Targa Resources

Investor Presentation

Fourth Quarter 2015

February 25, 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 Partners LP (NYSE: NGLS; “TRP” or the “Partnership”) or Targa Resources Corp. (NYSE: TRGP; “TRC” or the “Company”) (together “Targa”) expect, believe or anticipate 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 Partnership’s and the Company’s control, which could cause results to differ materially from those expected by management of Targa Resources Partners LP and 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 Partnership's and the Company’s Annual Reports on Form 10-K for the year ended December 31, 2014 and other reports filed with the Securities and Exchange Commission. The Partnership and the Company undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Targa Resources Corp. Closes Acquisition of TRP

- **On February 17th, Targa Resources Corp. ("Targa" or "TRC") closed its acquisition of all of the outstanding common units of Targa Resources Partners LP ("TRP") not already owned by Targa**
  - All stock-for-unit transaction at a ratio of 0.62 Targa common shares per common unit of TRP

Benefits of TRC's Acquisition of TRP

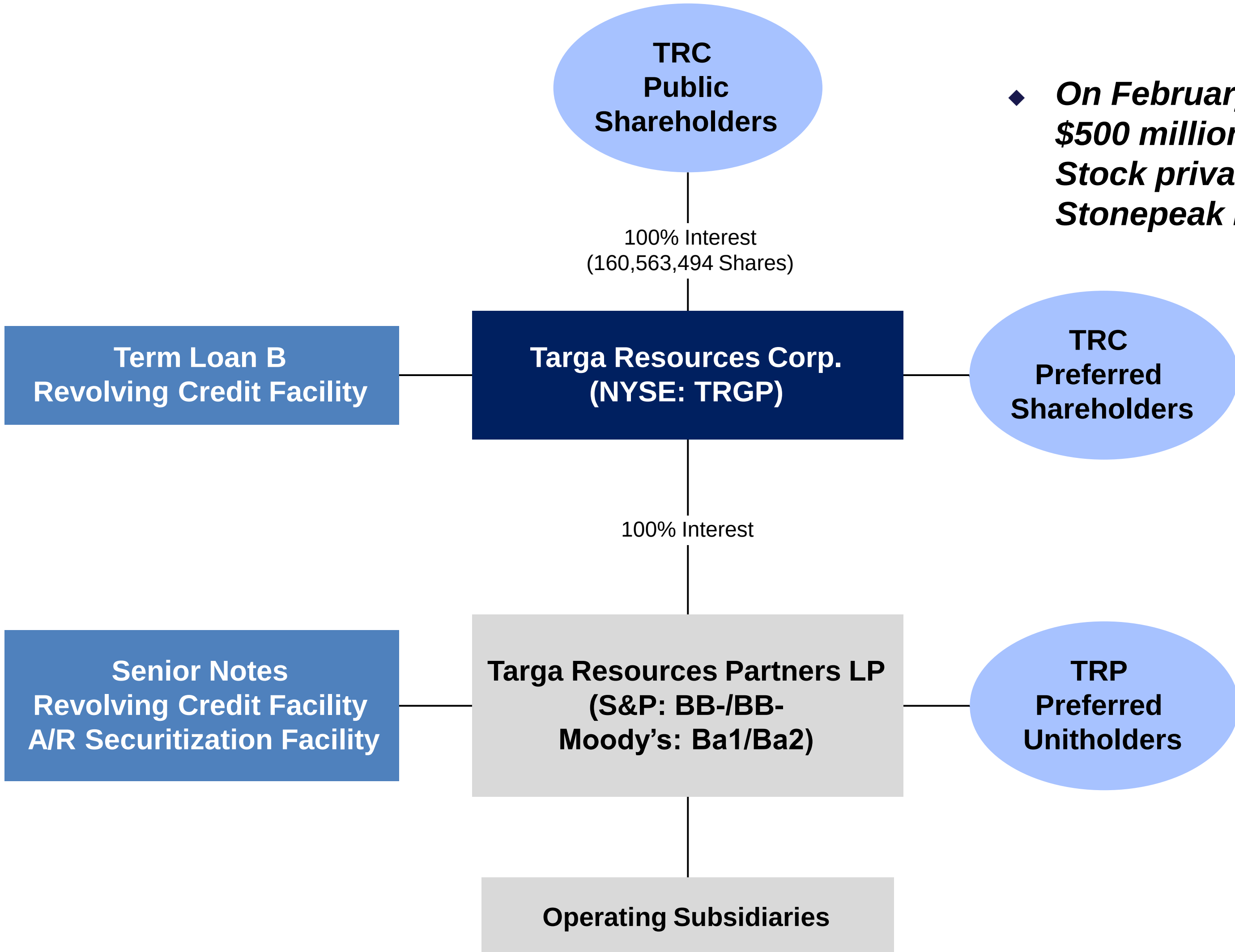
Improved Coverage and Credit Profile	Simplified Structure	Improved Cost of Capital

Stronger Near-Term and Long-Term Outlook

Targa is better positioned to execute on attractive, high return projects that may result from the current industry environment to drive long-term value creation for our investors

Targa's New Public Structure

- ***On February 18th, Targa announced a $500 million 9.5% Series A Preferred Stock private placement with Stonepeak Infrastructure Partners***



- **Announced in February 2016**
- **$500 million Series A Preferred Stock**
- **9.5% dividends paid quarterly**

- **Issued in October 2015**
- **$125 million Series A Preferred Units**
- **9% distributions paid monthly**

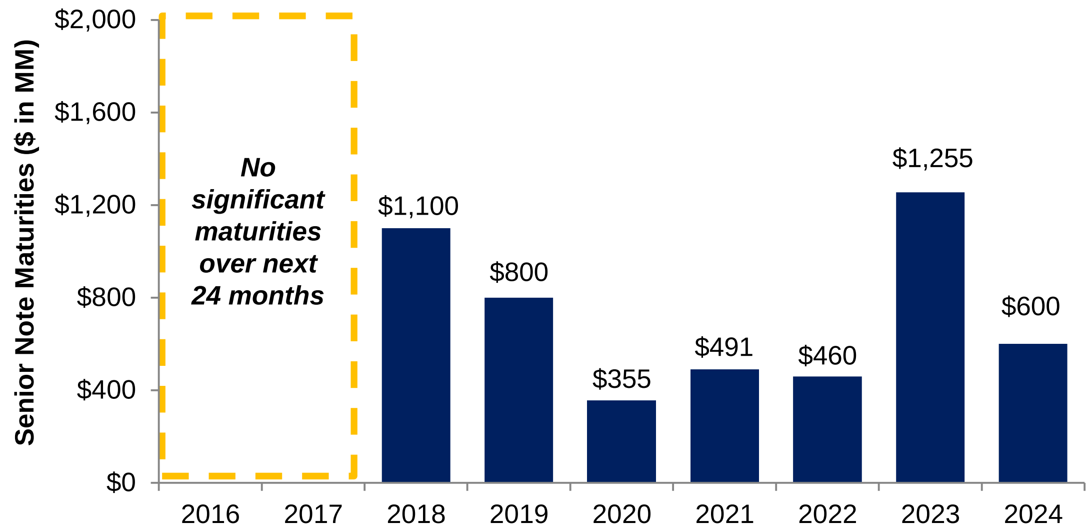
Since October 2015, Targa has raised over $600 million in preferred equity at a lower all in cost of capital than public common equity

TARGA

Leverage and Financial Position

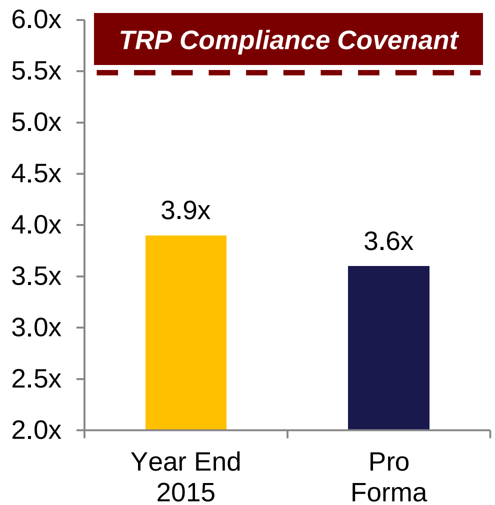
- **On February 17th, Targa closed its acquisition of TRP – pro forma:**
  - TRP continues as a reporting entity, and all existing debt and preferred equity remains outstanding
    - TRP's $1.6 billion revolver remains outstanding
    - TRP's Series A Preferred Units remain outstanding
    - TRC's $670 million revolver remains outstanding
  - **<u>TRP 5.5x leverage compliance covenant remains in place</u>**
  - Targa is **<u>not</u>** subject to a compliance covenant for consolidated leverage
- **On February 18th, Targa announced a $500 million 9.5% private placement of Series A Preferred Stock**
  - Pro forma, TRP compliance leverage ratio reduced from 3.9x to 3.6x
  - Pro forma, Targa liquidity increased from $1.7 billion to $2.2 billion

Senior Note Maturities[1]

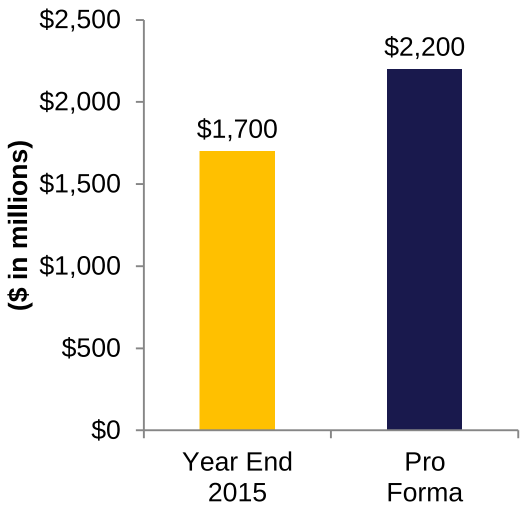


Pro Forma Leverage and Liquidity

<u>TRP Compliance Leverage</u>



<u>Targa Liquidity</u>

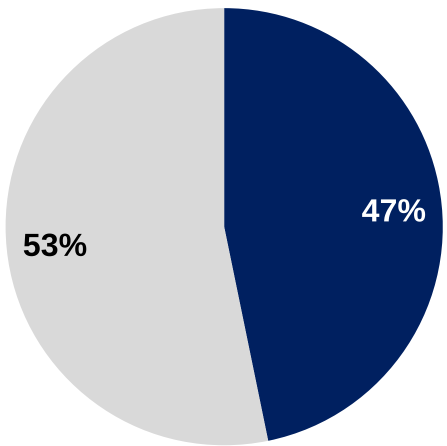


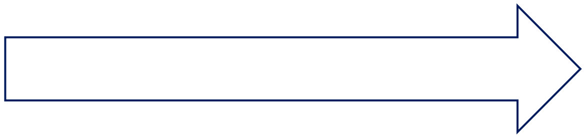
TARGA

(1) As of December 31, 2015; includes TRP senior notes and TRC Term Loan B. Excludes TRP and TRC revolvers

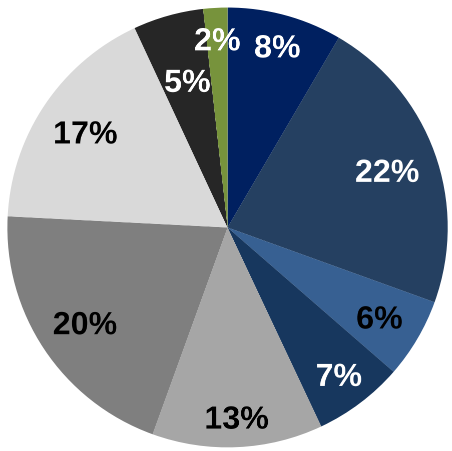
Business Mix, Diversity and Fee Based Margin

Business Mix – FY 2015 Operating Margin

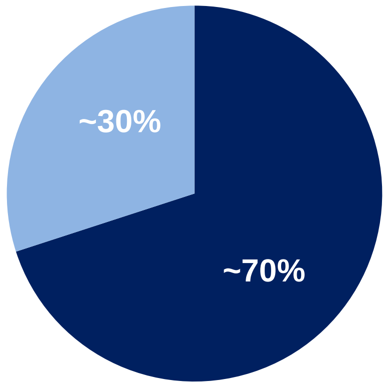




Field G&P Diversity – FY 2015 Natural Gas Inlet Volumes



Fee-Based Margin – 2015 and 2016E



- **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.)
- **~70% fee-based margin for 2015 and 2016E provides cash flow stability**

