Targa Resources

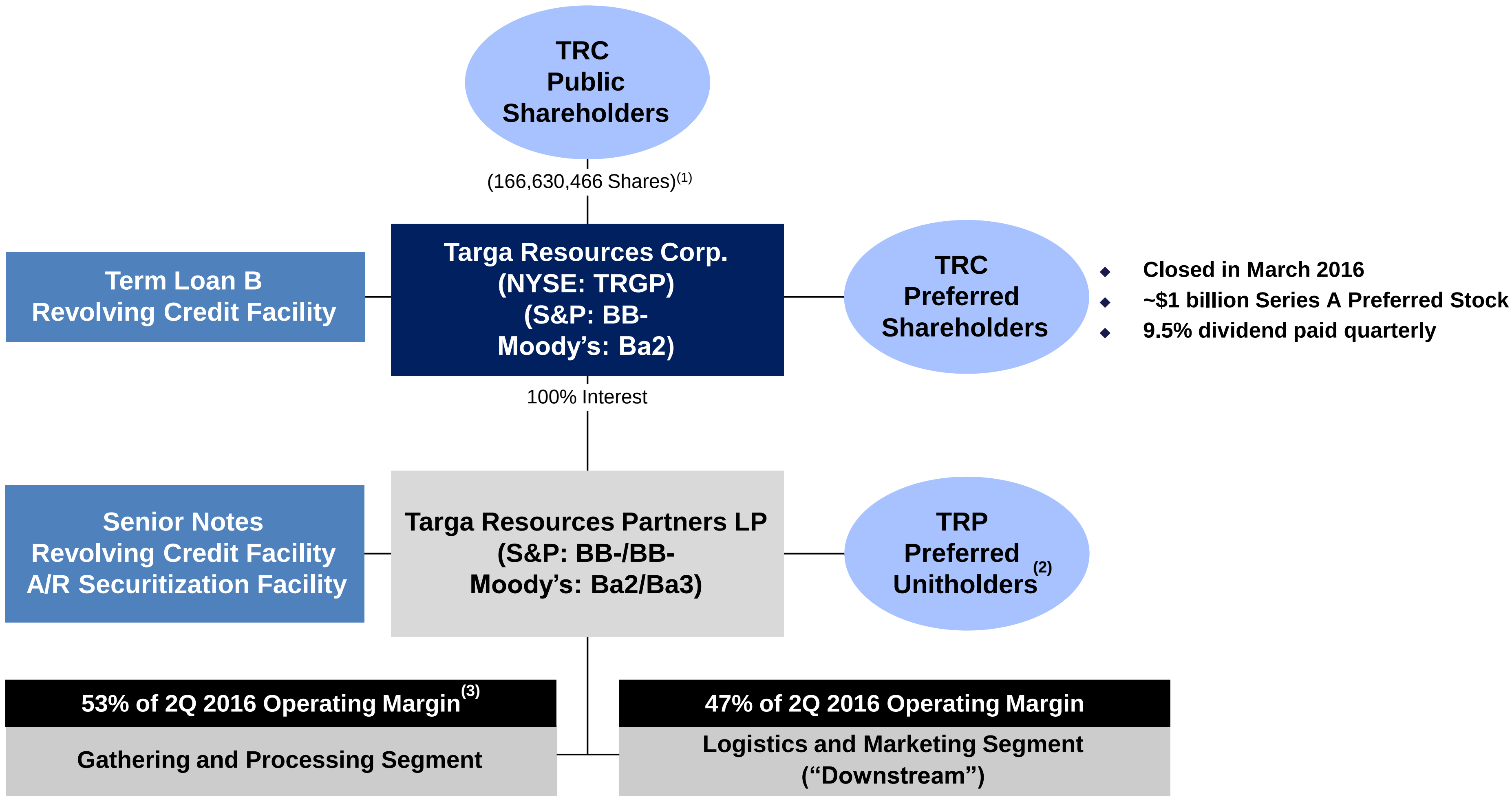
Barclays
CEO Energy-Power Conference

September 7-8, 2016

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, 2015 and other reports filed 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.

Targa's Corporate Structure

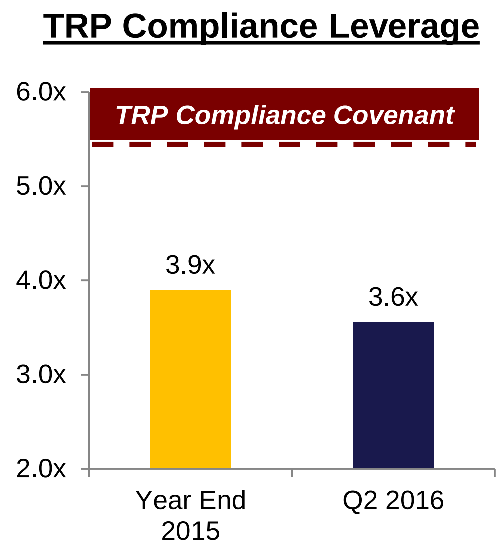


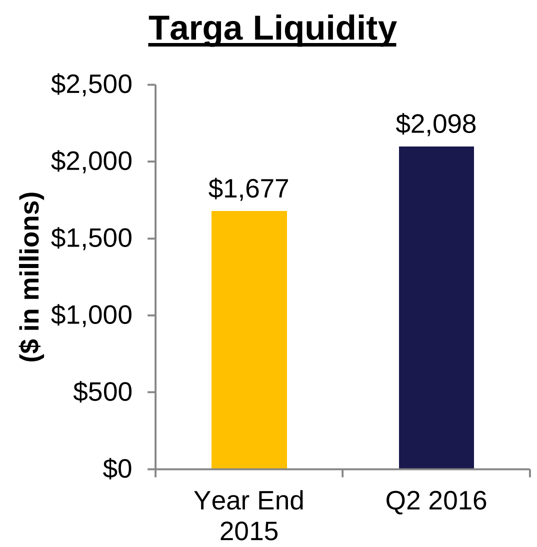
(1) Represents outstanding shares of our common stock beneficially owned and outstanding as of July 29, 2016
(2) In October 2015 issued $125 million Series A Preferred Units; 9% distribution paid monthly
(3) Includes the effects of commodity derivative hedging activities

Leverage and Financial Position

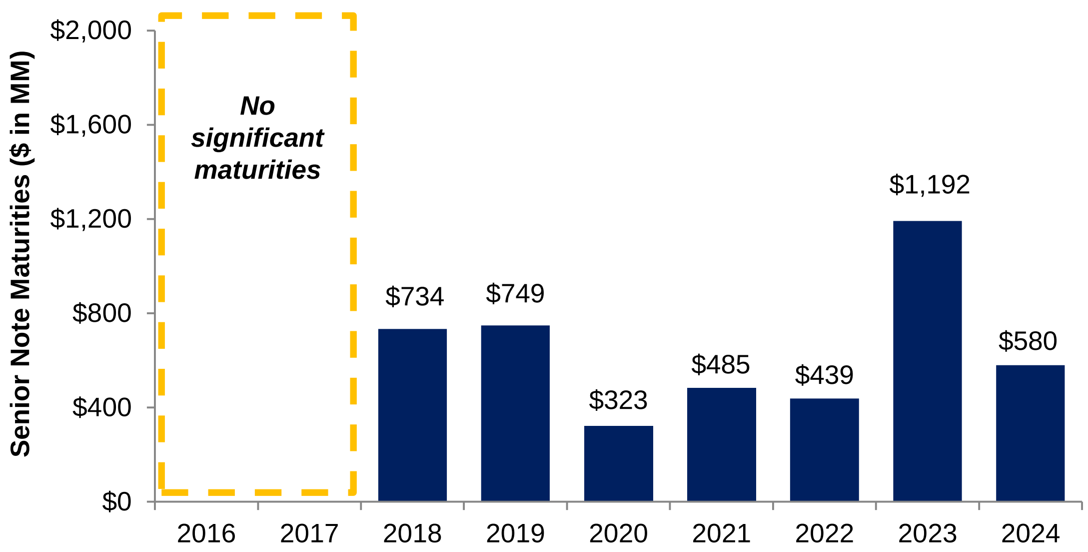
- **Protecting and improving the balance sheet is always a focus**
- **TRC's acquisition of TRP on February 17th improved Targa's credit profile by increasing overall retained cash flow and simplifying structure**
  - TRP's $1.6 billion revolver and TRC's $670 million revolver remain outstanding
  - TRP's Series A Preferred Units remain outstanding
- **On March 16th, Targa closed a ~$1 billion 9.5% private placement of Series A Preferred Stock**
  - Treated as equity under TRC credit agreement
  - Used proceeds to reduce debt, including open market repurchases of ~$575 million principal of senior notes, much at a discount to par
    - Nearest-term 2018 maturity senior notes reduced from $1.1 billion to $734 million
- **From late May through July, Targa raised ~$250 million of proceeds via equity issuances through an ATM program**
  - As of June 30, estimated TRP compliance leverage ratio was 3.6x (5.5x covenant), and liquidity, including availability under both TRP and TRC revolvers, was ~$2.1 billion

Pro Forma Leverage and Liquidity





Senior Note Maturities(1)



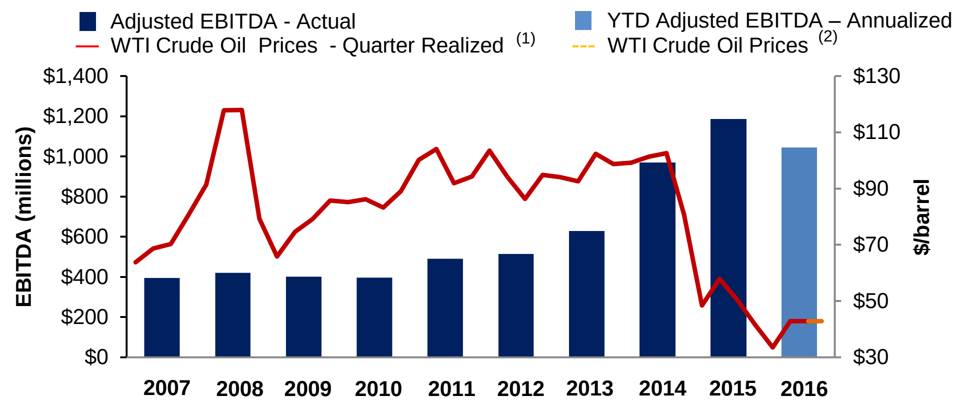
(1) As of June 30, 2016 includes TRP senior notes and TRC Term Loan B. Excludes TRP and TRC revolvers

Diversity and Scale Help Mitigate Commodity Price Changes

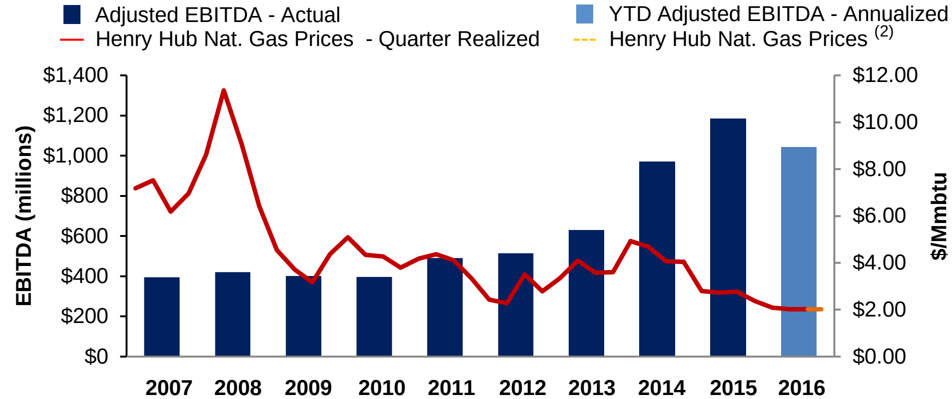
- **Growth has been driven primarily by investing in the business, not by changes in commodity prices**
- **Targa benefits from multiple factors that help mitigate commodity price volatility, including:**
  - Scale
  - Business and geographic diversity
  - Increasing fee-based margin
  - Hedging
- **Targa is only partially hedged for the balance of 2016 and beyond, and in an environment of rising commodity prices, will benefit**
  - Based on our estimate of <u>current</u> equity volumes, approximately 70% of natural gas, 60% of condensate and 20% of NGLs are hedged for remainder of 2016
  - For 2017, approximately 45% of natural gas, 45% of condensate and 10% of NGLs are hedged
- **Below are commodity price only sensitivities to 2H 2016 Adjusted EBITDA:**
  - +/- $0.05/gal NGLs = +/- $10 million Adj. EBITDA
  - +/- $0.25/MMBtu nat gas = +/- $5 million Adj. EBITDA
  - +/- $5.00/bbl crude oil = +/- $2.5 million Adj. EBITDA

Adjusted EBITDA vs. Commodity Prices

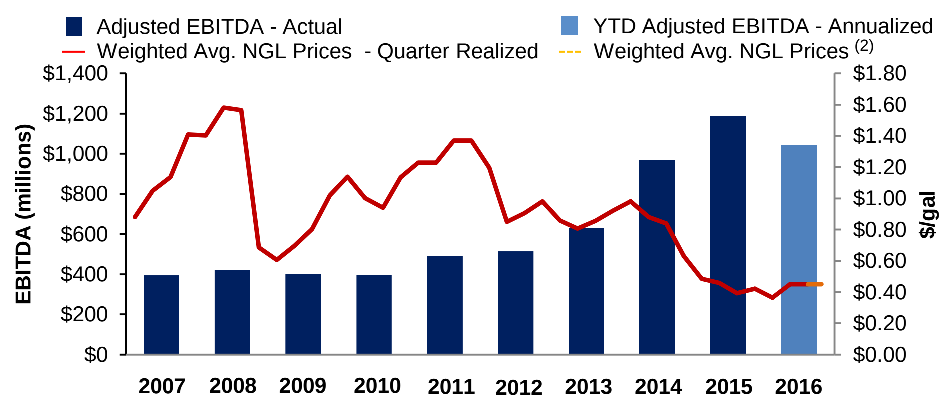
Crude Oil



Natural Gas



NGLs



TARGA

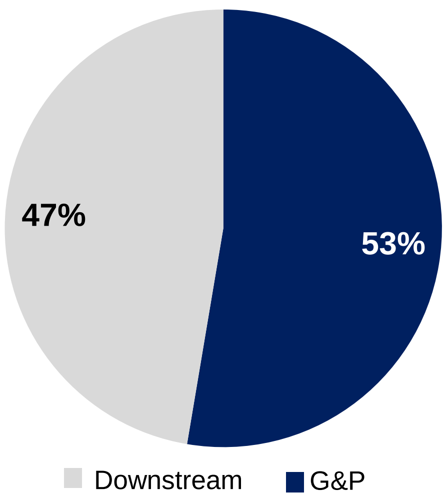
Note: Targa's composite NGL barrel comprises 37% ethane, 35% propane, 6% iso-butane, 12% normal butane, and 10% natural gasoline

(1) Represents average quarterly realized crude prices after the acquisition of Badlands at the end of 2012. All prior periods reflect average posted prices

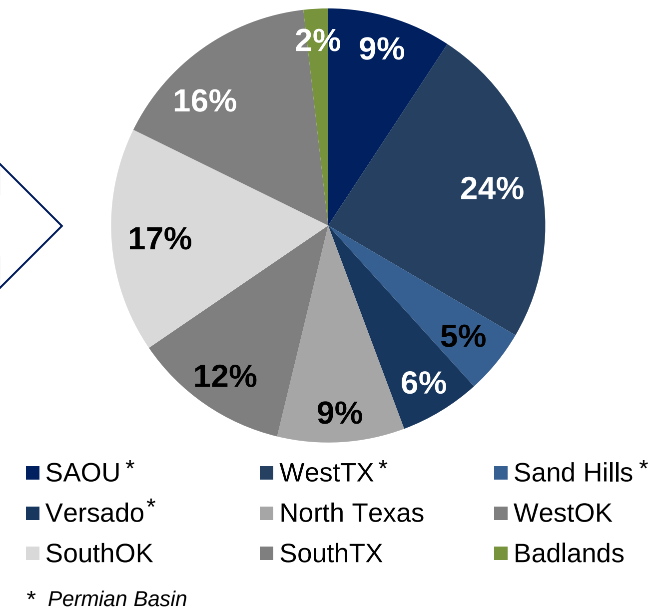
(2) Prices reflect average Q1 2016 spot prices for WTI crude oil, Henry Hub natural gas, and Mont Belvieu NGLs

