williams (online 1Q21)
- Increasing third-party volume commitments
- Continued production growth and continued commercial success
- Expiration of Targa's obligations on other third-party NGL pipelines

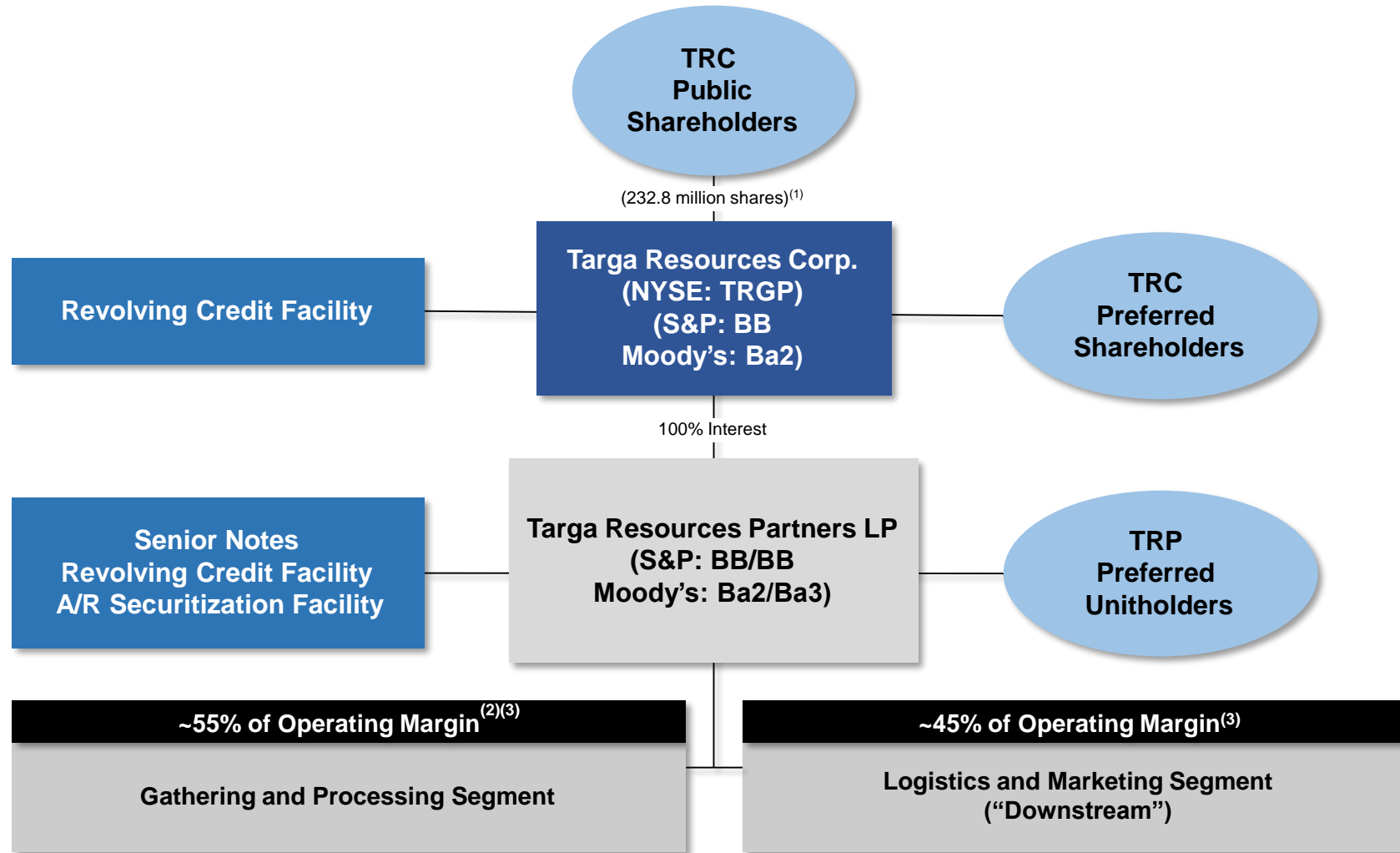
Low-Cost Expansion Potential Further Enhances Project Return:

- Targa can expand pipeline's capacity by adding pump stations as needed over time, with relatively low additional capital outlay (estimated to be less than 10% of total project cost)

Organizational and Financial Information



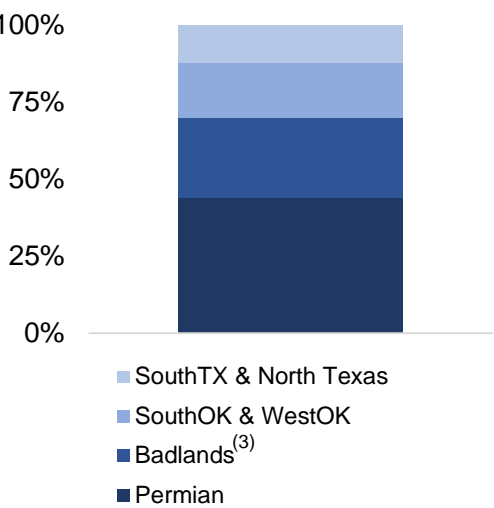
Corporate Structure



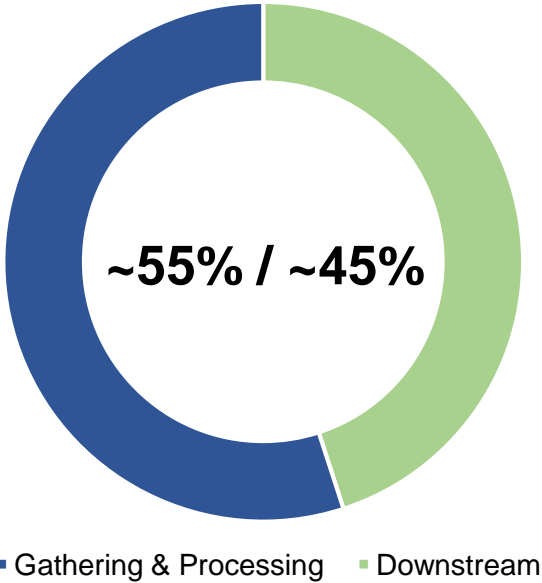


Business Mix and Hedging Program

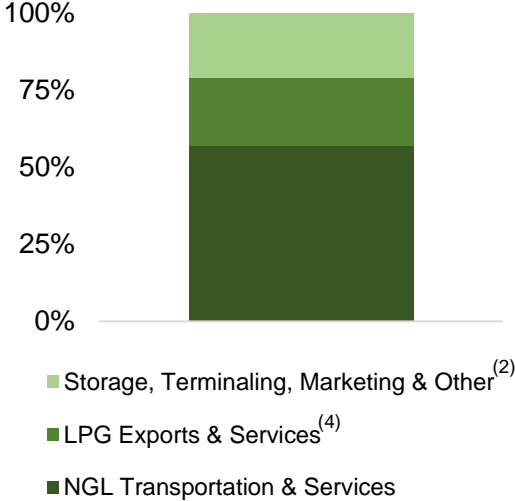
Field Gathering & Processing
Operating Margin 2019E⁽¹⁾



Business Mix –
Segment Operating Margin⁽¹⁾



Downstream
Operating Margin 2019E⁽¹⁾



Hedging Program Further Strengthens Cash Flow Stability

Field G&P Hedging Update							
Commodity	Balance 2019			Commodity	2020		
	Volumes Hedged	Wtd. Avg. Hedge Price ⁽⁵⁾	Exposure Hedged (%) ⁽⁶⁾		Volumes Hedged	Wtd. Avg. Hedge Price ⁽⁵⁾	Exposure Hedged (%) ⁽⁶⁾
Natural Gas (MMBtu/d)	172,254	\$2.29	~80%	Natural Gas (MMBtu/d)	96,130	\$1.92	~50%
NGLs (Bbl/d) ⁽⁷⁾	30,878	\$0.66	~85%	NGLs (Bbl/d) ⁽⁷⁾	20,305	\$0.62	~55%
Condensate (Bbl/d)	4,630	\$53.77	~80%	Condensate (Bbl/d)	4,140	\$58.72	~70%

(1) Based on forecasted 2019E operating margin, before the impact from our hedging activities presented in Other
 (2) Marketing & Other includes Domestic NGL Marketing (Wholesale Propane, Refinery Services, Commercial Transportation), Gas Marketing & Petroleum Logistics
 (3) Fully consolidated operating margin
 (4) 2019E operating margin includes only current contract volumes
 (5) Weighted average hedge prices assumes put prices for collars
 (6) Based on current equity volumes
 (7) Targa's composite NGL barrel comprises 38% ethane, 34% propane, 5% isobutene, 13% normal butane, and 10% natural gasoline

2019 Announced Net Growth Capex



- 2019E net growth capex based on announced projects estimated at ~\$2.4 billion
 - With the vast majority of announced projects now online, Targa's 2020E net growth capex is estimated to be significantly lower than 2019E⁽¹⁾
 - Projects underpin an increasing fee-based and operating margin outlook, with ~80% of total project capex focused on the Permian Basin

