Targa Resources Corp.

First Quarter 2018
Earnings Supplement
May 3, 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 and Recent Developments

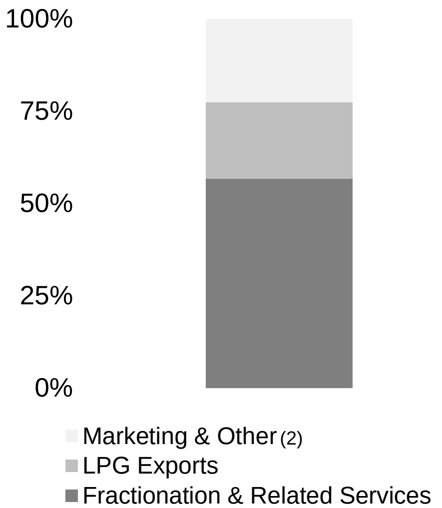
- **Incremental growth projects announced in early 2018 further bolster increasing longer-term EBITDA outlook**
  - Targa entered into long-term fee-based agreements with an investment grade energy company for G&P services in the Delaware Basin and for downstream transportation, fractionation and other related services
    - 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 to construct 220 miles of 12 to 24 inch high pressure rich gas gathering pipelines across some of the most prolific parts of the Delaware Basin; and two new 250 MMcf/d cryogenic natural gas processing plants in the Delaware Basin
  - Targa to extend its NGL pipeline under construction ("Grand Prix") into southern Oklahoma, integrating Targa's G&P positions in SouthOK and North Texas with its transportation and fractionation assets
    - Supported by significant long-term transportation and fractionation volume dedications and commitments from Targa's existing and future processing plants in the Arkoma area in Targa's SouthOK system and from Valiant Midstream
- **Continue to execute on financing growth program**
  - Significant progress made already in 2018 to finance growth capital program underway
    - $1.1 billion of development joint ventures ("DevCo JVs") announced in February 2018 significantly reduce equity needs for 2018 and 2019
    - Issued ~$1 billion of senior notes due 2026 at attractive rates in April 2018
    - Targa also announced it is evaluating the potential divestiture of its Downstream Petroleum Logistics business [1]
    - On May 1st, Targa executed an agreement to sell its inland marine barge business for ~$70 million

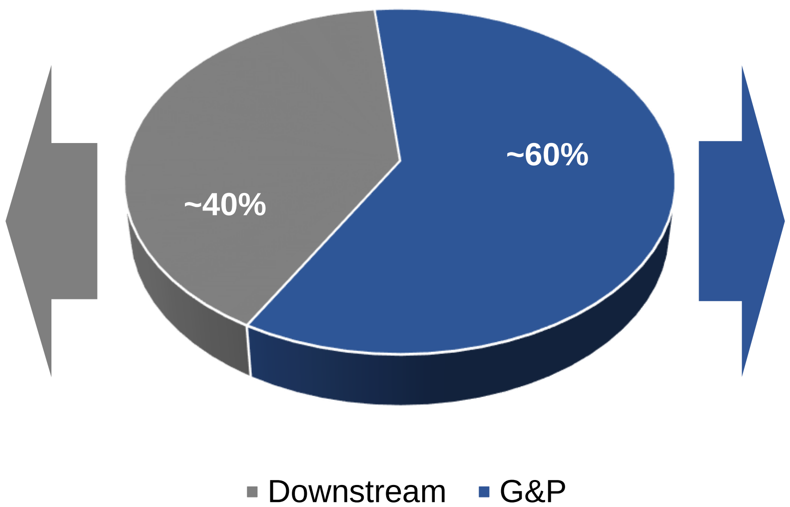
(1) The Company has engaged Evercore Group L.L.C. to evaluate alternatives, including the potential divestiture of its Downstream Petroleum Logistics business which includes terminals in Baltimore, MD; Tacoma, WA; and its Crude and Condensate Splitter and terminal in Channelview, TX.

