Atlas Energy, L.P.
Form 425
November 05, 2014

Filed by Targa Resources Corp.

Pursuant to Rule 425 of the Securities Act of 1933

and deemed filed pursuant to Rule 14a-12

of the Securities Exchange Act of 1934

Subject Company: Atlas Energy, L.P.

Commission File No.: 001-32953

This filing relates to a proposed business combination involving Targa Resources Corp. and Atlas Energy, L.P.

Targa Resources
Investor Presentation
Third Quarter 2014
November 4, 2014

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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 (TRP or the Partnership) or Targa Resources Corp. (TRC or the Company) 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, 2013 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.

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Additional Information

Additional Information and Where to Find It

In connection with the proposed transaction, Targa Resources Corp. (TRGP) will file with the U.S. Securities and Exchange statement on Form S-4 that will include a joint proxy statement of Atlas Energy, L.P. (ATLS) and TRGP and a prospectus o statement/prospectus). In connection with the proposed transaction, TRGP plans to mail the definitive TRGP joint proxy stat ATLS plans to mail the definitive TRGP joint proxy statement/prospectus to its unitholders.

Also in connection with the proposed transaction, Targa Resources Partners LP (NGLS) will file with the SEC a registration

proxy statement of Atlas Pipeline Partners, L.P. (APL) and a prospectus of NGLS (the NGLS proxy statement/prospectus
transaction, APL plans to mail the definitive NGLS proxy statement/prospectus to its unitholders.

INVESTORS, SHAREHOLDERS AND UNITHOLDERS ARE URGED TO READ THE TRGP JOINT PROXY STATEME
STATEMENT/PROSPECTUS AND OTHER RELEVANT DOCUMENTS FILED OR TO BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT TRGP, NGLS, ATLS AND APL, AS WELL AS THE PROPOSED TRANSACTION AND RELATED MATTERS.

This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of ar

A free copy of the TRGP Joint Proxy Statement/Prospectus, the NGLS Proxy Statement/Prospectus and other filings containin
and APL may be obtained at the SEC s Internet site at www.sec.gov. In addition, the documents filed with the SEC by TRGP and

NGLS
may
be
obtained
free
of
charge
by directing such request to: Targa Resources, Attention: Investor Relations, 1000 Louisiana, Suite 4300, Houston, Texas 7700
InvestorRelations@targaresources.com or calling (713) 584-1133. These documents may also be obtained for free from TRGP
www.targaresources.com. The documents filed with the SEC by ATLS
may be obtained free of charge by directing such request to: Atlas Energy, L.P., Attn: Investor
Relations, 1845 Walnut Street, Philadelphia, Pennsylvania 19103 or emailing InvestorRelations@atlasenergy.com. These docu
ATLS s investor relations website at www.atlasenergy.com. The documents filed with the SEC by APL may be obtained free
Pipeline Partners, L.P., Attn: Investor Relations, 1845 Walnut Street, Philadelphia, Pennsylvania 19103 or emailing IR@atlasp
be obtained for free from APL s investor relations website at www.atlaspipeline.com.

Participants in Solicitation Relating to the Merger

TRGP, NGLS, ATLS and APL and their respective directors, executive officers and other persons may be deemed to be partici
TRGP,
ATLS
or
APL
shareholders
or
unitholders,
as
applicable,
in
respect
of
the
proposed
transaction
that
will
be
described
in
the
TRGP
joint
proxy
statement/prospectus and NGLS proxy statement/prospectus. Information regarding TRGP s directors and executive officers
statement dated April 7, 2014, which has been filed with the SEC. Information regarding directors and executive officers of NG
Annual Report on Form 10-K for the year ended December 31, 2013, which has been filed with the SEC. Information regardin
general partner is contained in ATLS s definitive proxy statement dated March 21, 2014, which has been filed with the SEC. I
officers of APL s general partner is contained in APL s Annual Report on Form 10-K for the year ended December 31, 2013
A more complete description will be available in the registration statement and the joint proxy statement/prospectus.