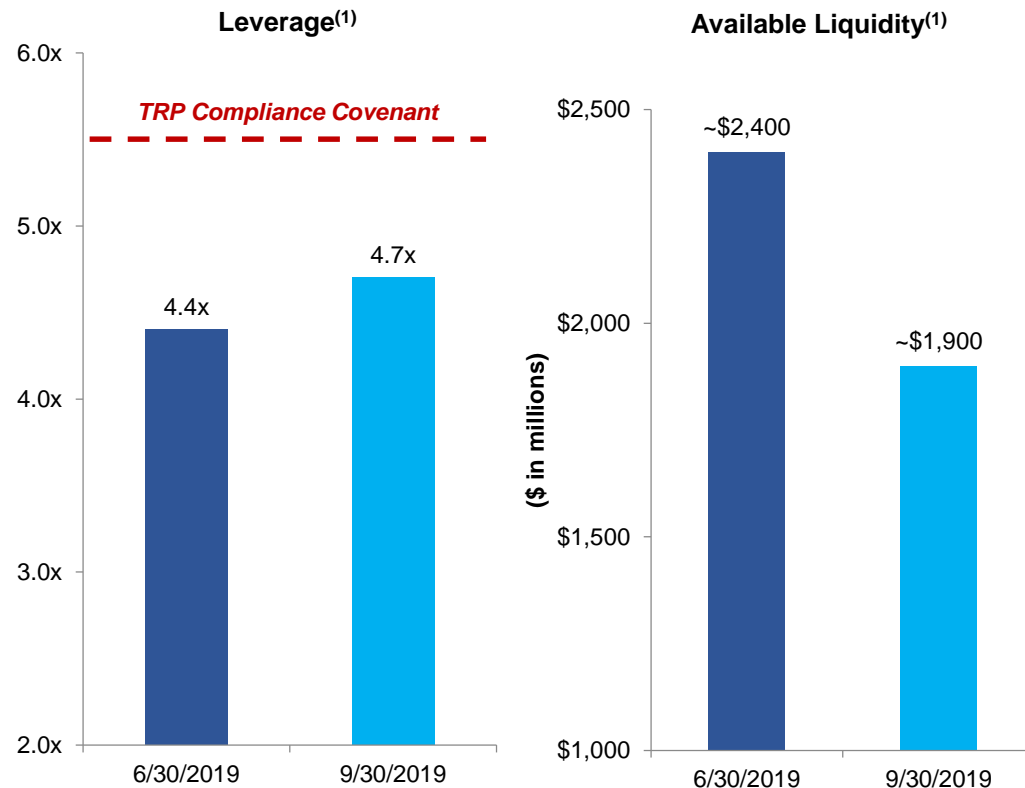
(\$ in millions)	Location	2019E Net Growth Capex	Expected Completion	Primarily Fee-Based
250 MMcf/d WestTX Hopson Plant and Related Infrastructure	Permian - Midland		Online (Q2 2019)	
250 MMcf/d WestTX Pembroke Plant and Related Infrastructure	Permian - Midland		Online (Q3 2019)	
250 MMcf/d WestTX Gateway Plant and Related Infrastructure	Permian - Midland		Q4 2020	
Additional Permian Midland Gas and Crude Gathering Infrastructure	Permian - Midland		2019	
Total Permian - Midland	Permian - Midland	\$325		
250 MMcf/d Falcon Plant and Related Infrastructure	Permian - Delaware		Online (Late Q3 2019)	✓
250 MMcf/d Peregrine Plant and Related Infrastructure	Permian - Delaware		Q2 2020	✓
High Pressure Rich Gas Gathering Pipelines	Permian - Delaware		Online (2019)	✓
Additional Permian Delaware Gas and Crude Gathering Infrastructure	Permian - Delaware		2019	✓
Total Permian - Delaware	Permian - Delaware	\$575		✓
Grand Total Permian	Permian	\$900		
Central Additional Gas Gathering Infrastructure	Central		2019	
Total Central	Eagle Ford, STACK, SCOOP	\$60		✓
200 MMcf/d Little Missouri 4 Plant and Related infrastructure	Bakken		Online (Q3 2019)	✓
Additional Bakken Gas and Crude Gathering Infrastructure	Bakken		2019	✓
Total Badlands	Bakken	\$125		✓
Total - Gathering and Processing		\$1,085		✓
Grand Prix NGL Pipeline	Permian Basin to Mont Belvieu		Online (Q3 2019)	✓
Fractionation Train 6 and Other Frac Related Infrastructure ⁽²⁾	Mont Belvieu		Online (Q2 2019)	✓
Fractionation Train 7 and Other Frac Related Infrastructure ⁽²⁾	Mont Belvieu		Late Q1 2020	✓
Fractionation Train 8 and Other Frac Related Infrastructure ⁽²⁾	Mont Belvieu		Late Q3 2020	✓
Gulf Coast Express Pipeline	Permian to Agua Dulce		Online (Late Q3 2019)	✓
LPG Export Expansion	Galena Park		Q3 2020	✓
Downstream Other Identified Spending	Mont Belvieu		2019	✓
Total - Downstream		\$1,315		✓
Net Growth Capex - Announced Projects		\$2,400		✓



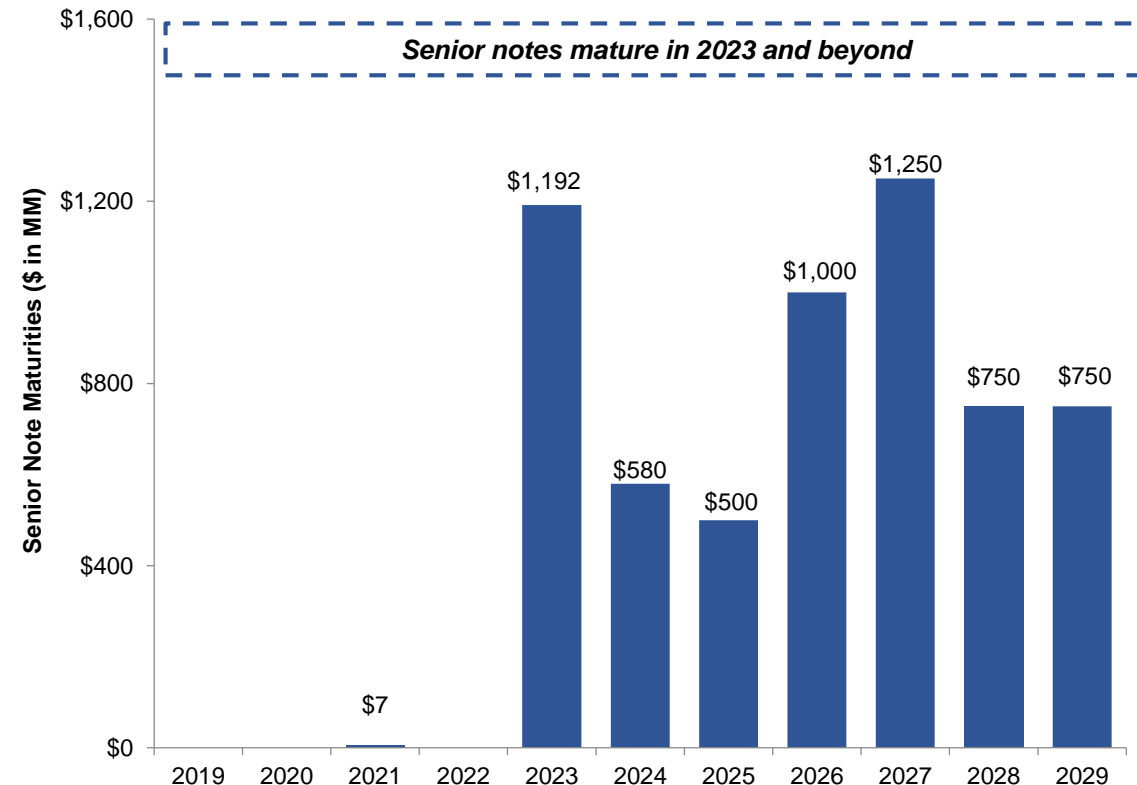
Financial Position and Leverage

- Protecting the balance sheet while maintaining flexibility remain key objectives
- Strong available liquidity position of ~\$1.9 billion
- Leverage metrics expected to improve as cash flow increases from new projects placed into service

Leverage and Liquidity



Senior Note Maturities

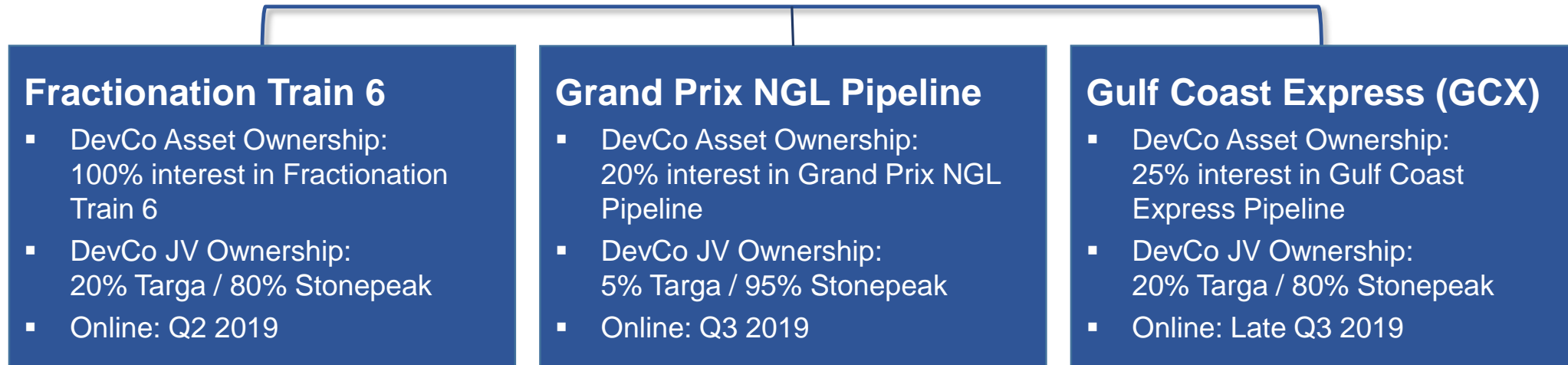




DevCo Joint Ventures

- **Highly strategic ‘pure-play’ Permian assets within the DevCo JVs are now online**
 - ✓ Targa retains the upside of projects given the flexibility to buy back the interests over time
 - ✓ Targa has the option to acquire all or part of Stonepeak’s interests in the DevCo JV assets over a 4-year period, and the option period commenced late Q3 2019
 - ✓ Targa may acquire up to 50% of Stonepeak’s invested capital in multiple increments with a minimum of \$100 million, and would be required to acquire Stonepeak’s remaining 50% interest in the invested capital in a final single purchase
 - ✓ Purchase price is based on a predetermined, fixed return or multiple on invested capital, including distributions received by Stonepeak from the DevCo JVs⁽¹⁾

