Targa Resources Corp.

Third Quarter 2019
Earnings Supplement
November 7, 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.

Strategic Outlook

- **Recent completion of Targa's Grand Prix NGL Pipeline and other important growth projects are demonstrating strategic benefits of our integrated midstream position**
  - Grand Prix NGL Pipeline commenced operations in early August 2019 and deliveries into Mont Belvieu averaged ~230 MBbl/d in September and expect volumes to further increase moving forward
  - 250 MMcf/d Falcon Plant in Permian-Delaware completed earlier than anticipated in late September 2019
- **Increasing cash flow 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

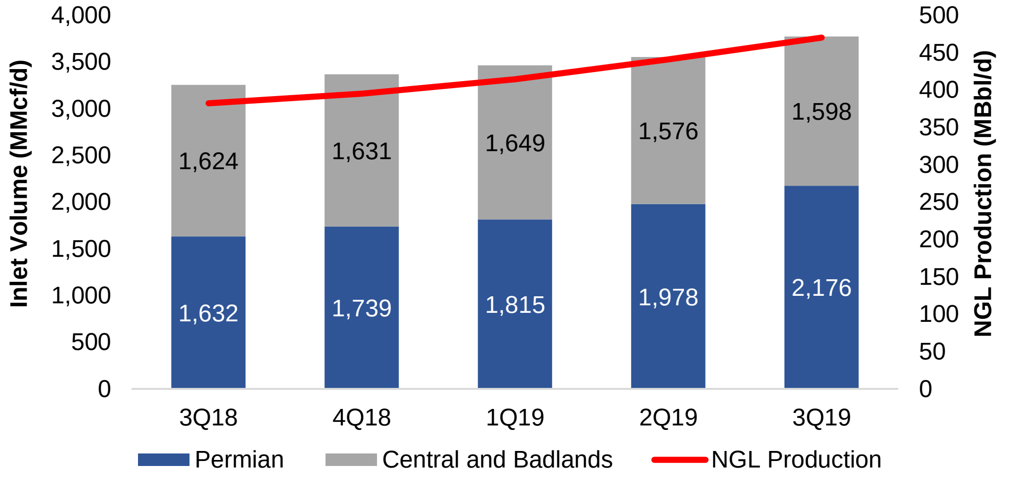
Operational Performance – G&P Segment

3Q19 Highlights:

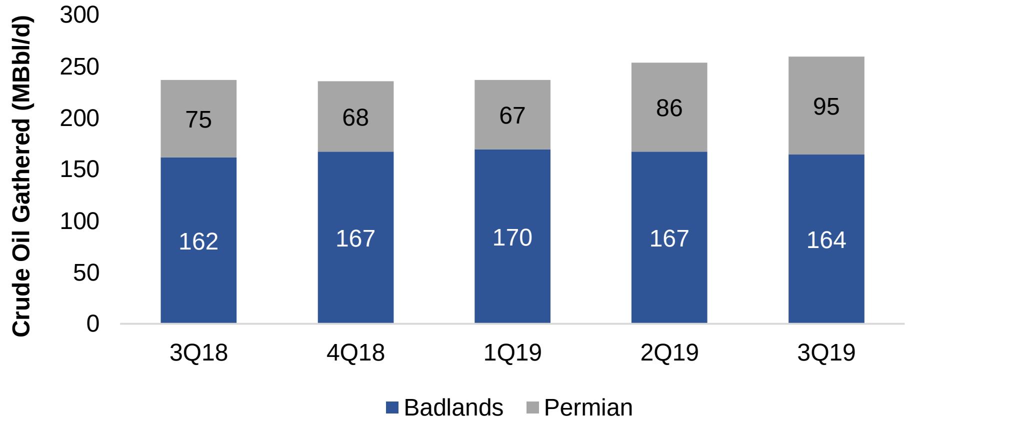
Field G&P Natural Gas Inlet

- ~10% sequential increase in Permian volumes
  - ~15% sequential increase in Permian-Delaware
  - ~8% sequential increase in Permian-Midland
- ~31% sequential increase in Badlands volumes from partial quarter contribution from increased processing capacity available from the new 200 MMcf/d LM4 Plant

Field G&P Natural Gas Inlet Volumes and NGL Production



Crude Oil Gathered Volumes



Operational Performance – Downstream Segment

3Q19 Highlights:

NGL Transportation

- Targa's Grand Prix NGL Pipeline throughput deliveries into Mont Belvieu averaged 132 MBbl/d[(1)]; throughput in September averaged ~230 MBbl/d