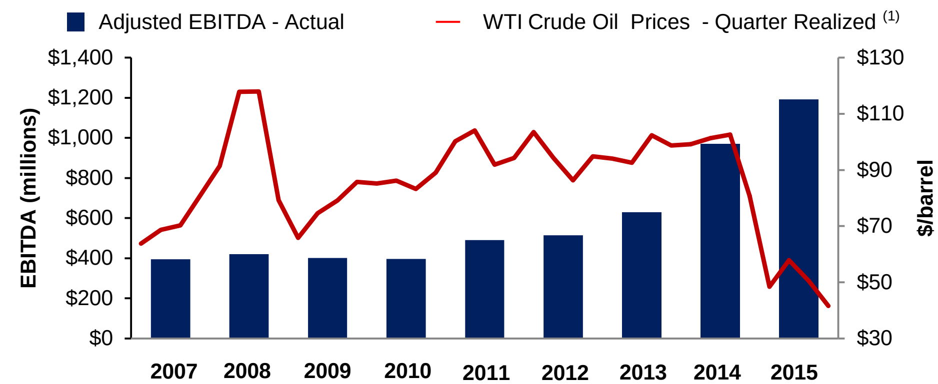
TARGA

Diversity and Scale Help Mitigate Commodity Price Changes

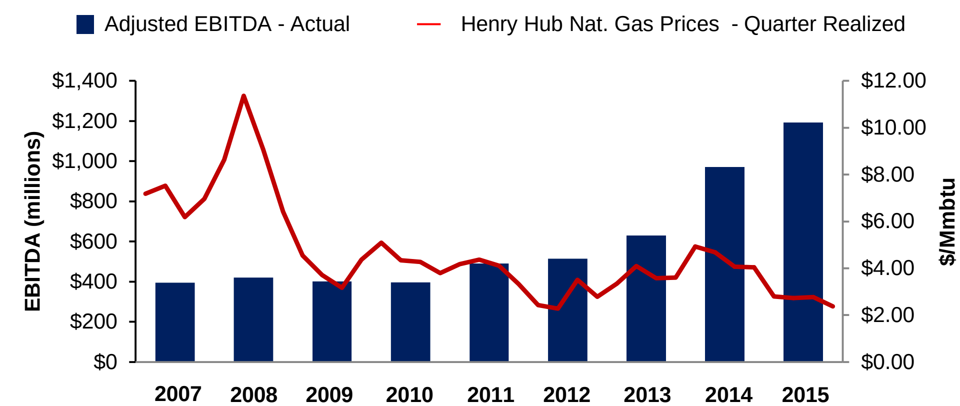
- **Growth has been driven by investing in the business, not by changes in commodity prices**
- **TRP benefits from multiple factors that help mitigate commodity price volatility, including:**
  - Scale
  - Business and geographic diversity
  - Increasing fee-based margin
  - Hedging
- **Based on our estimate of current equity volumes, approximately 40% of natural gas, 40% of condensate and 20% of NGLs are hedged for 2016**
- **Based on our estimate of current equity volumes, approximately 20% of natural gas, 20% of condensate and 10% of NGLs are hedged for 2017**
- **Per press release on October 5th, commodity price only sensitivities to 2016 Adjusted EBITDA:**
  - +/- $0.05/gal NGLs = +/- $20 million Adj. EBITDA
  - +/- $0.25/MMBtu nat gas = +/- $10 million Adj. EBITDA
  - +/- $5.00/bbl crude oil = +/- $5 million Adj. EBITDA

Adjusted EBITDA vs. Commodity Prices

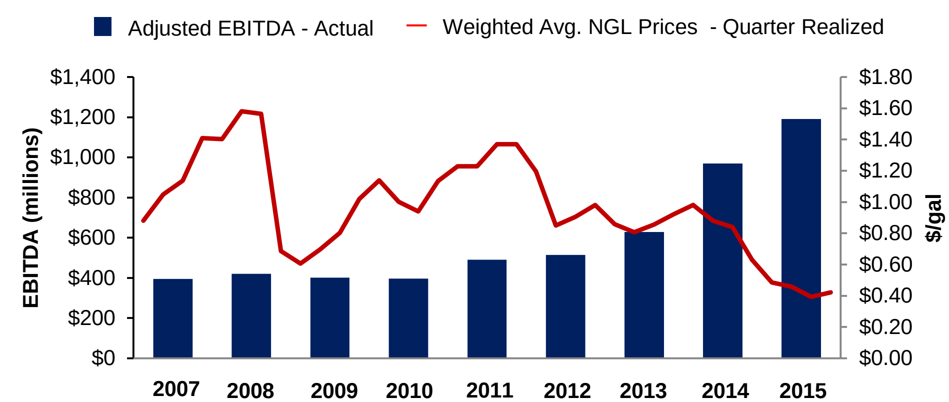
Crude Oil



Natural Gas



NGLs



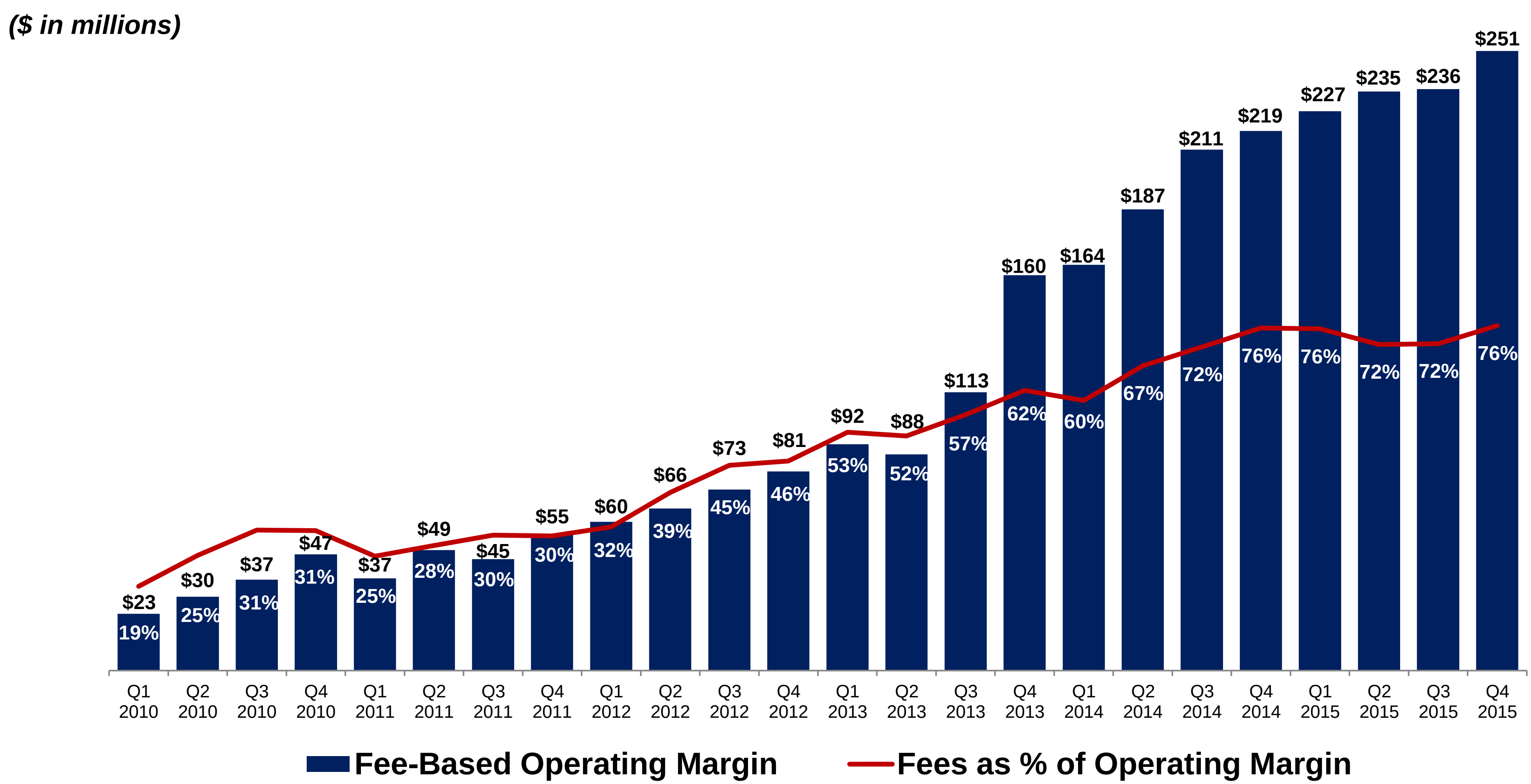
TARGA

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

Fee-Based Margin Provides Cash Flow Stability

Increasing Fee-Based Margin Provides Additional Stability to Our Business



TRP's growth in fee-based margin provides cash flow stability –
At least 70% of 2016E operating margin expected to be fee-based

TARGA

2016 Net Growth Capex

- **Targa has four major projects underway, representing approximately $275 million of 2016E growth capex (net)**
  - Pre-funded equity portion of 2016E growth capex via a $125 million Series A Preferred Unit Offering in October 2015
  - All four projects will provide cash flow in 2016
- **Targa has identified up to an additional $250 million of 2016E growth capex**
  - Projects may be deferred depending on market conditions and activity levels
  - High return, strategic projects will be funded utilizing revolver liquidity, debt markets, joint ventures and other equity sources

	($ in millions)	Total Project Capex	Preliminary 2016E Capex	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[1]	130 - 150	80	Q1 2018	✓	✓
	Gathering & Processing					
	WestTX Buffalo Plant	$105	$20	Q2 2016		✓
	SouthTX Sanchez Energy JV	125	85	Q1 2017	✓	✓
	Total (Downstream + G&P)	**$700 - $720**	**$275**			
Other Identified Projects	**Other Projects (Downstream + G&P)**		**$250**			✓
Total	**$525 (or less)**					

Targa accessed the capital markets in the late third quarter and fourth quarter of 2015, and announced a $500 million TRC 9.5% Series A Preferred private placement in February 2016

TARGA

(1) Noble is proceeding with 35Mbpd crude and condensate splitter at Targa Channelview Terminal. Current total project capex estimate is higher than previous public announcement due to changes in project scope and increased labor costs; Targa economics not negatively impacted

Counterparty Credit Exposure and Mitigants

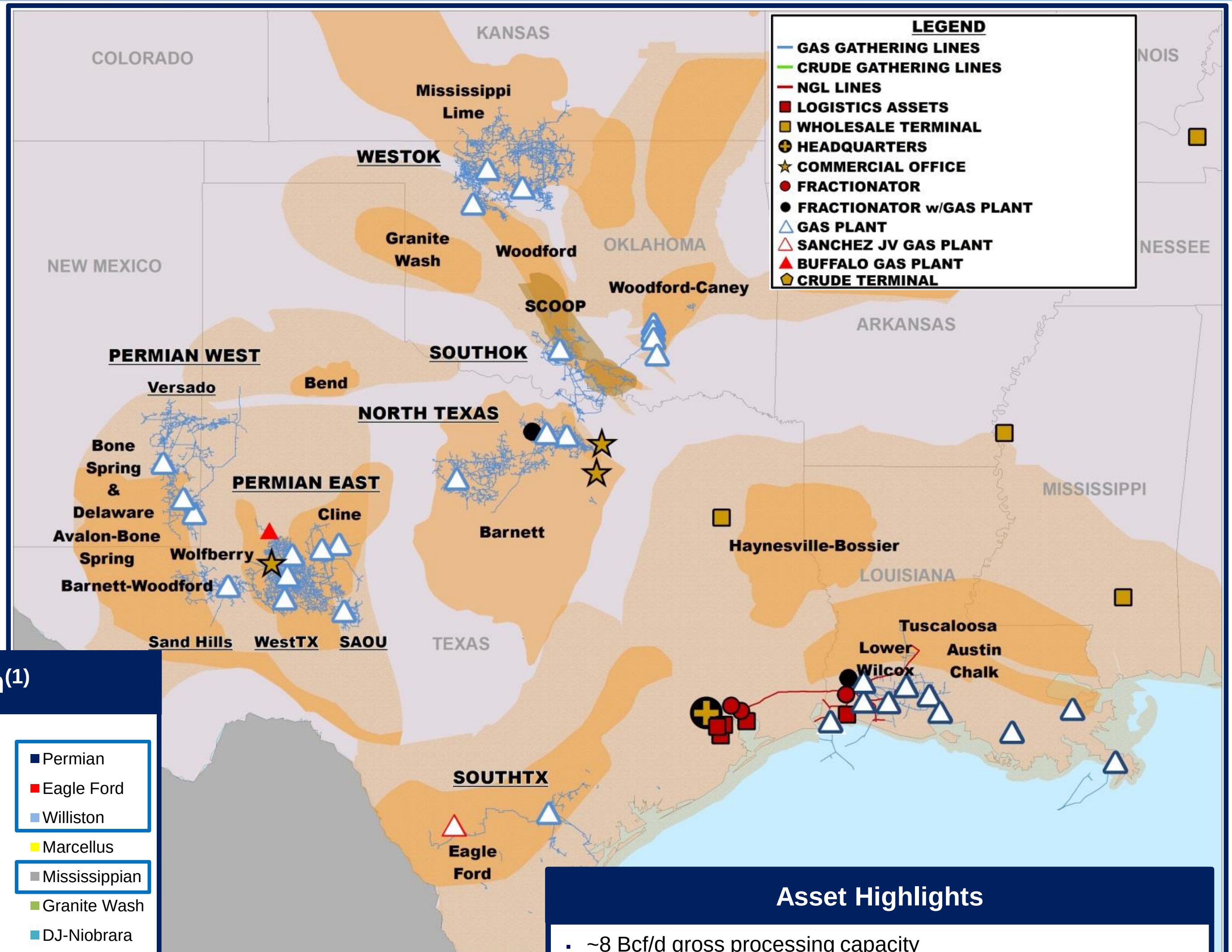
	Description of Payments	Area (Predominant Contract Type)	Potential Counterparty Credit Risk	Mitigants
Downstream	♦ Targa invoices for fees due	♦ N/A	♦ Low	♦ Creditworthiness of customers ♦ Diversification of customers ♦ Significant LCs posted
G&P – Fee	♦ Targa invoices producer monthly for fees due **or** ♦ 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