DevCo JV Assets



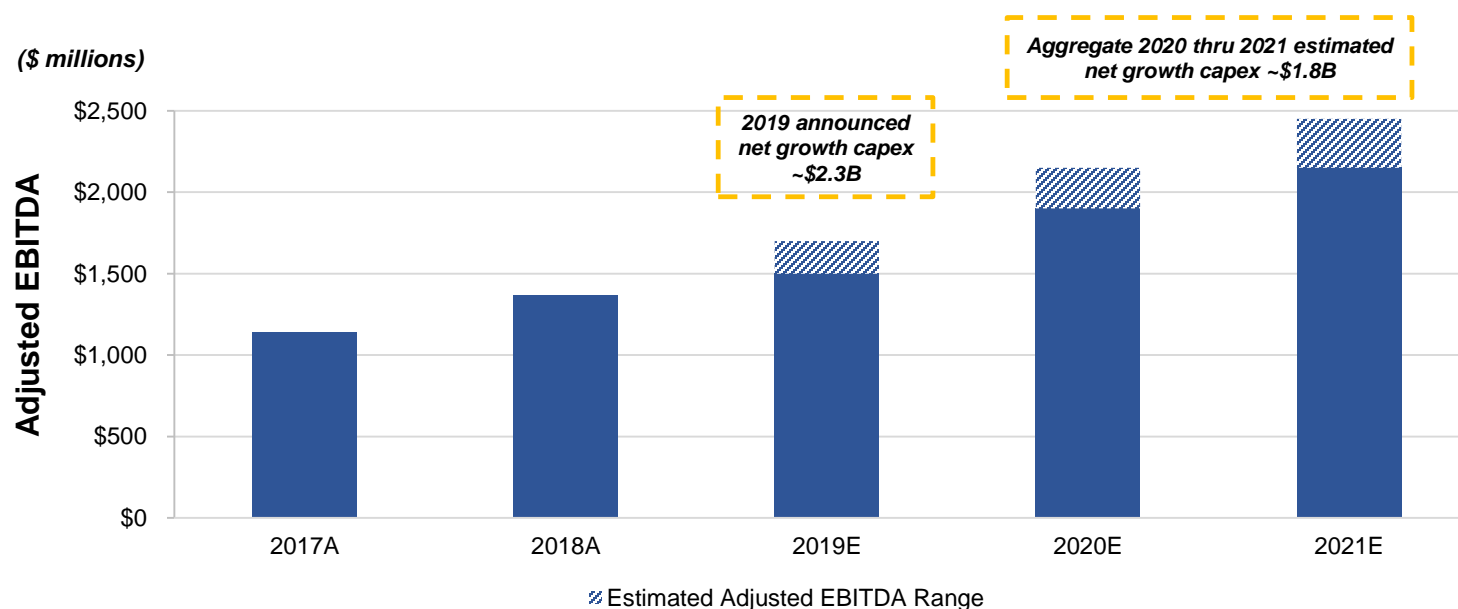
Longer-Term Outlook (*Published November 2018*)

High Visibility to Rapidly Increasing EBITDA



- Given the strength of fundamentals across Targa's areas of operation and a portfolio of attractive capital projects currently underway, Targa estimates significant year-over-year EBITDA growth
 - Growth capex generates attractive average 5-7x EBITDA multiples over time at the project level
 - Increasing free cash flow over time given growth capex estimated to decrease significantly after 2019
 - Assumes no LPG export business spot margin over the forecast period or growth wedges from commercial opportunities not yet executed

Announced Projects Drive Significant Accretive Growth⁽¹⁾⁽²⁾⁽³⁾



Additional EBITDA Growth Opportunities Post 2021E

- + Acquisition of DevCo JV interests
- + Additional G&P expansions
- + Additional fractionation expansions
- + Additional expansion of Grand Prix
- + Additional expansion of LPG export facilities
- + New commercial agreements across G&P and Downstream

Note: The above forecast has not been updated pro forma for the Badlands minority interest sale, Grand Prix extension into central Oklahoma and other activity

Sustainability and ESG



Safety, Environmental, Social and Governance



- As an energy infrastructure company focused on the transportation and storage of energy products, our operations are essential to the delivery of energy efficiently, safely, and reliably across the United States. At Targa Resources, we invest hundreds of millions of dollars each year to build new and expanded assets to deliver energy products that sustain and enhance the quality of life of our citizenry.
 - We strive to conduct our business safely and with integrity, creating lasting benefits to our stakeholders, including our investors, lenders, customers, employees, business partners, regulators and the communities in which we live and work.
- ✓ **Safety and operational excellence**
 - ✓ **Environmental stewardship**
 - ✓ **Strong alignment with shareholders**

Gathering & Processing Segment



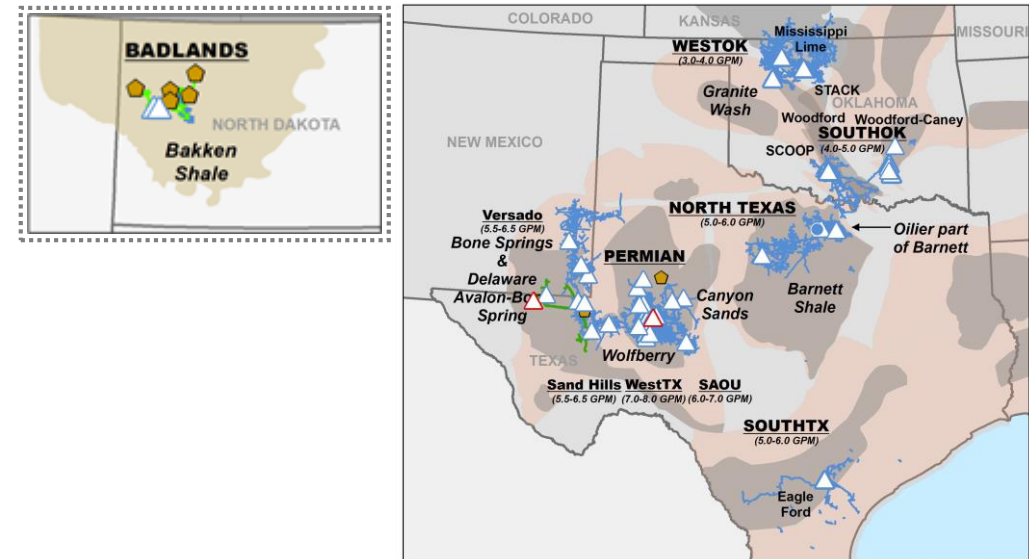
Extensive Field Gathering and Processing Position



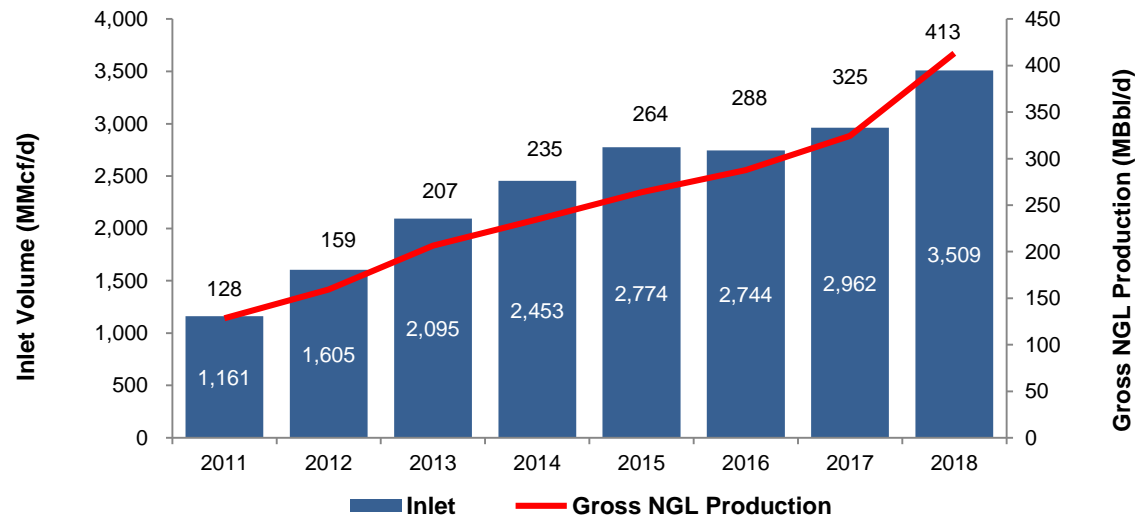
Summary

- ~6.3 Bcf/d of gross processing capacity⁽¹⁾⁽²⁾⁽³⁾
- Significant acreage dedications in the Permian Basin, Bakken, SCOOP, STACK and Eagle Ford
- G&P capacity additions underway:
 - 500 MMcf/d of additional processing capacity additions underway in the Permian Basin
- Mix of POP and fee-based contracts

Footprint



Volumes (Pro Forma Targa All Years)



	Est. Gross Processing Capacity (MMcf/d)	Miles of Pipeline ⁽³⁾
Permian - Midland ⁽¹⁾	2,379	6,500
Permian - Delaware ⁽²⁾	1,300	5,700
Permian Total	3,679	12,200
SouthTX	660	1,000
North Texas	478	4,700
SouthOK	710	2,200
WestOK	458	6,500
Central Total	2,306	14,400
Badlands	290	750
Total	6,275	27,350

(1) Includes Gateway Plant (expected in Q4 2020)

(2) Peregrine Plant (expected in Q2 2020)

(3) Total active natural gas, NGL and crude oil gathering pipeline mileage as of December 31, 2018
Note: WestTX system in Permian Midland is owned 72.8% Targa; 27.2% Pioneer (PXD)

Permian – Midland Basin



Summary

- **Interconnected WestTX and SAOU systems located across the core of the Midland Basin**
 - ▶ JV between Targa (72.8% ownership and operator) and PXD (27.2% ownership) in WestTX
- **Operate natural gas gathering and processing and crude gathering assets**
 - ▶ Traditionally POP contracts, with added fees and fee-based services for compression, treating, etc.
 - ▶ Strategic focus towards increasing fee-based margin across G&P

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcft/d)	Q3 2019 Net Plant Inlet (MMcft/d)	Q3 2019 Net NGL Production (MBbl/d)	Q3 2019 Crude Oil Gathered (MBbl/d)	Miles of Pipeline
(1) Consolidator	72.8%	Reagan, TX	150				
(2) Driver	72.8%	Midland, TX	200				
(3) Midkiff	72.8%	Reagan, TX	80				
(4) Benedum	72.8%	Upton, TX	45				
(5) Edward	72.8%	Upton, TX	200				
(6) Buffalo	72.8%	Martin, TX	200				
(7) Joyce	72.8%	Upton, TX	200				
(8) Johnson	72.8%	Midland, TX	200				
(9) Hopson	72.8%	Midland, TX	250				
(10) Pembroke	72.8%	Upton, TX	250				
(11) Gateway ^(a)	72.8%	Reagan, TX	250				
WestTX Total			2,025				4,700
(12) Mertzson	100.0%	Irion, TX	52				
(13) Sterling	100.0%	Sterling, TX	92				
(14) High Plains	100.0%	Midland, TX	200				
(15) Tarzan	100.0%	Martin, TX	10				
SAOU Total			354				1,800
Permian Midland Total^{(b)(c)(d)}			2,379	1,547	217	95	6,500