Business Mix, Diversity and Fee Based Margin

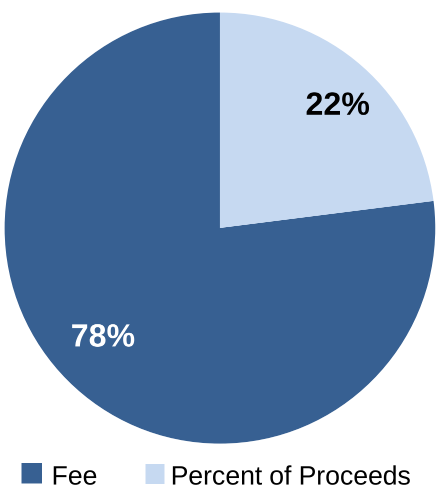
Business Mix – Q2 2016 Operating Margin



Field G&P Diversity – Q2 2016 Natural Gas Inlet Volumes



Fee-Based Margin – Q2 2016



- **At IPO in 2007, TRP operated a single G&P system (North Texas), with ~100% POP exposure**
- **Since then, TRP has developed into a fully diversified midstream services provider:**
  - Significant margin contributions from both Downstream and G&P operations
  - Diversification across 10+ shale/resource plays
  - Diversification in downstream activities (fractionation, LPG exports, treating, storage, etc.)
- **Greater than 75% fee-based margin for 2016E provides cash flow stability**

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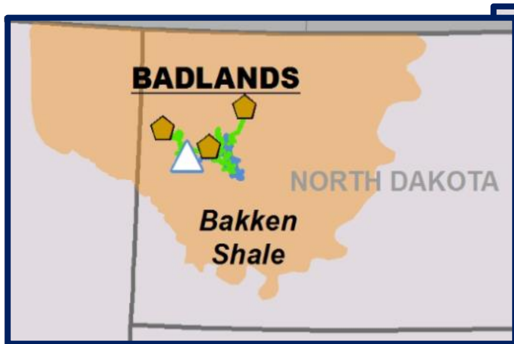
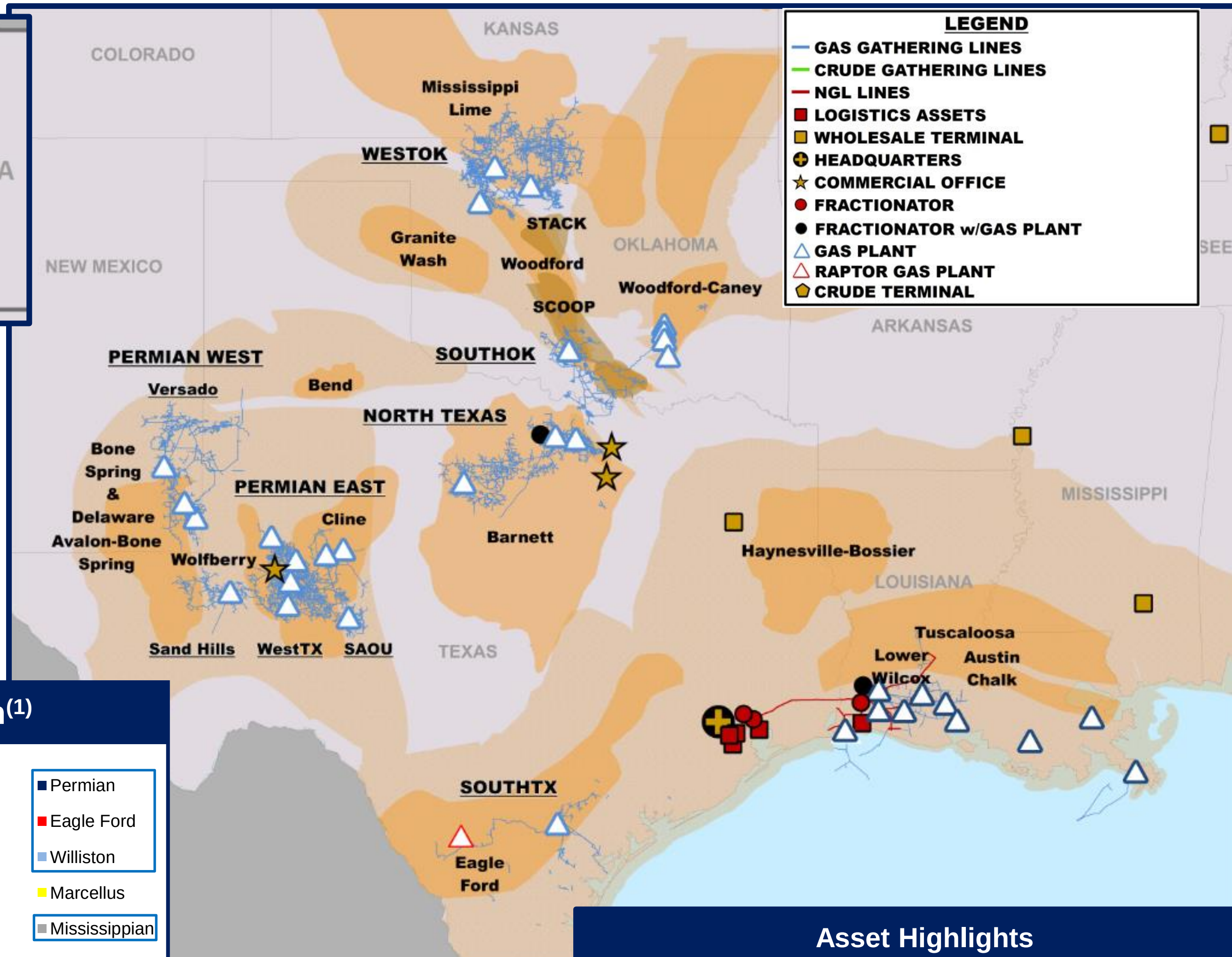
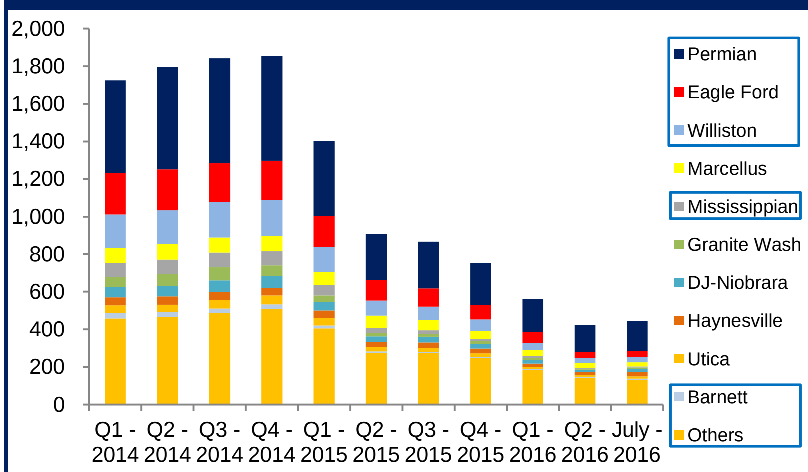
Attractive Asset Footprint





- **Targa's footprint has been impacted by reduced activity, but is positioned in some of the best basins / areas**
- **Diversified customer base**

U.S. Land Rig Count by Basin[1]



Asset Highlights

- ~8 Bcf/d gross processing capacity
- 39 natural gas processing plants
- Over 25,000 miles of natural gas and crude oil pipelines
- Gross NGL production of 321 MBbls/d in Q2 2016
- 3 crude and refined products terminals (2.5 MMBbls of storage)
- Over 670 MBbl/d gross fractionation capacity
- 7.0 MMBbl/month or more capacity LPG export terminal

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(1) Source: Baker Hughes; data through July 22, 2016

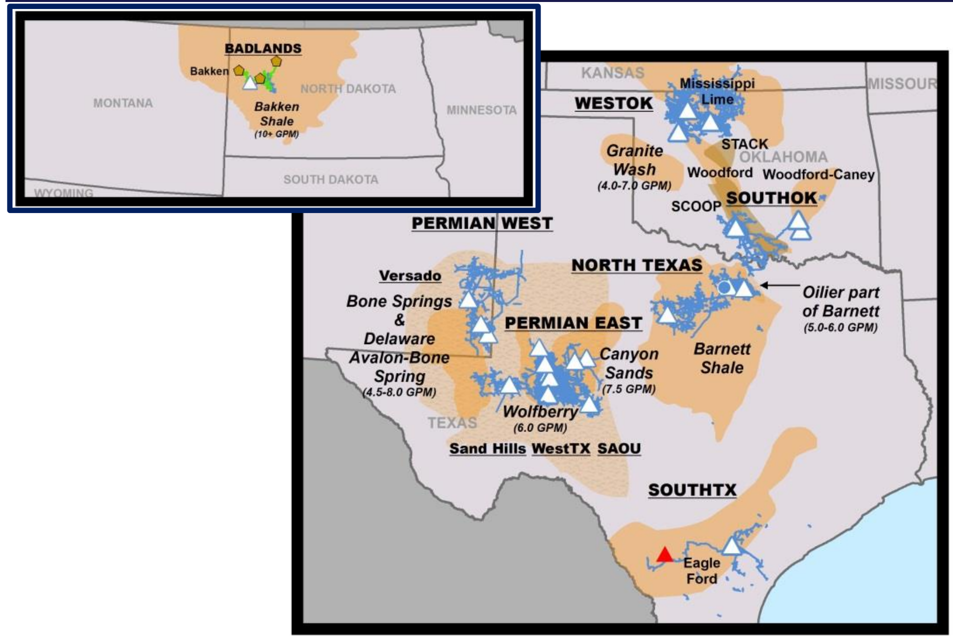
Extensive Field Gathering and Processing Position

Summary

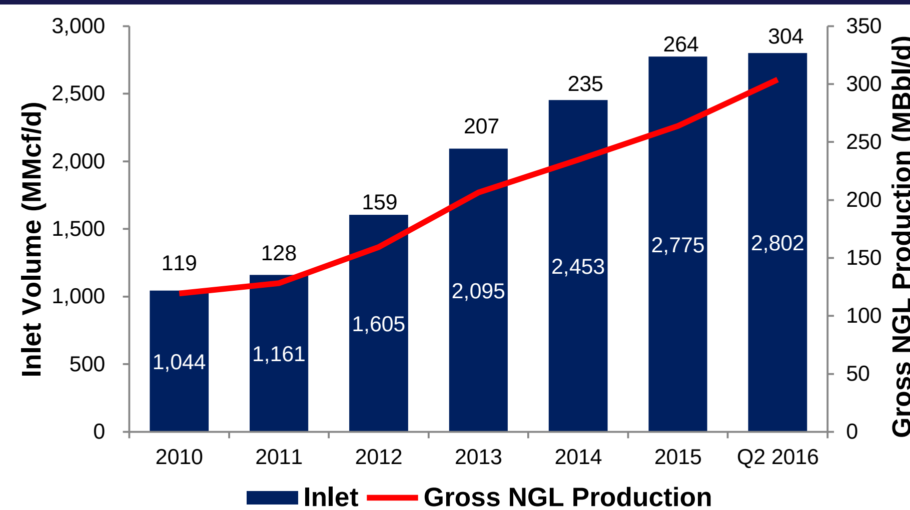
- **Over 24,000 miles of pipeline across attractive positions in the Permian Basin, Eagle Ford Shale, Barnett Shale, Anadarko Basin, Ardmore Basin, Arkoma Basin and Williston Basin**
- **Over 3.6 Bcf/d of gross processing capacity**
- **Examples of recent/current G&P expansions:**
  - Six new cryogenic plants placed in service in 2014 and 2015(1)
  - Connected Sand Hills and SAOU in Q3 2014; WestTX and Sand Hills in Q3 2015; WestTX and SAOU in Q1 2016
  - 200 MMcf/d Buffalo plant began start-up in April 2016
  - Extended SouthTX system west to Catarina Ranch; 200 MMcf/d Raptor plant expected in service in Q1 2017
- **POP and fee-based contracts**

	Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
SAOU	369	1,650
WestTX	855	4,050
Sand Hills	165	1,550
Versado	240	3,450
Permian Total	**1,629**	**10,700**
SouthTX	400	785
North Texas	478	4,550
SouthOK	580	1,500
WestOK	458	6,100
Central Total	**1,916**	**12,935**
Badlands(2)	90	530
Total	**3,635**	**24,165**

Footprint



Volumes(3)



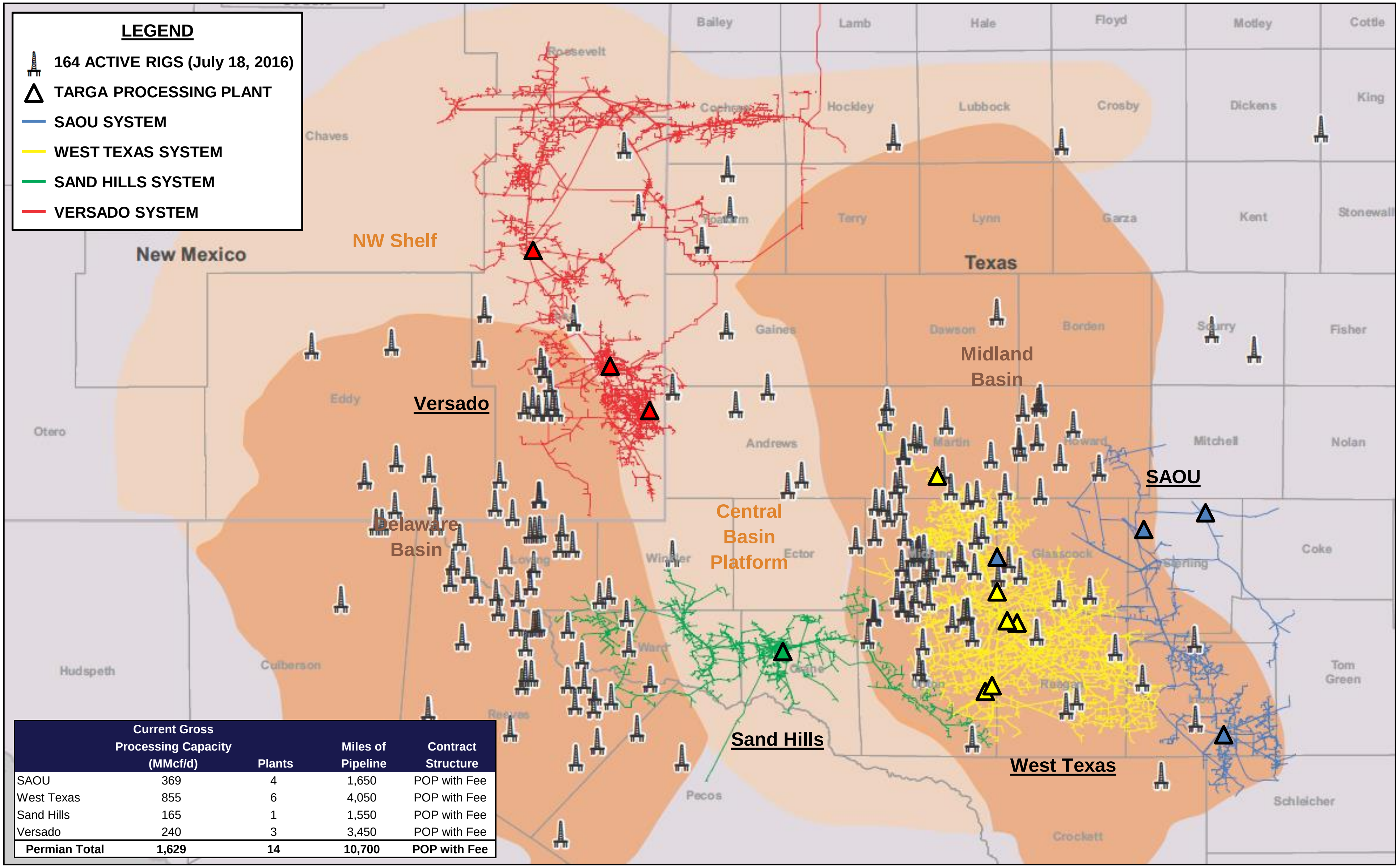
TARGA

(1) Includes: (i) 200 MMcf/d High Plains plant; (ii) 200 MMcf/d Longhorn plant; (iii) 200 MMcf/d Edward plant; (iv) 200 MMcf/d Silver Oak II plant; (v) 120 MMcf/d Stonewall plant and (vi) 40 MMcf/d Little Missouri #3 plant