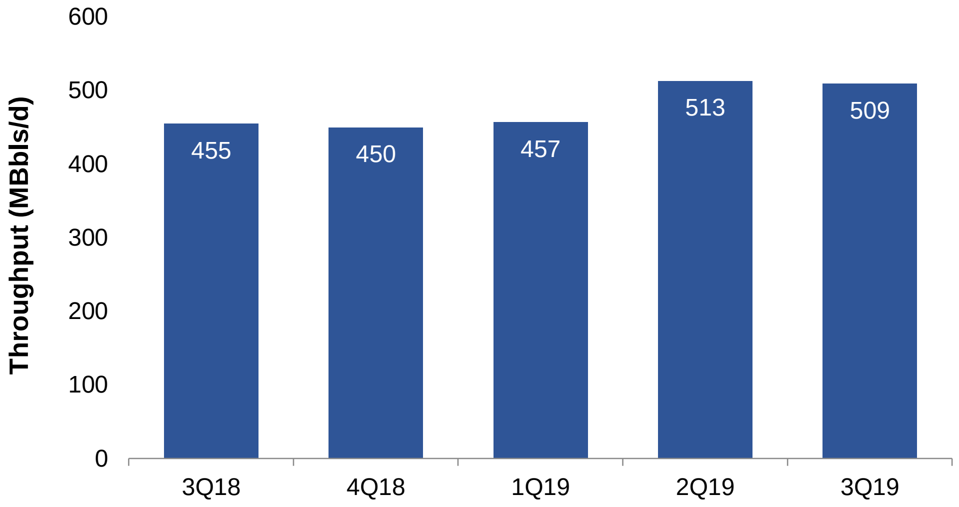
Fractionation

- Targa's Mont Belvieu fractionation complex remains highly utilized, despite completing scheduled turnaround and related maintenance during the quarter, which resulted in lower 3Q 2019 volumes by ~50 MBbl/d

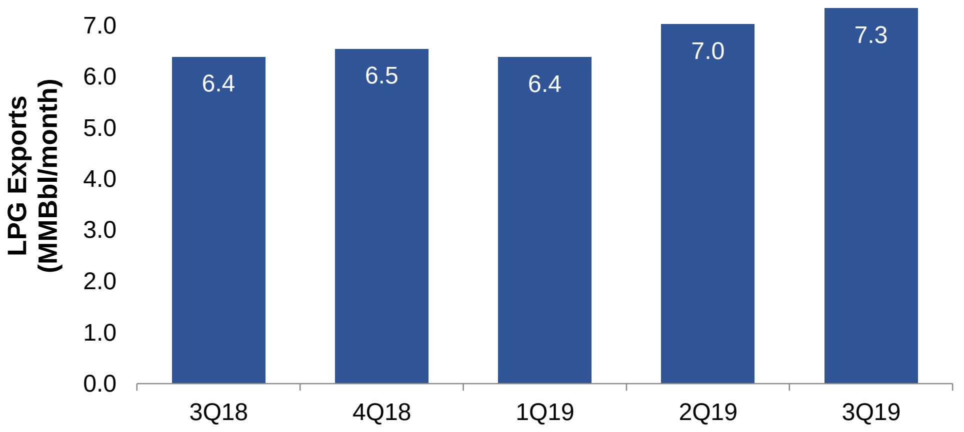
LPG Exports

- Targa's Galena Park LPG export facility continued to remain highly utilized; completed Dock 2 re-build at the end of 3Q 2019, which enhances Targa's flexibility and increases its butane loading capabilities, increasing its LPG export capacity up to 10 MMBbl/month beginning in 4Q 2019