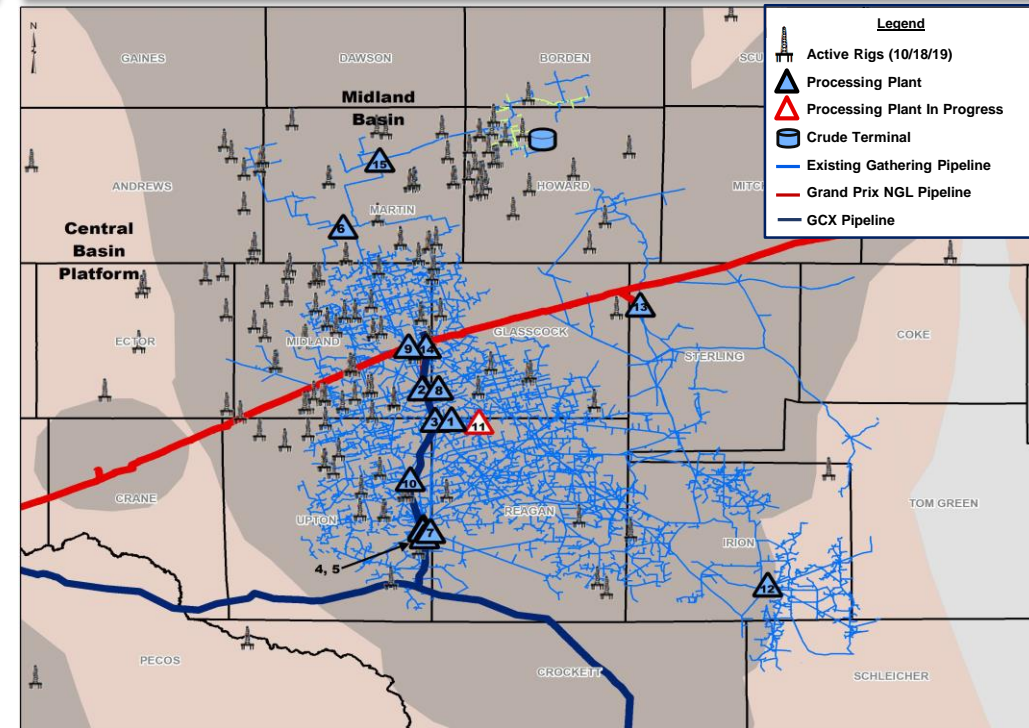
^(a) Expected to be complete Q4 2020

^(b) Total estimated gross capacity by Q4 2020

^(c) Crude oil gathered includes Permian - Midland and Permian - Delaware

^(d) Total gas and crude oil pipeline mileage

Asset Map and Rig Activity⁽¹⁾



Expansions Recently Completed and Underway

- 200 MMcf/d Joyce Plant completed in Q1 2018
- 200 MMcf/d Johnson Plant completed in Q3 2018
- 250 MMcf/d Hopson Plant completed in Q2 2019
- 250 MMcf/d Pembroke Plant completed in Q3 2019
- 250 MMcf/d Gateway Plant to be completed in Q4 2020

Permian – Delaware Basin



Summary

- Interconnected Versado and Sand Hills capturing growing production from Delaware Basin (also connected to Permian - Midland)
- Operate natural gas gathering and processing and crude gathering assets
 - Primarily fee-based, along with POP contracts

Long-term fee-based agreements with Large Investment Grade Energy Company

- Long-term fee-based agreements with an investment grade energy company for G&P services in the Delaware Basin. The agreements with Targa are underpinned by the customer's dedication of significant acreage within a large well-defined area in the Delaware Basin
- Targa will also provide fee-based transportation services on Grand Prix and fractionation services at its Mont Belvieu complex for a majority of the NGLs from the Falcon and Peregrine Plants

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcfd)	Q3 2019 Gross Plant Inlet (MMcfd)	Q3 2019 Gross NGL Production (MBbl/d)	Q3 2019 Crude Oil Gathered (MBbl/d)	Miles of Pipeline
(1) Saunders	100.0%	Lea, NM	60				
(2) Eunice	100.0%	Lea, NM	110				
(3) Monument	100.0%	Lea, NM	85				
Versado Total			255				3,500
(4) Loving Plant	100.0%	Loving, TX	70				
(5) Wildcat	100.0%	Winkler, TX	250				
(6) Oahu	100.0%	Pecos, TX	60				
(7) Sand Hills	100.0%	Crane, TX	165				
(8) Falcon	100.0%	Culberson, TX	250				
(9) Peregrine ^(a)	100.0%	Culberson, TX	250				
Sand Hills Total			1,045				2,200
Permian Delaware Total^{(c)(d)(e)}			1,300	629	82	95	5,700

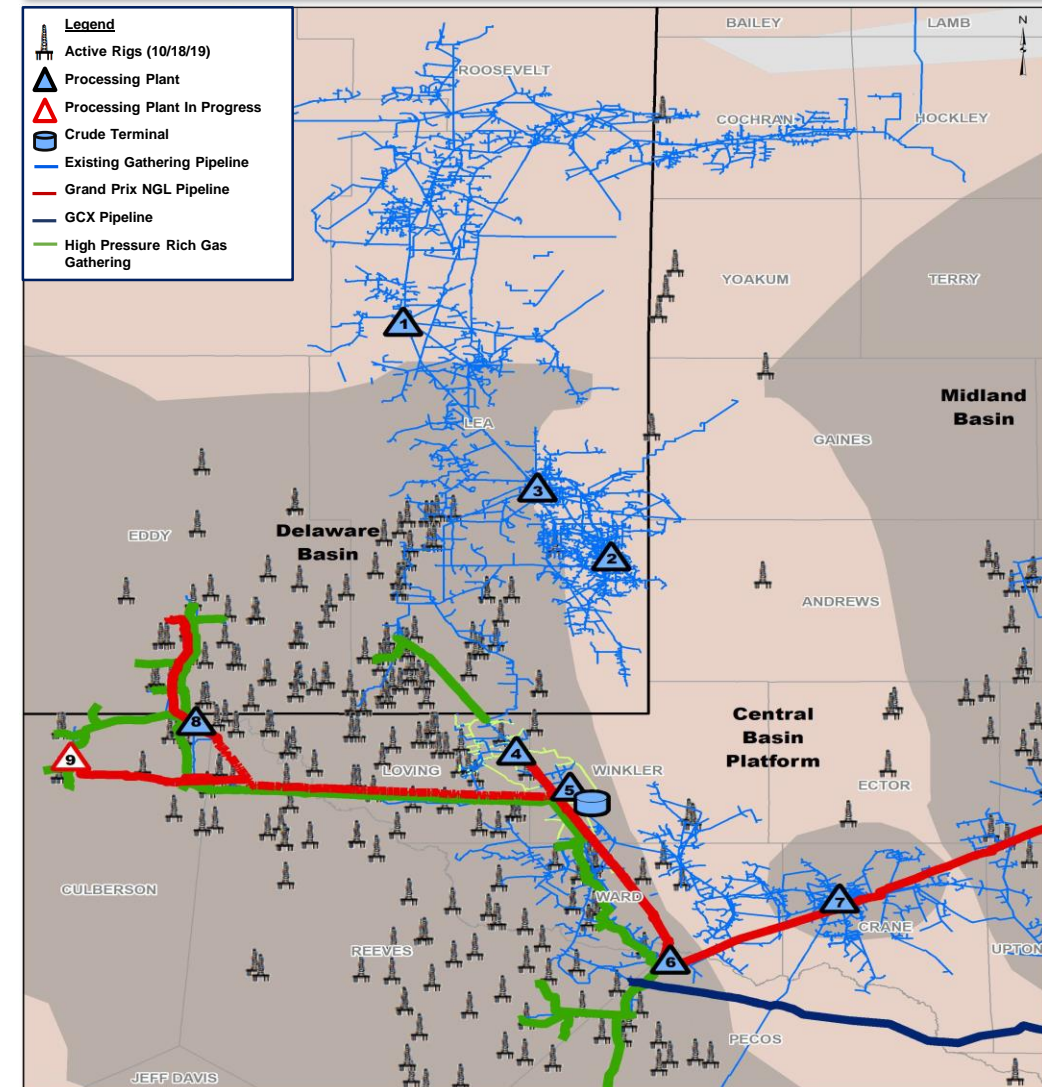
^(a) Expected to be completed in Q2 2020