(2) Total gas and crude oil pipeline mileage

(3) Pro forma Targa/TPL for all years

Premier Permian Basin G&P Footprint



Current Gross Processing Capacity (MMcf/d)		Plants	Miles of Pipeline	Contract Structure
SAOU	369	4	1,650	POP with Fee
West Texas	855	6	4,050	POP with Fee
Sand Hills	165	1	1,550	POP with Fee
Versado	240	3	3,450	POP with Fee
Permian Total	**1,629**	**14**	**10,700**	**POP with Fee**

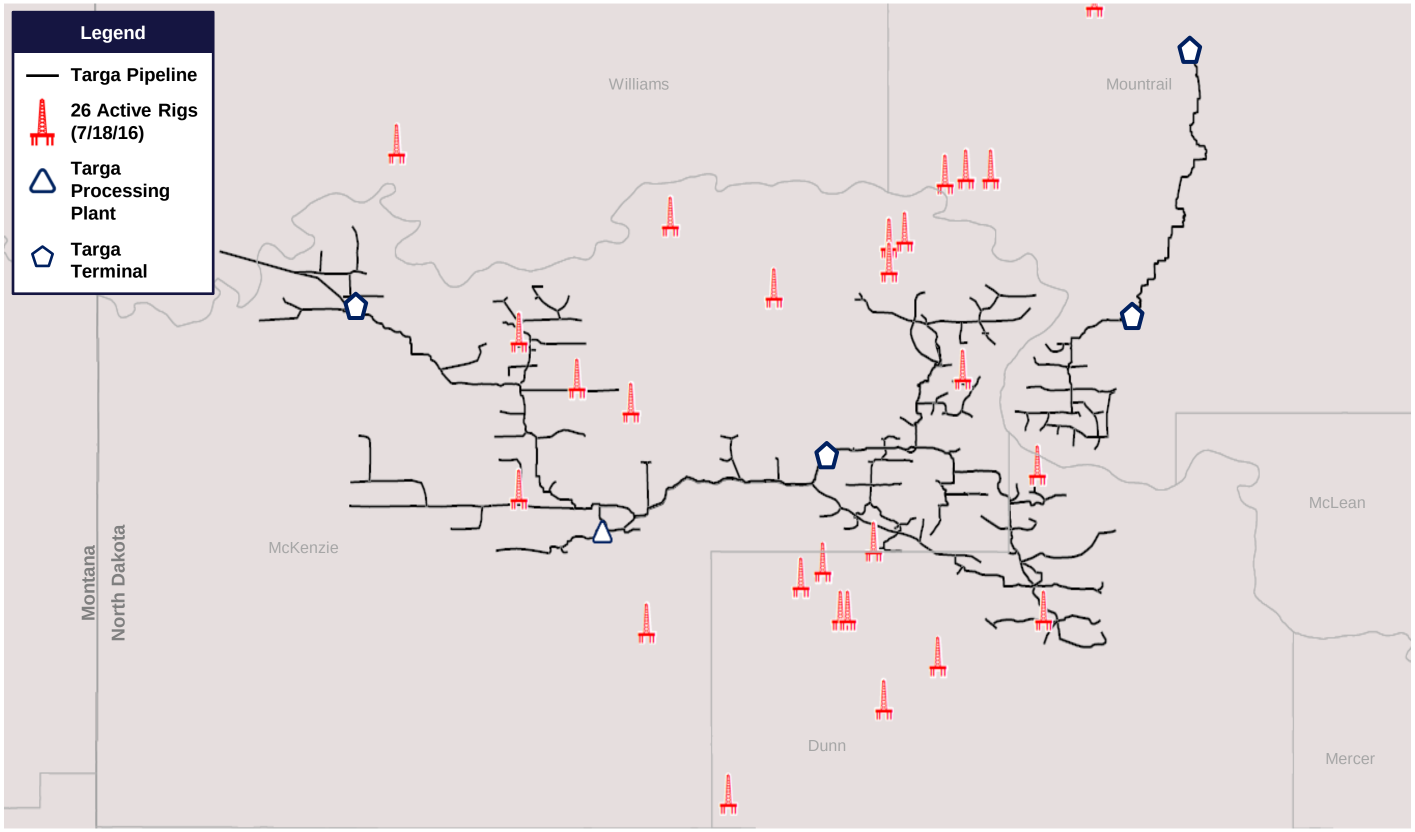
TARGA *Source: Drillinginfo; rigs as of July 18, 2016*

Strategic Position in the Core of the Williston Basin

Summary

- **Core position in McKenzie, Dunn and Mountrail counties**
- **374 miles of crude gathering pipelines**
- **187 miles of natural gas gathering pipelines**
- **90 MMcf/d of total natural gas processing capacity**
  - Three plants at one location
  - Little Missouri #3 plant expansion completed in Q1 2015
- **Fee-based contracts**
- **Large acreage dedications and AMIs from multiple producers**
- **Current crude oil delivery points include Four Bears, Tesoro, Tesoro BakkenLink, Hilands and Enbridge**

Asset Map and Rig Activity(1)



Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Wellhead Gas Gathered (MMcf/d)	Q2 2016 Crude Oil Gathered (MBbl/d)	Miles of Pipeline
Little Missouri	100.0%	McKenzie, ND	90			
Badlands Total			**90**	**51**	**105**	**561**

(1) *Source: Drillinginfo; rigs as of July 18, 2016*

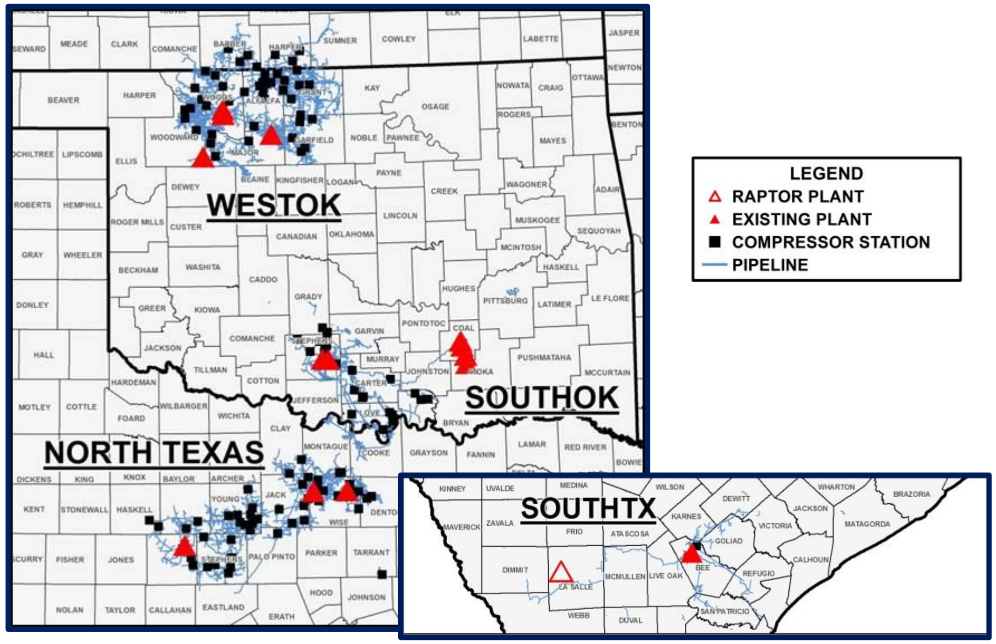
Leading Oklahoma, North Texas and South Texas Positions

Summary

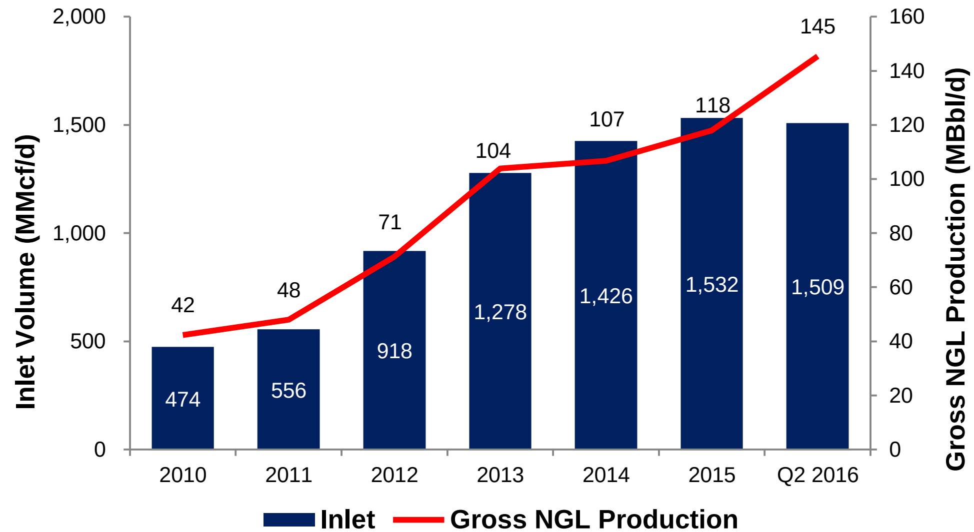
- **Four footprints including approximately 13,000 miles of pipeline**
- **Over 1.8 Bcf/d of gross processing capacity**
  - Announced a joint venture with Sanchez Energy Corporation (NYSE:SN) in October 2015 in SouthTX to build 200 MMcf/d Raptor plant (simply expandable to 260 MMcf/d) and ~45 miles of associated pipelines (western expansion of system in service; plant in La Salle County expected in service in Q1 2017)
  - 15 processing plants across the liquids-rich Anadarko Basin, Arkoma Basin, Ardmore Basin, Barnett Shale, and Eagle Ford Shale
  - Reviewing opportunities to connect / optimize North Texas and SouthOK systems to enhance reliability, optionality and efficiency for producers
- **Traditionally POP contracts in North Texas and WestOK with additional fee-based services for gathering, compression, treating, etc.**
- **Essentially all of SouthTX and vast majority of SouthOK contracts are fee-based**

	Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
WestOK	458	6,100
SouthOK	580	1,500
North Texas	478	4,550
SouthTX	400	785
Central Total	**1,916**	**12,935**

Footprint

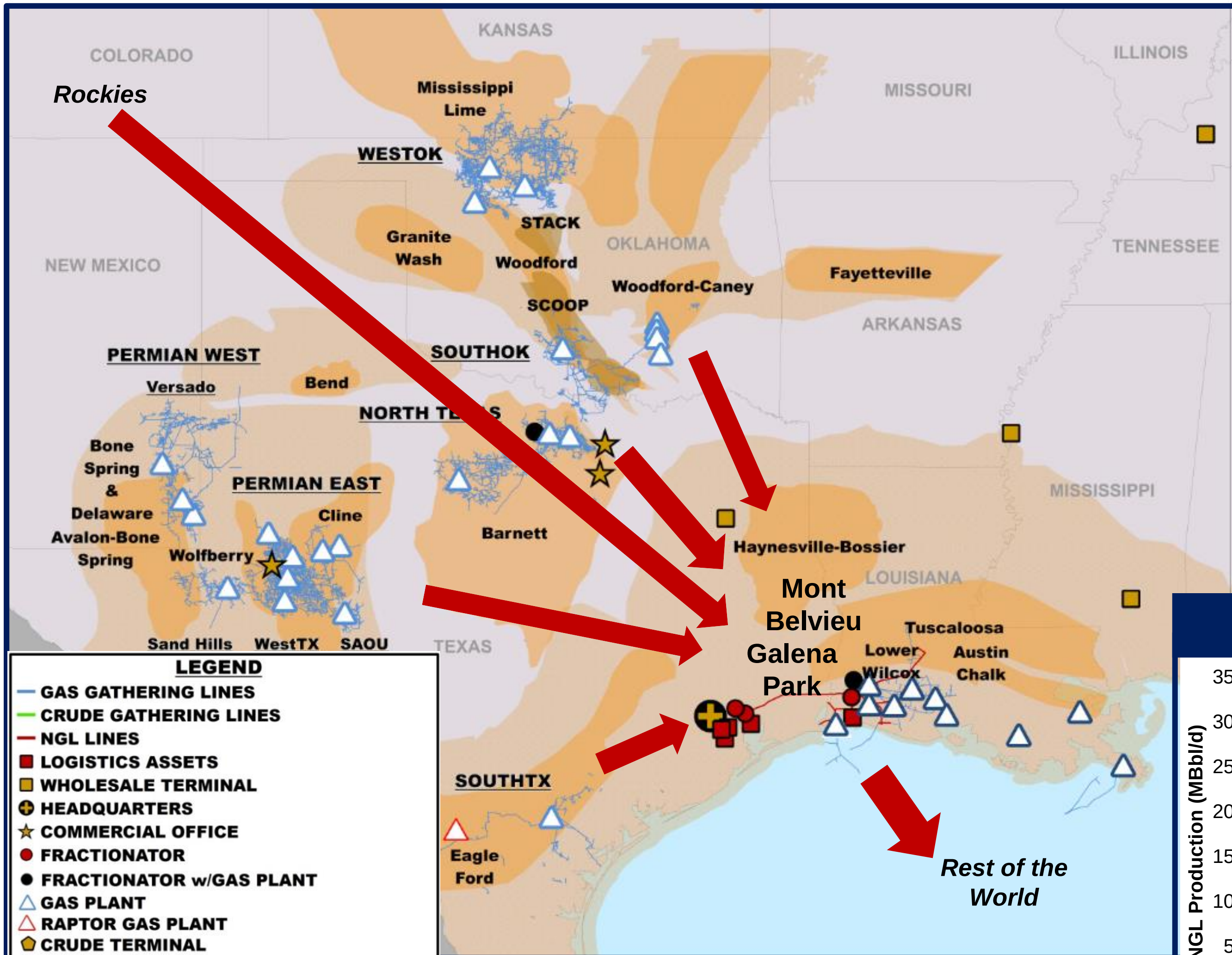


Volumes(1)