Business Mix, Diversity and Fee-Based Margin

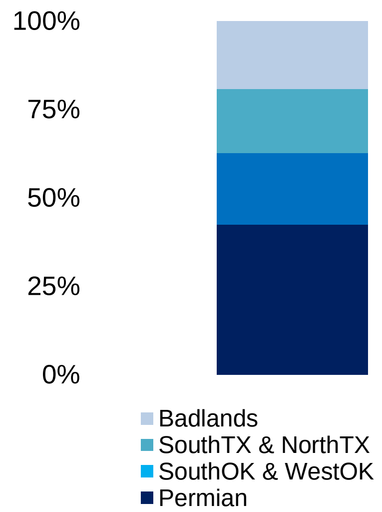
Business Mix –
Segment Operating Margin(1)

Downstream
Operating Margin Q1 2018(1)





Field Gathering & Processing
Operating Margin Q1 2018(1)



2018 Operational and Financial Expectations

- **System volumes across both G&P and Logistics and Marketing segments expected to ramp through 2018 driven by continued production growth**
  - 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 4Q18; LM4 Plant JV with Hess Midstream will add 200 MMcf/d in late 4Q18
  - 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, ~85% Natural Gas, ~80% NGLs hedged(3)

(1) Based on Q1 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

1Q18 Highlights:

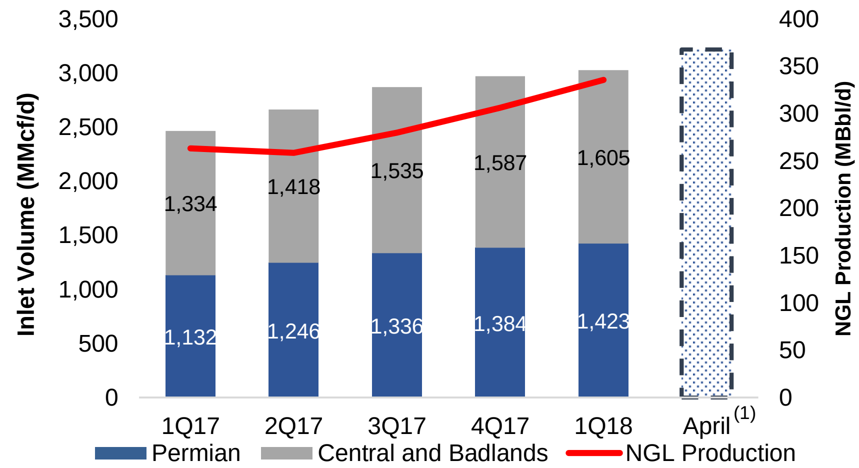
Field G&P Natural Gas Inlet

- ~3% sequential increase in Permian volumes
  - Severe weather partially offset sequential volume increase
- ~14% sequential increase in SouthTX volumes
- ~10% sequential increase in Badlands volumes

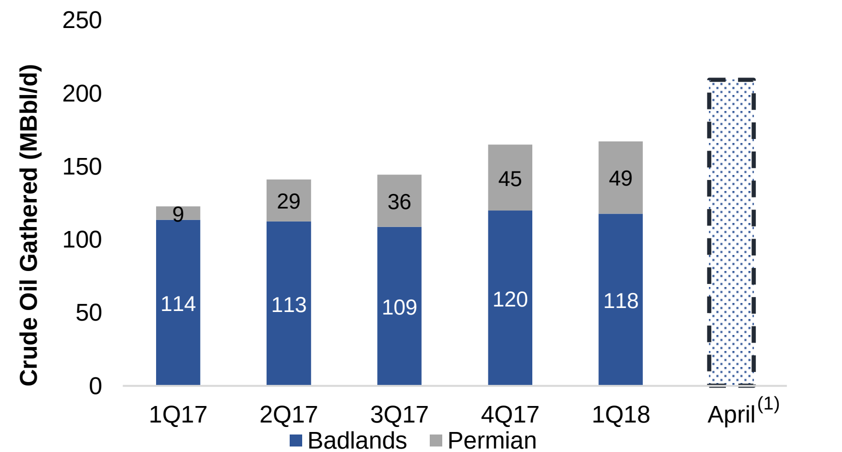
Crude Oil Gathered

- Sequential increase in total crude gathered volumes; outlook for increasing production levels in both the Badlands and Permian

Field G&P Natural Gas Inlet Volumes and NGL Production



Crude Oil Gathered Volumes



(1) *Represents estimated average daily volumes for April 2018*

Operational Performance – Downstream Segment

1Q18 Highlights:

Fractionation

- Higher frac volumes in 4Q17 attributable higher third party spot volumes and from shift in volumes into 4Q17 attributable to Hurricane Harvey impact
  - 4Q17 frac volumes included 29 MBbl/d that shifted into 4Q as a result of the third quarter operational impacts of Hurricane Harvey
  - 2Q18 fractionation volumes expected to increase sequentially due to forecasted growth in Field G&P volumes

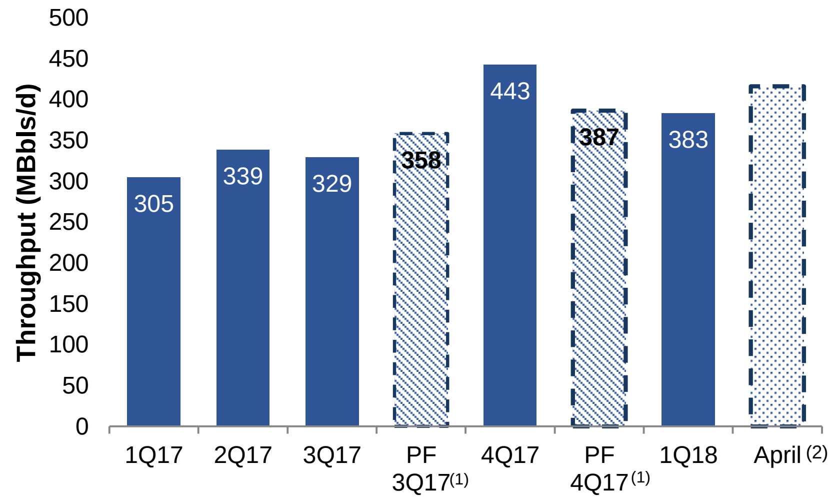
LPG Exports

- Strong 1Q LPG export volumes from additional short term volumes reflective of global LPG market dynamics
  - 4Q17 export volumes included 380 MBbl/month that shifted into 4Q as a result of the third quarter operational impacts of Hurricane Harvey

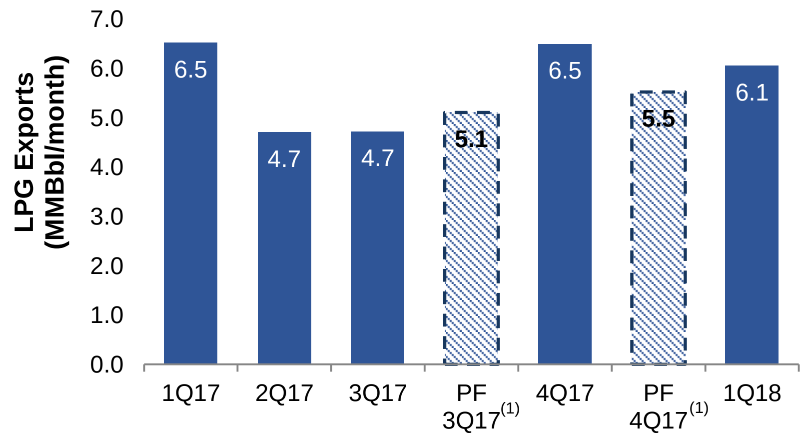
Marketing & Other

- Domestic Marketing sequentially higher due to seasonality, particularly in the Wholesale Propane business

Targa Fractionation Volumes



Galena Park LPG Export Volumes



(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) Represents estimated average daily volumes for April 2018

Segment Financial Performance

Q1 2018 vs. Q1 2017 Variances

Gathering & Processing segment operating margin increased $43.4 million

+ Higher Permian volumes
+ Higher Badlands, SouthTX and SouthOK volumes
+ Higher NGL prices
− New assets and system expansions drove higher operating expenses
− Lower WestOK and North Texas volumes

Downstream segment operating margin increased $8.3 million

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

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

Segment Financial Performance

Q1 2018 vs. Q4 2017 Variances

Gathering & Processing segment operating margin decreased $13.6 million

+ Higher Permian volumes
+ Higher SouthTX, Badlands and Coastal volumes
− Lower NGL prices
− Severe weather
− New assets and system expansions drove higher operating expenses