^(b) Total estimated gross capacity by Q2 2020

^(c) Crude oil gathered includes Permian - Midland and Permian - Delaware

^(d) Total gas and crude oil pipeline mileage

Asset Map and Rig Activity⁽¹⁾



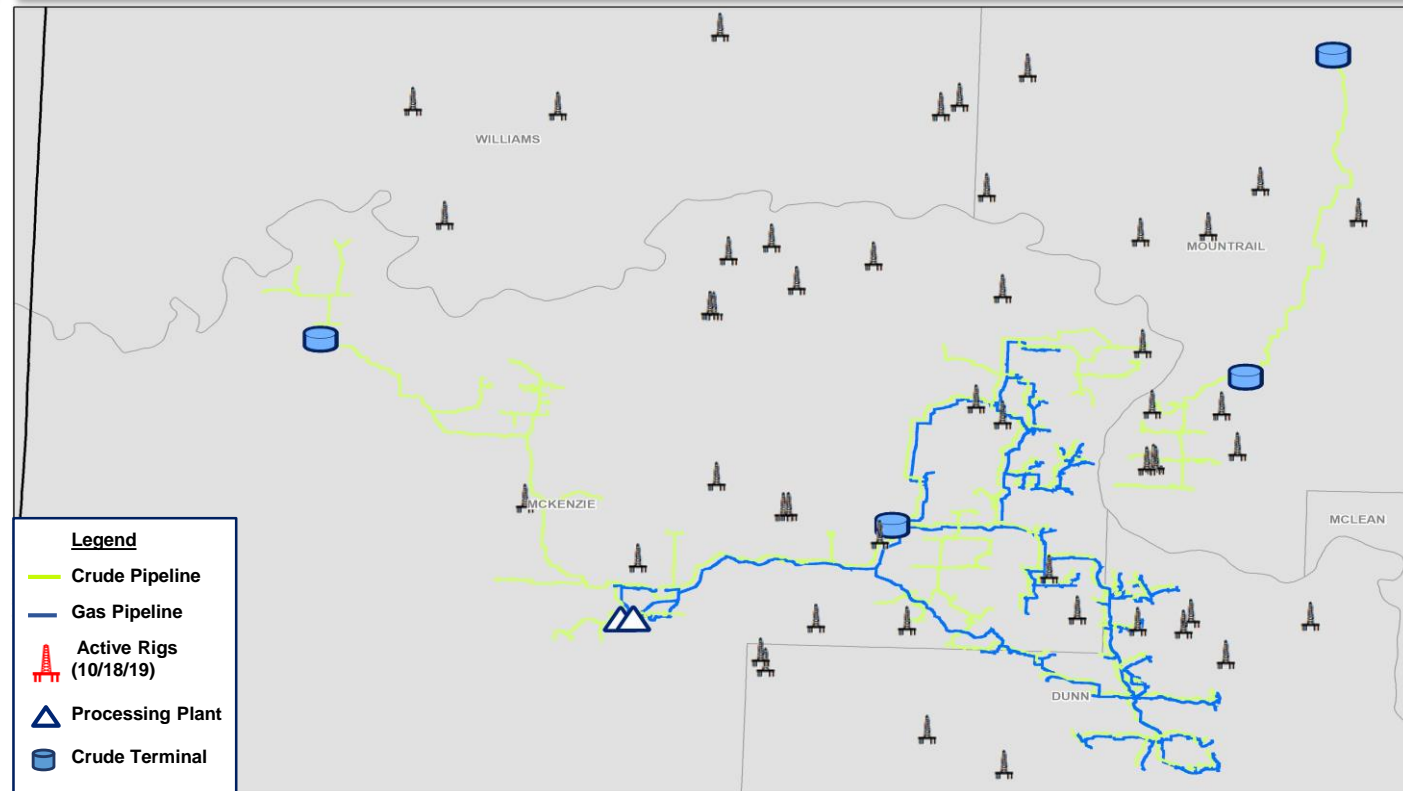
Strategic Position in the Core of the Bakken



Summary

- 460 miles of crude gathering pipelines; 200 miles of natural gas gathering pipelines
- 290 MMcf/d of natural gas processing capacity
- Fee-based contracts
- Large acreage dedications and areas of mutual interest from multiple producers
- Current crude oil delivery points include DAPL, Four Bears, Tesoro, Tesoro BakkenLink, Hilands, and Enbridge
- Transport agreement for NGLs from LM4 Plant to be delivered to Targa Mont Belvieu fractionation complex
- Badlands, LLC owned 55% / 45% by Targa (operator) and Blackstone GSO, respectively

Asset Map and Rig Activity⁽¹⁾



Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q3 2019 Gross Plant Inlet (MMcf/d)	Q3 2019 Crude Oil Gathered (MMbbl/d)	Miles of Pipeline
Little Missouri I, II and III	100.0%	McKenzie, ND	90			
Little Missouri IV	50.0%	McKenzie, ND	200			
Badlands Total^(a)			290	121	164	750

^(a) Total gas and crude oil pipeline mileage

WestOK and SouthOK



Summary

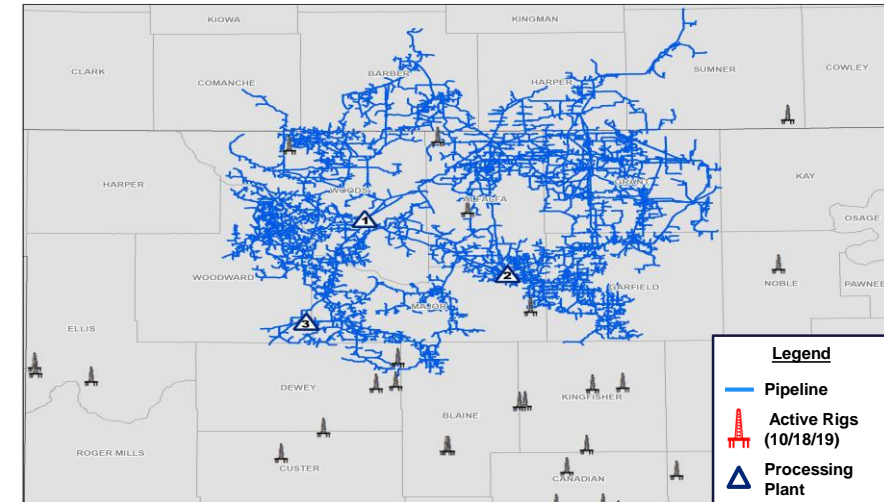
- WestOK consists of 458 MMcf/d of processing capacity positioned to benefit from the continued northwest movement of upstream activity targeting the STACK
 - Majority of contracts are hybrid POP plus fees
- SouthOK consists of 710 MMcf/d of gross processing capacity well positioned to benefit from increasing SCOOP and Arkoma Woodford activity
 - Predominantly fee-based contracts
 - Centrahoma JV with MPLX
 - Majority of SouthOK NGLs dedicated to Grand Prix

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q3 2019 Gross Plant Inlet (MMcf/d)	Q3 2019 Gross NGL Production (MMbbl/d)	Miles of Pipeline
(1) Waynoka I	100.0%	Woods, OK	200			
(1) Waynoka II	100.0%	Woods, OK	200			
(2) Chaney Dell ^(a)	100.0%	Major, OK	30			
(3) Chester	100.0%	Woodward, OK	28			
WestOK Total			458	329	19	6,500

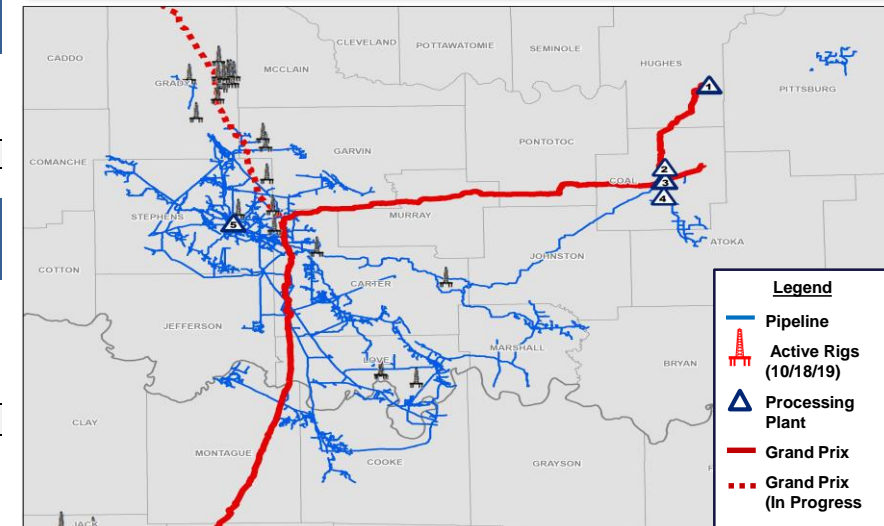
^(a) The Chaney Dell Plant was idled in December 2015

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q3 2019 Gross Plant Inlet (MMcf/d)	Q3 2019 Gross NGL Production (MMbbl/d)	Miles of Pipeline
(1) Hickory Hills	60.0%	Hughes, OK	150			
(2) Stonewall	60.0%	Coal, OK	200			
(3) Tupelo	60.0%	Coal, OK	120			
(4) Coalgate	60.0%	Coal, OK	80			
(5) Velma	100.0%	Stephens, OK	100			
(5) Velma V-60	100.0%	Stephens, OK	60			
SouthOK Total			710	591	70	2,200

Asset Map and Rig Activity⁽¹⁾ – WestOK



Asset Map and Rig Activity⁽¹⁾ - SouthOK



North Texas and SouthTX



Summary

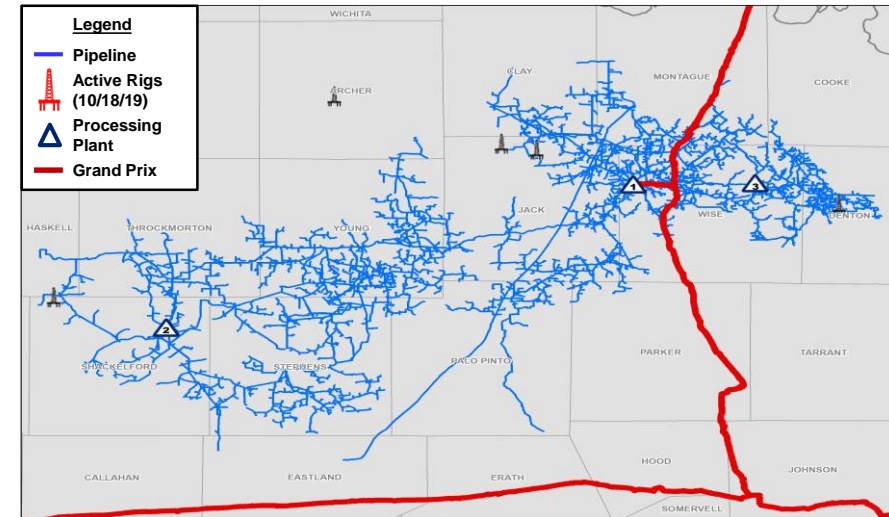
- North Texas consists of 478 MMcf/d processing capacity in the Barnett Shale and Marble Falls play
 - Primarily POP contracts with fee-based components
 - Connected to Grand Prix
- SouthTX consists of multi-county gathering system with interconnected plants spanning the Eagle Ford
 - Growth driven by JV with Sanchez Midstream Partners LP (NYSE:SNMP) and drilling activity from Sanchez Energy Corp. on dedicated acreage
 - JV includes dedication of over 315,000 gross Comanche acres and 105,000 Catarina acres in the Western Eagle Ford
 - JV consists of fee-based contracts supported by 15 year acreage dedication and 5 year 125 MMcf/d MVC

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q3 2019 Gross Plant Inlet (MMcf/d)	Q3 2019 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Chico ^(a)	100.0%	Wise, TX	265			
(2) Shackelford	100.0%	Shackelford, TX	13			
(3) Longhorn	100.0%	Wise, TX	200			
North Texas Total			478	228	27	4,700