TARGA

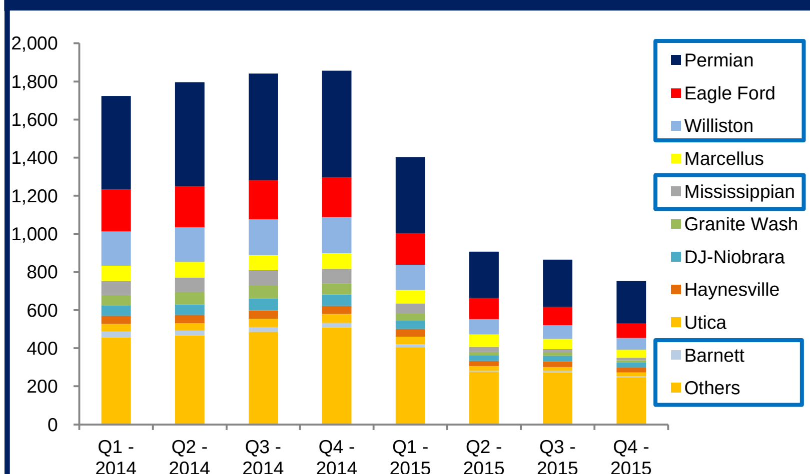
Targa’s Attractive Asset Footprint

Attractive Asset Positions Despite Lower Producer Activity

- Rig activity has decreased significantly across the U.S.
- Targa's footprint has been impacted, but positioning in some of the best basins / areas provides resiliency
- Diversified producer customer base



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

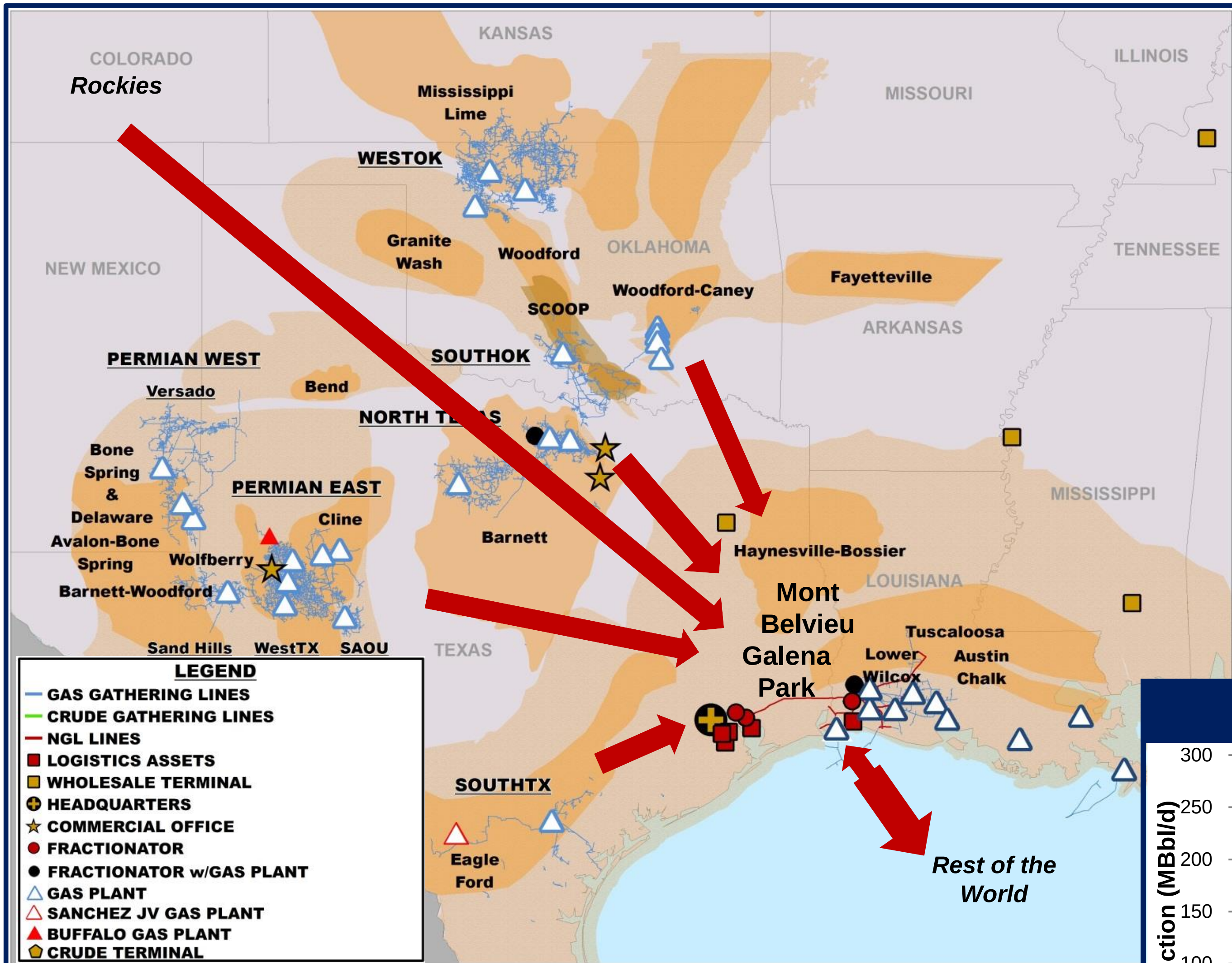


Asset Highlights

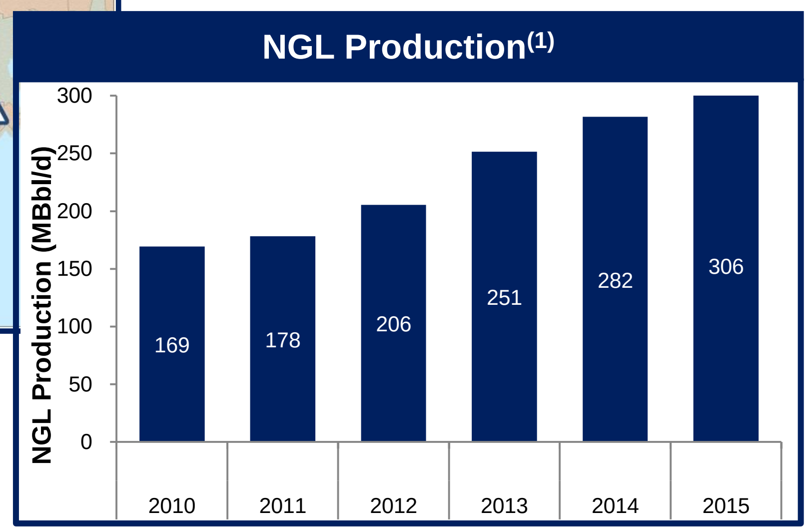
- ~8 Bcf/d gross processing capacity
- 38 natural gas processing plants
- Over 25,000 miles of natural gas and crude oil pipelines
- Gross NGL production of 306 MBbls/d in 2015
- 3 crude and refined products terminals (2.5 MMBbls of storage)
- 17 gas treating facilities
- Over 570 MBbl/d gross fractionation capacity
- ~6.5-7.0 MMBbl/month capacity LPG export terminal

(1) Source: Baker Hughes; data through January 15, 2016

Producer Activity Drives NGL Flows to Mont Belvieu

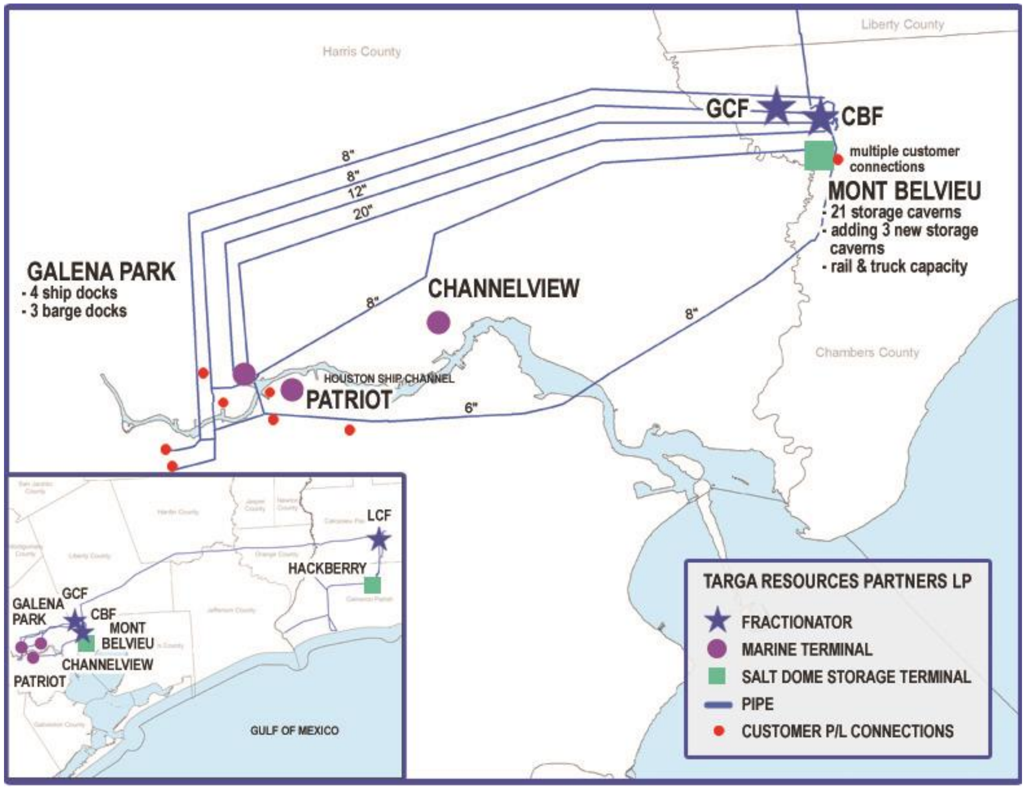


- **Growing field NGL production increases NGL flows to Mont Belvieu**
- **Increased NGL production could support Targa's existing and expanding Mont Belvieu and Galena Park presence**
- **Petrochemical investments, fractionation and export services will continue to clear additional supply**
- **Targa's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



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

Logistics Assets – Extensive Gulf Coast Footprint



Fractionators			
		Gross Capacity (MBbl/d)	Net Capacity (MBbl/d)[2]
CBF - Mont Belvieu[1]	Trains 1-3	253	223
	Backend Capacity	40	35
	Train 4	100	88
GCF - Mont Belvieu		125	47
Total - Mont Belvieu		518	393
LCF - Lake Charles		55	55
Total		**573**	**448**

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)

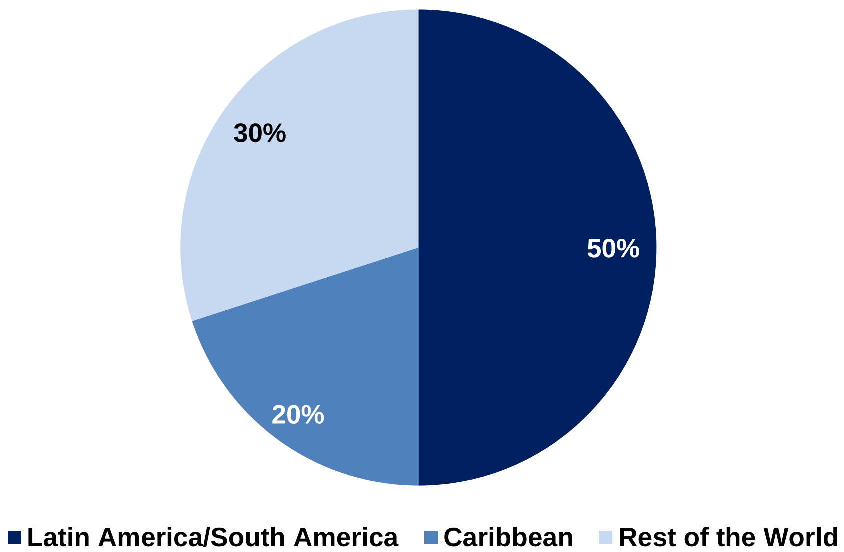
Galena Park Marine Terminal		
	Products	MMBbl/ Month
Export Capacity	LEP / HD5 / NC4	~6.5 - 7.0
Other Assets		
700 MBbls in Above Ground Storage Tanks		
4 Ship Docks		

TARGA

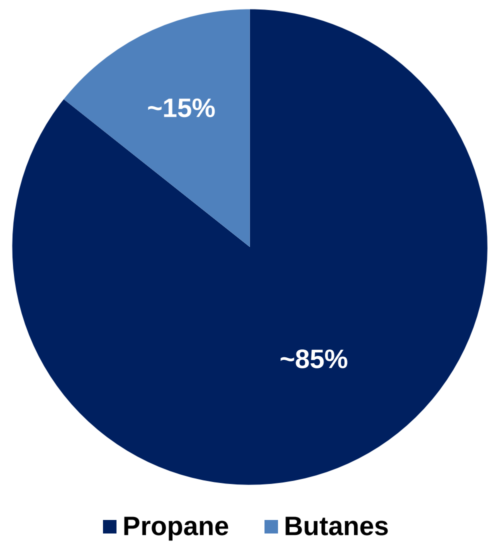
(1) 100 MBbl/d Train 5 expansion currently under construction
(2) Net capacity is calculated based on TRP's 88% ownership of CBF and 39% ownership of GCF