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Targa Resources
Two Public Companies
IPO February 2007
MLP
Owner/Operator of all assets
IPO December 2010
C-Corp

General Partner of NGLS
Targa Resources Partners LP
(NYSE: NGLS; TRP
or the Partnership)
Targa Resources Corp.
(NYSE: TRGP; TRC
or the Company)
Market Cap:
$7.1 billion
Enterprise Value:
$10.2 billion
Unit Price:
$61.41
Yield:
5.2%
Current Annualized Distribution:
$3.19
Sequential / YoY Growth:
2% / 9%
Market Cap:
$5.4 billion
Enterprise Value:
$5.5 billion
Share Price:
$127.89
Yield:
2.3%
Current Annualized Dividend:
$2.93
Sequential / YoY Growth:
6% / 29%
Note: Market Cap, Unit/Share Price and Yield as of November 3, 2014. Enterprise Value calculated using current Market Cap

as
of
November
3,
2014
and
balance
sheet
data
as
of
September 30, 2014. Unit and Stock Price Performance graphs through November 3, 2014

5
TRP and TRC Performance
(1)
2010 covers time period from IPO (December 6, 2010) through December 31, 2010
(2)
2014 YTD as November 3, 2014
Source: Bloomberg
TRP

Total Return Since 2010
(1)
TRC
Total Return Since IPO
TRC
Dividends
TRP
Distributions

6
Targa Current Corporate Structure
(1)
TRC had 42,143,463 common shares outstanding as of October 24, 2014
(2)
TRP
ownership
as

of
October
24,
2014;
TRP
operating
margin
percentages
based
on
LTM
as
of
September
30,
2014.
Field
segment
includes
Other
Operating
Margin
100% Indirect Ownership
Targa Resources Corp.
(NYSE: TRGP)
(TRC
or the Company)
(1)
11.2% LP Interest
(12,945,659 LP Units)
Public
Unitholders
Field Segment
SAOU
Sand Hills
Versado
North Texas System
Badlands
Coastal Segment
Coastal Straddles
VESCO
LOU
Gathering and Processing
Division
Logistics and Marketing
Division
Logistics Segment
Fractionation
Storage & Terminaling
Transportation & Dist.

Petroleum Logistics
Mkt. and Dist. Segment
NGL Marketing
Gas Marketing
Wholesale Propane
Refinery Services
Commercial Transportation
Targa Resources GP LLC
Targa Resources Partners LP
(NYSE: NGLS)
(TRP
or the Partnership)
(2)
(S&P: BB+/BB+; Positive
Moody s: Ba1/Ba2; Positive)
88.8% LP Interest
(102,828,437 LP Units)
2.0% General
Partner Interest & IDRs
33% of Operating Margin
8% of Operating Margin
39% of Operating Margin
21% of Operating Margin

Targa s Diversified Midstream Platform
7
(1)
Operating margin percentages based on LTM as of September 30, 2014

8
A Strong Footprint in
Active Basins
And a Leading Position
at Mont Belvieu
Drive Targa s
Long-Term Growth
Leadership position in oil

and liquids rich Permian
Basin
Bakken position
capitalizes on strong
crude oil fundamentals
and active drilling activity
Leadership position in the
active portion of Barnett
Shale combo
play
GOM and onshore
Louisiana provide longer
term upside potential for
well positioned assets
Mont Belvieu is the
NGL hub of North
America
Increased domestic
NGL production is
driving capacity
expansions into and at
Mont Belvieu
Second largest
fractionation
ownership position at
Mont Belvieu
One of only two
operating commercial
NGL export facilities on
the Gulf Coast linked to
Mont Belvieu
Position not easily
replicated
Approximately $2.6 billion
in announced organic
capex projects completed
or underway
Increased capacity to
support multiple U.S.
shale / resource plays
Additional fractionation
expansion to support
increased NGL supply
Increased connectivity to
U.S. end users of NGLs
Expansion of export
services capacity for
global LPG markets at
Galena Park marine
terminal

Investment Highlights
Increasing scale and
diversity
Increasing fee-based
margin
Expected 7 -
9% NGLS
distribution growth in 2014,
on track for the high end of
the range
Expected TRGP dividend
growth in excess
of 25% in
2014
2014 adjusted EBITDA
guidance of $925 to $975
million
Well Positioned for 2014 and Beyond

Targa s G&P Assets are Well Positioned
9
(1)
Source: Baker Hughes Incorporated, as of October 20, 2014
Targa s G&P assets are
located in and around some
of the most active shale /
resource plays, which is

driving continued growth
and expansion
Field G&P assets are located
in crude oil and liquids rich
plays
Field G&P gross processing
capacity will expand from
~900 MMcf/d at YE 2013 to
~1,340 MMcf/d by YE 2014

10
10
Producer Activity Drives NGL Flows to Mont Belvieu
NGL flows to Mont
Belvieu expected to
increase
Pipeline conversions may
bring additional NGL

volumes from the Utica/
Marcellus to the Gulf
Coast
Petrochemical
investments, fractionation
and export services will
continue to clear
additional supply
Targa s Mont Belvieu and
Galena Park businesses
very well positioned