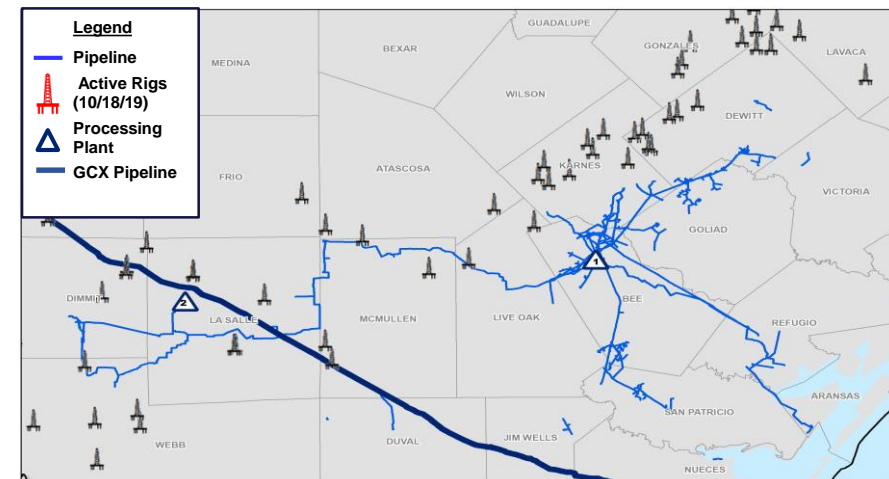
^(a) Chico Plant has fractionation capacity of ~15 Mbbls/d

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q3 2019 Gross Plant Inlet (MMcf/d)	Q3 2019 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Silver Oak I	100.0%	Bee, TX	200			
(1) Silver Oak II	50.0%	Bee, TX	200			
(2) Raptor	50.0%	La Salle, TX	260			
SouthTX Total			660	329	42	1,000

Asset Map and Rig Activity⁽¹⁾ – North Texas



Asset Map and Rig Activity⁽¹⁾ - SouthTX



Coastal G&P Footprint

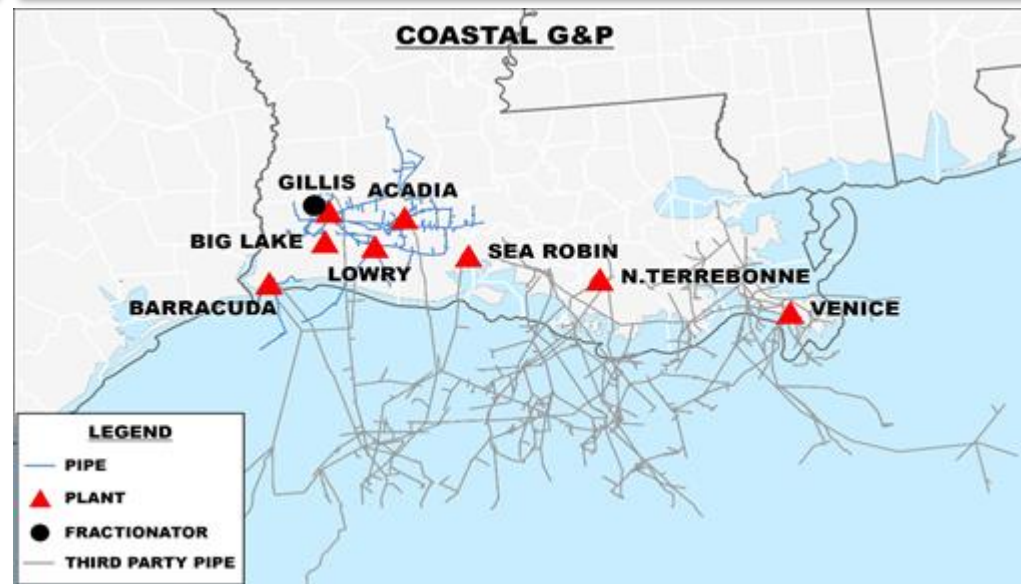


Summary

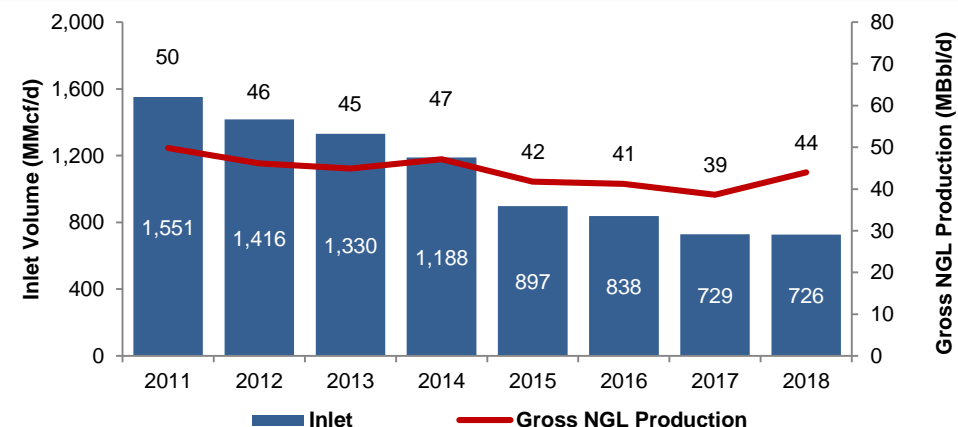
- Asset position represents a competitively advantaged straddle option on Gulf of Mexico activity over time
- LOU (Louisiana Operating Unit)
 - 440 MMcf/d of gas processing (180 MMcf/d Gillis plant, 80 MMcf/d Acadia plant and 180 MMcf/d Big Lake plant)
 - Interconnected to Lake Charles Fractionator (LCF)
- Coastal Straddles (including VESCO)
 - Positioned on mainline gas pipelines processing volumes of gas collected from offshore
- Coastal G&P inlet volumes and NGL production have been declining, but NGL production decreases have been partially offset by some higher GPM gas and by processing volumes at more efficient plants
- Primarily hybrid contracts (POL with fee floors)

	Current Gross Processing Capacity (MMcf/d)	Q3 2019 NGL Production (MBbl/d)
LOU	440	
Vesco	750	
Other Coastal Straddles	3,255	
Total	4,445	45

Footprint



Volumes



Downstream Segment



Downstream Capabilities



Overview

- The Logistics and Marketing segment represents approximately ~45% of total operating margin⁽¹⁾
- Predominantly fixed fee-based businesses, with significant “take-or-pay”
- Continue to pursue attractive downstream infrastructure growth opportunities
- Field G&P growth and increased ethane recovery will bring more volumes downstream



Downstream Businesses

NGL Transportation & Services

(~60% of Downstream)⁽¹⁾

- Grand Prix NGL pipeline integrating Targa’s G&P positions in the Permian Basin, North Texas and SouthOK to Mont Belvieu
- Strong fractionation position in Mont Belvieu and Lake Charles

LPG Exports (~20% of Downstream)⁽¹⁾

- Up to 15 MMBbl/month of LPG Export capacity⁽²⁾
- Fixed loading fees with “take-or-pay” commitments; market to end users and international trading houses

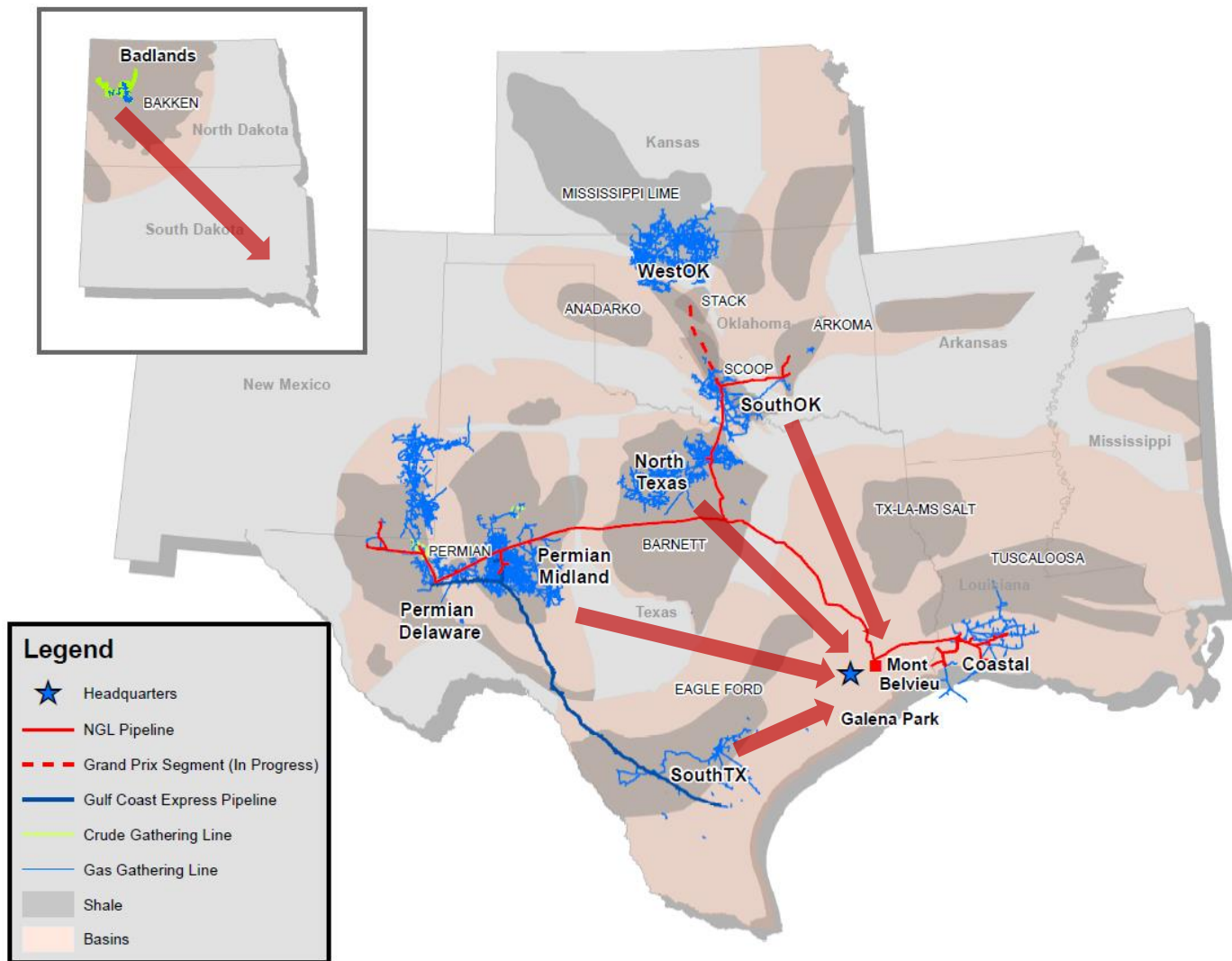
Storage, Terminals, Marketing and Other (~20% of Downstream)⁽¹⁾

