Targa Resources Corp.

Second Quarter 2018
Earnings Supplement
August 9, 2018

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, 2017 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 Update

- **Targa's recent capital investments and related commercial execution are providing significant operating leverage**
  - Increasing asset performance and utilization across our Gathering and Processing footprints in the Permian, Badlands, SouthOK and SouthTX
  - Downstream fractionation and LPG export businesses benefiting from increasing NGL supply from upstream production

- **Targa is on-track to bring on-line a substantial portion of its growth capital program currently under construction by the first half of next year to meet the infrastructure needs of its customers**
  - Includes over 2.0 billion cubic feet per day (Bcf/d) of incremental processing expansions collectively in the Permian, Bakken and southern Oklahoma, of which 1.5[(1)] Bcf/d is expected to begin operations by Q2 2019
  - Targa's Grand Prix NGL Pipeline to be fully operational in 2Q 2019 and will integrate Targa's G&P positions in the Permian Basin, North Texas and southern Oklahoma and direct growing NGL production to Targa's downstream assets in Mont Belvieu and Galena Park
  - Targa's Train 6 fractionator in Mont Belvieu to begin operations in 1Q 2019

- **Continuing to execute on financing growth capital program, with significant progress made already in 2018**

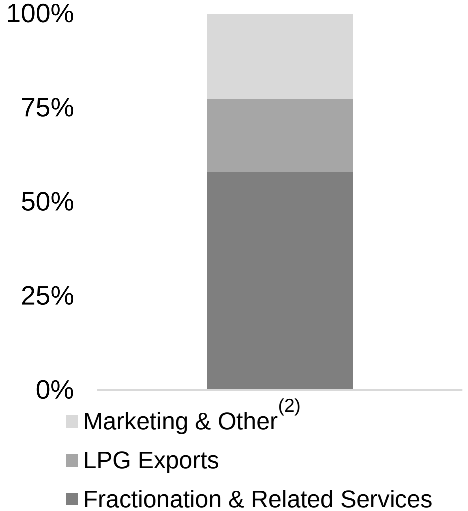
Targa's attractive growth capital program underway supports its increasing longer-term EBITDA outlook

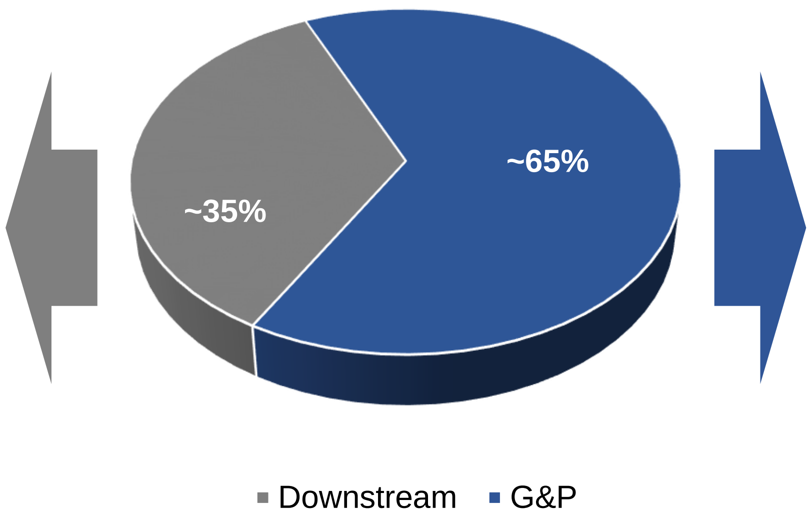
(1) Includes the 200 MMcf/d Joyce, 60 MMcf/d Oahu, 250 MMcf/d Wildcat, 200 MMcf/d Johnson, 250 MMcf/d Hopson, 250 MMcf/d Pembrook plants in the Permian Basin; the 150 MMcf/d Hickory Hills Plant in Arkoma; and the 200 MMcf/d Little Missouri 4 Plant in the Bakken