Downstream segment operating margin decreased $15.2 million

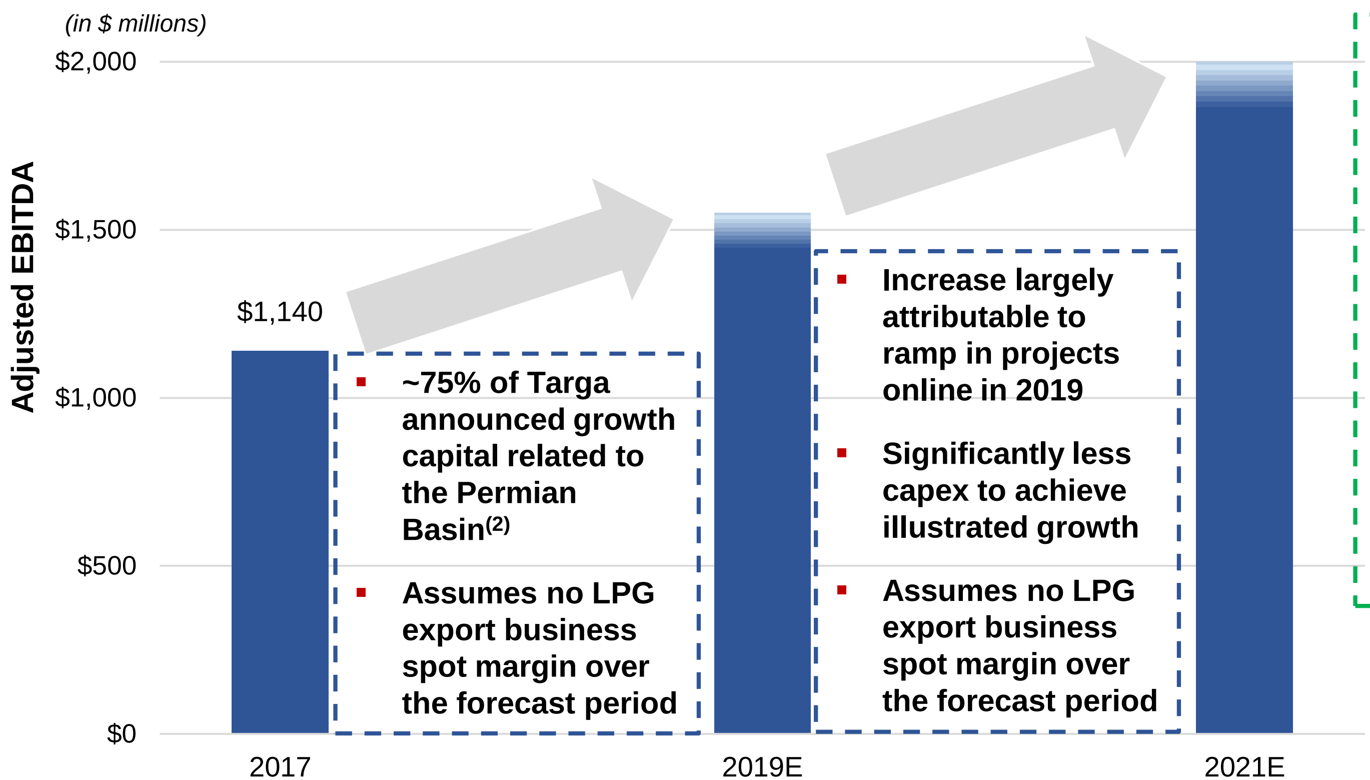
+ Higher Wholesale Propane
− Lower fractionation, treating and export volumes
− Lower gas and NGL marketing

Q4 2017 reported segment operating margin included ~$7 million that shifted into Q4 as a result of the Q3 temporary operational impacts from Hurricane Harvey

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 that long-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**