- **Storage and Terminals**
 - ▶ Underground storage assets and connectivity provides a locational advantage
- **NGL and Natural Gas Marketing**
 - ▶ Manage physical distribution of mixed NGLs and specification products using owned and third-party facilities
- **Domestic NGL Marketing and Distribution**
 - ▶ Contractual agreements with major refiners to market NGLs
 - ▶ Sell propane to multi-state, independent retailers and industrial accounts; inventory sold at index plus
- **Logistics and Transportation**
 - ▶ All fee-based; 585 railcars, 136 transport tractors, 2 NGL ocean-going barges
- **Petroleum Logistics**
 - ▶ Gulf Coast footprint

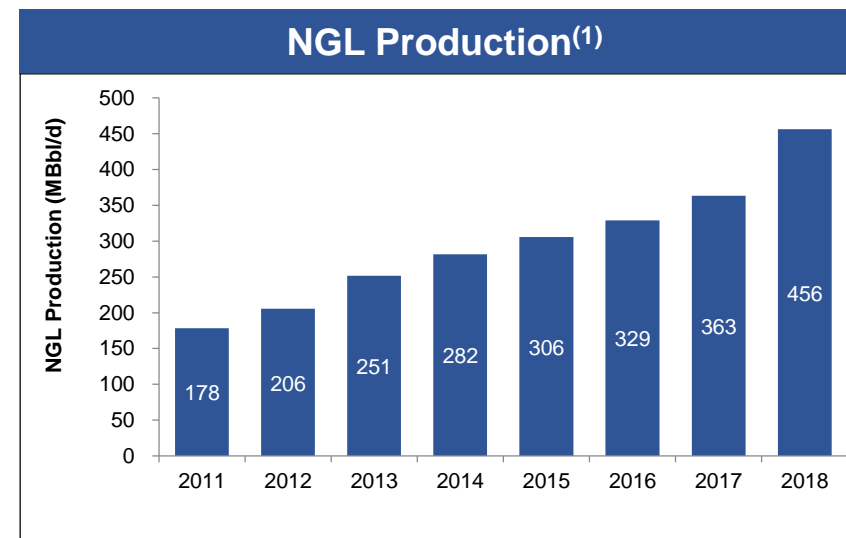
⁽¹⁾ Based on forecasted 2019E segment operating margin

⁽²⁾ Expansion underway to increase capacity up to 15 million barrels per month in Q3 2020; Capacity to vary based on demand for propane and butane product mix

G&P Volume Drives NGL Flows to Mont Belvieu

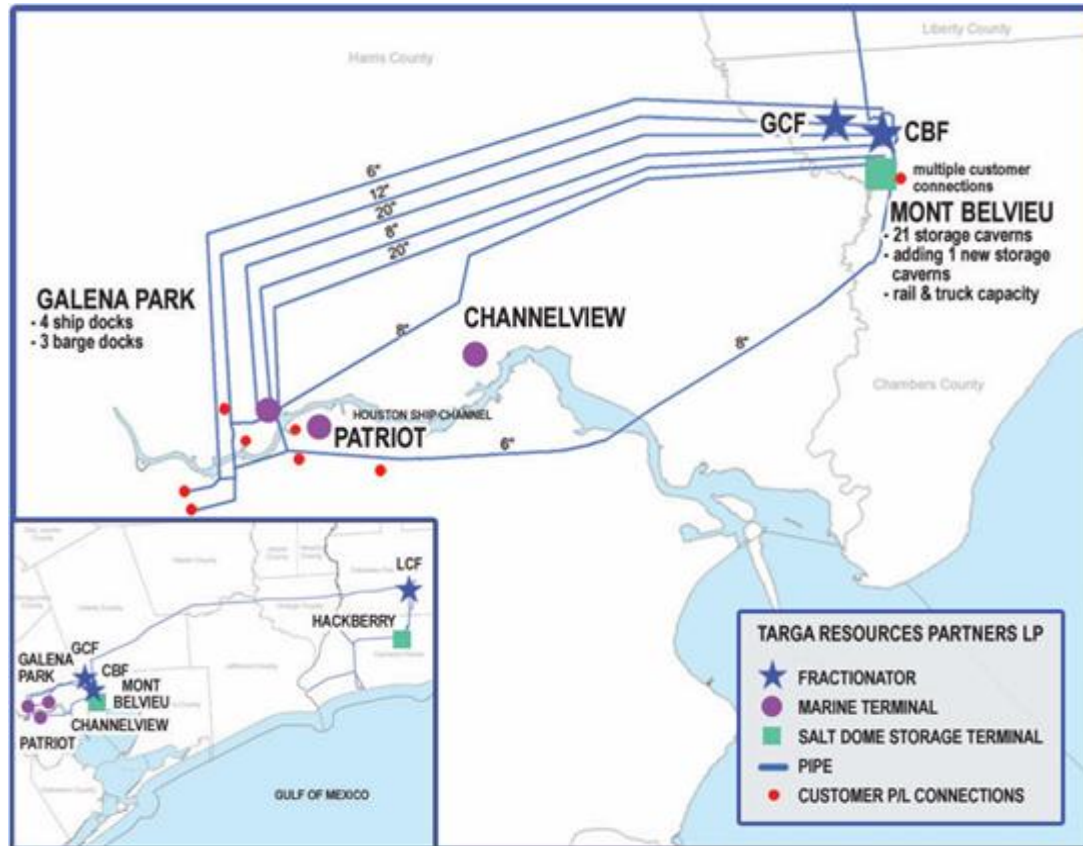


- Growing field NGL production increases NGL flows to Targa's expanding Mont Belvieu and Galena Park presence
- Grand Prix brings NGLs from the Permian Basin, southern Oklahoma and North Texas and enhances Targa's vertical integration
- Petrochemical investments, fractionation and export services will continue to clear additional domestic supply
- Targa's Mont Belvieu, Galena Park and Grand Prix businesses very well positioned





Logistics Assets Exceedingly Difficult to Duplicate



Fractionators		Gross Capacity (MMbbl/d)	Net Capacity (MMbbl/d) ⁽¹⁾
Mont Belvieu ⁽¹⁾	CBF - Trains 1-3	253	223
	CBF - Backend Capacity	40	35
	CBF - Train 4	100	88
	CBF - Train 5	100	88
	Train 6	100	100
	Train 7 ⁽²⁾	110	110
	Train 8 ⁽²⁾	110	110
	GCF - Mont Belvieu	125	49
Total - Mont Belvieu		938	802
LCF - Lake Charles		55	55
Total		993	857

Potential Fractionation Expansions
 Permit received for Train 9 incremental fractionation

Other Assets

Mont Belvieu
 35 MMbbl/d Low Sulfur/Benzene Treating Natural Gasoline Unit
 23 Underground Storage Wells
 Pipeline Connectivity to Petchems/Refineries/LCF/etc.
 7 Pipelines Connecting Mont Belvieu to Galena Park
 Rail and Truck Loading/Unloading Capabilities

Other Gulf Coast Logistics Assets

Channelview Terminal (Harris County, TX)
 Patriot Terminal (Harris County, TX)
 Hackberry Underground Storage (Cameron Parish, LA)

Galena Park Marine Terminal		
	Products	MMBbl/Month
Export Capacity	LEP / HD5 / NC4	~10.0

Other Assets
 700 MMbbls in Above Ground Storage Tanks
 4 Ship Docks

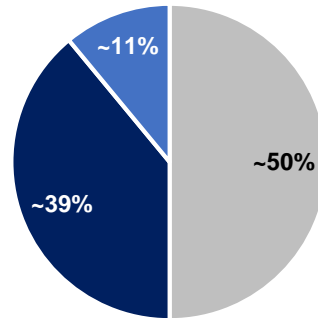
(1) Based on Targa's effective ownership interest

(2) Expansion underway to increase fractionation capacity by 220 MMbbl/d in Mont Belvieu; Train 7 expected to be complete late Q1 2020 and Train 8 expected to be complete late Q3 2020

Targa's LPG Export Business

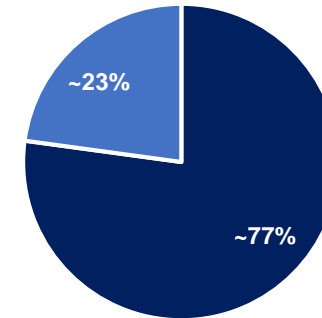


LPG Exports by Destination⁽¹⁾



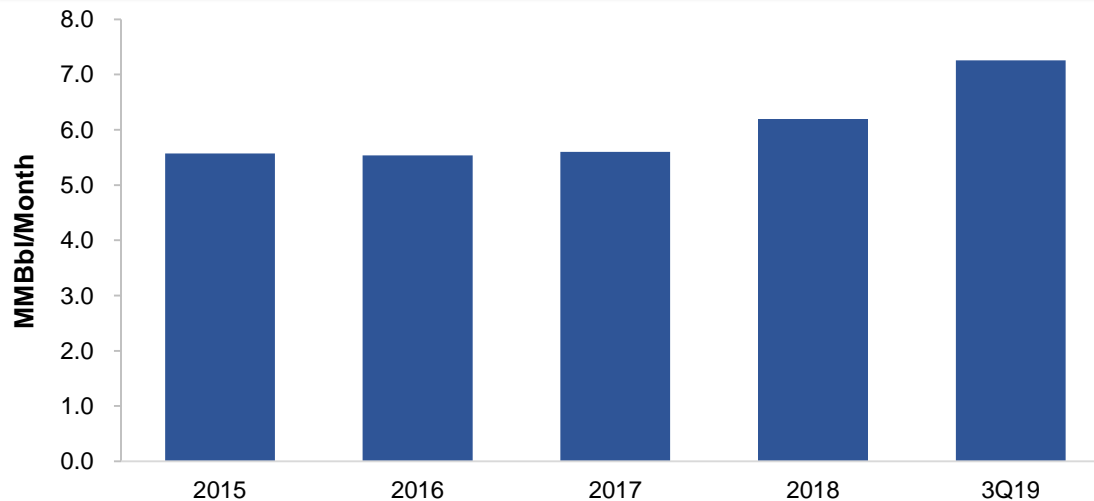
■ Rest of the World ■ Latin America / South America ■ Caribbean