Business Mix, Diversity and Fee-Based Margin

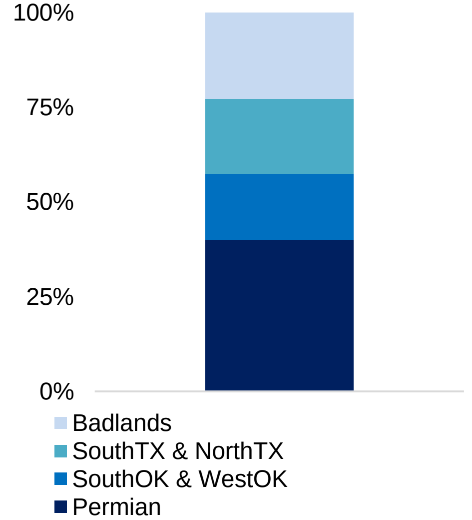
Business Mix – Segment Operating Margin[1]

Downstream Operating Margin Q2 2018[1]





Field Gathering & Processing Operating Margin Q2 2018[1]



2018 Operational and Financial Expectations

- **Record Adjusted EBITDA of $326 million in 2Q18; expect to meet or exceed previously disclosed full year 2018 guidance**
- **Solid operational performance in 1H 2018 provides positive momentum for 2H 2018 in both G&P and Downstream segments**
  - New Permian plants completed during 2018 will add 710 MMcf/d of incremental processing capacity across the Midland and Delaware Basins (Joyce, Oahu, Wildcat, Johnson plants); Hickory Hills Plant will add 150 MMcf/d at SouthOK in 4Q2018; LM4 Plant JV with Hess Midstream will add 200 MMcf/d in late 4Q2018
  - Increase in fractionation volumes expected to track growth in Permian G&P
- **Hedging program further strengthens cash flow stability**
  - Significantly hedged for balance of 2018: ~90% Crude Oil, ~80% Natural Gas, ~75% NGLs hedged[3]

(1) Based on Q2 2018 operating margin
(2) Other includes Domestic NGL Marketing (Wholesale Propane, Refinery Services, Commercial Transportation), Gas Marketing & Petroleum Logistics
(3) Hedge percentage based on estimate of current equity volumes

Operational Performance – G&P Segment

2Q18 Highlights:

Field G&P Natural Gas Inlet

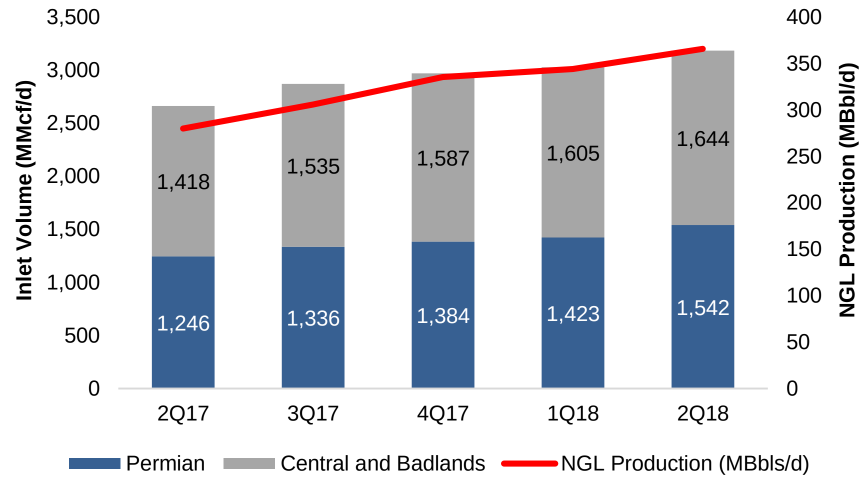
- ~8% sequential increase in Permian volumes
- ~17% sequential increase in Badlands volumes
- ~4% sequential increase in SouthOK volumes

Crude Oil Gathered

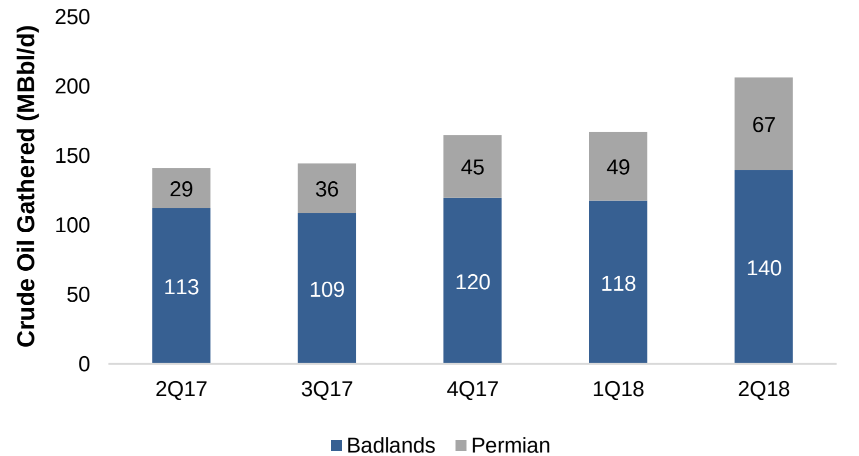
- ~24% sequential increase in total crude gathered volumes