Targa's LPG Export Business

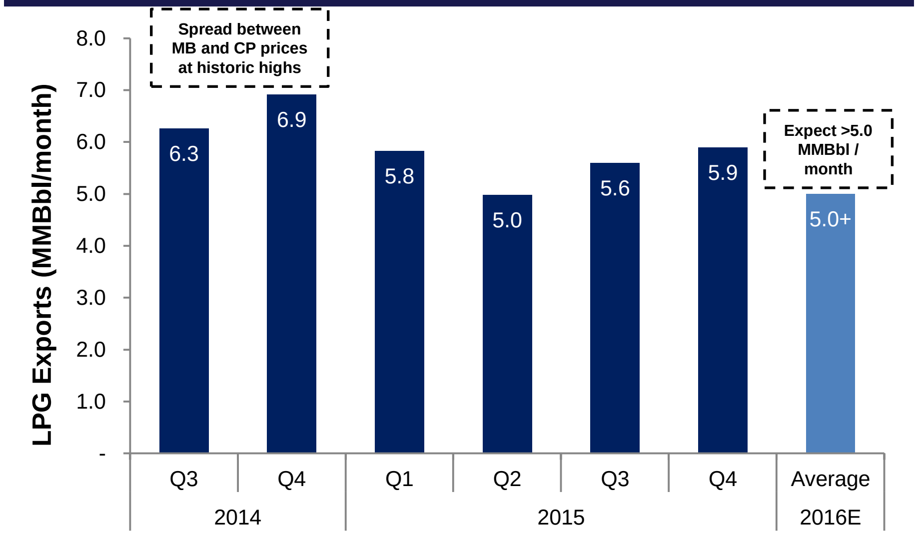
2015 – Targa LPG Exports by Destination



2015 – Targa Propane and Butane Exports



Targa 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 support infrastructure (fractionation, salt cavern storage, refrigeration, de-ethanizers)**
- **Nameplate capacity of 9.0 MMBbl/month; effective operational capacity of 6.5 – 7.0 MMBbl/month**
- **Multi-year contracts with end users and international trading houses**
  - Also support existing LT clients and other third parties with short-term contracts on as-needed basis
- **Majority of Targa volumes staying in the Western Hemisphere, but some volumes traveling to Europe and the Far East**
- **Targa expects to export more than 5.0 MMBbl/month in 2016**

TARGA

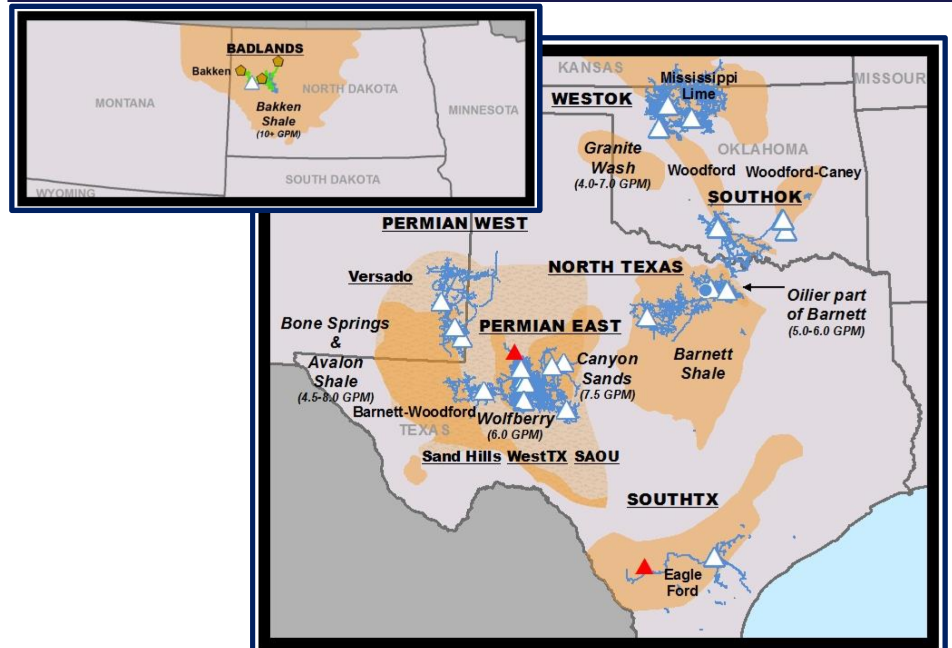
Extensive Field Gathering and Processing Position

Summary

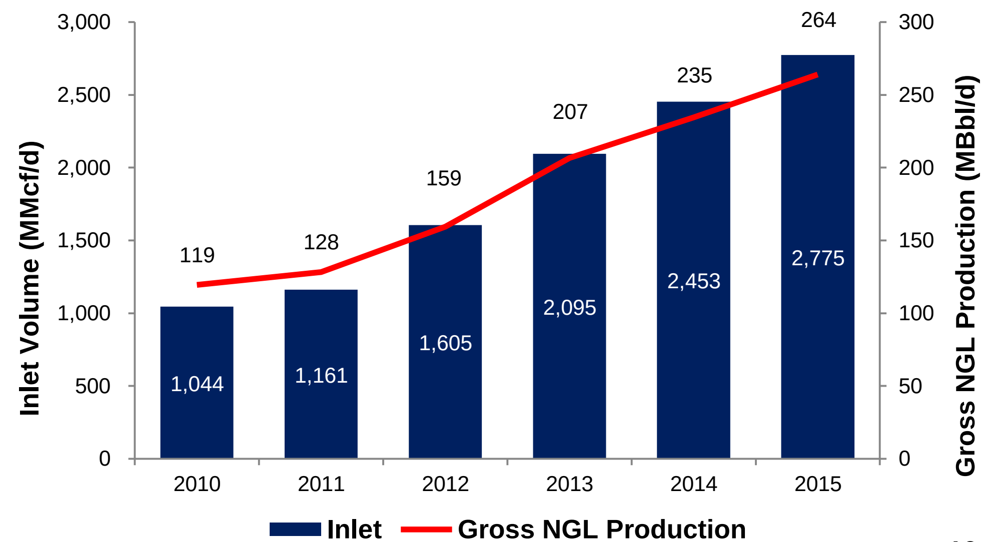
- **Over 24,000 miles of pipeline across attractive positions in the Permian Basin, Eagle Ford Shale, Barnett Shale, Anadarko Basin, Ardmore Basin, Arkoma Basin and Williston Basin**
- **Over 3.4 Bcf/d of gross processing capacity**
  - Six new cryogenic plants in service in 2014 and 2015 (High Plains, Longhorn, Little Missouri 3, Edward, Stonewall and Silver Oak II), plus 40 MMcf/d Stonewall plant expansion in service Q3 2015
  - Connected WestTX and Sand Hills in Q3 2015; Sand Hills and SAOU connected in Q3 2014
- **Additional gathering and processing expansions:**
  - 200 MMcf/d Buffalo plant expected in service in Q2 2016
  - 200 MMcf/d Raptor plant in SouthTX expected in service in Q1 2017
  - Connection of WestTX and SAOU completed in Q1 2016
- **POP and fee-based contracts**

		Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
SAOU	Permian East	369	1,650
WestTX		655	4,050
Sand Hills	Permian West	165	1,550
Versado		240	3,450
WestOK		458	6,100
SouthOK		560	1,500
North Texas		478	4,550
SouthTX		400	785
Badlands		90	530
Total		**3,415**	**24,165**

Footprint



Volumes(1)



TARGA

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

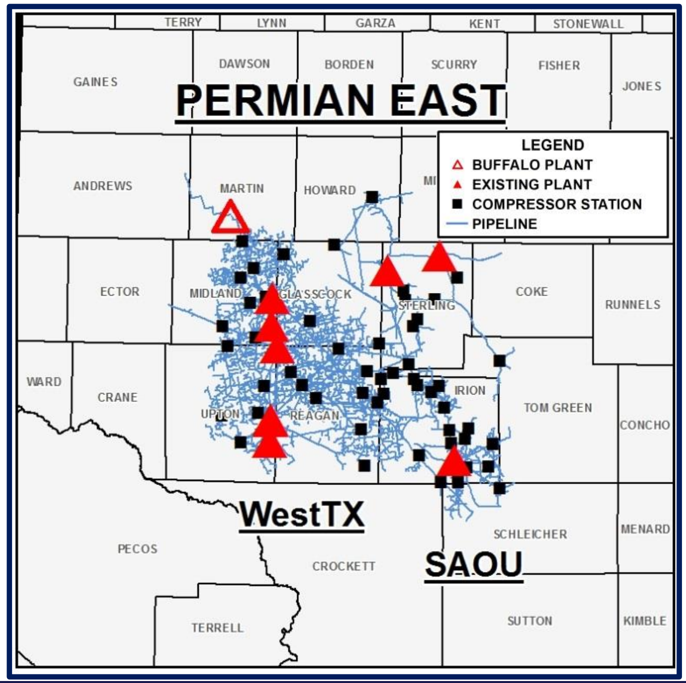
Permian East – Premier Midland Basin Footprint

Summary

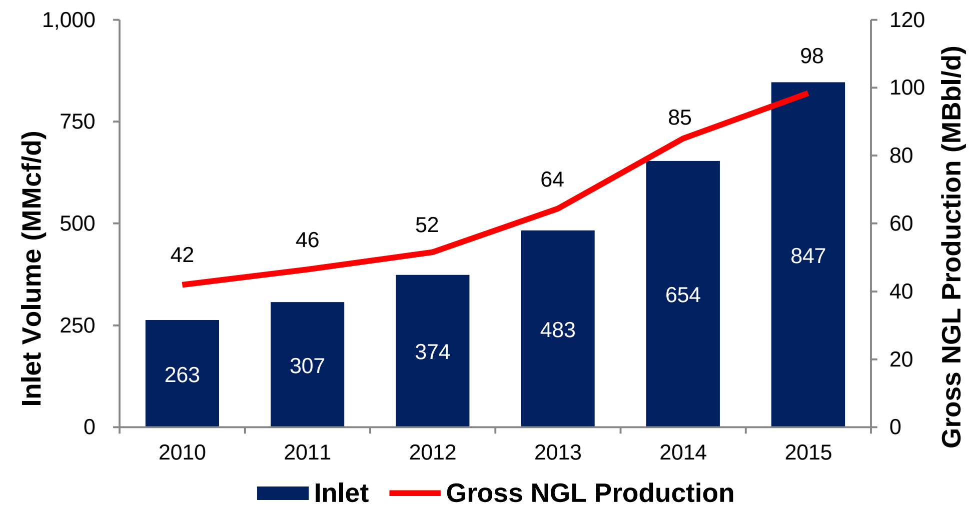
- **Footprint includes approximately 5,700 miles of pipeline in the Midland Basin**
- **Targa is one of the largest Midland Basin gas processors with over 1.0 Bcf/d in gross processing capacity**
  - 200 MMcf/d Buffalo plant expected in service in Q2 2016
  - Reviewing additional opportunities to connect / optimize systems to enhance reliability, optionality and efficiency
- **Connected to Permian West via the Midland County Pipeline running between SAOU and Sand Hills**
- **Traditionally POP contracts, with additional fee-based services for compression, treating, etc.**

	Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
SAOU	369	1,650
WestTX	655	4,050
Permian East Total	**1,024**	**5,700**

Footprint



Volumes[1]



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

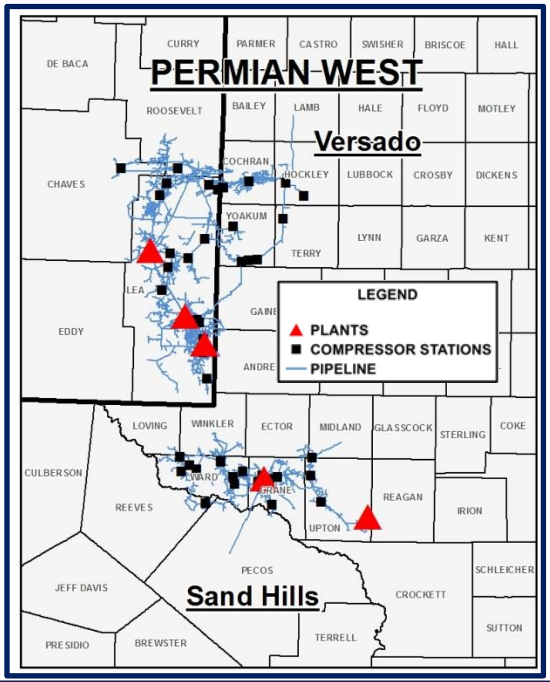
Permian West – Well Positioned to Capture Growth