Targa Fractionation Volumes



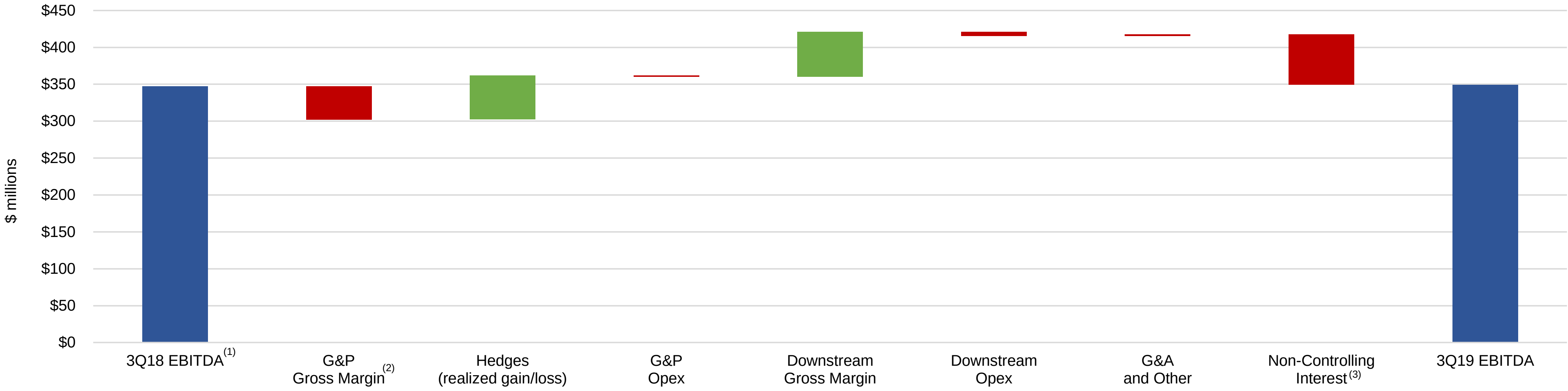
Galena Park LPG Export Volumes



(1) *Grand Prix commenced deliveries into Mont Belvieu in August 2019; volumes for Q3 2019 represent average volumes for the full quarter (92 days), even though the asset was only fully operational for the partial period*

Financial Performance – 3Q 2019 vs. 3Q 2018

Adjusted EBITDA Bridge



Segment Operating Margin

Gathering & Processing segment operating margin decreased $46.7 million

− Lower NGL, condensate and natural gas prices[2]

\+ Higher Permian volumes

\+ Higher Badlands volumes

Downstream segment operating margin increased $55.4 million

\+ Higher NGL transportation and fractionation volumes

\+ Higher Marketing and Other

\+ Higher LPG export volumes

− Higher operating expenses primarily associated with completed fractionation expansion and Grand Prix

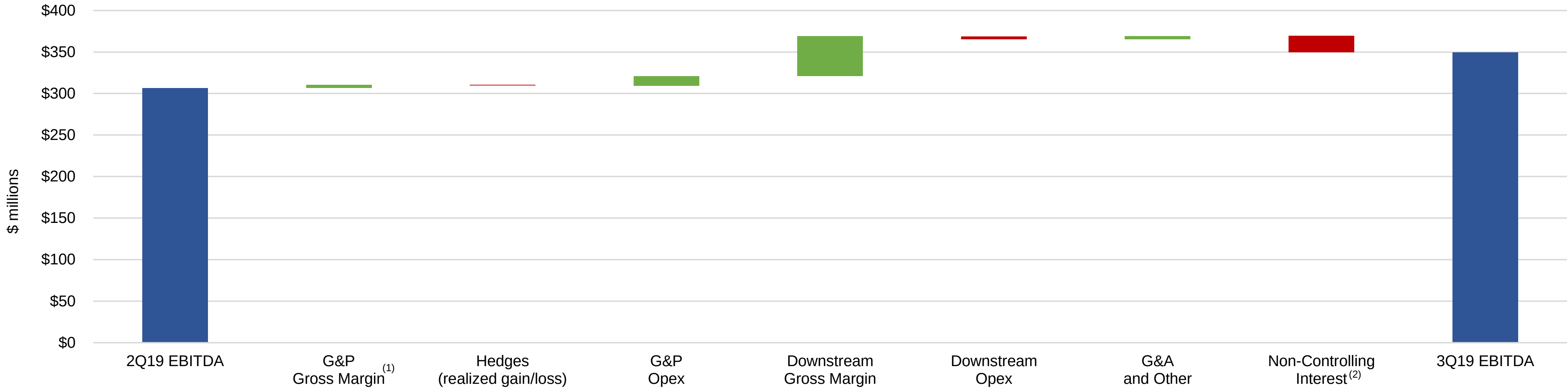
(1) Beginning in the second quarter of 2019, we revised our reconciliation of Net Income (Loss) attributable to TRC to Adjusted EBITDA to exclude the Splitter Agreement adjustment previously included in the comparative periods presented herein. The effect of these revisions reduced TRC's Adjusted EBITDA by $10.8 million for the three months ended September 30, 2018. There was no impact to Distributable Cash Flow

(2) The impact of lower commodity prices excludes the benefit from our hedging activities presented in Other

(3) Primarily attributable to the sale of the 45% interest in Badlands, which closed April 2019