- **2018E Total Field G&P natural gas inlet volumes on-track to increase ~18% relative to 2017 average**
- **Total Permian G&P natural gas inlet volumes on-track to increase ~25% relative to 2017 average**

Field G&P Natural Gas Inlet Volumes and NGL Production



Crude Oil Gathered Volumes



Operational Performance – Downstream Segment

2Q18 Highlights:

Fractionation

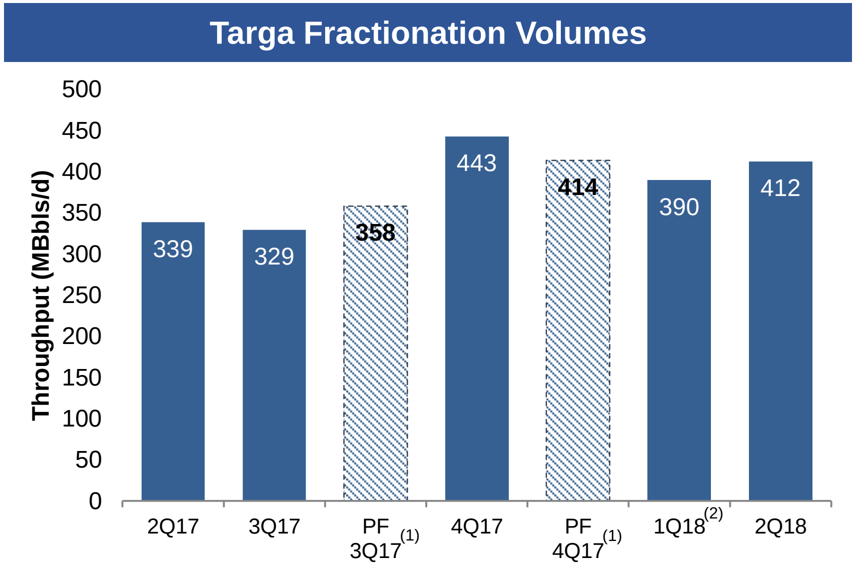
- ~6% sequential increase in fractionation volumes reflects growth in Field G&P volumes

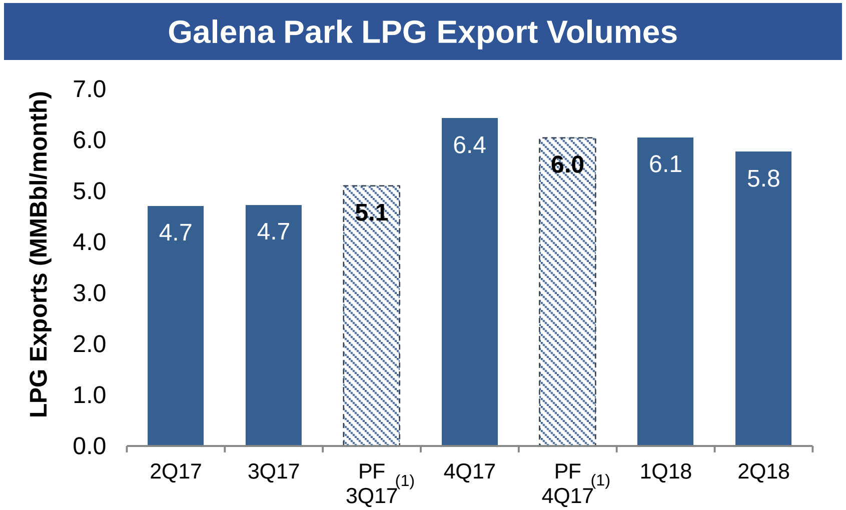
LPG Exports

- ~6% sequential decrease in LPG export volumes due to lower seasonal fundamentals