Summary

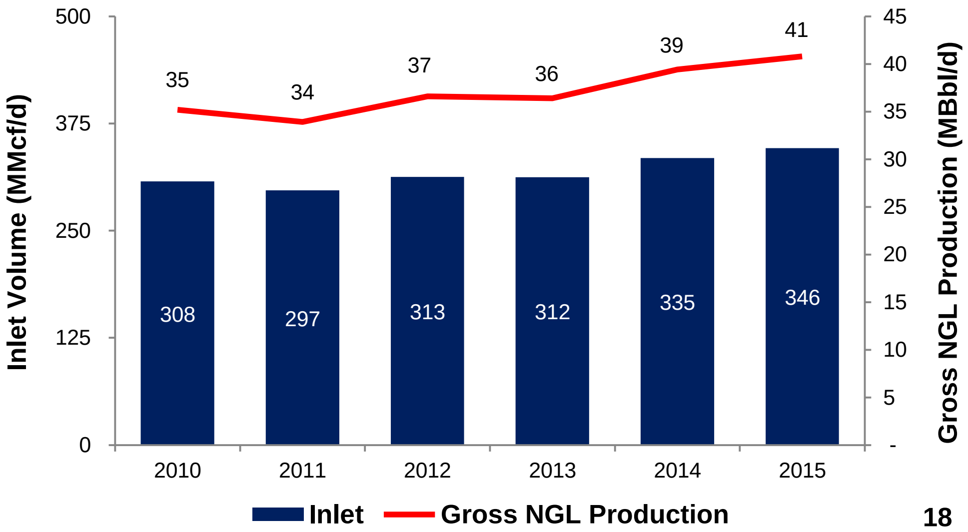
- **Footprint includes approximately 5,000 miles of pipeline**
- **Growth opportunities driven by continued producer activity**
  - Processing capacity available at Versado to capture new volumes
  - Adding compression and a high pressure pipeline to move gas from the Northern Delaware Basin and shallow San Andres development within the Central Basin Platform around the Versado system
- **Connected to Permian East via the Midland County Pipeline running between SAOU and Sand Hills**
- **Traditionally POP contracts, with additional fee-based services for compression, treating, etc.**

	Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
Sand Hills	165	1,550
Versado	240	3,450
Permian West Total	**405**	**5,000**

Footprint



Volumes(1)



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

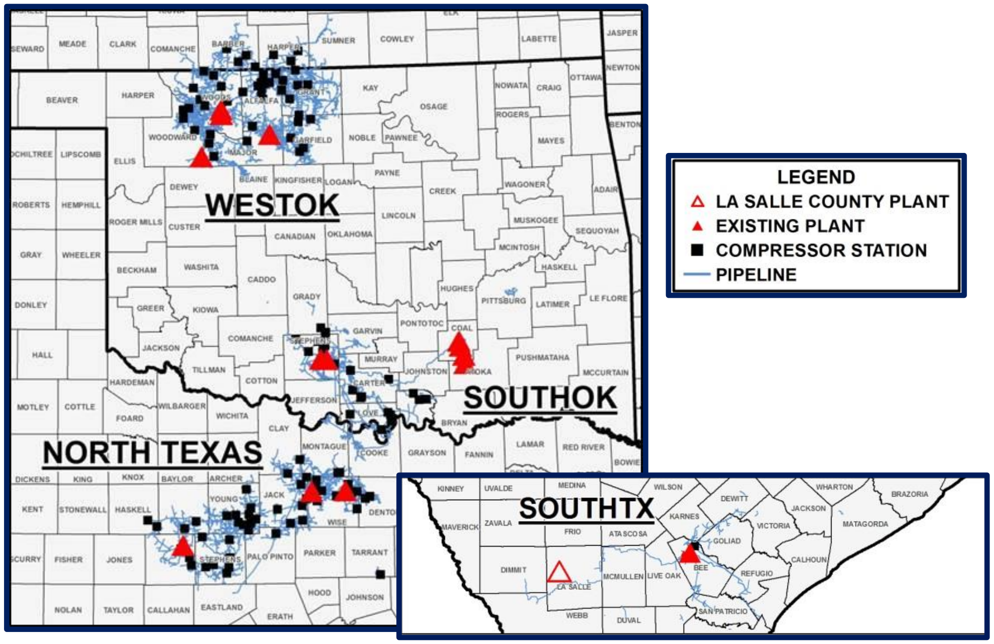
Strategic North Texas, SouthTX and Oklahoma Positions

Summary

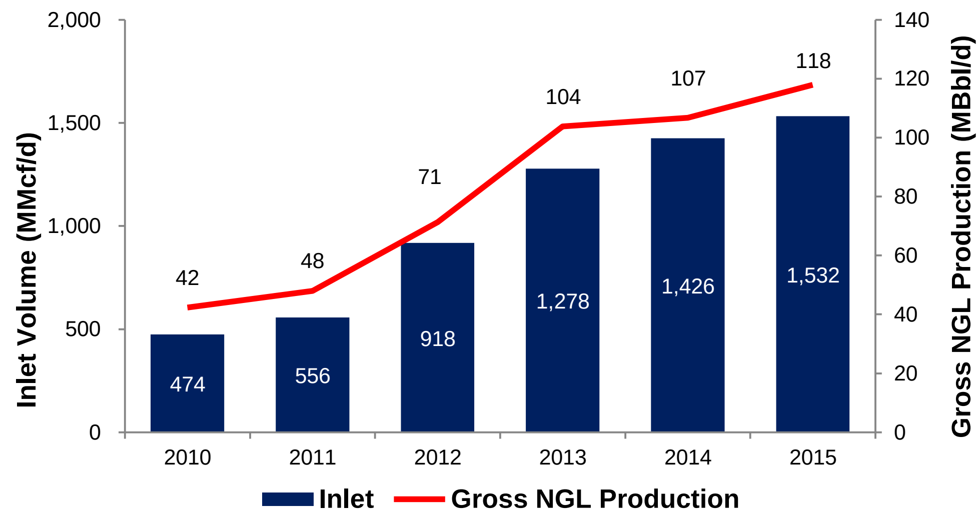
- **Four footprints including approximately 13,000 miles of pipeline**
- **Over 1.8 Bcf/d of gross processing capacity**
  - Announced a joint venture with Sanchez Energy Corporation in October 2015 in SouthTX to build 200 MMcf/d plant and ~45 miles of associated pipelines in La Salle County expected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

	Current Gross Processing Capacity (MMcf/d)	Miles of Pipeline
WestOK	458	6,100
SouthOK	560	1,500
North Texas	478	4,550
SouthTX	400	785
Total	**1,896**	**12,935**

Footprint



Volumes(1)



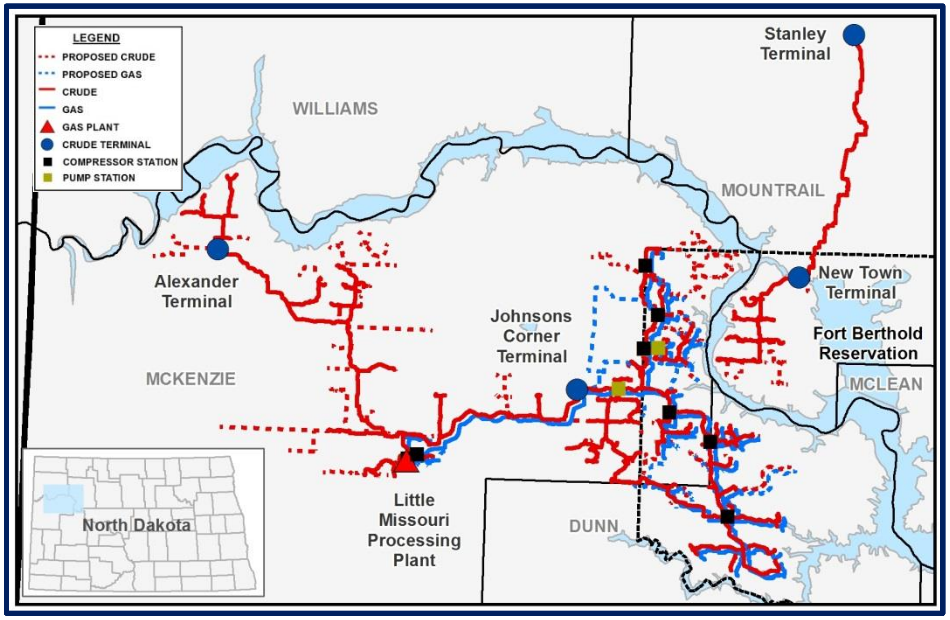
(1) *Pro forma Targa/TPL for all years*

Strategic Position in the Core of the Williston Basin

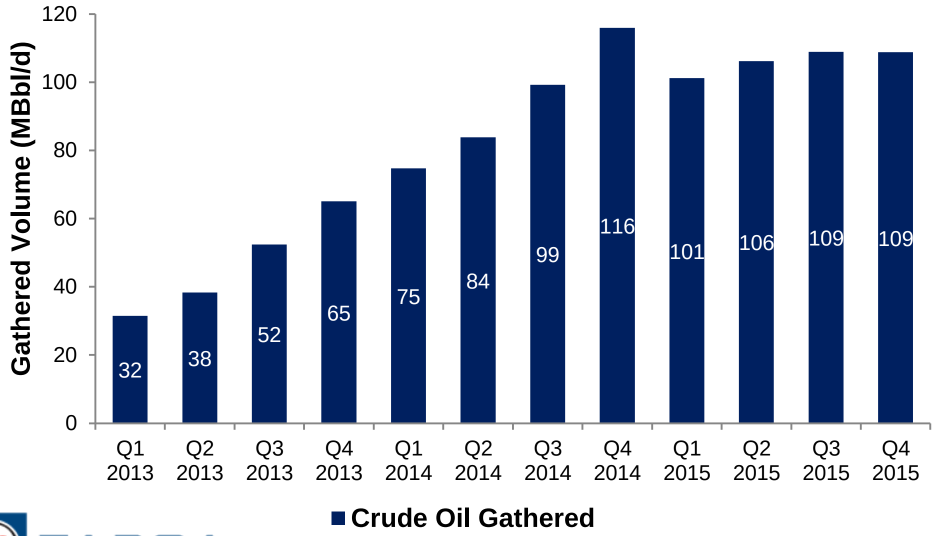
Summary

- **System currently consists of oil gathering and terminaling and natural gas gathering and processing in McKenzie, Dunn and Mountrail Counties, ND**
- **Acquired in December 2012; substantial build-out of system since January 2013**
  - ~240% growth in crude gathering volumes since acquisition
  - ~235% growth in gas plant inlet volumes since acquisition
- **Total natural gas processing capacity of ~90 MMcf/d**
  - Little Missouri 3 plant expansion completed in Q1 2015
- **Fee-based contracts**