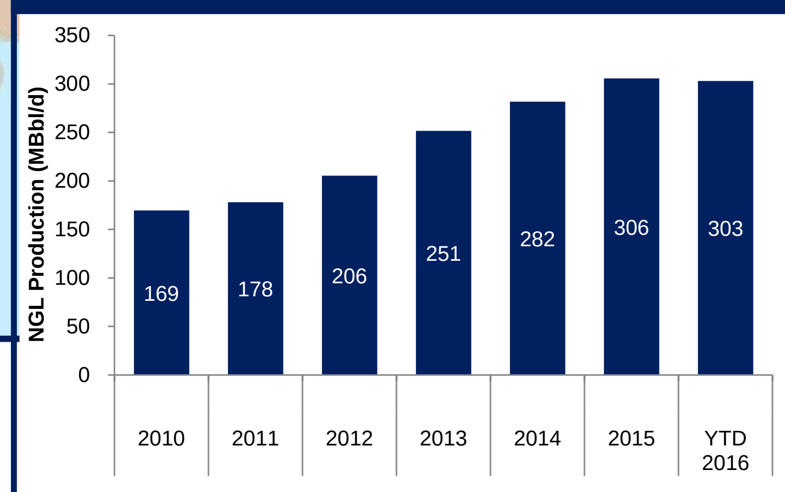
(1) *Pro forma Targa/TPL for all years*

Producer Activity Drives NGL Flows to Mont Belvieu



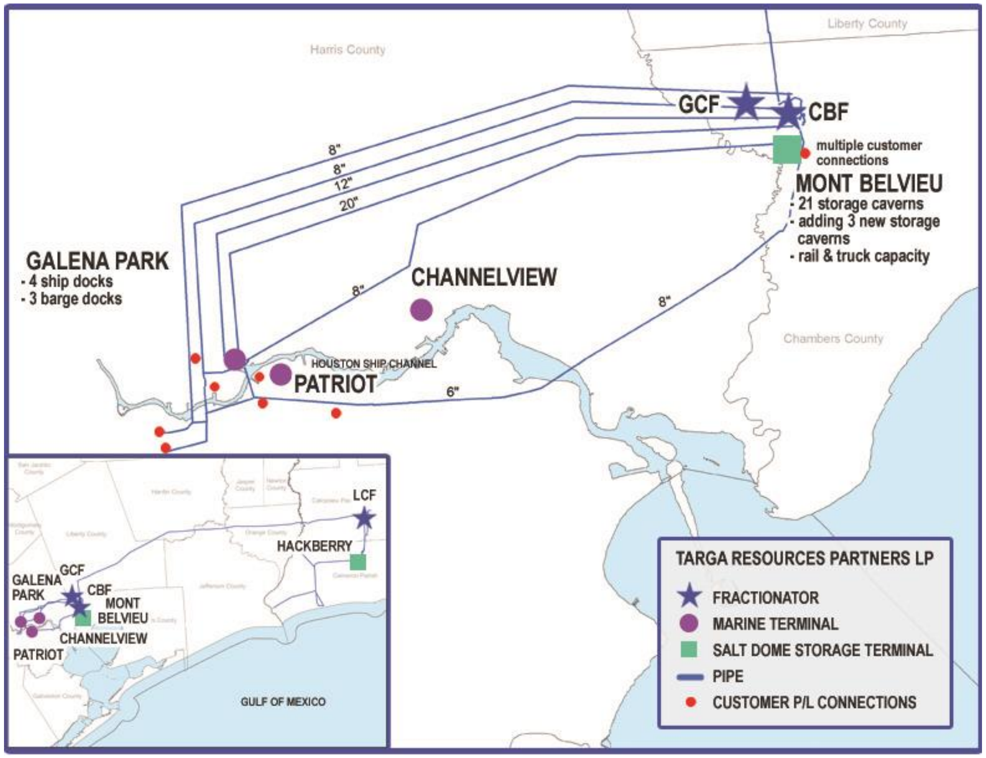
- Growing field NGL production increases NGL flows to Mont Belvieu
- Increased NGL production will support Targa's Mont Belvieu and Galena Park presence
- Petrochemical investments, fractionation and export services will continue to clear additional supply
- Targa's Mont Belvieu and Galena Park businesses very well positioned

NGL Production[1]



TARGA (1) *Pro forma Targa/TPL for all years*

Logistics Assets – Extensive Gulf Coast Footprint



Fractionators		Gross Capacity (MBbl/d)	Net Capacity (MBbl/d)(1)
CBF - Mont Belvieu(1)	Trains 1-3	253	223
	Backend Capacity	40	35
	Train 4	100	88
	Train 5	100	88
Total - CBF		493	434
GCF - Mont Belvieu		125	49
Total - Mont Belvieu		618	482
LCF - Lake Charles		55	55
Total		**673**	**537**

Potential Fractionation Expansions

CBF - Mont Belvieu 100MBbl/d Train 6 currently in public notice

CBF - Mont Belvieu 100MBbl/d Train 7 planned/permitable following Train 6 expansion

Other Assets

Mont Belvieu

30 MBbl/d Low Sulfur/Benzene Treating Natural Gasoline Unit

21 Underground Storage Wells

Adding 3 Underground Storage Wells

Pipeline Connectivity to Petchems/Refineries/LCF/etc.

6 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)

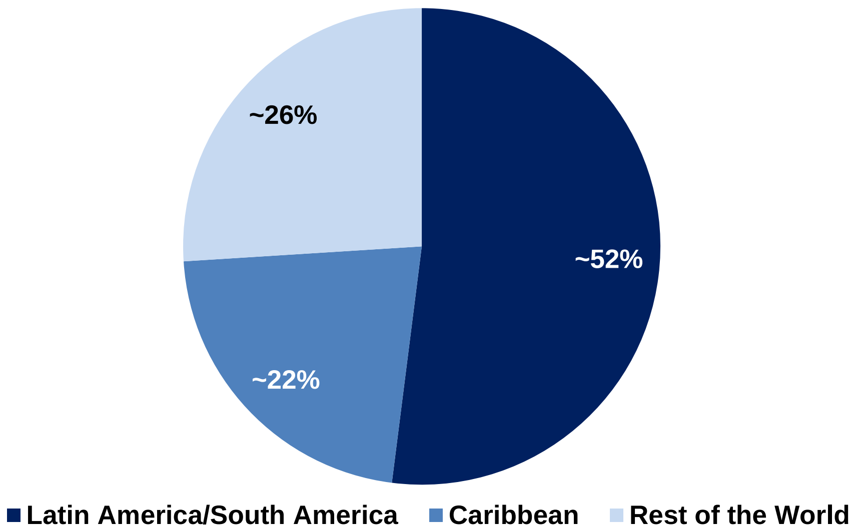
Hackberry Underground Storage (Cameron Parish, LA)

Galena Park Marine Terminal	Products	MMBbl/ Month
Export Capacity	LEP / HD5 / NC4	~7.0
Other Assets		
700 MBbls in Above Ground Storage Tanks		
4 Ship Docks		

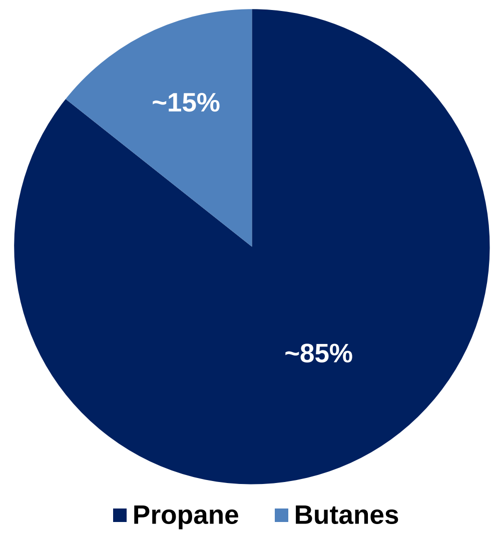
(1) *Net capacity is calculated based on TRP's 88% ownership of CBF and 39% ownership of GCF*

Targa's LPG Export Business

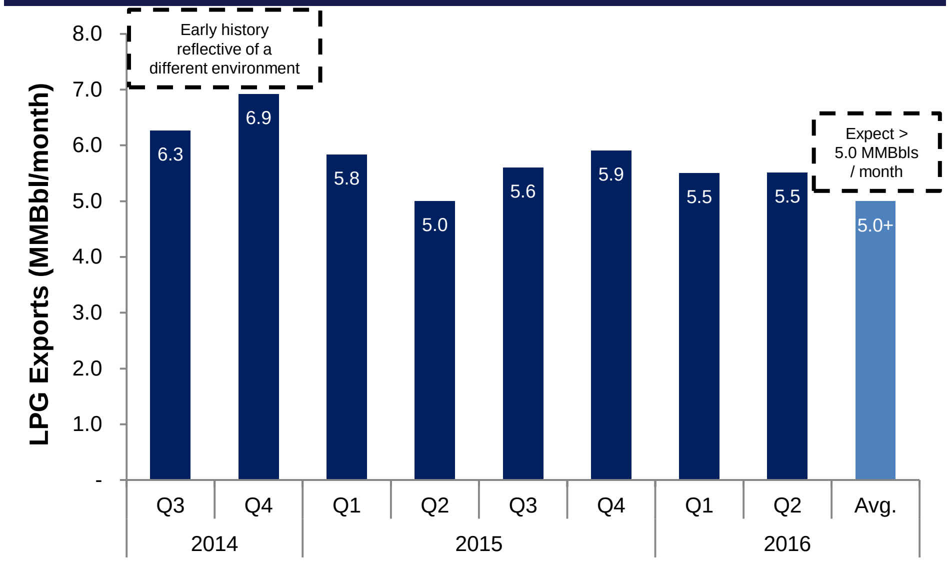
LPG Exports by Destination (1)



Propane and Butane Exports (1)



Galena Park LPG Export Volumes



- **Fee based business with no direct commodity price exposure – charge fee for loading vessel at the dock**
- **Targa advantaged versus some competitors given supporting infrastructure (fractionation, salt cavern storage, supply/market interconnectivity, de-ethanizers, refrigeration)**
- **Differentiated facility and operating practices versus other LPG export facilities related to operational flexibility on vessel size and cargo composition**
- **Nameplate capacity of ~9 MMBbl/month; effective operational capacity of ~7 MMBbl/month or more**
- **Majority of Targa volumes staying in the Western Hemisphere, but some volumes traveling to Europe and the Far East**
  - Flexibility on vessel size has driven competitive advantage in providing export services to vessels delivering volumes to Latin America, South America and the Caribbean, where demand is relatively stable to growing

(1) Trailing twelve months – Q3 2015 through Q2 2016

2016 Net Growth Capex

- **Targa has completed two major projects and has two major projects underway, representing approximately $275 million of 2016E growth capex (net)**
  - All four projects will provide cash flow in 2016
- **Targa also expects an additional approximately $250 million of 2016E growth capex**
  - Projects may be deferred or accelerated depending on market conditions and activity levels
  - These strategic projects will be funded utilizing revolver liquidity, debt markets, joint ventures, common equity and/or other equity sources

($ in millions)		Total Project Capex	2016E Capex	Completion / Expected Completion	Primarily Fee-Based	Additional Cash Flow in 2016
Major Projects in Progress	**Downstream**					
	CBF Train 5 Expansion (100 MBbl/d)	$340	$90	Q2 2016*	✓	✓
	Noble Crude and Condensate Splitter	140	80	Q1 2018	✓	✓
	Gathering & Processing					
	WestTX Buffalo Plant	$105	$20	Q2 2016*		✓
	SouthTX Sanchez Energy JV	125	85	Q1 2017	✓	✓
	Total (Downstream + G&P)	**$690 - $710**	**$275**			
Other Identified Projects	**Other Projects (Downstream + G&P)**		**$250**			✓
Total			**$525**			

** Projects in service*

Strategic Focus – 2H 2016

- In addition to ongoing cost reduction efforts across all businesses (opex and capex), the following reflects Targa's second half 2016 strategic focus:

Continued Balance Sheet Improvement	• Protecting and improving the balance sheet remains a priority • Depending on market conditions, continue to utilize ATM to issue common equity ◦ ~$250 million of proceeds raised, May 2016 through July 2016
Capital Investment Efficiency	• Capital spending focused on efficiently meeting customer needs • Delaying/deferring some Field G&P projects, and accelerating others depending on expected activity levels and expected returns • Identifying and pursuing low cost investments/options that benefit from price recovery cases
Continuing to Identify and Capture Opportunities	• Continuing to focus efforts on enhancing gross margin through re-contracting efforts across our G&P footprint, which often includes the addition of incremental fees • Investing around our assets and around our customer contracts – strong existing asset base creates opportunities for bolt-on capex and bolt-on M&A • Utilizing existing infrastructure to continue to position, grow, or improve presence in most attractive G&P areas – Wolfcamp/Spraberry, Delaware Basin, SCOOP and STACK • Executing on compelling downstream projects that leverage existing footprint

Strong Asset Base Poised for Growth

A Strong Footprint in Active Basins

- Premier Permian Basin footprint across Midland Basin, Central Basin Platform and Delaware Basin
- Dedicated acreage across the most attractive counties exposed to Bakken activity
- Midcontinent well-positioned for SCOOP play and Targa developing options to improve access to STACK play
- Growing Eagle Ford presence through attractive JV

And a Leading Position at Mont Belvieu

- Leading fractionation ownership positions in NGL market hub at Mont Belvieu
- Most flexible LPG export facility on the US Gulf Coast
- Positions not easily replicated
- Additional NGL volumes will flow to Mont Belvieu as ethane demand increases from US ethane exports and new US petchem crackers

Drive Targa's Long-Term Growth

- Minimal hedges beyond 2016 provide tailwinds in a rising commodity price environment
- Disciplined balance sheet management means Targa is well positioned across any environment
- Continued G&P expansions as activity increases
- Will add fractionation over time to support NGL supply increases

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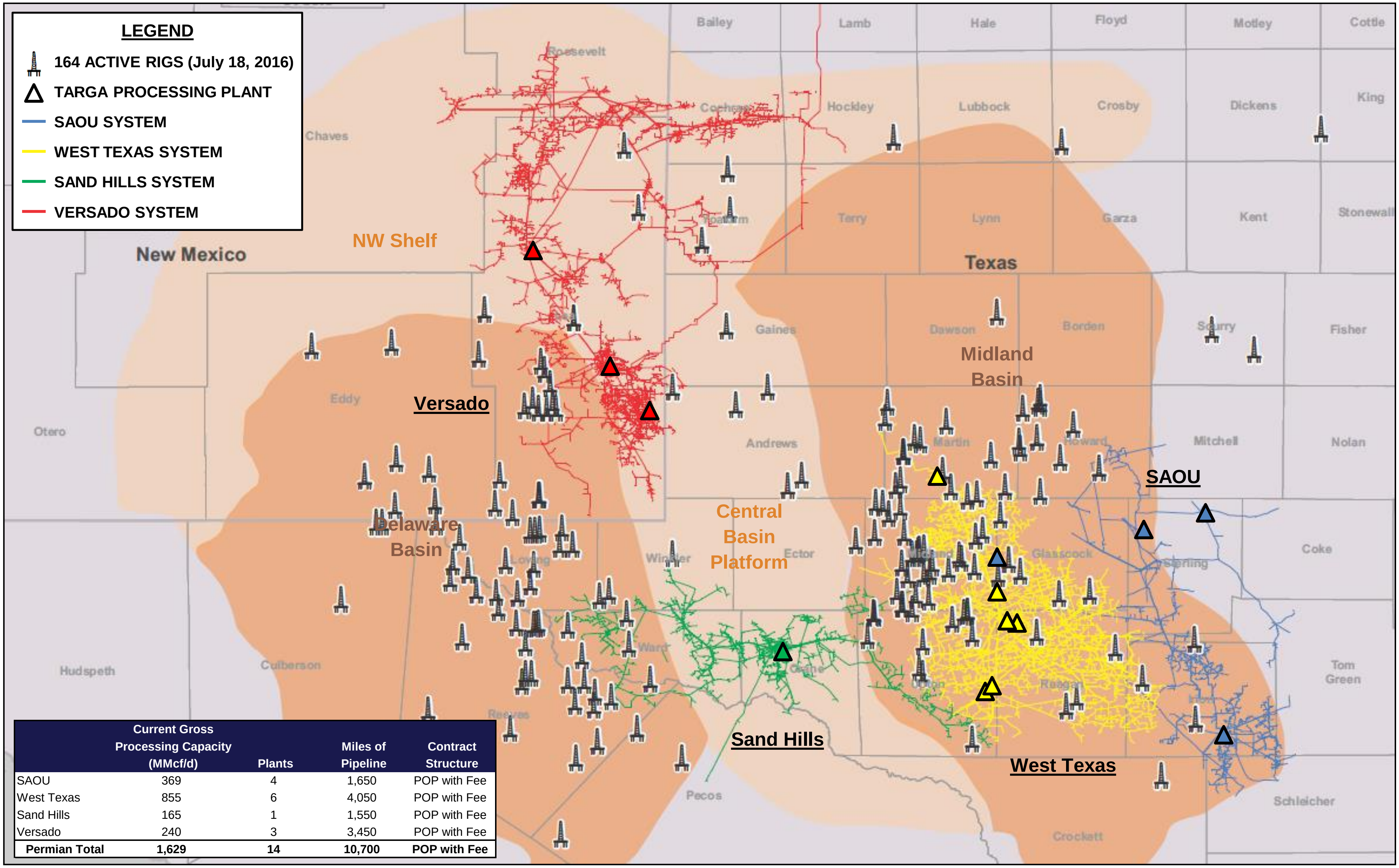
Additional Information

Premier Permian Basin G&P Footprint



	Current Gross Processing Capacity (MMcf/d)	Plants	Miles of Pipeline	Contract Structure
SAOU	369	4	1,650	POP with Fee
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Sand Hills	165	1	1,550	POP with Fee
Versado	240	3	3,450	POP with Fee
Permian Total	**1,629**	**14**	**10,700**	**POP with Fee**