(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

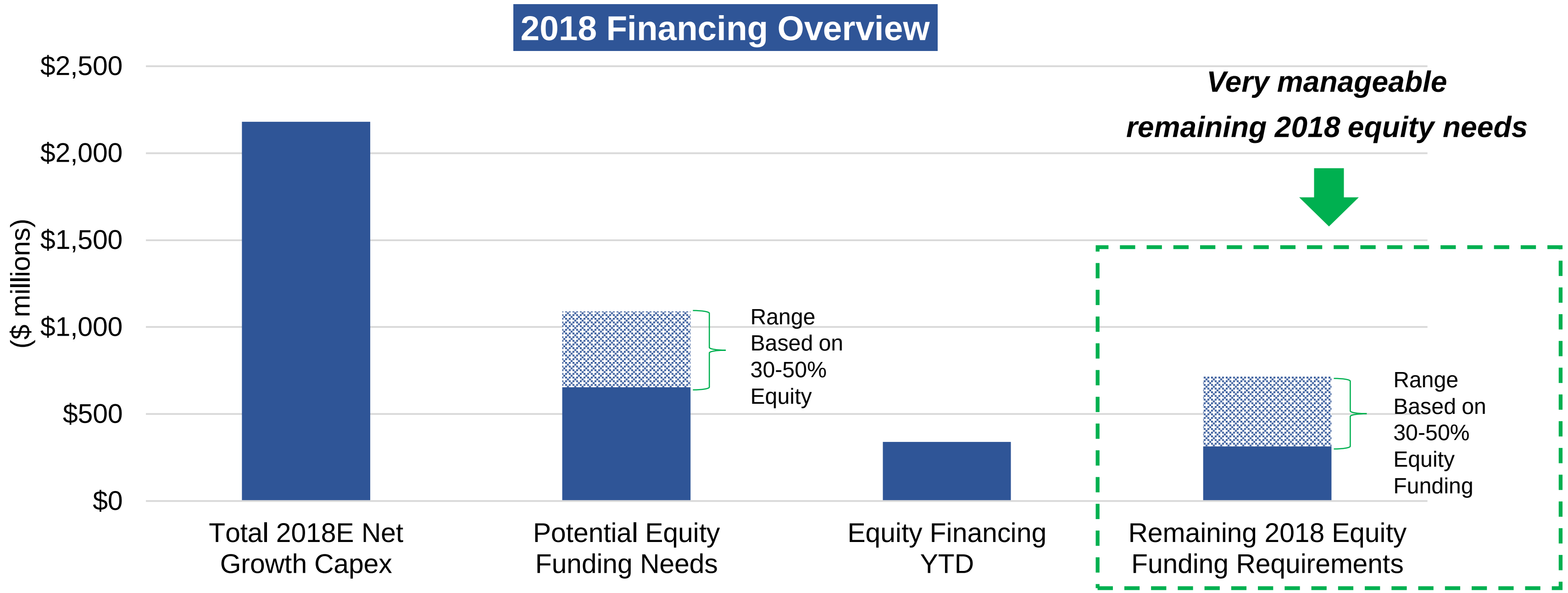
- **2018E net growth capex based on announced projects after DevCo JVs estimated at ~$2.2 billion; ~85% of total G&P capex focused on the Permian; ~75%(1) of total project capex focused on the Permian**

($ 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 Hopson Plant and Related Infrastructure	Permian - Midland			Q1 2019	
250 MMcf/d 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			4Q 2019	✓
250 MMcf/d Peregrine Plant and Related Infrastructure	Permian - Delaware			2Q 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	Arkhoma 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			Q2 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(1)	Mont Belvieu			Q1 2019	✓
Gulf Coast Express Pipeline	Permian to Agua Dulce			Q4 2019	✓
Total - Downstream		**$1,525**	**$1,110**		✓
Total Net Growth Capex(2)		**$3,215**	**$2,180**		✓

Note: Represents capex based on Targa's effective ownership interest
(1) 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
  - Executed agreements to sell inland marine barge business in early May 2018 for ~$70 million (expected to close in Q2); continue to evaluate the potential divestiture of Targa's Downstream Petroleum Logistics business(1)
  - Raised ~$87 million in common equity YTD through April 2018 under Targa's ATM program
  - Issued ~$1 billion of senior notes due 2026 at attractive rates in April 2018
- **Targa's remaining 2018 financing needs are very manageable**
  - Potential sale of Petroleum Logistics business would generate meaningful proceeds
  - Will continue to consider all sources of financing that enhance and maximize long-term shareholder value



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TARGA

TRGP LISTED NYSE

▶ **Visit us at targaresources.com**

Contact Information:

Email: InvestorRelations@targaresources.com

Phone: (713) 584-1000

811 Louisiana Street

Suite 2100

Houston, TX 77002