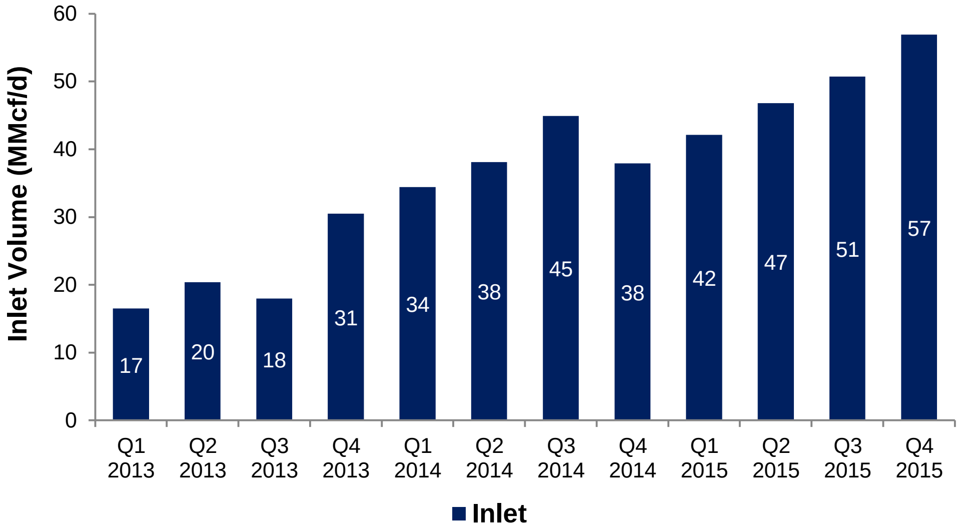
Footprint



Crude Oil Gathered



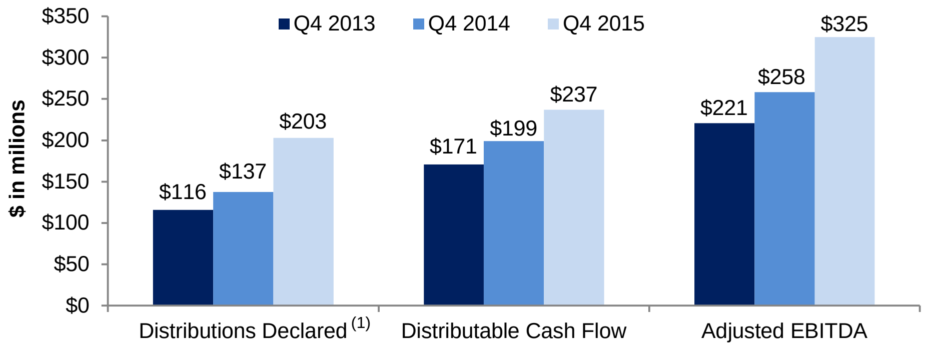
Natural Gas Volumes

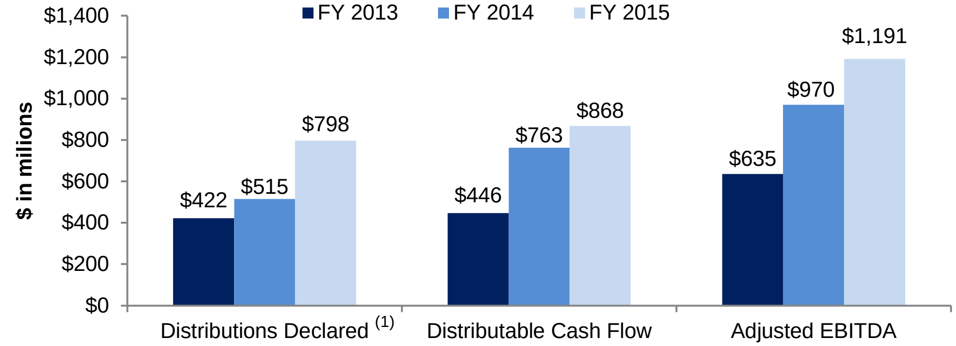


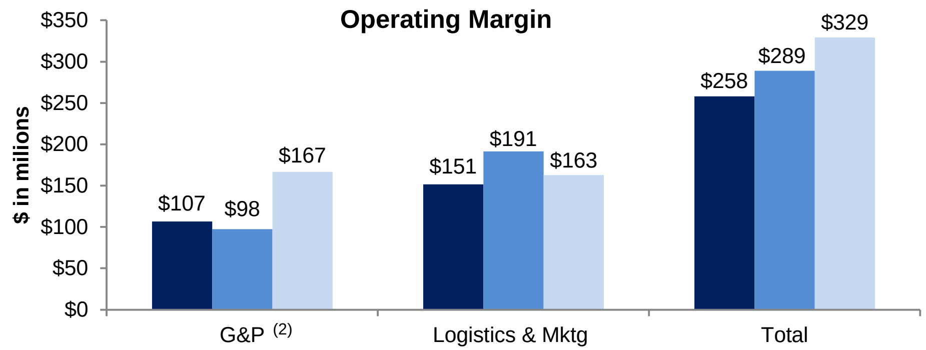
TARGA

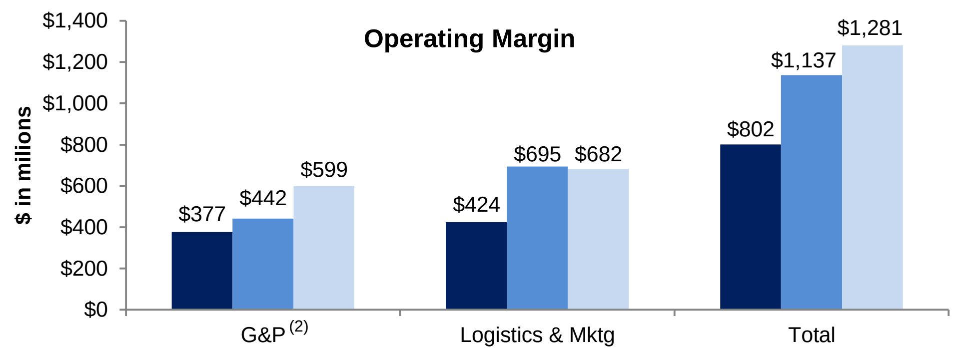
Additional Information

TRP Update









Q4 2015 Highlights

- **Adjusted EBITDA increased 26% in Q4 2015 compared to Q4 2014, primarily due to contributions from TPL, partially offset by lower commodity prices**
- **Field Gathering & Processing operating margin increased 82% in Q4 2015 versus Q4 2014 primarily driven by TPL contributions, partially offset by lower commodity prices**

(1) *Includes distributions on TRP Series A preferred units*
(2) *Includes impact of commodity hedge settlements*

TRP Capitalization

($ millions)

Cash and Debt	Maturity	Coupon	Actual 9/30/2015	Adjustments	Actual 12/31/2015	$500MM Preferred Adjustments	Pro Forma 12/31/2015
Cash and Cash Equivalents			$92.8	$42.6	$135.4	$0.7	$136.1
Accounts Receivable Securitization	Dec-15		135.5	$83.8	219.3	($219.3)	–
Revolving Credit Facility	Oct-17		435.0	($155.0)	280.0	($280.0)	–
Total Senior Secured Debt			**570.5**		**499.3**		**-**
Senior Notes	Feb-21	6.875%	483.6	–	483.6	–	483.6
Senior Notes	Aug-22	6.375%	300.0	–	300.0	–	300.0
Senior Notes	May-23	5.250%	600.0	(16.3)	583.7	–	583.7
Senior Notes	Nov-23	4.250%	625.0	(1.5)	623.5	–	623.5
Senior Notes	Nov-19	4.125%	800.0	–	800.0	–	800.0
Senior Notes	Oct-20	6.625%	342.1	–	342.1	–	342.1
Senior Notes	Feb-18	5.000%	1,100.0	–	1,100.0	–	1,100.0
New Senior Notes	Mar-24	6.750%	600.0	–	600.0	–	600.0
Unamortized Discounts on TRP Debt			(23.0)	0.9	(22.1)	–	(22.1)
Unamortized Premium on TRP Debt			5.2	(0.2)	5.0	–	5.0
TPL Senior Notes	Oct-20	6.625%	13.1	(0.2)	12.9	–	12.9
TPL Senior Notes	Aug-23	5.875%	48.1	–	48.1	–	48.1
TPL Senior Notes	Nov-21	4.750%	6.5	–	6.5	–	6.5
Unamortized Premium on TPL Debt			0.8	(0.1)	0.7	–	0.7
Total Consolidated Debt			**$5,471.9**		**$5,383.3**		**$4,884.0**
Compliance Leverage Ratio[(1)]			4.0x		3.9x		3.6x
Liquidity:							
Credit Facility Commitment			$1,600.0	–	$1,600.0	–	$1,600.0
Funded Borrowings			(435.0)	155.0	(280.0)	280.0	–
Letters of Credit			(11.2)	(1.7)	(12.9)	–	(12.9)
Total Revolver Availability			**$1,153.8**		**$1,307.1**		**$1,587.1**
Cash			92.8		135.4		136.1
Total Liquidity			**$1,246.6**		**$1,442.5**		**$1,723.2**
Available A/R Securitization Capacity							219.3
Total Liquidity with Available A/R Securitization Capacity							**$1,942.5**

TARGA

(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

TRC Capitalization

($ millions)

Capitalization	Maturity	Actual 9/30/2015	Adjustments	Actual 12/31/2015	$500MM Preferred Adjustments	Pro Forma 12/31/2015
Cash and Cash Equivalents	--	$10.1	($5.3)	$4.8	--	$4.8
Senior Secured Revolver ($670 MM)	Feb-20	445.0	(5.0)	440.0	--	440.0
Term Loan B	Feb-22	160.0	--	160.0	--	160.0
Unamortized Discount		(2.6)	0.1	(2.5)	--	(2.5)
Total TRC Debt		**$602.4**		**$597.5**		**$597.5**
Compliance EBITDA		$232.0	$2.3	$234.3		$234.3
Total Compliance Leverage (1)		2.6x		2.5x		2.5x
Liquidity						
Revolving Credit Facility Commitment		$670.0	–	$670.0	–	$670.0
Funded Borrowings		(445.0)	5.0	(440.0)	–	(440.0)
Total Revolver Availability		**$225.0**		**$230.0**		**$230.0**
Cash		$10.1		$4.8		$4.8
Liquidity		**$235.1**		**$234.8**		**$234.8**

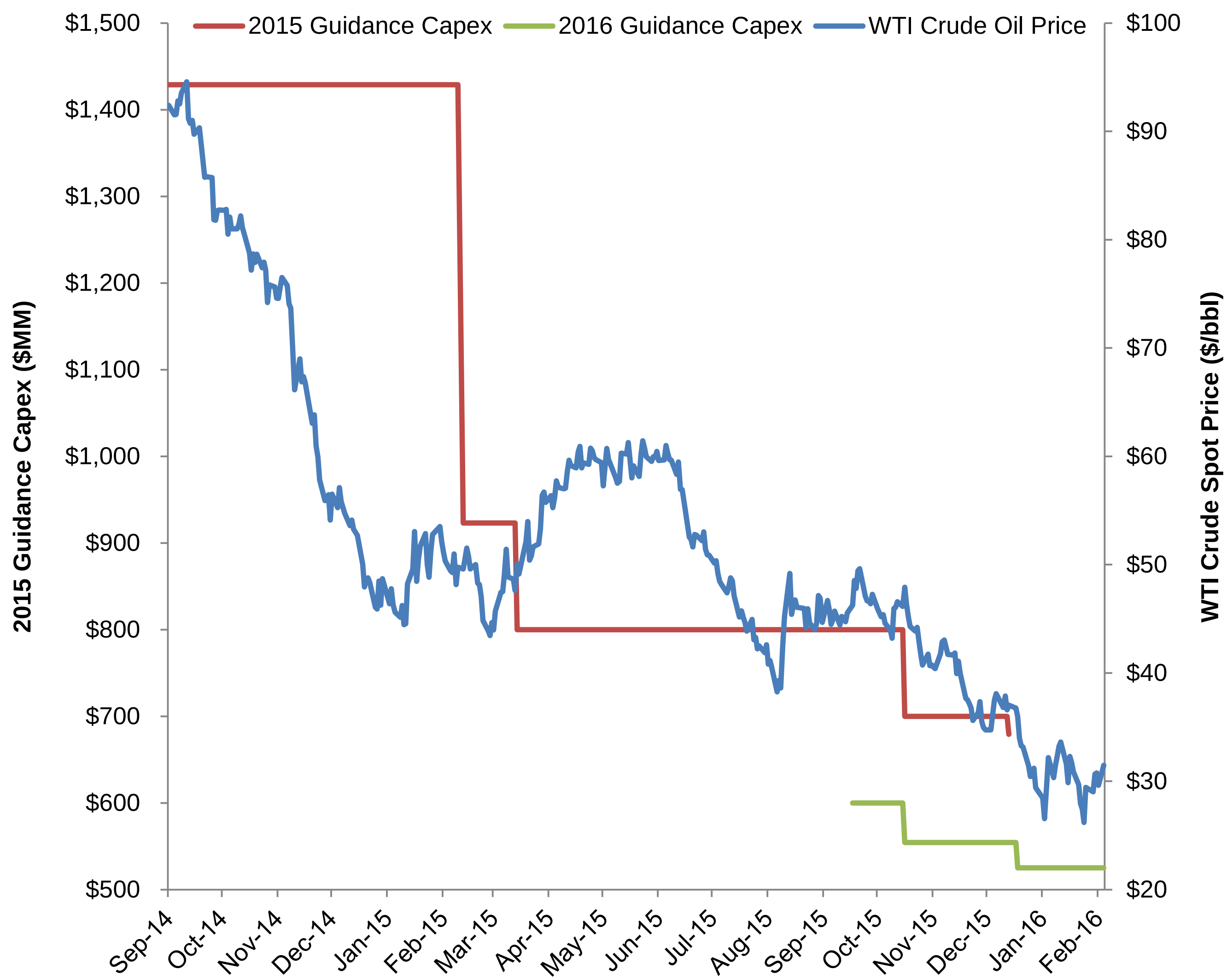
TARGA

(1) Compliance leverage deducts cash and cash equivalents from debt

Managing Capex Spending – Illustrative Example

- **Targa managed its 2015 growth capex spending based on market conditions and will manage 2016 with the same focus**
  - High graded and deferred projects
  - Re-negotiated terms
  - Pursued capital and asset optimization opportunities to connect systems to reduce capital outlay
  - Continued to identify and spend on high return, strategic opportunities
- **Targa opportunistically accessed the capital markets throughout the year**
  - $375 million raised from equity issuances from January through July 2015
  - $600 million 6.75% notes issued in September 2015
  - $125 million raised from a Series A Preferred Offering in October 2015
  - Announced a $500 million TRC 9.5% Series A Preferred private placement in February 2016