TARGA (1) *Source: Drillinginfo; rigs as of July 18, 2016*

Permian (SAOU) – Summary

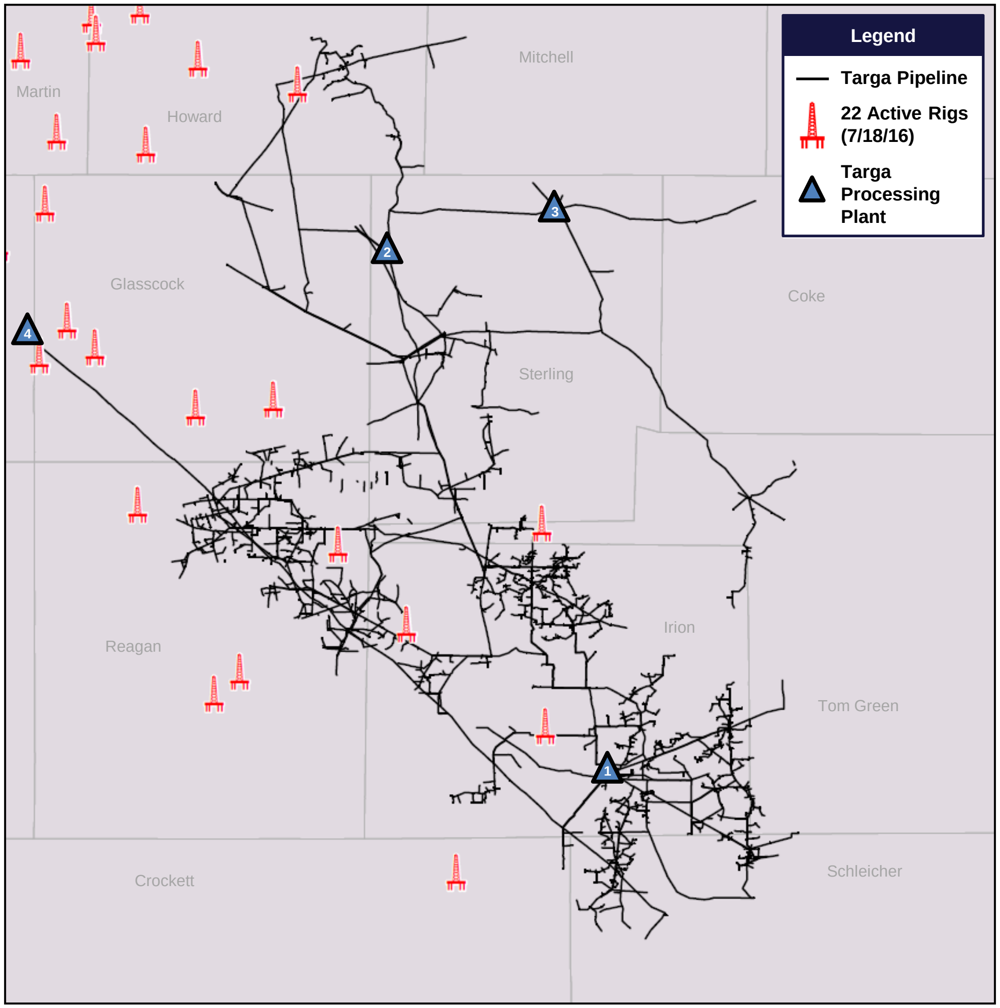
Summary

- **Footprint includes approximately 370 MMcf/d of processing capacity and 1,650 miles of pipeline in the Midland Basin**
  - Three active cryogenic processing plant locations and one idled standby plant
- **200 MMcf/d High Plains plant placed in service Q2 2014**
- **Connected to WestTX and Sand Hills systems; currently moving volumes from Sand Hills**
- **Traditionally POP contracts, with added fees and fee-based services for compression, treating, etc.**

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Mertzon	100.0%	Irion, TX	52			
(2) Sterling	100.0%	Sterling, TX	92			
(3) Conger [1]	100.0%	Sterling, TX	25			
(4) High Plains	100.0%	Midland, TX	200			
SAOU Total			**369**	**259**	**32**	**1,650**

(1) Idled due to market conditions in September 2014

Asset Map and Rig Activity(1)



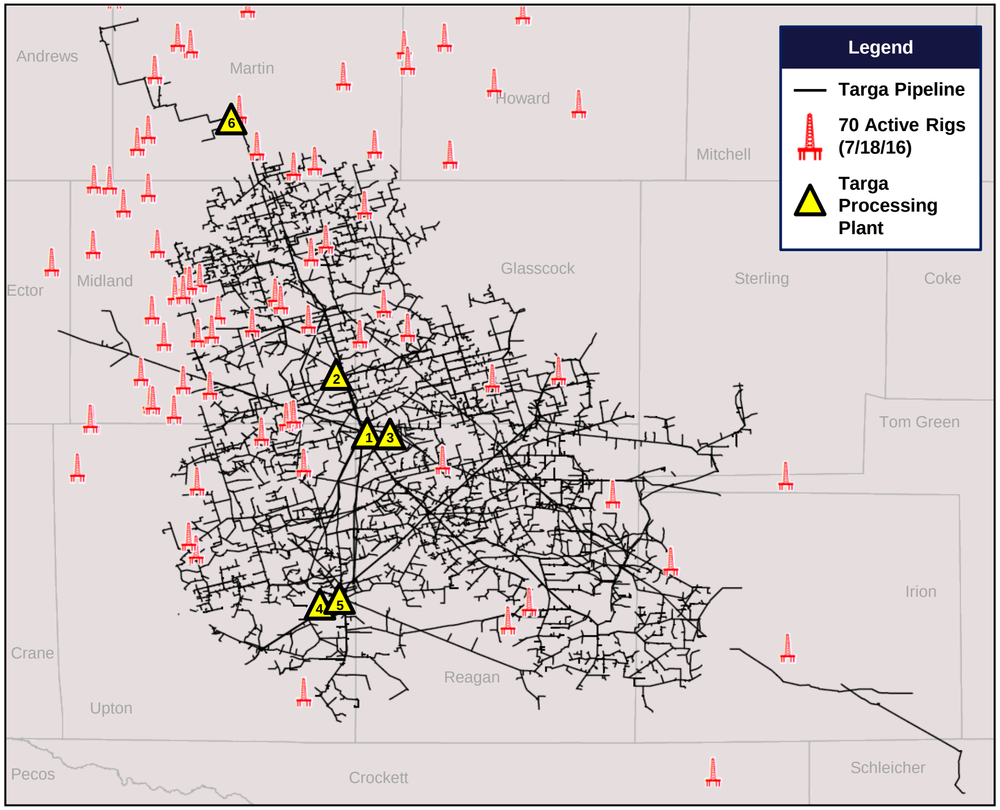
 (1) *Source: Drillinginfo; rigs as of July 18, 2016*

Permian (WestTX) – Summary

Summary

- **Footprint includes approximately 855 MMcf/d of gross processing capacity and 4,050 miles of pipeline in the Midland Basin**
  - Five active cryogenic processing plants and one idled plant
- **Joint venture between Targa (72.8% ownership and operator) and Pioneer Natural Resources (27.2% ownership)**
- **200 MMcf/d Buffalo processing plant in service Q2 2016**
- **Connected to SAOU and Sand Hills systems**
- **Traditionally POP contracts, with added fees and fee-based services for compression, treating, etc.**

Asset Map and Rig Activity(1)



Plant	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016E Gross Plant Inlet (MMcf/d)	Q2 2016E Gross NGL Production (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	60			
(4) Benedum [1]	72.8%	Upton, TX	45			
(5) Edward	72.8%	Upton, TX	200			
(6) Buffalo	72.8%	Martin, TX	200			
WestTX Total			**855**	**670**	**83**	**4,050**

(1) Idled in September 2014 after start-up of Edward plant

TARGA *(1) Source: Drillinginfo; rigs as of July 18, 2016*

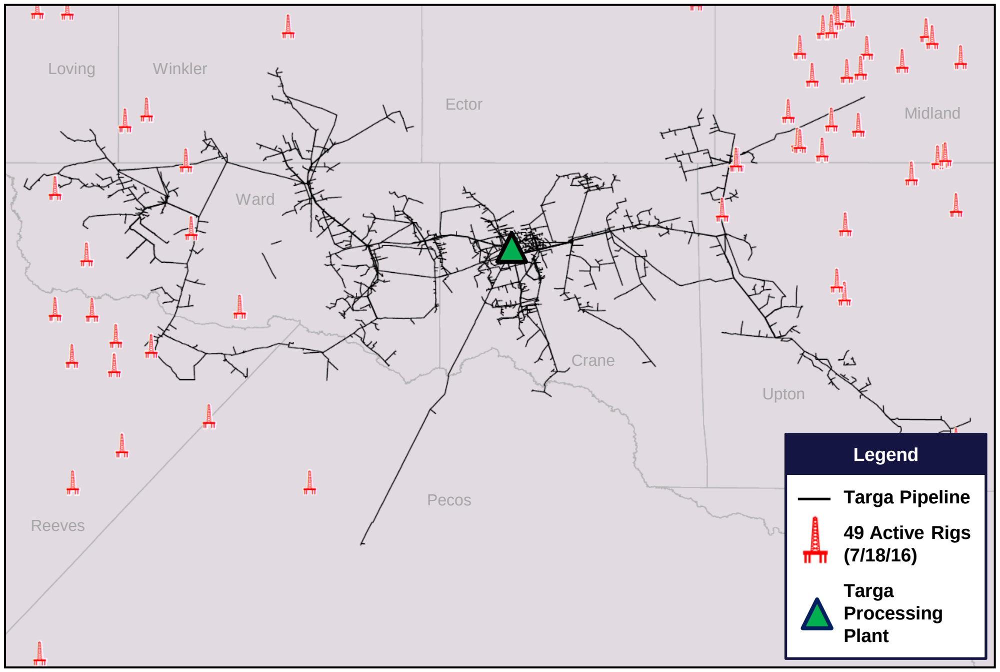
Permian (Sand Hills) – Summary

Summary

- **Footprint includes approximately 165 MMcf/d of processing capacity and 1,550 miles of pipeline in the Central Basin Platform/Delaware Basin**
  - One active cryogenic plant facility, expanded by 30 MMcf/d in late 2012
- **Connected to WestTX and SAOU systems; currently moving volumes to SAOU**
- **Traditionally POP contracts, with added fees and fee-based services for compression, treating, etc.**

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
Sand Hills	100.0%	Crane, TX	165			
Sand Hills Total			**165**	**136**	**14**	**1,550**

Asset Map and Rig Activity[1]



(1) Source: Drillinginfo; rigs as of July 18, 2016

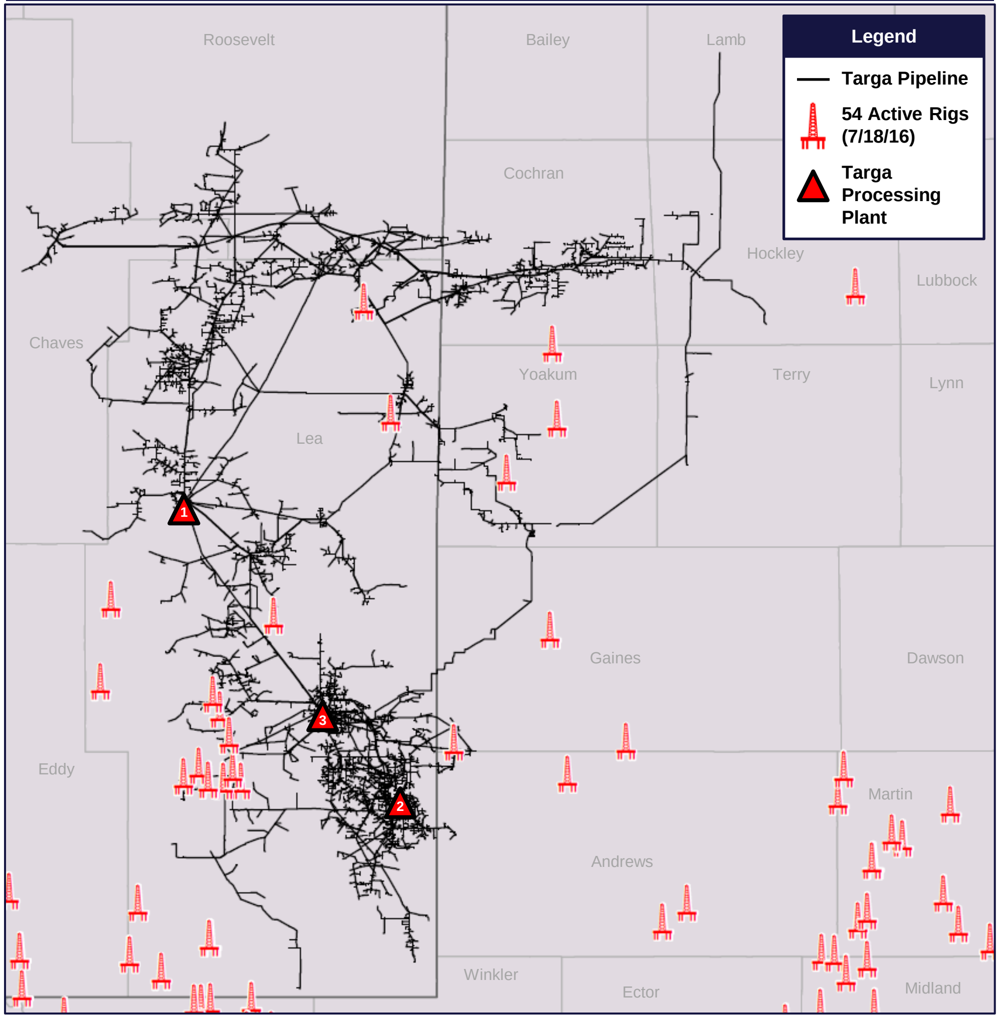
Permian (Versado) – Summary

Summary

- **Footprint includes approximately 240 MMcf/d of processing capacity and 3,450 miles of pipeline in the northern Delaware Basin**
  - Three active cryogenic processing plant facilities
- **Joint venture between Targa (63% ownership and operator) and Chevron (37% ownership)**
- **Traditionally POP contracts, with added fees and fee-based services for compression, treating, etc.**

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Saunders	63.0%	Lea, NM	60			
(2) Eunice	63.0%	Lea, NM	95			
(3) Monument	63.0%	Lea, NM	85			
Versado Total			**240**	**169**	**20**	**3,450**

Asset Map and Rig Activity[1]



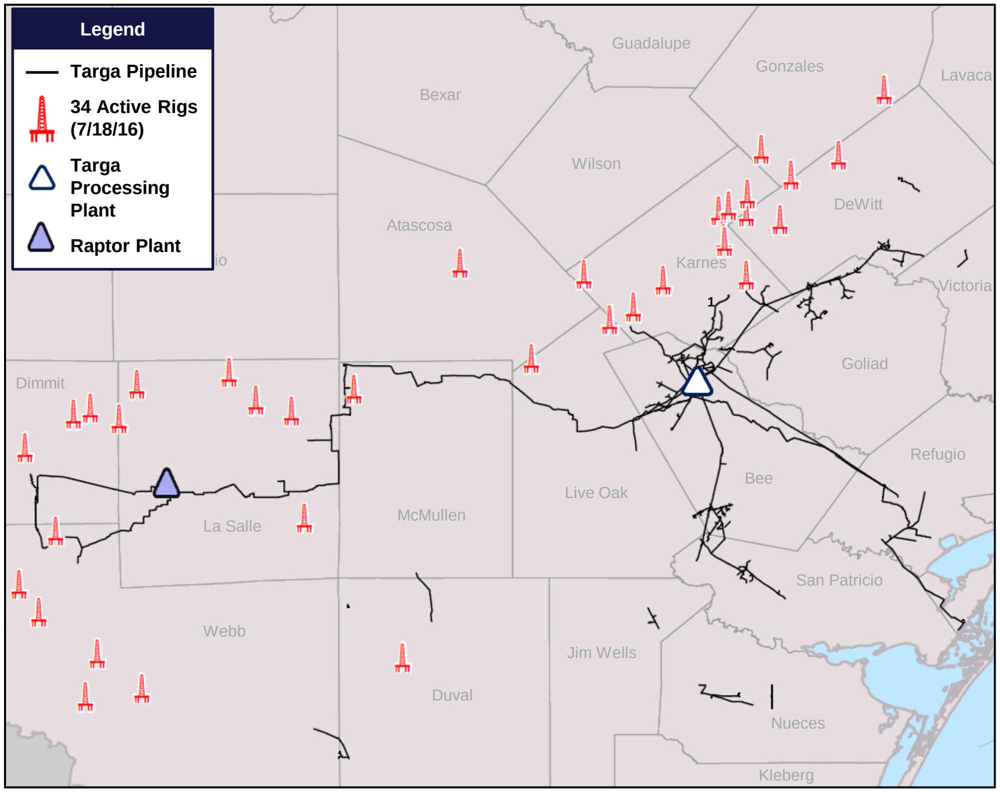
(1) *Source: Drillinginfo; rigs as of July 18, 2016*