Major Announced Capital Projects
11
Approximately $2.6 billion of announced projects completed or ongoing
Over $1 billion of projects completed in 2013 and approximately $1 billion to be completed in 2014
Additional high quality growth projects under development for 2014 and beyond
Commenced construction of CBF Train 5 Expansion (100 MBbl/d)
(1)
Includes additional spending in both North Texas and Permian Basin

(2)
Additional
gas
processing
plant
estimated
completion
YE
2014
and
in-service
early
2015
(3)
35 Mbbl/d condensate splitter located at the Channelview Terminal expected to be in-service end of 2016 or early 2017, depen
(4)
~$2.0 billion of fee-based capital, 77% of listed projects
(4)
G&P Growth Projects
Actual / Expected
Completion
Primarily
Fee-Based
Gathering & Processing Expansion Program -
2013 / 2014
(1)
2013 / 2014
North Texas Longhorn Project (200 MMcf/d)
May 2014
SAOU High Plains Plant (200 MMcf/d)
June 2014
Badlands Expansion Program -
2013 / 2014
2013 / 2014
(2)
Other
Total G&P Projects
$465
Downstream Growth Projects
Actual / Expected
Completion
Primarily
Fee-Based
Petroleum Logistics Projects -
2013 / 2014
(3)
2013 / 2014+
CBF Train 4 Expansion (100 MBbl/d)
Mid 2013
CBF Train 5 Expansion (100 MBbl/d)

Mid 2016
International Export Project
Q3 2013 / Q3 2014
Other
Total Downstream Projects
$1,520
Total Projects
$1,985
50
385
0
Total CAP EX
($ millions)
2013 CAP EX
($ millions)
2014 CAP EX
($ millions)
$185
$75
$110
150
40
20
225
125
85
465
250
215
40
25
15
$1,065
$515
$445
Total CAP EX
($ millions)
2013 CAP EX
($ millions)
2014 CAP EX
($ millions)
$190
$40
$50
385
120
20
480
250
165

80
30
50
$1,520
$440
$335
$2,585
$955
$780

Additional Growth Opportunities
CAP EX
($ millions)
Estimated
Timing
Primarily
Fee-Based
Badlands Expansion Program

Permian Expansion Program
Train 6 Expansion
Train 7 Expansion
Additional Condensate Splitter
Ethane Export Project
Other Projects
primarily
Total
$2,000+
2015 and beyond
Major Capital Projects Under Development
12
Over $2.0 billion of additional opportunities are in various stages of development
Opportunities include additional infrastructure in both G&P and Downstream
Increasing NGL supplies across the country will continue to drive the need for more processing, fractionation and connectivity
(1)
Recently approved new 200 MMcf/d plant in the Williston Basin
(2)
Recently approved new 300 MMcf/d plant in the Delaware Basin
(1)
(2)

Strong Growth in Fee-Based Margin Continues
13
Capex projects with firm contracts provide clear visibility on increasing fee operating margin
Announced fee-based projects coming online in 2014
International Export Expansion Phase II
Additional Badlands Expansions
($ in millions)
Fee-based operating

margin expected to
continue to increase to
65%+ for 2014
Increasing Fee-Based Margin Provides Additional Stability to Our Business
Fee-based margin increases driven primarily through increased margin
in the Logistics Assets segment
including contributions from CBF Train 4 and International Export projects, and through contribution from
Badlands

Diversity and Scale Mitigate Commodity Price Changes
14
Adjusted EBITDA vs. Commodity Prices
(1) Will be towards bottom-end of range if there is significant ethane rejection in these years

15

Targa Leverage and Liquidity

(1)

Includes TRP s total availability under the revolver plus cash, less outstanding borrowings and letters of credit under the TRP

(2)

Adjusts EBITDA to provide credit for material capital projects that are in process, but have not started commercial operation, a

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TRP Update

Adjusted EBITDA increased compared to Q3 2013, primarily due to higher operating margin in the Field Gathering and Processing segment and in the Logistics and Marketing division

$247 million of Adjusted EBITDA in Q3 2014 was 58% higher than Q3 2013

Logistics & Marketing operating margin increased by 75% in Q3 2014 versus Q3 2013 due to increased fractionation activities and increased LPG export activity

Field Gathering & Processing operating margin increased in Q3 2014 compared to Q3 2013 due to increased throughput volumes and higher contributions from Badlands