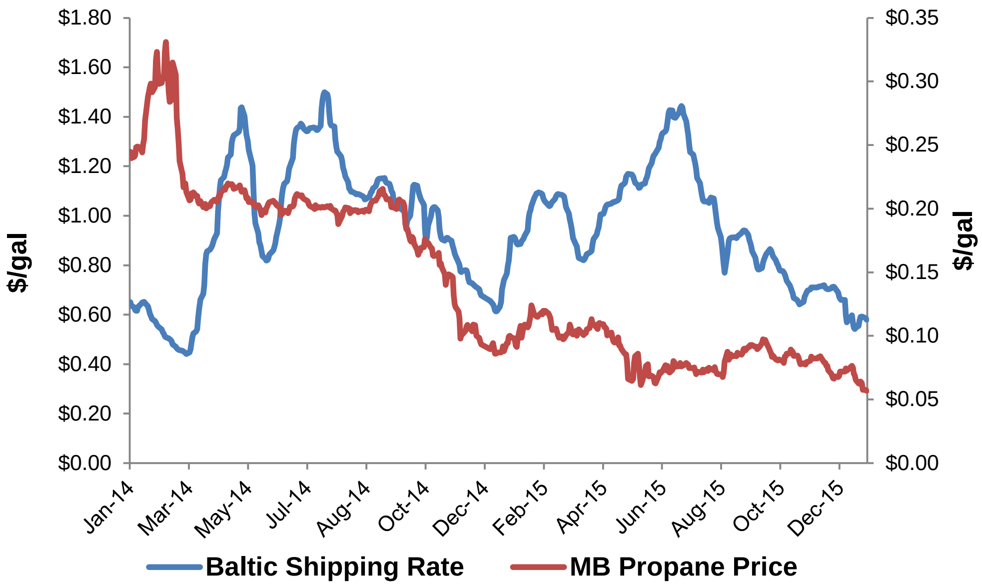
Growth Capex[(1)] and Crude Oil Prices



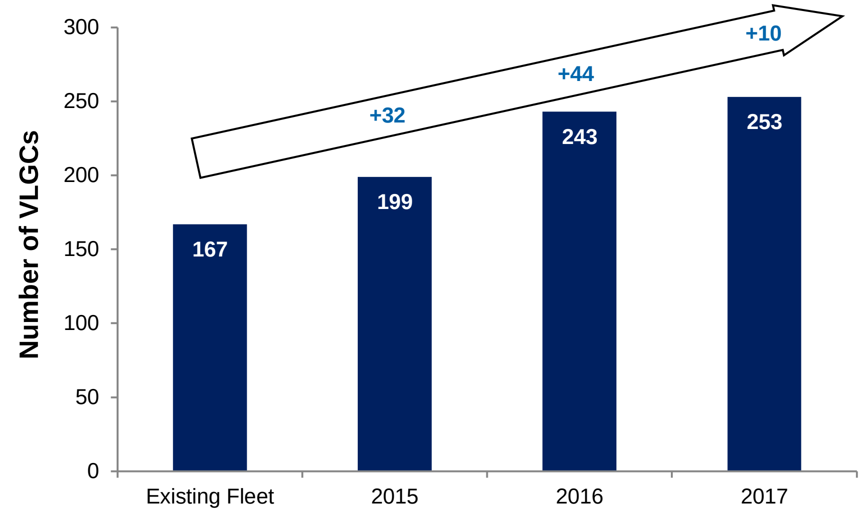
TARGA (1) *Represents guidance growth capex as presented in S-4 related to Atlas transactions through revisions on earnings calls and in investor presentations*

Dynamics of the LPG Market

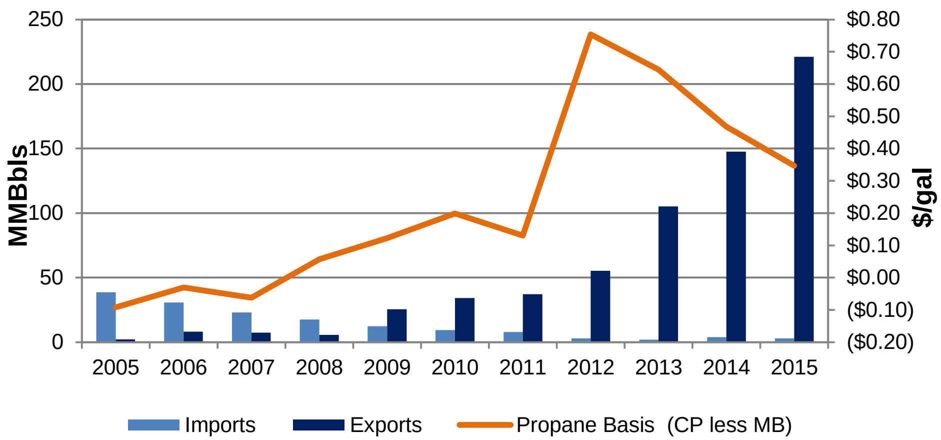
VLGC Freight Rates(1)



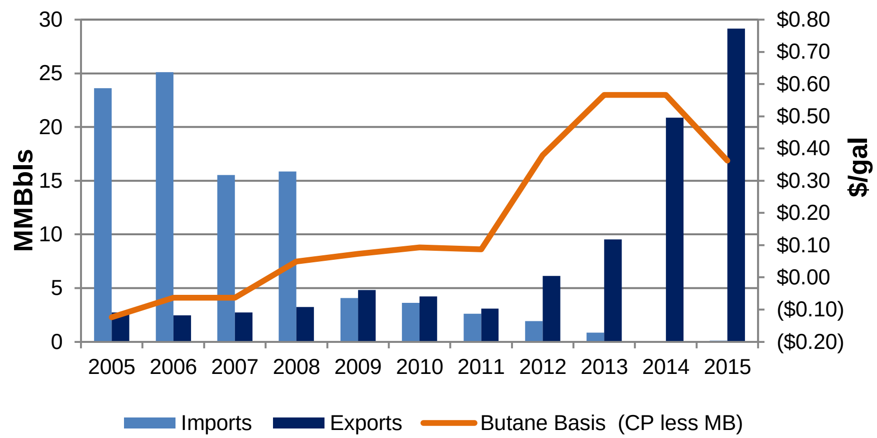
Increasing VLGC Fleet(2)



U.S. Propane(3)



U.S. Butane(3)



TARGA

(1) Source: Inge Steensland AS; Bloomberg
(2) Source: IHS as of September 2015
(3) Source: IHS

Petroleum Logistics – Highlights

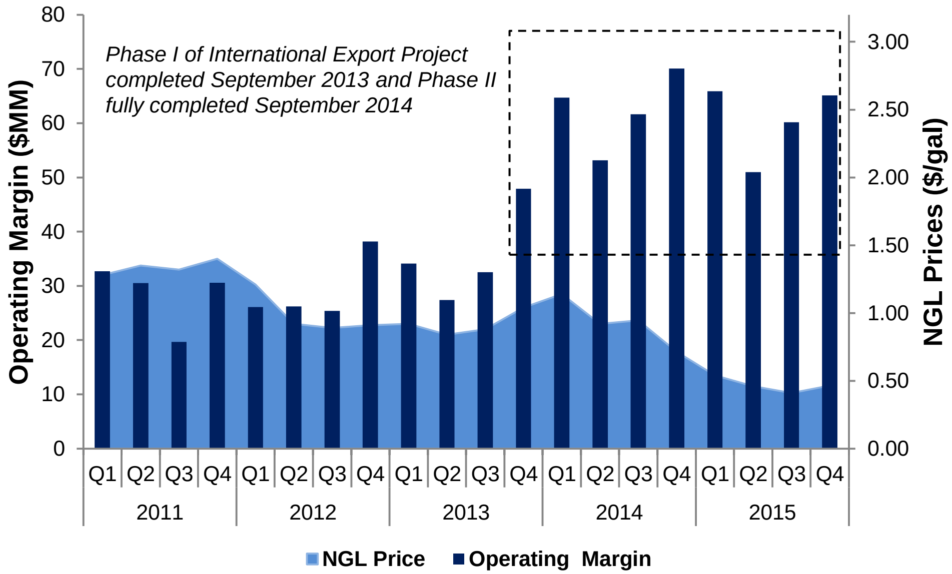
Terminal	Current Storage	Products	Capabilities
Targa Channelview Houston, TX	553 MBbl	Crude oil, blend stock, asphalt, marine diesel oil, used motor oil, vacuum gas oil, residual fuel oil	Truck and barge transport; Blending and heating; Vapor controls
Targa Sound Tacoma, WA	1,457 MBbl	Crude oil, gasoline, distillates, asphalt, residual fuel oils, LPGs, ethanol, biodiesel	Ship, barge, pipe, rail, and truck transport; Blending and heating; Vapor controls
Targa Baltimore Baltimore, MD	505 MBbl	Asphalt, fuel oil, vacuum gas oil; ability to expand product handling	Truck, rail, and barge transport; Blending and heating; Can add pipe and ship
Total	**2,515MBbl**		

- **At TRP's Channelview and Patriot Terminals:**
  - Expanding presence along the Houston Ship Channel
  - In 2014 completed construction of a new 8 bay truck rack and installed a marine vapor combustor for crude barge loading at Channelview
  - Agreements with Noble Americas Corp. to build a 35 Mbpd crude and condensate splitter at Channelview that is expected to be completed in Q1 2018
- **At TRP's Sound Terminal:**
  - Increased storage capacity in 2014, and added ethanol, biodiesel and gasoline blending to the truck loading racks
  - Evaluating rail capacity expansions, new dock access for deeper draft and other growth opportunities

TARGA

Marketing and Distribution Segment

Operating Margin vs. NGL Price



Marketing and Distribution Highlights

- **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
  - **Provide propane and butane for international export with ~50% / 50% margin split with Logistics**
  - Buy and sell natural gas to optimize Targa assets
- **Wholesale Propane**
  - 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
- **Refinery Services**
  - 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
  - 700 railcars leased and managed
  - 80 owned and leased transport tractors
  - 20 pressurized NGL barges

This segment incorporates the skills and capabilities that enable other Targa businesses

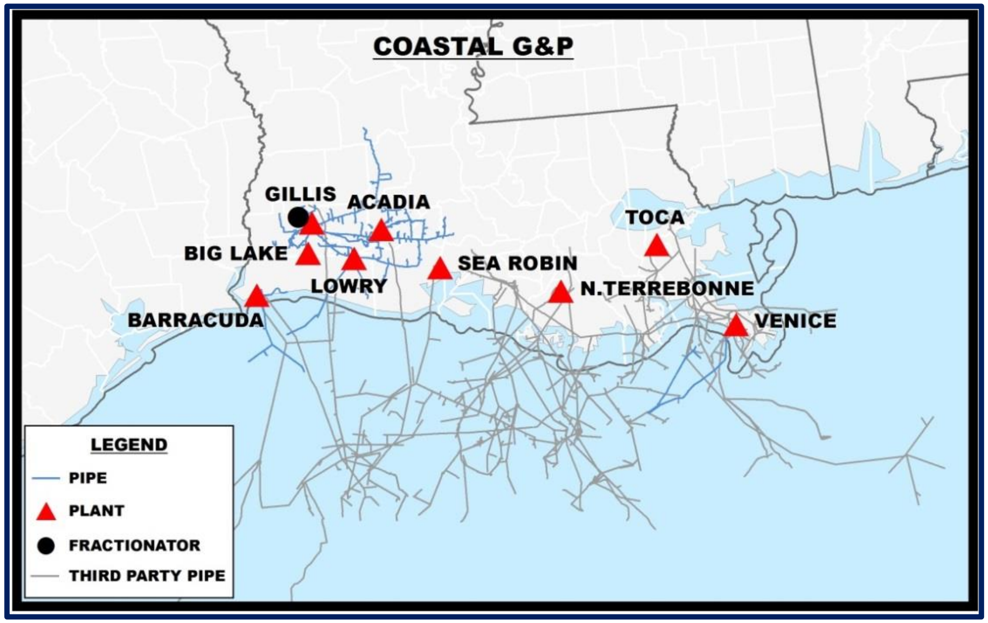
Well Positioned Along the Louisiana Gulf Coast

Summary

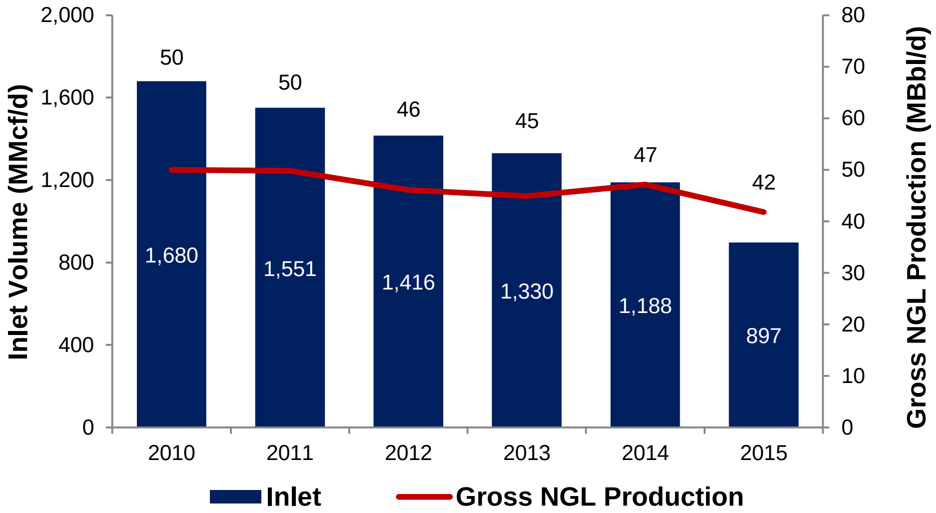
- **LOU (Louisiana Operating Unit)**
  - 440 MMcf/d of gas processing (180 MMcf/d Gillis plant, 80 MMcf/d Acadia plant and 180 MMcf/d Big Lake plant)
  - Interconnected to Lake Charles Fractionator (LCF)
- **Coastal Straddles (including VESCO)**
  - Positioned on mainline gas pipelines processing volumes of gas collected from offshore
- **Inlet volumes and gross NGL production have been declining, but NGL production decreases have been partially offset by moving volumes to more efficient plants**
- **Primarily POL contracts**

	Current Gross Processing Capacity (MMcf/d)	NGL Production (MBbl/d)
LOU	440	7
Vesco	750	27
Other Coastal Straddles	3,255	8
Total	**4,445**	

Footprint



Volumes



TARGA

Reconciliations

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 Partnership defines Adjusted EBITDA as net income attributable to Targa Resources Partners LP 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 Partnership equity grants; transaction costs related to business acquisitions; earnings/losses from unconsolidated affiliates net of distributions, distributions from preferred interests and the non-controlling interest portion of depreciation and amortization expenses. Adjusted EBITDA is used as a supplemental financial measure by the Partnership and by external users of its financial statements such as investors, commercial banks and others. The economic substance behind management's use of Adjusted EBITDA is to measure the ability of its assets to generate cash sufficient to pay interest costs, support its indebtedness and make distributions to its investors.