SouthTX – Sanchez Energy Corp. JV Driving Growth

Summary

- **JV agreements with Sanchez Energy Corp. (NYSE:SN) executed in October 2015**
  - Gathering JV interest subsequently acquired by Sanchez Production Partners LP (NYSE:SPP) in July 2016
- **Constructing 200 MMcf/d Raptor plant and associated pipelines**
  - Western system gathering expansion completed in March 2016
  - Raptor expected online in Q1 2017, bringing total system processing capacity to 600 MMcf/d
- **Fee-based contract with 125 MMcf/d MVC for 5 years begins Q1 2017**
  - Targa currently processing SN volumes at existing facilities on east side of the system
- **15 year acreage dedication in Dimmit, La Salle and Webb counties**

Asset Map and Rig Activity[1]



Plant	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
Silver Oak I	100.0%	Bee, TX	200			
Silver Oak II	90.0%	Bee, TX	200			
SouthTX Total			**400**	**265**	**31**	**785**

(1) *Source: Drillinginfo; rigs as of July 18, 2016*

North Texas – Exposed to Barnett Shale and Marble Falls Activity

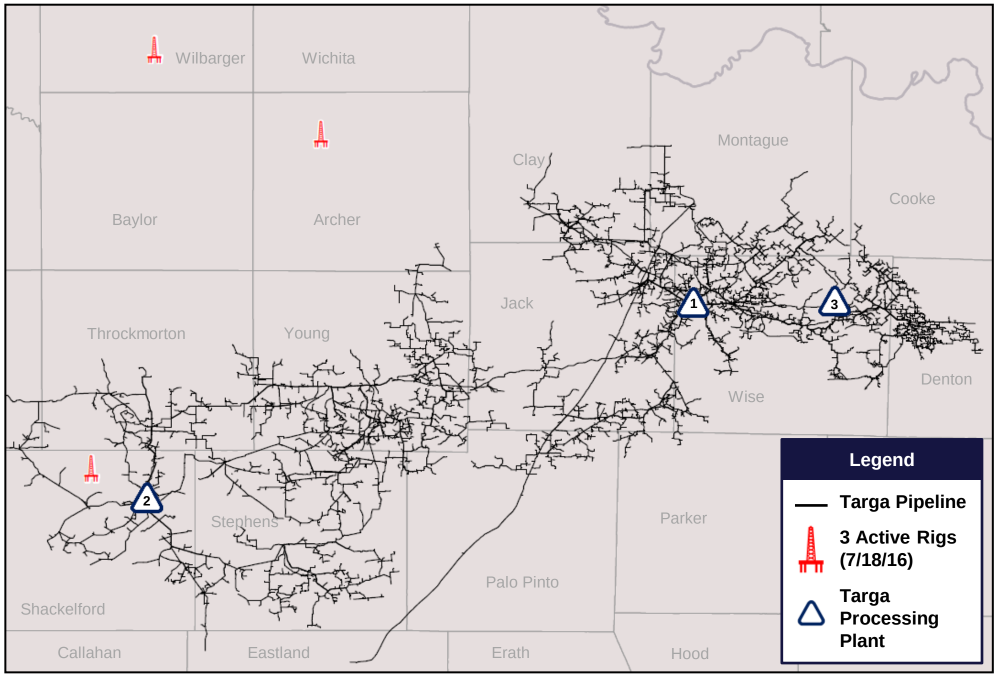
Summary

- **478 MMcf/d of gross processing capacity**
  - 200 MMcf/d Longhorn plant came online in May 2014
- **Marble Falls and Barnett Shale development**
- **Combination of larger independent producer customers with exposure to multiple plays and small and medium sized independents with only a North Texas footprint**
- **Primarily POP contracts with fee-based components**
- **Expect to connect North Texas and SouthOK systems**

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Chico [1]	100.0%	Wise, TX	265			
(2) Shackelford	100.0%	Shackelford, TX	13			
(3) Longhorn	100.0%	Wise, TX	200			
North Texas Total			**478**	**328**	**37**	**4,550**

[1] Chico plant has fractionation capacity of ~15 Mbbls/d

Asset Map and Rig Activity[1]



(1) *Source: Drillinginfo; rigs as of July 18, 2016*

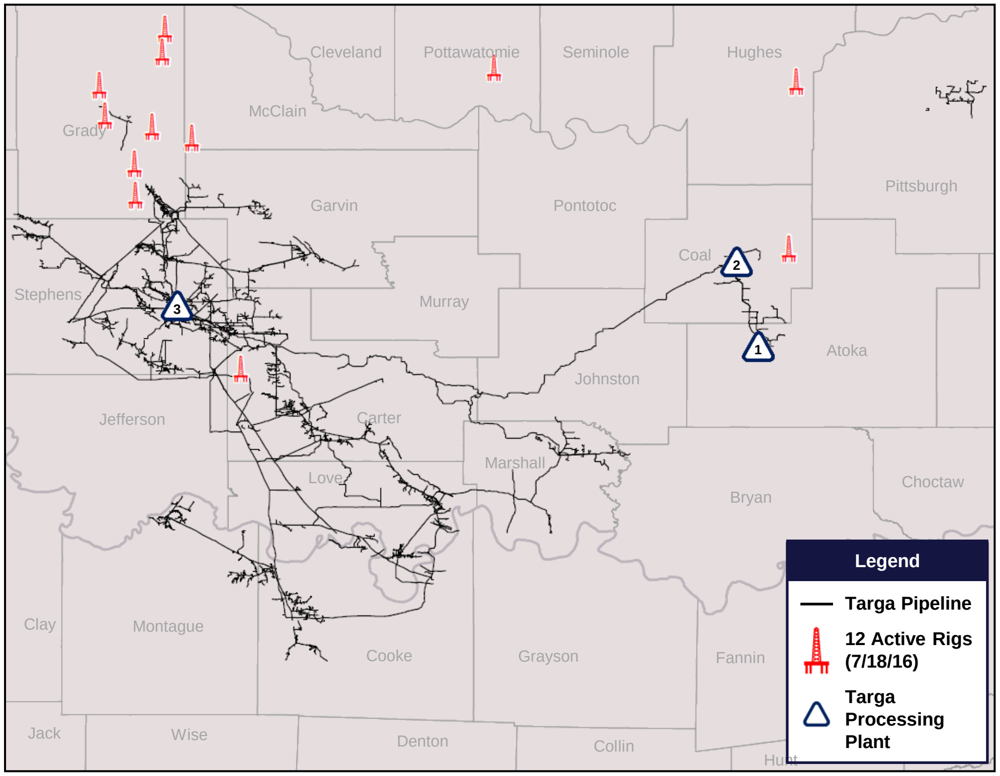
SouthOK – Exposure to Increasing SCOOP Activity

Summary

- **580 MMcf/d of gross processing capacity**
- **Velma system well positioned to benefit from increasing SCOOP activity**
  - Primary growth driver will be SCOOP activity focused in the oil/condensate window (Grady, Garvin and Stephens Counties)
  - Arkoma Woodford (Coal, Atoka, Hughes and Pittsburg Counties) growth will occur with improvement in gas pricing
- **Majority fee-based contracts**

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Atoka [1]	60.0%	Atoka County, OK	20			
(2) Coalgate	60.0%	Coal, OK	80			
(2) Stonewall	60.0%	Coal, OK	200			
(2) Tupelo	100.0%	Coal, OK	120			
(3) Velma	100.0%	Stephens, OK	100			
(3) Velma V-60	100.0%	Stephens, OK	60			
SouthOK Total			**580**	**471**	**47**	**1,500**

Asset Map and Rig Activity[1]



(1) *Source: Drillinginfo; rigs as of July 18, 2016*

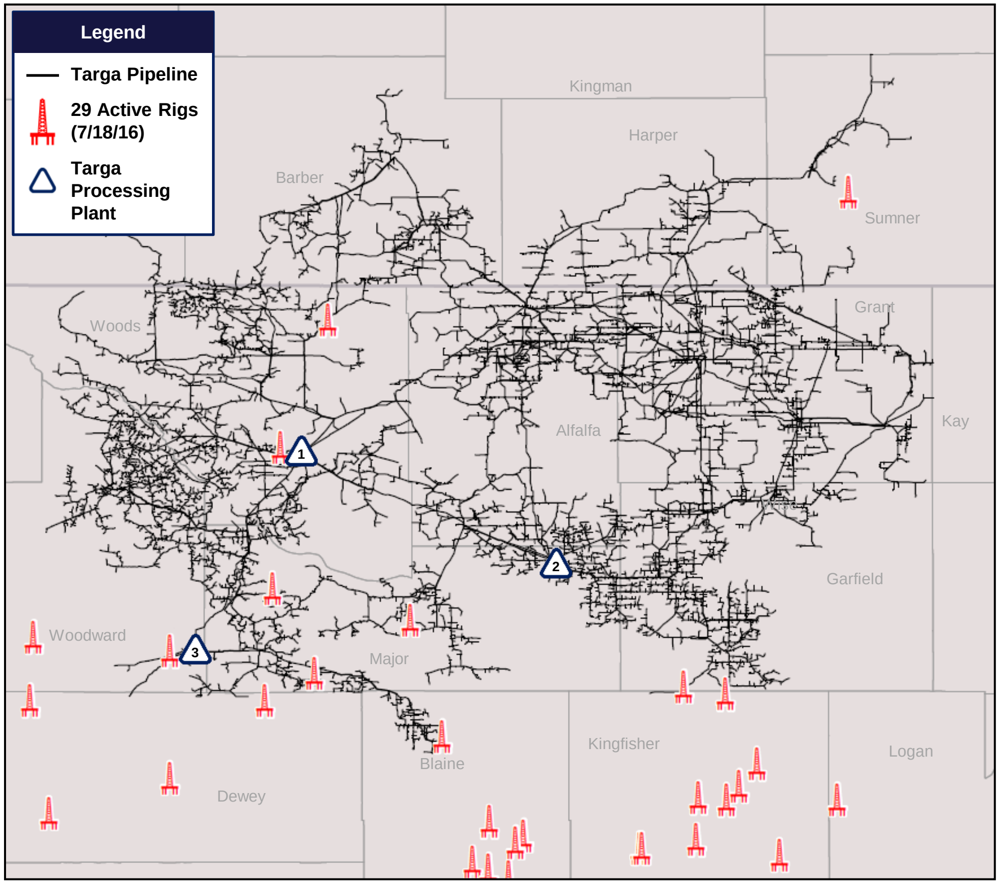
WestOK – Positioned for STACK Growth

Summary

- ~450 MMcf/d of gross processing capacity
- Declining Mississippi Lime activity has impacted volumes
- Majority of WestOK contracts are hybrid POP's plus fees
- Currently developing opportunities to connect and gather STACK volumes from the south into WestOK system
- In an effort to maintain capital efficiency, Targa is working with another midstream provider to onload excess gas volumes onto Targa's system

Facility	% Owned	Location (County)	Est. Gross Processing Capacity (MMcf/d)	Q2 2016 Gross Plant Inlet (MMcf/d)	Q2 2016 Gross NGL Production (MBbl/d)	Miles of Pipeline
(1) Waynoka I	100.0%	Woods, OK	200			
(1) Waynoka II	100.0%	Woods, OK	200			
(2) Chaney Dell	100.0%	Major, OK	30			
(3) Chester	100.0%	Woodward, OK	28			
WestOK Total			**458**	**446**	**30**	**6,100**

Asset Map and Rig Activity[(1)]



(1) Source: Drillinginfo; rigs as of July 18, 2016

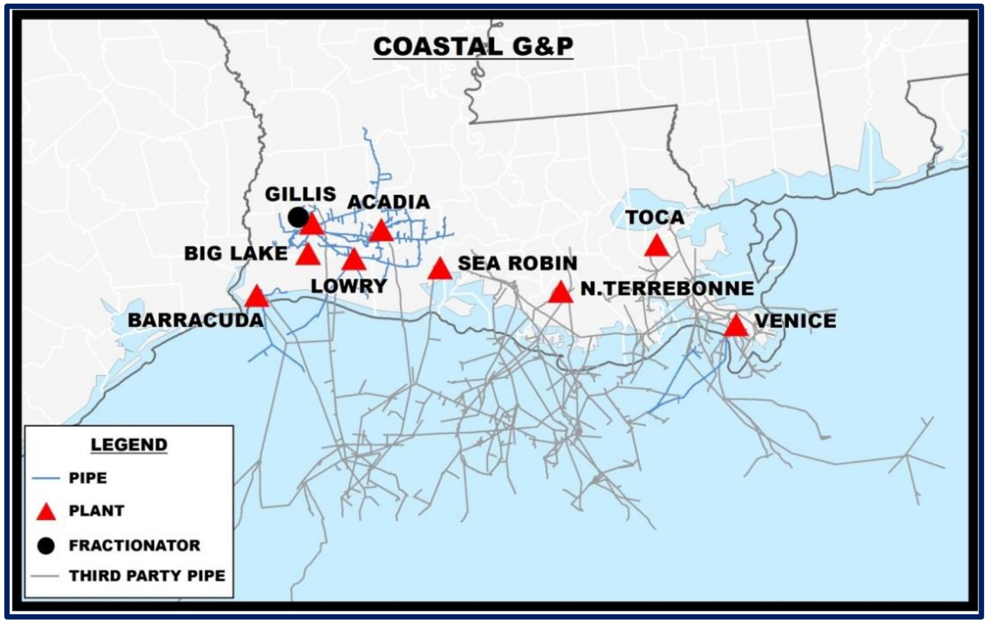
Coastal – Gulf Coast Footprint

Summary

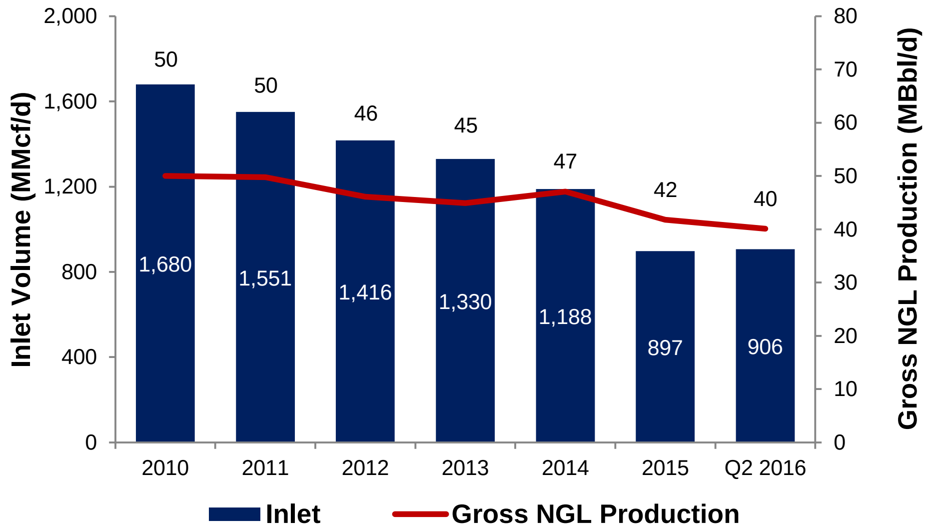
- **Asset position represents a competitively advantaged straddle option on Gulf of Mexico activity over time**
- **LOU (Louisiana Operating Unit)**
  - 440 MMcf/d of gas processing (180 MMcf/d Gillis plant, 80 MMcf/d Acadia plant and 180 MMcf/d Big Lake plant)
  - Interconnected to Lake Charles Fractionator (LCF)
- **Coastal Straddles (including VESCO)**
  - Positioned on mainline gas pipelines processing volumes of gas collected from offshore; southwest LA plants interconnect to LCF
- **Inlet volumes and gross NGL production have been declining, but volume decreases have been partially offset by moving volumes to more efficient plants**
- **Hybrid contracts (POL with fee floors)**