Propane and Butane Exports⁽¹⁾



■ Propane ■ Butane

Galena Park LPG Export Volumes

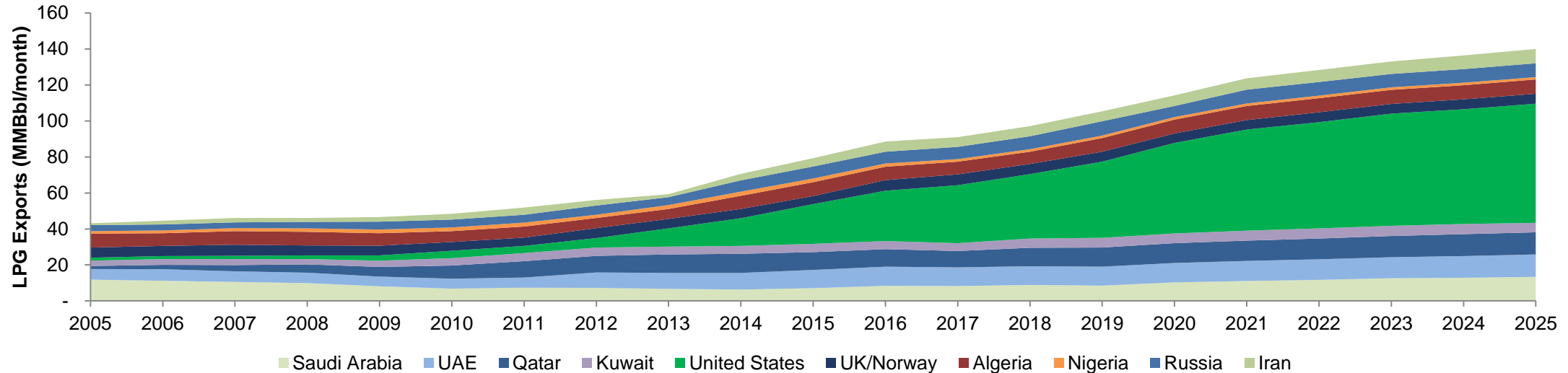


- Fee based business (charge fee for vessel loading)
- Targa advantaged versus some potential competitors given support infrastructure
 - ▶ Fractionation, storage, supply/market interconnectivity, refrigeration, de-ethanizers, etc.
- Differentiated facility versus other LPG export facilities due to operational flexibility on vessel size and cargo composition
- Substantially contracted over the long-term at attractive rates
- *Low-cost expansion underway to substantially increase LPG export capacity up to ~15 million barrels per month⁽²⁾*

U.S. and Global LPG Export Fundamentals



LPG Exports by Origin⁽¹⁾



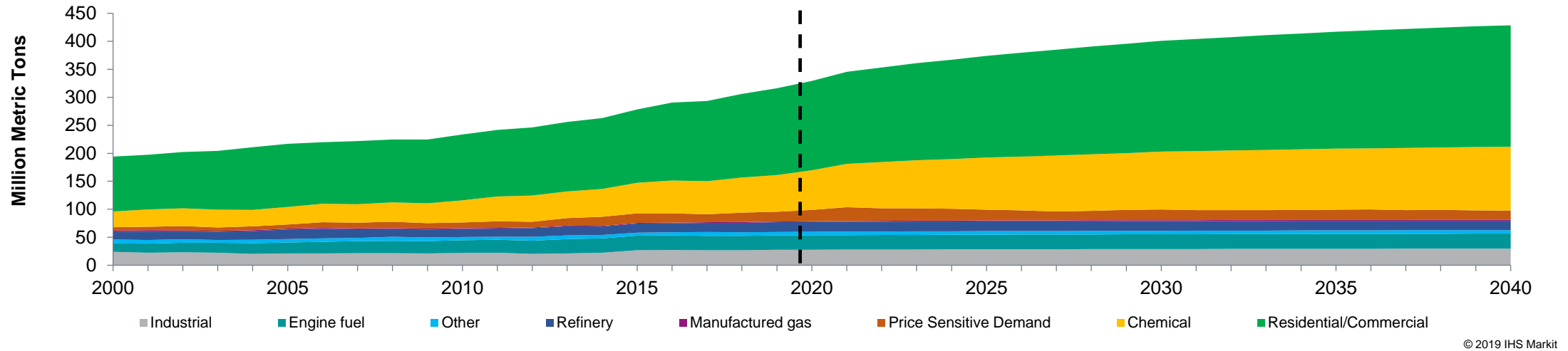
Fundamentals Support Increasing U.S. LPG Exports⁽¹⁾

- **U.S. LPG Exports have been the primary source of growing supply for global LPG waterborne demand markets since 2012**
 - ▶ Annual U.S. LPG exports experienced a ~38% CAGR from 2012 to 2018, while annual LPG exports from other major exporting regions grew by a CAGR of ~3% over the same time period
- **Global demand for LPG's is expected to grow and the U.S. is expected to continue supplying a growing share of international demand**
 - ▶ Targa's integrated infrastructure platform is poised to benefit from these constructive market dynamics
 - ▶ Global LPG demand driven by growing international petrochemical, residential and commercial markets

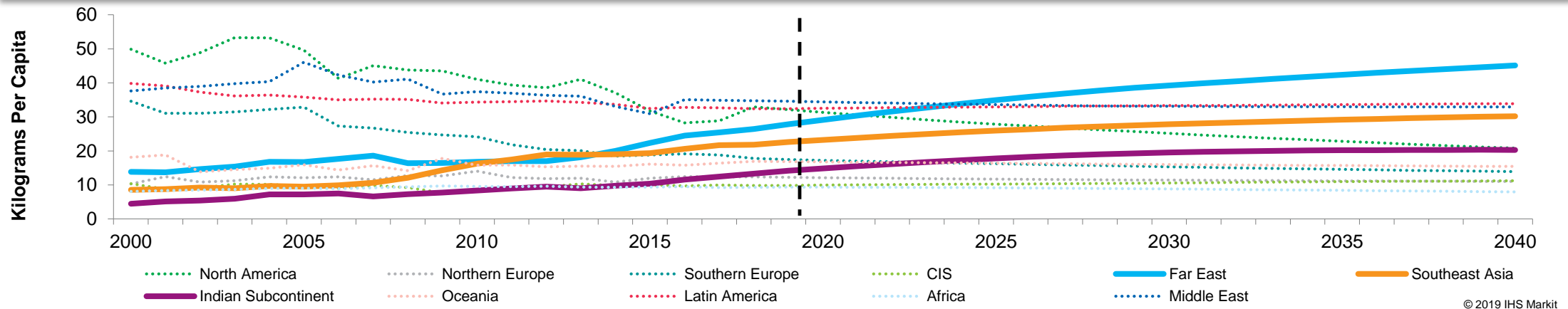
Global LPG Demand



Global LPG Demand by Sector⁽¹⁾



Residential & Commercial LPG Demand⁽¹⁾



Reconciliations

Non-GAAP Measures Reconciliation



This presentation includes the non-GAAP financial measures of Adjusted EBITDA. The presentation provides a reconciliation of this non-GAAP financial measures to its most directly comparable financial measure calculated and presented in accordance with generally accepted accounting principles in the United States of America ("GAAP"). Our non-GAAP financial measures should not be considered as alternatives to GAAP measures such as net income, operating income, net cash flows provided by operating activities or any other GAAP measure of liquidity or financial performance.

Adjusted EBITDA – The Company defines Adjusted EBITDA as net income (loss) available to TRC before interest, income taxes, depreciation and amortization, and other items that we believe should be adjusted consistent with our core operating performance. The adjusting items are detailed in the Adjusted EBITDA reconciliation table and its footnotes. Adjusted EBITDA is used as a supplemental financial measure by us and by external users of our financial statements such as investors, commercial banks and others. The economic substance behind our use of Adjusted EBITDA is to measure the ability of our assets to generate cash sufficient to pay interest costs, support our indebtedness and pay dividends to our investors.

Adjusted EBITDA is a non-GAAP financial measure. The GAAP measure most directly comparable to Adjusted EBITDA is net income (loss) attributable to TRC. Adjusted EBITDA should not be considered as an alternative to GAAP net income. Adjusted EBITDA has important limitations as an analytical tool. Investors should not consider Adjusted EBITDA in isolation or as a substitute for analysis of our results as reported under GAAP. Because Adjusted EBITDA excludes some, but not all, items that affect net income and is defined differently by different companies in our industry, our definition of Adjusted EBITDA may not be comparable to similarly titled measures of other companies, thereby diminishing its utility.

Management compensates for the limitations of Adjusted EBITDA as an analytical tool by reviewing the comparable GAAP measures, understanding the differences between the measures and incorporating these insights into its decision-making processes.

Non-GAAP Reconciliations - Estimated 2019 Adjusted EBITDA⁽¹⁾



The following table presents a reconciliation of estimated Adjusted EBITDA for the periods shown for TRC:

Reconciliation of estimated net income attributable to TRC to Adjusted EBITDA	Year Ended December 31,	
	2019	
	(In millions)	
Net income attributable to TRC	\$	44.0
Income attributable to TRP preferred limited partners		11.3
Interest expense, net		330.0
Income tax expense (benefit)		0.0
Depreciation and amortization expense		925.0
(Earnings) loss from unconsolidated affiliates		(30.0)
Distributions from unconsolidated affiliates and preferred partner interests, net		50.0
Compensation on equity grants		60.0
Noncontrolling interest adjustment ⁽²⁾		(40.3)
TRC Estimated Adjusted EBITDA	\$	1,350.0

Longer-Term Outlook (*Published November 2018*)

Non-GAAP Reconciliations - Estimated 2020 and 2021 Adjusted EBITDA



The following table presents a reconciliation of estimated Adjusted EBITDA for the periods shown for TRC:

Reconciliation of estimated net income attributable to TRC to Adjusted EBITDA	2020	2021
	(In millions)	
Net income attributable to TRC	\$ 634.0	\$ 859.0
Income attributable to TRP preferred limited partners	11.3	11.3
Interest expense, net	425.0	450.0
Income tax expense (benefit)	0.0	0.0
Depreciation and amortization expense	950.0	975.0
(Earnings) loss from unconsolidated affiliates	(90.0)	(90.0)
Distributions from unconsolidated affiliates and preferred partner interests, net	85.0	85.0
Compensation on TRP equity grants	60.0	60.0
Noncontrolling interest adjustment	(50.3)	(50.3)
TRC Estimated Adjusted EBITDA	\$ 2,025.0	\$ 2,300.0



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