Adjusted EBITDA is a non-GAAP financial measure. The GAAP measures most directly comparable to Adjusted EBITDA are net cash provided by operating activities and net income attributable to Targa Resources Partners LP. Adjusted EBITDA should not be considered as an alternative to GAAP net cash provided by operating activities or 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 the Partnership's results as reported under GAAP. Because Adjusted EBITDA excludes some, but not all, items that affect net income and net cash provided by operating activities and is defined differently by different companies in the Partnership's industry, the Partnership's 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 Reconciliation – Q4 2015 EBITDA and Gross Margin

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

	Three Months Ended December 31, 2015	Three Months Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2014
	($ in millions)			
Reconciliation of net income (loss) attributable to Targa Resources Partners LP to Adjusted EBITDA:				
Net income (loss) to Targa Resources Partners LP	$ (190.1)	$ 108.2	$ (23.0)	$ 467.7
Add:				
Interest expense, net	30.6	39.7	207.8	143.8
Income tax expense (benefit)	0.2	1.1	0.6	4.8
Depreciation and amortization expense	228.8	93.7	677.1	346.5
Provisional goodwill impairment	290.0	-	290.0	-
Gain on sale or disposition of assets	(7.8)	0.8	(8.0)	(4.8)
Loss from financing activities	(3.3)	12.4	(2.8)	12.4
(Earnings) loss from unconsolidated affiliates	1.4	(4.3)	2.5	(18.0)
Distributions from unconsolidated affiliates and preferred partner interests	9.9	4.3	21.1	18.0
Change in contingent consideration	(1.2)	-	(1.2)	-
Compensation on TRP equity grants	3.8	2.2	16.6	9.2
Transaction costs related to business acquisitions	(0.1)	-	14.8	-
Risk management activities	18.8	3.8	64.8	4.7
Other	-	-	0.6	-
Noncontrolling interest adjustment	(56.3)	(3.6)	(69.7)	(14.0)
Adjusted EBITDA	$ 324.7	$ 258.3	$ 1,191.2	$ 970.3

	Three Months Ended December 31, 2015	Three Months Ended December 31, 2014	Year Ended December 31, 2015	Year Ended December 31, 2014
	($ in millions)			
Reconciliation of gross margin and operating margin to net income (loss):				
Gross margin	$ 452.0	$ 398.2	$ 1,785.6	$ 1,569.6
Operating expenses	(122.8)	(109.4)	(504.6)	(433.0)
Operating margin	329.2	288.8	1,281.0	1,136.6
Depreciation and amortization expenses	(228.8)	(93.7)	(677.1)	(346.5)
General and administrative expenses	(23.5)	(24.6)	(153.6)	(139.8)
Provisional goodwill impairment	(290.0)	-	(290.0)	-
Interest expense, net	(30.6)	(39.7)	(207.8)	(143.8)
Income tax expense	(0.2)	(1.1)	(0.6)	(4.8)
Gain on sale or disposition of assets	7.9	(0.8)	8.0	4.8
Gain (loss) from financing activities	3.4	(12.4)	2.8	(12.4)
Other, net	(6.7)	(1.8)	(17.6)	11.0
Net income	$ (239.3)	$ 114.7	$ (53.7)	$ 505.1

TARGA

Non-GAAP Reconciliation – DCF

The following table presents a reconciliation of reported distributable cash flow to net income (loss) for the periods shown for TRP:

($ in millions)	Three Months Ended											
	31-Mar 2013	30-Jun 2013	30-Sep 2013	31-Dec 2013	31-Mar 2014	30-Jun 2014	30-Sep 2014	31-Dec 2014	31-Mar 2015	30-Jun 2015	30-Sep 2015	31-Dec 2015
Reconciliation of net income (loss) attributable to Targa Resources Partners LP to distributable cash flow:												
Net income (loss) attributable to Targa Resources Partners LP	$ 38.9	$ 26.3	$ 59.7	$ 108.6	$ 122.4	$ 108.8	128.3	$ 108.2	$ 71.6	$ 45.8	$ 48.5	$ (190.1)
Add:												
Depreciation and amortization expense	63.9	65.7	68.9	73.1	79.5	85.8	87.5	93.7	119.6	163.9	165.8	228.8
Goodwill impairments	-	-	-	-	-	-	-	-	-	-	-	290.0
Deferred income tax (expense) benefit	0.4	0.4	-	0.1	0.4	0.3	0.4	0.5	0.6	(0.3)	(0.6)	0.1
Non-cash interest expense	4.0	4.0	3.8	3.7	3.4	3.3	2.2	2.5	3.0	3.0	3.3	3.3
Loss from financing activities	-	7.4	7.4	-	-	-	-	12.4	-	-	0.5	(3.3)
(Earnings) loss from unconsolidated affiliates	-	-	-	-	-	-	-	-	1.0	1.5	1.6	1.4
Distributions from unconsolidated affiliates	-	-	-	-	-	-	-	-	-	4.3	4.2	3.8
Change in redemption value of non-controlling mandatorily redeemable interests	-	-	-	-	-	-	-	-	-	-	-	(30.6)
Change in contingent consideration	0.3	(6.5)	(9.1)	-	-	-	-	-	-	-	-	(1.2)
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)	-	(7.8)
Compensation on equity grants	-	-	-	-	2.6	2.3	2.3	2.2	3.8	5.1	3.9	3.8
Risk management activities	(0.2)	0.2	(0.3)	(0.3)	(0.2)	(0.4)	1.5	3.8	(0.7)	24.8	21.8	18.8
Maintenance capital expenditures	(21.7)	(21.8)	(17.0)	(19.5)	(13.7)	(20.0)	(21.9)	(23.6)	(20.3)	(27.6)	(26.7)	(24.9)
Non-recurring transaction costs related to business acquisitions	-	-	-	-	-	-	-	-	13.7	0.6	0.6	(0.1)
Other	-	(0.6)	(1.9)	(1.6)	(2.0)	(2.0)	(1.1)	(1.2)	(2.0)	(2.6)	(2.2)	(55.0)
Distributable cash flow	$ 85.5	$ 79.0	$ 110.8	$ 164.9	$ 191.6	$ 177.6	$ 194.8	$ 199.3	$ 190.9	$ 218.4	$ 220.7	$ 237.0
Common Distributions Declared	$95.7	$102.4	$108.5	$115.8	$121.3	$125.7	$130.9	$137.4	$193.9	$200.4	$200.4	$200.4
Preferred Distributions Declared	-	-	-	-	-	-	-	-	-	-	-	2.4
Total Distributions Declared	$95.7	$102.4	$108.5	$115.8	$121.3	$125.7	$130.9	$137.4	$193.9	$200.4	$200.4	$202.8
Distribution Coverage	0.9x	0.8x	1.0x	1.4x	1.6x	1.4x	1.5x	1.5x	1.0x	1.1x	1.1x	1.2x

TARGA

Non-GAAP Reconciliation – 2010-2012 Fee-Based Margin

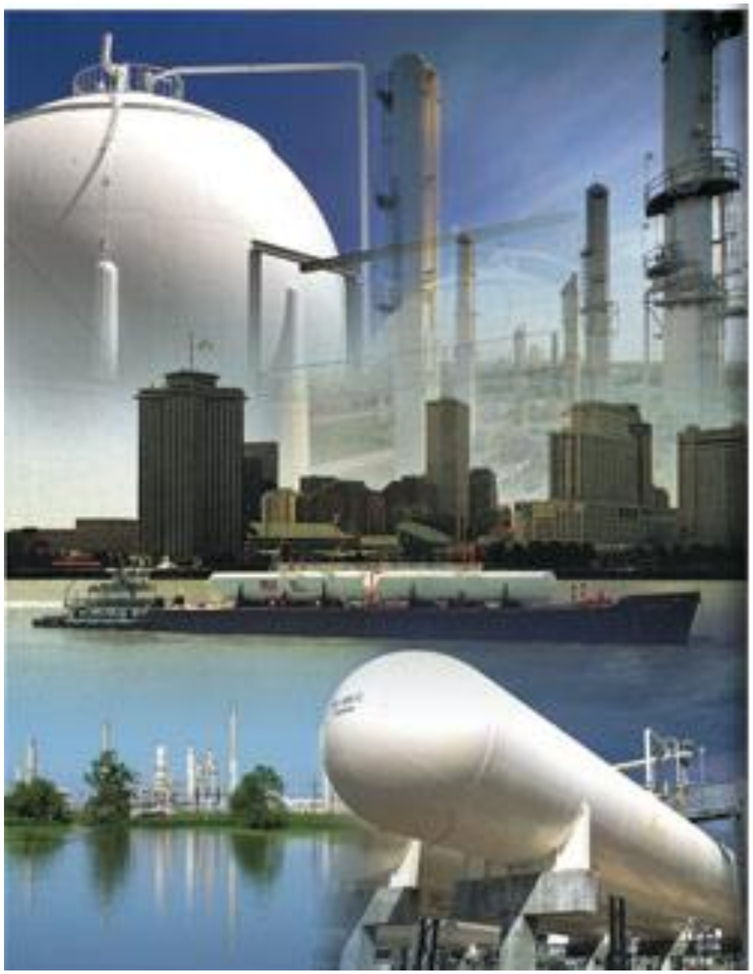
The following table presents a reconciliation of operating margin to net income (loss) for the periods shown for TRP:

	Three Months Ended											
	3/31/2010	6/30/2010	9/30/2010	12/31/2010	3/31/2011	6/30/2011	9/30/2011	12/31/2011	3/31/2012	6/30/2012	9/30/2012	12/31/2012
	($ in millions)											
Reconciliation of gross margin and operating margin to net income (loss):												
Gross margin	$ 185.9	$ 179.8	$ 184.8	$ 221.7	$ 213.9	$ 248.2	$ 227.2	$ 258.8	$ 261.4	$ 243.8	$ 239.9	$ 259.6
Operating expenses	(62.2)	(62.0)	(66.0)	(69.4)	(65.9)	(71.6)	(76.5)	(72.9)	(71.6)	(77.2)	(78.3)	(85.8)
Operating margin	123.7	117.8	118.8	152.3	148.0	176.6	150.7	185.9	189.8	166.6	161.6	173.8
Depreciation and amortization expenses	(42.0)	(43.0)	(43.3)	(47.8)	(42.7)	(44.5)	(45.0)	(46.0)	(46.7)	(47.6)	(47.9)	(55.2)
General and administrative expenses	(25.0)	(28.2)	(26.7)	(42.5)	(31.8)	(33.2)	(33.7)	(29.2)	(32.9)	(33.5)	(33.5)	(31.6)
Interest expense, net	(31.0)	(27.6)	(27.2)	(24.2)	(27.5)	(27.2)	(25.7)	(27.3)	(29.4)	(29.4)	(29.0)	(29.0)
Income tax expense	(1.5)	(0.9)	(1.7)	0.1	(1.8)	(1.9)	(1.5)	0.9	(1.0)	(0.8)	(0.9)	(1.5)
Loss (gain) on sale or disposal of assets	-	-	-	-	-	-	0.3	(0.5)	-	-	(15.6)	3.2
(Loss) gain on debt redemption and early debt extinguishments	-	-	(0.8)	-	-	-	-	-	-	-	-	(12.8)
Change in contingent consideration	-	-	-	-	-	-	-	-	-	-	-	-
Risk management activities	25.4	2.4	(1.9)	-	-	(3.2)	(1.8)	-	-	-	-	-
Equity in earnings of unconsolidated investments	0.3	2.4	1.1	1.6	1.7	1.3	2.2	-	-	-	-	-
Other Operating income (loss)	-	-	-	3.3	-	-	-	-	-	-	-	-
Other, net	-	-	-	-	(0.2)	0.1	(0.6)	3.1	2.0	(0.6)	(6.6)	(8.3)
Net income	$ 49.9	$ 22.9	$ 18.3	$ 42.8	$ 45.7	$ 68.0	$ 44.9	$ 86.9	$ 81.8	$ 54.7	$ 28.1	$ 38.6
Fee Based operating margin percentage	19%	25%	31%	31%	25%	28%	30%	30%	32%	39%	45%	46%
Fee Based operating margin	$ 23.0	$ 30.0	$ 36.9	$ 47.1	$ 37.3	$ 48.8	$ 44.8	$ 55.3	$ 60.3	$ 65.7	$ 73.3	$ 80.0

Non-GAAP Reconciliation – 2013-2015 Fee-Based Margin

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

	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
($ 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
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)
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
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)
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)
Provisional goodwill impairment	-	-	-	-	-	-	-	-	-	-	-	(290.0)
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)
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)
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
(Loss) from financing activities	-	(7.4)	(7.4)	-	-	-	-	(12.4)	-	-	(0.5)	3.4
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)
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)
Fee Based operating margin percentage	53%	52%	57%	62%	60%	67%	72%	76%	76%	72%	72%	76%
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



1000 Louisiana

Suite 4300

Houston, TX 77002

Phone: (713) 584-1000

Email: InvestorRelations@targaresources.com

Website: www.targaresources.com