	Current Gross Processing Capacity (MMcf/d)
LOU	440
Vesco	750
Other Coastal Straddles	3,255
Total	**4,445**

Footprint



Volumes



Downstream Capabilities

Overview

- **Assets include:**
  - Attractive fractionation footprint at Mont Belvieu and Lake Charles
  - Second largest LPG export terminal on the Houston Ship Channel
  - Above and underground storage terminals across the country
  - Domestic NGL marketing and distribution
  - Wholesale, refinery and transportation services
  - Natural gas marketing
- **Contributed 47% of Targa's overall Q2 2016 operating margin**
- **Fee-based businesses; many with take-or-pay commitments**
- **Major capex projects announced and completed, or in progress, over last 3 years include: LPG export terminal expansions, new fractionation trains, a crude and condensate splitter and terminal capability additions**

Downstream Businesses

- **NGL Fractionation / Storage**
  - Leading Mont Belvieu (and Lake Charles) footprint with supply/market and underground storage connectivity provides a locational advantage
  - Fixed fees with take-or-pay commitments
- **LPG Exports**
  - Fixed loading fees with take-or-pay commitments; serving end users and international trading houses
- **Other**
  - NGL and Natural Gas Marketing
    - Manage physical distribution of mixed NGLs and specification products using owned and third party facilities
    - Manage inventories for Targa downstream business
  - Domestic NGL Marketing and Distribution
    - Contractual agreements with major refiners to market NGLs by barge, rail and truck; margin-based fees
    - Sell propane to multi-state, independent retailers and industrial accounts; inventory sold at index plus
  - Commercial Transportation
    - All fee-based; 693 railcars, 79 transport tractors, 21 NGL barges
  - Petroleum Logistics
    - Gulf Coast, East Coast and West Coast terminals

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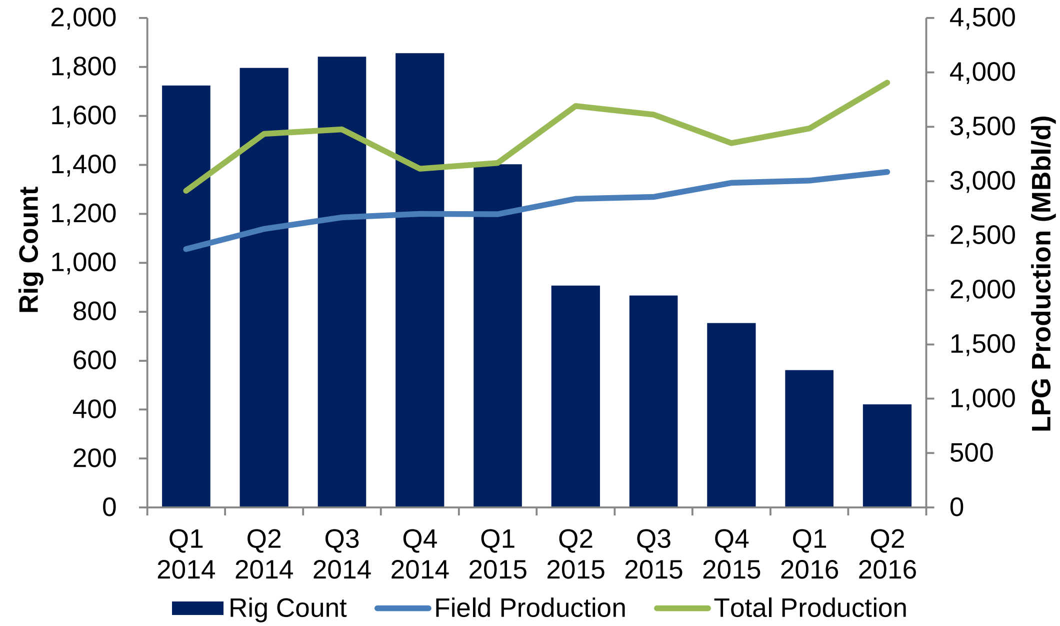
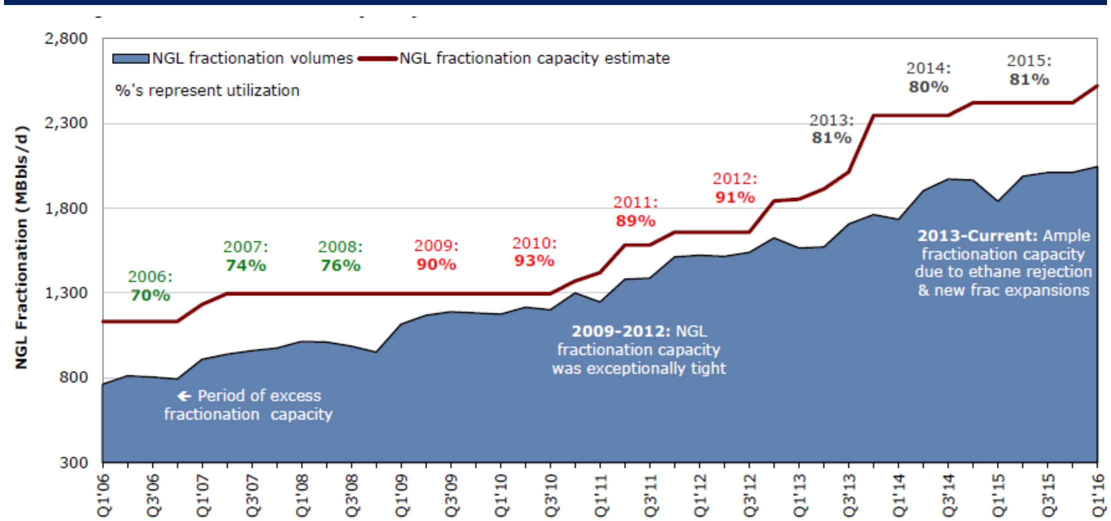
Targa's Fractionation Assets

- **Targa currently has ~493 MBbl/d of gross frac capacity at CBF and ~673 MBbl/d of total gross frac capacity**
  - 100 Mbbl/d CBF Train 5 operational in May 2016
- **Less than 5% of frac contracts rollover in next 3 years, and less than 10% in next 5 years**
- **While there is currently some excess frac capacity in Mont Belvieu today, frac capacity likely to tighten in 2017 and beyond**
  - EPD ethane export facility plus new petchems will increase ethane demand and ethane recovery
  - Targa well positioned to benefit

Domestic Rig Count and NGL Supply[1]



NGL Frac Capacity Relative to Utilization[2]



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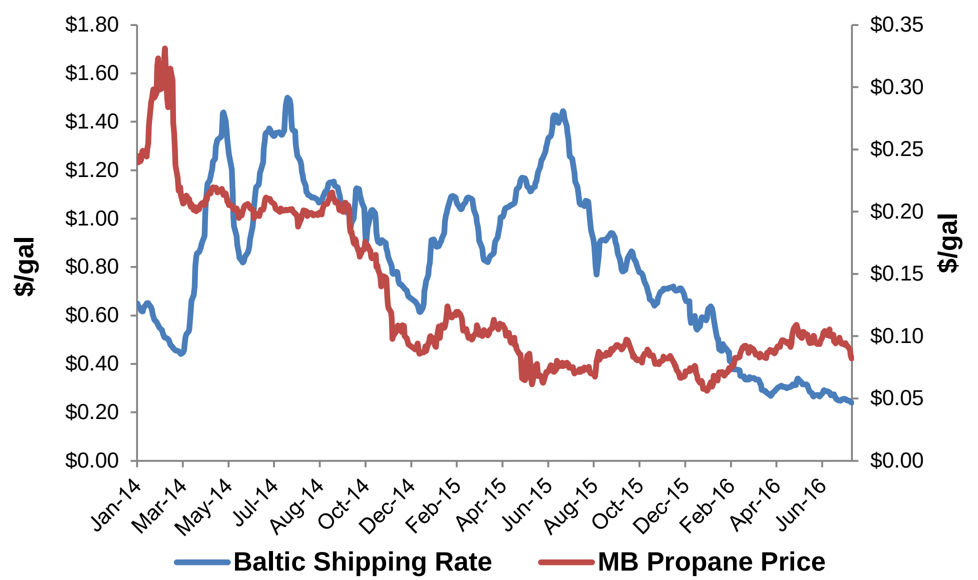
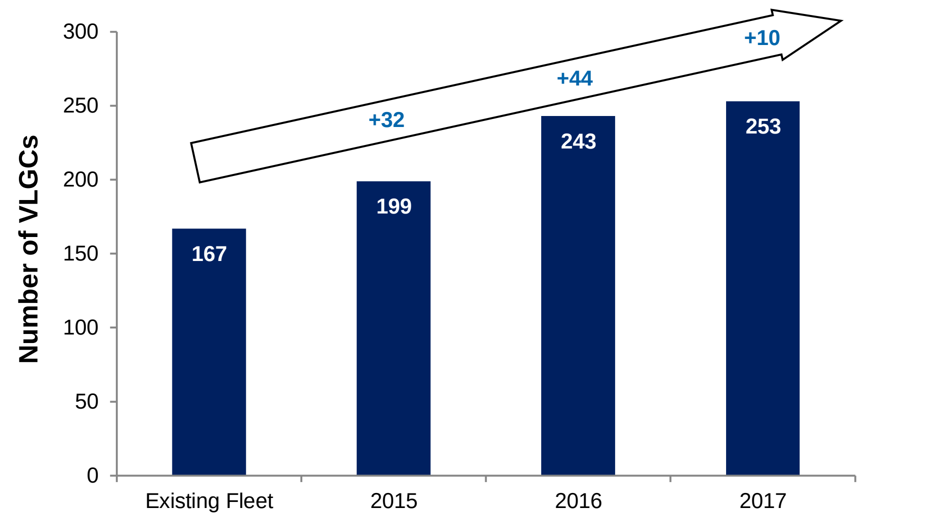
(1) *Source: Baker Hughes and EIA*
(2) *Source: Wells Fargo Securities, LLC estimates and company reports from EPD, ETP, OKS and TRGP compiled by Wells Fargo Securities, LLC*

Dynamics of the LPG Market

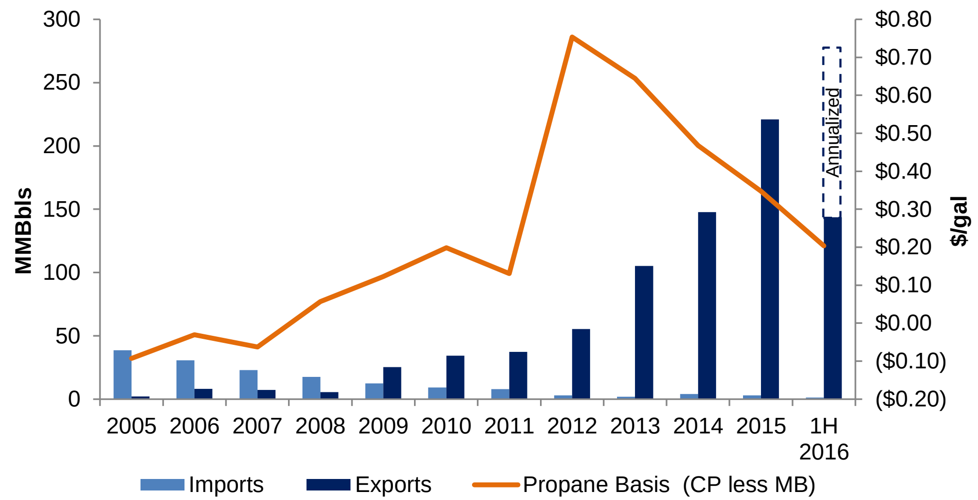
VLGC Freight Rates[1]



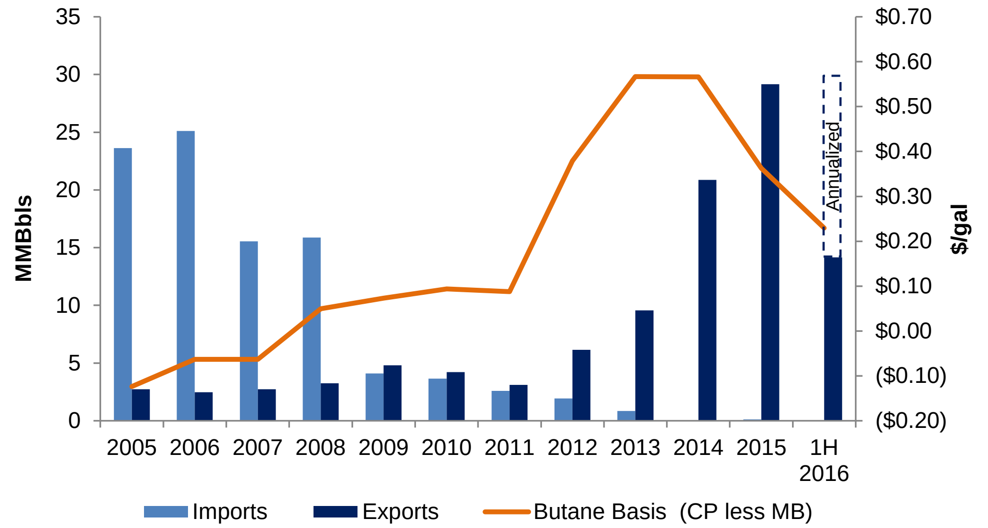
Increasing VLGC Fleet[2]



U.S. Propane[3]



U.S. Butane[3]



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(1) Source: Inge Steensland AS; Bloomberg
(2) Source: IHS as of July 2016
(3) Source: IHS

Other Downstream Businesses

- **NGL and Natural Gas Marketing**
  - Manage physical distribution of mixed NGLs and specification products using owned and third party facilities
  - Manage inventories for Targa downstream business
  - Buy and sell natural gas to optimize Targa assets
- **Domestic NGL Marketing and Distribution**
  - Sell propane to multi-state, independent retailers and industrial accounts on a fixed or posted price at delivery
  - Tightly managed inventory sold at an index plus
  - Balance refinery NGL supply and demand requirements
  - Propane, normal butane, isobutane, butylenes
  - Contractual agreements with major refiners to market NGLs by barge, rail and truck
  - Margin-based fees with a fixed minimum per gallon
- **Commercial Transportation**
  - All fee-based
  - 693 railcars leased and managed
  - 79 owned and leased transport tractors
  - 21 pressurized NGL barges
- **Petroleum Logistics**
  - Gulf Coast, East Coast and West Coast terminals

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Consolidated Capitalization

($ millions)

Cash and Debt	Maturity	Coupon	Actual 3/31/2016	Adjustments	Actual 6/30/2016
Cash and Cash Equivalents			$114.5	$ 56.4	$170.9
TRP Accounts Receivable Securitization	Dec-16		150.0	75.0	225.0
TRP Revolving Credit Facility	Oct-17		-	55.0	55.0
TRC Revolving Credit Facility	Feb-20		275.0	-	275.0
TRC Term Loan B	Feb-22		160.0	-	160.0
Unamortized Discount			(2.5)	0.1	(2.4)
Total Consolidated Senior Secured Debt			**582.5**		**712.6**
Senior Notes	Feb-18	5.000%	935.1	(201.5)	733.6
Senior Notes	Nov-19	4.125%	749.4	-	749.4
Senior Notes	Oct-20	6.625%	309.9	-	309.9
Senior Notes	Feb-21	6.875%	478.6	-	478.6
Senior Notes	Aug-22	6.375%	278.7	-	278.7
Senior Notes	May-23	5.250%	559.6	-	559.6
Senior Notes	Nov-23	4.250%	583.9	-	583.9
Senior Notes	Mar-24	6.750%	580.1	-	580.1
Unamortized Discount /Premium on TRP Debt			(16.7)	0.6	(16.1)
TPL Senior Notes	Oct-20	6.625%	12.9		12.9
TPL Senior Notes	Nov-21	4.750%	6.5		6.5
TPL Senior Notes	Aug-23	5.875%	48.1		48.1
Unamortized Premium on TPL Debt			0.7		0.7
Total Consolidated Debt			**$5,109.3**		**$5,038.5**
TRP Compliance Leverage Ratio (1)			3.5x		3.6x
TRC Compliance Leverage Ratio(2)			1.8x		1.3x
Liquidity:					
TRP Credit Facility Commitment			$1,600.0		$1,600.0
Funded Borrowings			-	(55.0)	(55.0)
Letters of Credit			(12.2)	(1.1)	(13.3)
Total TRP Revolver Availability			**$1,587.8**		**$1,531.7**
Cash			114.5		170.9
Total TRP Liquidity			**$1,702.3**		**$1,702.6**
Available A/R Securitization Capacity			56.5		-
Total TRP Liquidity with Available A/R Securitization Capacity			**$1,758.8**		**$1,702.6**
Available TRC Credit Facility Availability			$395.0		$395.0
Total Consolidated Availbility			**$2,153.8**		**$2,097.6**