Financial Performance – 3Q 2019 vs. 2Q 2019

Adjusted EBITDA Bridge



Segment Operating Margin

Gathering & Processing segment operating margin increased $15.5 million

+ Higher Permian volumes
+ Higher Badlands volumes
+ Lower operating expenses
− Lower NGL and condensate prices[1]

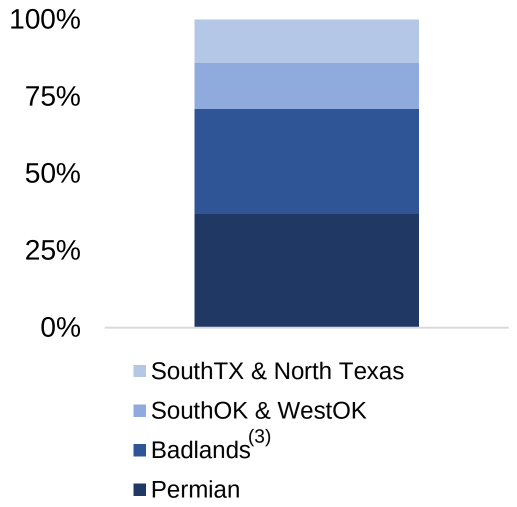
Downstream segment operating margin increased $44.5 million

+ Higher NGL transportation volumes
+ Higher Marketing and Other
+ Higher LPG export volumes
− Higher operating expenses primarily attributable to a full quarter of Train 6 operations and a partial quarter of full operations of Grand Prix

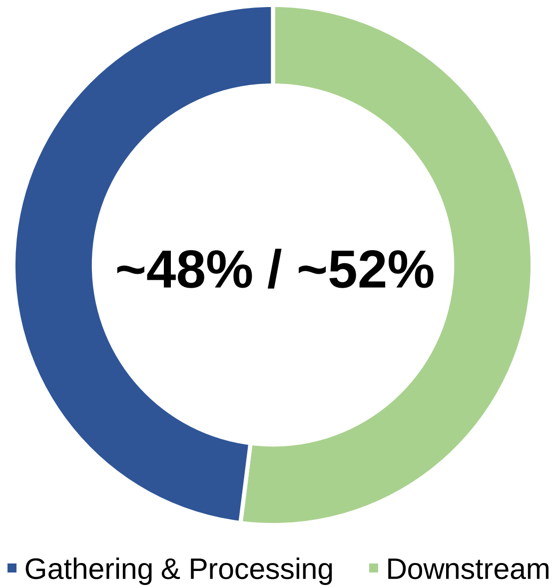
(1) *The impact of lower commodity prices excludes the benefit from our hedging activities presented in Other*
(2) *Primarily attributable to full quarter of Train 6 operations and partial quarter of full operations of Grand Prix*

Business Mix and Hedging Program

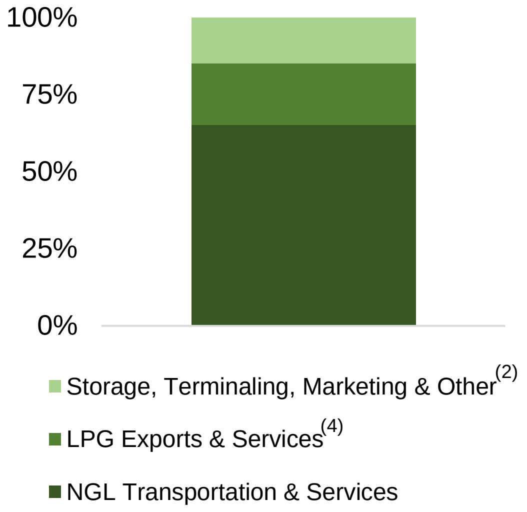
Field Gathering & Processing Operating Margin 2019E(1)



Business Mix – Segment Operating Margin(1)



Downstream Operating Margin 2019E(1)



Hedging Program Further Strengthens Cash Flow Stability

Field G&P Hedging Update

Balance 2019				2020			
Commodity	Volumes Hedged	Wtd. Avg. Hedge Price(5)	Exposure Hedged (%)(6)	Commodity	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 3Q19 operating margin, before the benefit 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 Pembrook 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**		✓

Note: Represents capex based on Targa's effective ownership interest
(1) Preliminary 2020E net growth capex outlook of approximately $1.2 - $1.3 billion
(2) Includes brine, storage and other frac related infrastructure, which will be funded and owned 100% by Targa

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