(1)

Includes impact of commodity hedge settlements

Highlights

17
TRP Capitalization and Liquidity
(1)
Adjusts EBITDA to provide credit for material capital projects that are in process, but have not started commercial operation, a
Actual
Actual
Cash and Debt
Maturity

Coupon
6/30/2014
Adjustments
9/30/2014
Cash and Cash Equivalents
$67.3
$5.1
$72.4
Accounts Receivable Securitization
Dec-14
234.3

$3.3
237.6

Revolving Credit Facility
Oct-17
495.0

80.0

575.0

Total Senior Secured Debt
729.3

812.6

Senior Notes
Oct-18
7.875%
250.0

250.0

Senior Notes
Feb-21
6.875%
483.6

483.6

Senior Notes
Aug-22
6.375%
300.0

300.0

Senior Notes

May-23
5.250%
600.0

600.0

Senior Notes
Nov-23
4.250%
625.0

625.0

Unamortized Discounts
(26.7)

0.7

(26.0)

Total Consolidated Debt
$2,961.2
$3,045.2
Compliance Leverage Ratio
(1)
2.8x
2.7x
Liquidity:
Credit Facility Commitment
1,200.0

1,200.0

Funded Borrowings
(495.0)

(80.0)

(575.0)

Letters of Credit
(94.6)

$52.6
(42.0)

Total Revolver Availability
$610.4
$583.0
Cash

67.3

72.4

Total Liquidity
$677.7
$655.4

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Targa 2014 Annual Guidance Summary
(1)
Based on an illustrative Targa NGL barrel that contains 44% ethane, 30% propane, 11% natural gasoline, 5% isobutane and 10
Financial
FY 2014
Comments
2014 EBITDA ($ in millions)

$925 -
$975
Fee-Based Margin %
65%+
Growth Cap Ex -
Announced Projects Only
$780
Maintenance Cap Ex ($ in millions)
$80
TRP Distribution Growth (FY 2014 vs FY 2013)
7% -
9%
Expected to be on high side of range
TRC Dividend Growth (FY 2014 vs FY 2013)
25%+
Operating Statistics
FY 2014
Comments
Field Gas Inlet Volumes
Growth across all systems
Badlands Crude Gathered Volumes (FY 2014 vs FY 2013)
Approximately double
Coastal NGL Production
Higher than 2013
Commodity Price Assumptions
FY 2014
Comments
Weighted Average NGL ($/gallon)
$0.90
Henry Hub Natural Gas ($/MMBtu)
$3.75
Crude Oil ($/barrel)
$95.00
(1)

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Targa Investment Highlights
Well positioned in U.S.
shale / resource plays
Leadership position at
Mont Belvieu
Increasing scale, diversity
and fee-based margin

Approximately $2.6 billion in announced organic cap ex projects completed or underway

Additional projects under development of similar scale and mix

Strong financial profile

Strong track record of distribution and dividend growth

Experienced management team

Diversified Midstream Platform

20
Proposed Acquisition of Atlas

21
Targa + Atlas: Transaction Overview
Targa Resources Partners LP (NYSE: NGLS; TRP
or the Partnership) has executed a definitive agreement to
acquire Atlas Pipeline Partners, L.P. (NYSE: APL) for $5.8 billion
(1)
0.5846
NGLS

common
units
plus
a
one-time
cash
payment
of
$1.26
for
each
APL
LP
unit
(implied
premium
(1)
of
15%)
$1.8 billion of debt at September 30, 2014
Targa Resources Corp. (NYSE: TRGP; TRC
or the Company) has executed a definitive agreement to acquire
Atlas
Energy,
L.P.
(NYSE:
ATLS),
after
its
spin-off
of
non
APL-related
assets,
for
$1.9
billion
(1)
Prior to TRGP s acquisition, all assets held by ATLS not associated with APL will be spun out to existing ATLS unitholders
10.35 million TRGP shares issued to ATLS unitholders
$610 million of cash to ATLS
Each existing ATLS (after giving effect to ATLS
spin out) unit will receive 0.1809 TRGP shares and $9.12 in cash
Accretive to NGLS and TRGP cash flow per unit and share, respectively, immediately and over the longer-term, while providing APL and ATLS unitholders increased value now and into the future
Post closing
(2)
, NGLS plans to increase its quarterly distribution by $0.04 per
LP unit ($0.16 per LP unit annualized rate)