(1) *Adjusts EBITDA to provide credit for material capital projects that are in process, but have not started commercial operation, and other items; compliance debt excludes senior notes of Targa Pipeline Partners, L.P. ("TPL") and $150 million of borrowings under the A/R Securitization Facility*

(2) *TRC compliance leverage deducts cash and cash equivalents from debt*

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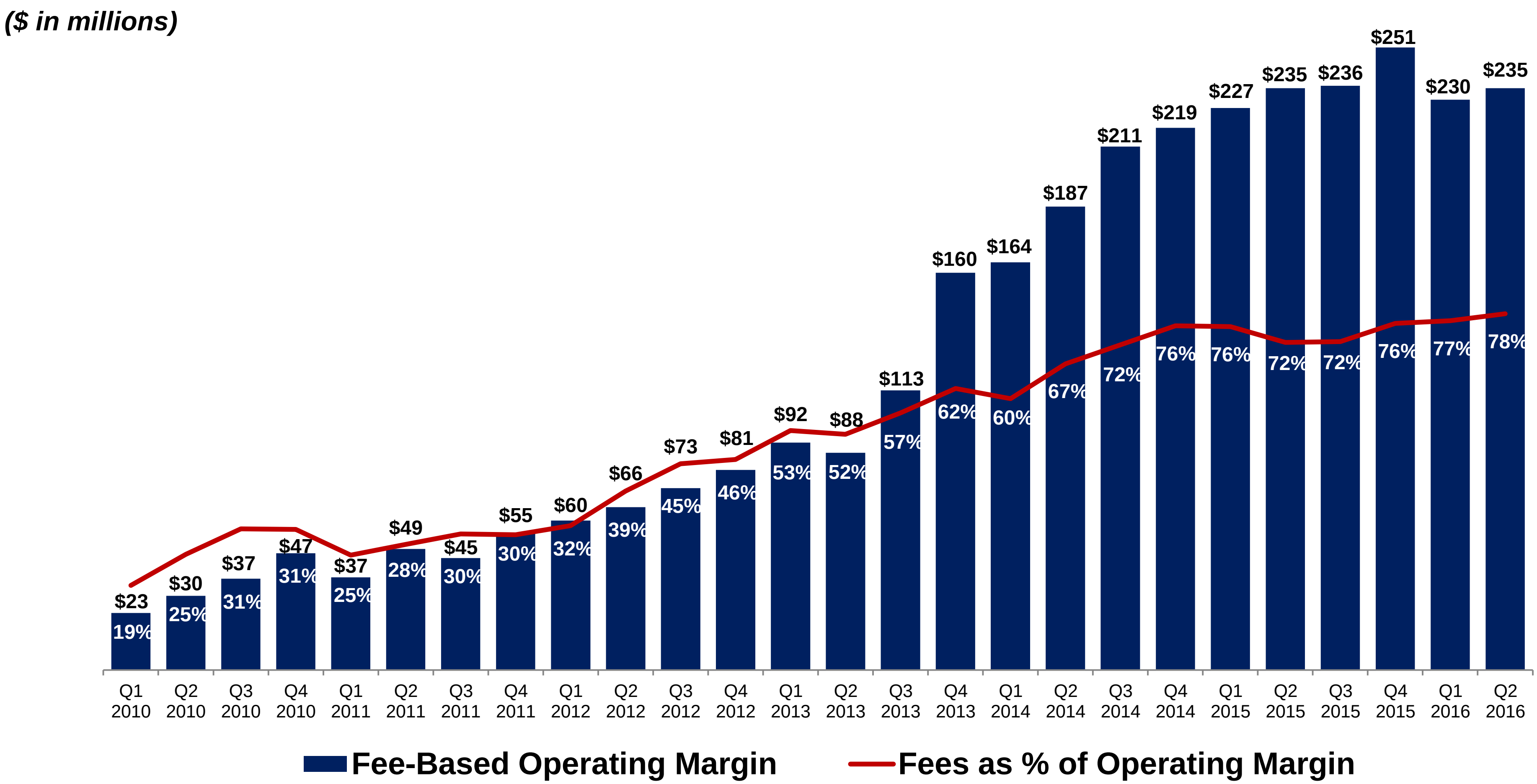
Fee-Based Margin Provides Cash Flow Stability

Increasing Fee-Based Margin Provides Additional Stability to Our Business



Targa's growth in fee-based margin provides cash flow stability – Greater than 75% of 2016E operating margin expected to be fee-based

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Counterparty Credit Exposure and Mitigants

	Description of Payments	Area (Predominant Contract Type)	Potential Counterparty Credit Risk	Mitigants
Downstream	♦ Targa invoices for fees due	♦ N/A	♦ Low	♦ Creditworthiness of customers ♦ Diversification of customers ♦ Significant LCs posted
G&P – Fee	♦ Targa invoices producer monthly for fees due **or** ♦ In some cases, Targa nets fees due against cash due for marketing product	♦ Badlands ♦ SouthOK ♦ SouthTX	♦ Low	♦ Volume and producer counterparty diversification ♦ Creditworthiness of producers
G&P – Percent of Proceeds ("POP")	♦ Targa remits cash payments to producer for production after deducting Targa's share of proceeds and associated fees	♦ Permian ♦ WestOK ♦ North Texas	♦ Low	♦ Net payable position ♦ Volume and producer counterparty diversification ♦ Creditworthiness of producers ♦ Wellhead gathering

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Non-GAAP Measures Reconciliation

This presentation includes the non-GAAP financial measure 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.

Non-GAAP Measures Reconciliation

Adjusted EBITDA - The Company defines Adjusted EBITDA net income(loss) available to TRC before: interest; income taxes; depreciation and amortization; impairment of goodwill; gains or losses on debt repurchases, redemptions, amendments, exchanges and early debt extinguishments and asset disposals; risk management activities related to derivative instruments including the cash impact of hedges acquired in the APL merger; non-cash compensation on equity grants; transaction costs related to business acquisitions; net income attributable to TRP preferred limited partners; earnings/losses from unconsolidated affiliates net of distributions, distributions from preferred interests, change in contingent consideration and the noncontrolling interest portion of depreciation and amortization expenses. 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 its indebtedness and make distributions 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 Targa Resources Corp. 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 Measures Reconciliation

Distributable Cash Flow - The Company distributable cash flow as Adjusted EBITDA less distributions to TRP preferred limited partners, cash interest expense on debt obligations, current cash tax expense and less maintenance capital expenditures (net of any reimbursements of project costs). This measure includes the impact of noncontrolling interests on the prior adjustment items.

Distributable cash flow is a significant performance metric used by us and by external users of our financial statements, such as investors, commercial banks and research analysts, to compare basic cash flows generated by us (prior to the establishment of any retained cash reserves by our board of directors) to the cash dividends we expect to pay our common shareholders. Using this metric, management and external users of its financial statements can quickly compute the coverage ratio of estimated cash flows to cash dividends. Distributable cash flow is also an important financial measure for our common shareholders since it serves as an indicator of our success in providing a cash return on investment. Specifically, this financial measure indicates to investors whether or not we are generating cash flow at a level that can sustain or support an increase in our quarterly dividend rates.

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

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

Non-GAAP Reconciliations – Q2 2016 EBITDA and DCF

The following table presents a reconciliation of Adjusted EBITDA and Distributable Cash Flow for the periods shown for TRC:

	Three Months Ended June 30,	
	2016	2015
	($ in millions)	
Reconciliation of net income (loss) attributable to TRC to Adjusted EBITDA and Distributable Cash Flow:		
Net income (loss) to Targa Resources Corp.	$ (23.2)	$ 15.2
Add:		
Impact of TRC/TRP Merger on NCI	-	1.1
Income attributable to TRP preferred limited partners	2.8	-
Interest expense, net	71.4	67.6
Income tax expense (benefit)	1.7	14.8
Depreciation and amortization expense	186.1	163.9
Goodwill impairment	-	-
(Gain) loss on sale or disposition of assets	-	(0.1)
(Gain) loss from financing activities	3.3	3.8
(Earnings) loss from unconsolidated affiliates	4.4	1.5
Distributions from unconsolidated affiliates and preferred p	3.0	6.9
Change in contingent consideration		
Compensation on TRP equity grants	7.2	6.5
Transaction costs related to business acquisitions	-	1.0
Risk management activities	6.6	24.8
Other	-	-
Noncontrolling interest adjustment	(6.2)	(4.6)
TRC Adjusted EBITDA	$ 257.1	$ 302.4
Distributions to TRP preferred limited partners	(2.8)	-
Interest expenses on debt obligations, net	(65.9)	(66.2)
Current income tax expenses	-	-
Maintenance capital expenditures	(20.2)	(27.6)
Noncontrolling interests adjustments of maintenance cape	1.4	2.0
TRC Distributable Cash Flow	$ 169.6	$ 210.6

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Non-GAAP Reconciliations – Q2 2016 Gross Margin

The following table presents a reconciliation of gross margin and operating margin to net income (loss) for the periods shown for TRC:

	Three Months Ended June 30,	
	2016	**2015**
	($ in millions)	
Reconciliation of gross margin and operating margin to net income (loss):		
Gross margin	$ 438.4	$ 471.3
Operating expenses	(138.9)	(145.8)
Operating margin	299.5	325.5
Depreciation and amortization expenses	(186.1)	(163.9)
General and administrative expenses	(47.0)	(49.2)
Goodwill impairment	-	-
Interest expense, net	(71.4)	(67.6)
Income tax expense	(1.7)	(14.8)
Gain (loss) on sale or disposition of assets	-	0.1
Gain (loss) from financing activities	(3.3)	(3.8)
Change in contingent consideration		-
Other, net	(4.6)	(2.5)
Net income	$ (14.6)	$ 23.8
Net income (loss) attributable to noncontrolling interests	8.6	8.6
Net income (loss) attributable to Targa Resources Corp.	$ (23.2)	$ 15.2

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Non-GAAP Reconciliation – 2013-2016 Fee-Based Margin

The following table presents a reconciliation of operating margin to net income (loss) for the periods shown:

	Three Months Ended													
	3/31/2013	6/30/2013	9/30/2013	12/31/2013	3/31/2014	6/30/2014	9/30/2014	12/31/2014	3/31/2015	6/30/2015	9/30/2015	12/31/2015	3/31/2016	6/30/2016
($ in millions)	**($ in millions)**													
Reconciliation of gross margin and operating margin to net income (loss):														
Gross margin	$ 260.3	$ 265.2	$ 297.1	$ 355.1	$ 379.6	$ 384.0	$ 407.8	$ 398.2	$ 411.4	$ 462.4	$ 459.7	$ 452.0	$ 431.4	$ 438.4
Operating expenses	(86.1)	(96.1)	(97.6)	(96.5)	(104.3)	(106.6)	(112.8)	(109.4)	(111.3)	(136.9)	(133.6)	(122.8)	(132.1)	(138.9)
Operating margin	174.2	169.1	199.5	258.6	275.3	277.4	295.0	288.8	300.1	325.5	326.1	329.2	299.3	299.5
Depreciation and amortization expenses	(63.9)	(65.7)	(68.9)	(73.1)	(79.5)	(85.8)	(87.5)	(93.7)	(119.6)	(163.9)	(165.8)	(228.8)	(193.5)	(186.1)
General and administrative expenses	(34.1)	(36.1)	(35.4)	(37.4)	(35.9)	(39.1)	(40.4)	(24.6)	(40.3)	(46.8)	(42.9)	(23.5)	(45.3)	(47.0)
Provisional goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	(290.0)	(24.0)	-
Interest expense, net	(31.4)	(31.6)	(32.6)	(35.4)	(33.1)	(34.9)	(36.0)	(39.7)	(50.9)	(62.2)	(64.1)	(30.6)	(52.9)	(71.4)
Income tax (expense) benefit	(0.9)	(0.9)	(0.7)	(0.4)	(1.1)	(1.3)	(1.3)	(1.1)	(1.1)	0.3	0.4	(0.2)	(3.1)	(1.7)
Gain on sale or disposition of assets	0.1	(3.9)	0.7	(0.8)	0.8	0.5	4.4	(0.8)	(0.6)	0.1	-	7.9	(0.9)	-
(Loss) from financing activities	-	(7.4)	(7.4)	-	-	-	-	(12.4)	-	-	(0.5)	3.4	24.7	(3.3)
Other, net	1.0	2.7	0.7	4.1	4.8	4.1	4.0	(1.8)	(11.1)	0.3	0.1	(6.7)	(5.0)	(4.6)
Net income	$ 45.3	$ 32.7	$ 65.0	$ 115.6	$ 131.3	$ 120.9	$ 138.2	$ 114.7	$ 76.5	$ 53.3	$ 53.3	$ (239.3)	$ (0.7)	$ (14.6)
Fee Based operating margin percentage	53%	52%	57%	62%	60%	67%	72%	76%	76%	72%	72%	76%	77%	78%
Fee Based operating margin	$ 91.8	$ 87.6	$ 113.0	$ 160.2	$ 164.0	$ 187.0	$ 211.1	$ 218.6	$ 226.7	$ 234.6	$ 235.6	$ 251.1	$ 230.0	$ 234.7

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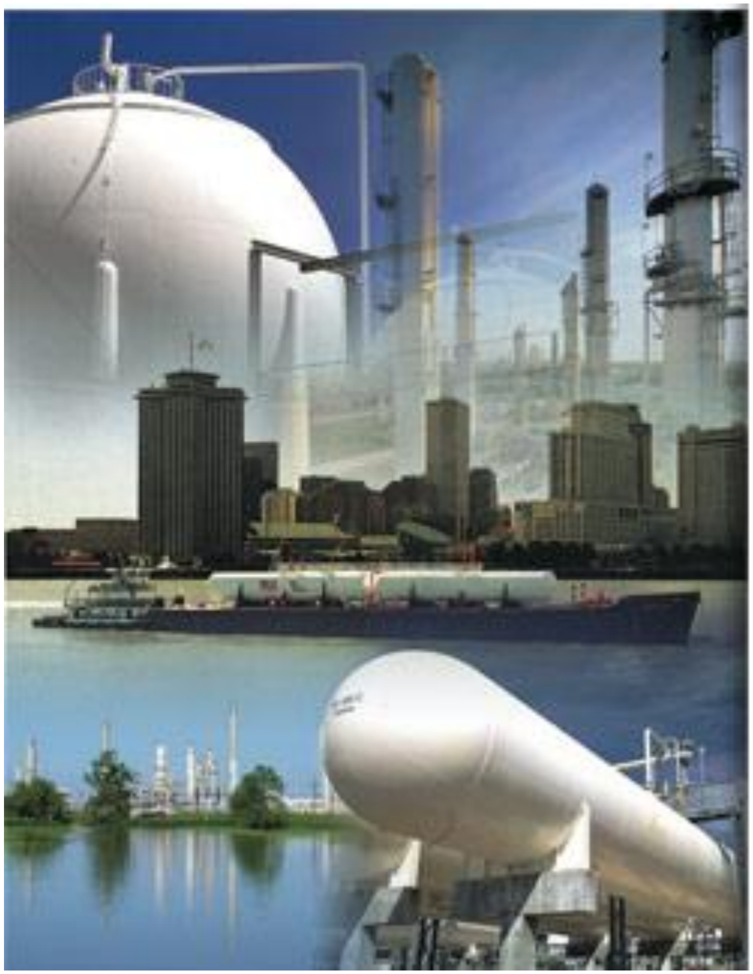

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