Marketing & Other

- Marketing businesses sequentially lower due to seasonality





(1) Volumes represent pro forma quarterly figures adjusted to reverse the shift of volumes into 4Q from 3Q from temporary operational impacts and short term contracts related to Hurricane Harvey

(2) Q1 2018 Targa fractionation volumes restated

Segment Financial Performance

Q2 2018 vs. Q2 2017 Variances

Gathering & Processing segment operating margin increased $68.7 million

- \+ Higher Permian volumes
- \+ Higher SouthTX, Badlands and SouthOK volumes
- \+ Higher NGL recoveries
- \+ Higher NGL prices
- − New assets and system expansions drove higher operating expenses

Downstream segment operating margin increased $17.5 million

- \+ Higher fractionation volumes
- \+ Higher LPG export volumes
- \+ Higher Marketing and Other(1)
- \+ Higher terminaling and storage
- − Higher operating expenses

(1) Marketing & Other includes Domestic NGL Marketing (Wholesale Propane, Refinery Services, Commercial Transportation), Gas Marketing and Petroleum Logistics

Segment Financial Performance

Q2 2018 vs. Q1 2018 Variances

Gathering & Processing segment operating margin increased $21.4 million

- \+ Higher Permian volumes
- \+ Higher Badlands and SouthOK volumes
- \+ Higher NGL recoveries
- \+ Higher NGL prices
- − New assets and system expansions drove higher operating expenses

Downstream segment operating margin decreased $8.5 million

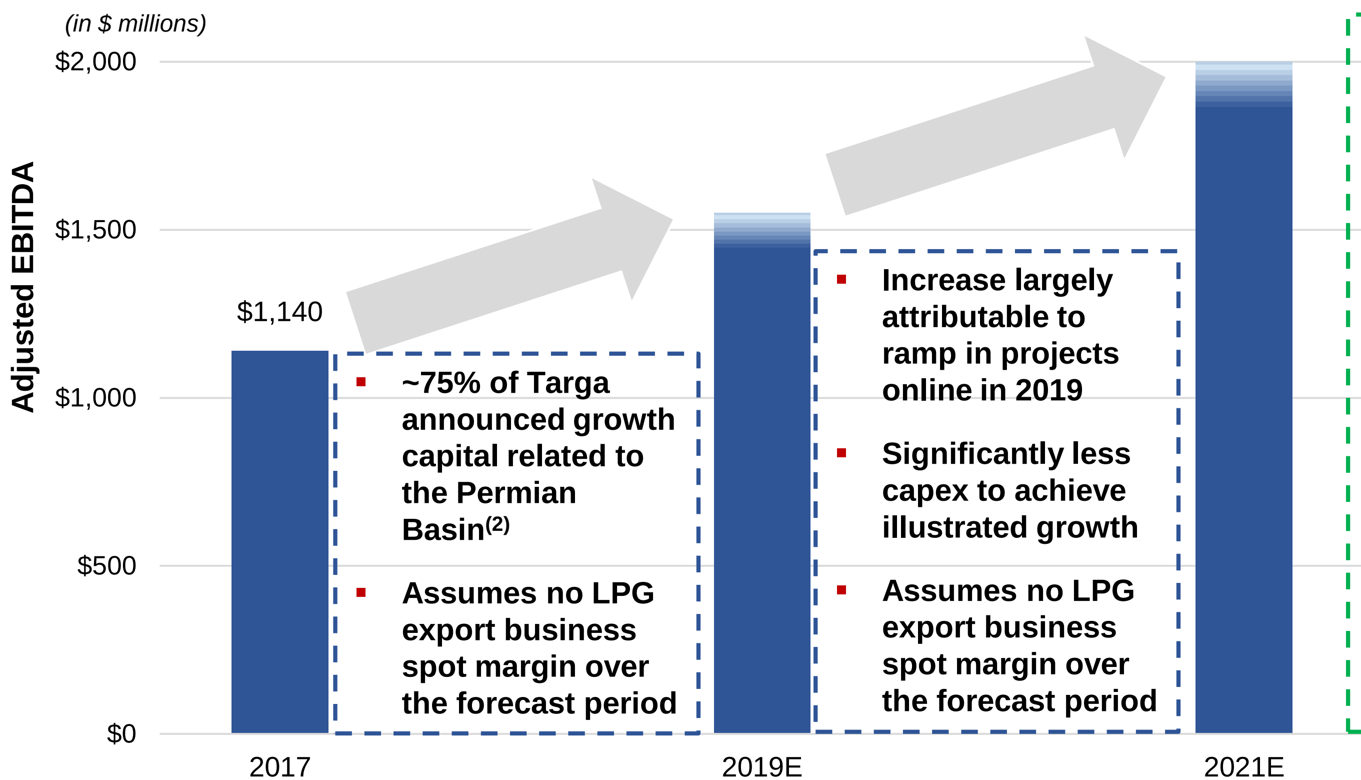
- \+ Higher fractionation volumes
- \+ Lower operating expenses
- − Seasonality in Marketing and Other(1)
- − Lower LPG export volumes

(1) Marketing & Other includes Domestic NGL Marketing (Wholesale Propane, Refinery Services, Commercial Transportation), Gas Marketing and Petroleum Logistics

Longer-Term Financial Outlook

- **In June 2017, Targa published a longer-term financial outlook highlighting that attractive projects and system expansions were expected to drive increasing system volumes, translating into increasing EBITDA outlook**
  - Since then, Targa has continued to execute commercially and has added a number of attractive projects and commercial deals that enhance the longer-term outlook

Strong Forecasted EBITDA Growth(1) (As Published in June 2017)



Additions to EBITDA Growth Outlook (Since June 2017)

- ✓ **New commercial agreements across G&P and Downstream**
- ✓ **Delaware processing expansions supported by investment grade energy company**
- ✓ **Grand Prix extension into Oklahoma**
- ✓ **GCX Pipeline**
- ✓ **JV in the Bakken with Hess Midstream**
- ✓ **Expanded JV in Oklahoma with MPLX**
- ✓ **Expanded JV in Eagle Ford with Sanchez Midstream**

(1) Longer term financial outlook as of June 2017. For the forecast period 2019E - 2021E, assumes flat commodity prices of $50.00 per Bbl WTI, $3.00 per MMBtu Natural Gas, and $0.60 per gallon for NGL composite barrel

(2) Includes Grand Prix and new fractionation expansion as Permian focused capital; capital costs presented net of DevCo JVs

2018 Announced Net Growth Capex

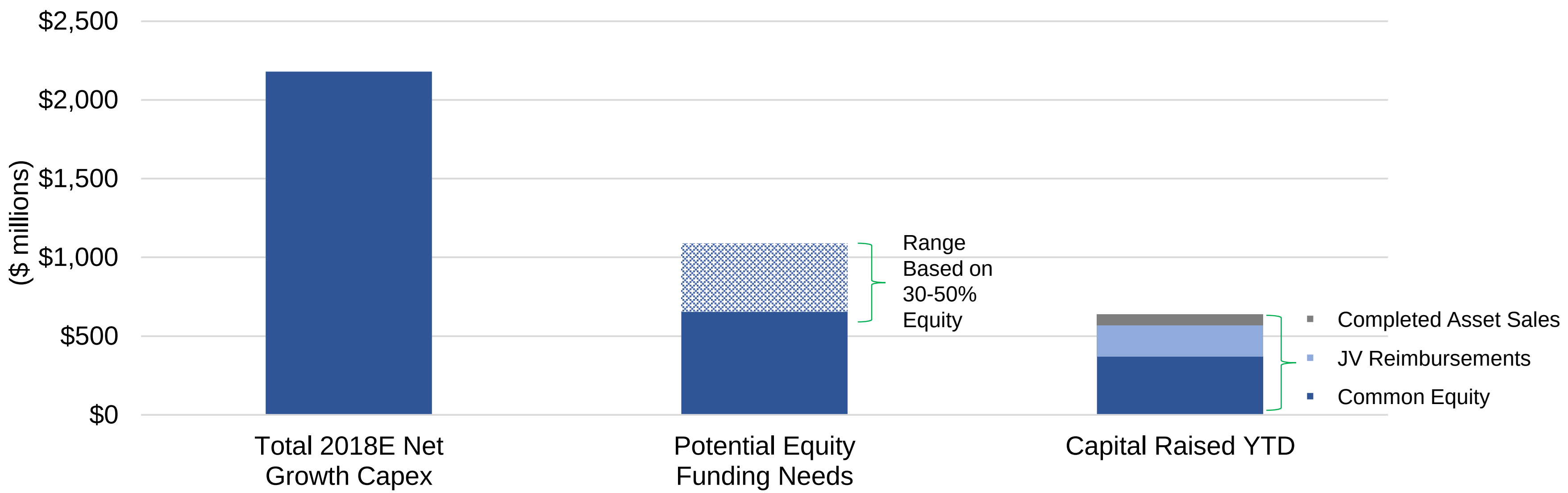
- **2018E net growth capex based on announced projects after DevCo JVs estimated at ~$2.2 billion; ~85% of total G&P capex focused on the Permian; ~75%[1] of total project capex focused on the Permian**

($ in millions)	Location	Total Net Capex	2018E Net Capex	Expected Completion	Primarily Fee-Based
200 MMcf/d WestTX Joyce Plant and Related Infrastructure	Permian - Midland			Q1 2018	
200 MMcf/d WestTX Johnson Plant and Related Infrastructure	Permian - Midland			Q3 2018	
250 MMcf/d WestTX Hopson Plant and Related Infrastructure	Permian - Midland			Q1 2019	
250 MMcf/d WestTX Pembrook Plant and Related Infrastructure	Permian - Midland			Q2 2019	
Additional Permian Midland Gas and Crude Gathering Infrastructure	Permian - Midland			2018	
Total Permian - Midland	**Permian - Midland**	**$685**	**$475**		
60 MMcf/d Oahu Plant and Related Infrastructure	Permian - Delaware			Q2 2018	✓
250 MMcf/d Wildcat Plant and Related Infrastructure	Permian - Delaware			Q2 2018	✓
250 MMcf/d Falcon Plant and Related Infrastructure	Permian - Delaware			Q4 2019	✓
250 MMcf/d Peregrine Plant and Related Infrastructure	Permian - Delaware			Q2 2020	✓
High Pressure Rich Gas Gathering Pipelines	Permian - Delaware			2019	✓
Additional Permian Delaware Gas and Crude Gathering Infrastructure	Permian - Delaware			2018	✓
Total Permian - Delaware	**Permian - Delaware**	**$780**	**$380**		✓
Grand Total Permian	**Permian**	**$1,465**	**$855**		
Hickory Hills Plant and Related Infrastructure	Arkoma Woodford			Q4 2018	✓
Other Central Additional Gas Gathering Infrastructure	Central			2018	✓
Total Central	**Eagle Ford, STACK, SCOOP**	**$100**	**$100**		✓
200 MMcf/d Little Missouri 4 Plant and Related infrastructure	Bakken			Q4 2018	✓
Additional Bakken Gas and Crude Gathering Infrastructure	Bakken			2018	✓
Total Badlands	**Bakken**	**$125**	**$115**		✓
Total - Gathering and Processing		**$1,690**	**$1,070**		✓
Crude and Condensate Splitter	Channelview			Late Q3 / Early Q4 2018	✓
Downstream Other Identified Spending	Mont Belvieu			2018 / 2019	✓
Grand Prix NGL Pipeline	Permian Basin to Mont Belvieu			Q2 2019	✓
Fractionation Train and Other Frac Related Infrastructure[2]	Mont Belvieu			Q1 2019	✓
Gulf Coast Express Pipeline	Permian to Agua Dulce			Q4 2019	✓
Total - Downstream		**$1,525**	**$1,110**		✓
Total Net Growth Capex		**$3,215**	**$2,180**		✓

Note: Represents capex based on Targa's effective ownership interest
(1) Grand Prix (excluding the extension into Oklahoma) and fractionation expansion considered Permian focused growth capex
(2) Includes brine, storage and other frac related infrastructure, which will be funded and owned 100% by Targa

2018 Financing Overview

- **Significant multi-faceted progress made already in 2018 to finance growth capital program underway**
  - DevCo JVs announced in February 2018 reimbursed Targa for ~$190 million of capital already spent, and Stonepeak to fund ~$360 million of projects during 2018
  - Closed on the sale of inland marine barge business in May 2018 for ~$70 million
  - Raised ~$370 million in common equity YTD under Targa's ATM program
  - Issued ~$1 billion of senior notes due 2026 at attractive rates in April 2018
  - Continue to evaluate potential sale of certain terminals in the Downstream Petroleum Logistics business



Minimum equity needs for 2018 already raised year-to-date; will continue to utilize multi-faceted approach to fund growth capital program and manage leverage going forward

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