NGLS expects 11-13% distribution growth in 2015 compared to 7-9% in 2014
Post closing
(2)
, TRGP plans to increase its quarterly dividend by $0.10 per share ($0.40 per share annualized rate)
TRGP
expects
approximately
35%
dividend
growth
(3)
in
2015
compared
to
25%+
in
2014
Transactions are cross-conditional and expected to close Q1 2015, subject to shareholder and regulatory approvals
(1) Based on market data as of October 10, 2014, excluding transaction fees and expenses
(2) Management intends to recommend this increase at the first regularly scheduled quarterly distribution declaration Board me
(3) Assumes NGLS distribution growth of 11-13%

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Targa + Atlas: Strategic Highlights
Attractive
Positions in Active
Basins
Creates World-
Class Permian
Footprint

Complementary
Assets with
Significant Growth
Opportunities
Enhances
Credit Profile
Significant Long-
Term Value
Creation
Already strong positions in Permian and Bakken enhanced with entry into Mississippi Lime and Eagle Ford
4
of
the
top
5
basins
by
active
rig
count
and
unconventional
well
spuds
(1)
Top 3 basins by oil production
(1)
Also
exposed
to
emerging
SCOOP
play
and
continued
development
of
NGL-rich
Barnett
Shale
Adds diversity and leadership position in all basins/plays
Combines strong Permian Basin positions to create a premier franchise
Provides new customer relationships with the most active operators in each basin
Current combined processing capacity of 1,439 MMcf/d plus 500 MMcf/d of announced expansions
Significant organic growth project opportunities
2014 growth capex of ~$1.2 billion
2015 growth capex expected to exceed $1.2 billion
Additional projects under development of over $3 billion
NGL production to support Targa s leading NGL position in Mont Belvieu and Galena Park
Estimated

pro
forma
leverage
ratio
of
3.3x
Total
Debt
/
2014E
EBITDA
(4)
at
NGLS
Increased size and scale move NGLS credit metrics closer to investment grade over time
Immediately accretive to distributable cash flow at both NGLS and TRGP
Increases FY 2015 vs FY 2014 distribution growth at NGLS to 11-13% and at TRGP to approximately 35%
Provides larger asset base with additional long-term growth opportunities
Higher long-term distribution/dividend growth profile than Targa standalone
(1) Source: Oil & Gas Investor
(2) Based on market data as of October 10, 2014, less the value of 16.3 MM PF NGLS units owned by TRGP
(3) Based on NGLS and APL guidance ranges
(4) Based on estimated compliance ratio
Increased Size and
Scale
Combined partnership will be one of the largest diversified MLPs
Pro
forma
enterprise
value
(2)
of
$23
billion
Pro
forma
2014E
EBITDA
of
approximately
$1.3-$1.4
billion
(3)

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Attractive Positions in Active Basins
Barnett
Eagle Ford
Delaware
Bakken
Mississippi
Lime

Woodford
Pro Forma Asset Highlights
39 natural gas processing plants (~6.9 Bcf/d gross processing capacity)
Over 22,500 miles of natural gas and crude oil gathering pipeline
Gross NGL production of 278.9 MBbls/d in 2Q 2014
3 crude oil and refined products terminals with 2.5 MMBbls of storage
17 gas treating facilities
573 MBbl/d gross fractionation capacity
~6.5 MMBbl/month capacity LPG export terminal
Atlas
Natural Gas Processing Plant
Natural Gas Pipeline
Targa
Natural Gas Processing Plant
Terminal
Fractionator
Natural Gas Pipeline
Crude Oil Pipeline
NGL Pipeline
Legend
U.S. Land Rig Count by Basin
(1)
(1) Source: Baker Hughes Incorporated, as of October 20, 2014
SCOOP
Midland

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24
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
Barnett
Eagle Ford
Midland
Mississippi Lime
Woodford
Delaware
Marcellus &
Others
Rockies
Galena Park Marine
Import / Export
Terminal
Atlas
Natural Gas Processing Plant
Natural Gas Pipeline
Targa
Natural Gas Processing Plant
Terminal
Fractionator
Natural Gas Pipeline
Crude Oil Pipeline
NGL Pipeline
Third Party
Ethylene Cracker
Illustrative Y-Grade Flows
Import / Export
Legend
Mont
Belvieu
Terminal
SCOOP

Market Cap
~ $12 Billion
(1)
~ $5 Billion
(2)
~ $17 Billion
(1)
Enterprise Value
~ $15 Billion
(1)
~ $8 Billion
(2)
~ $23 Billion
(1)
2014E EBITDA ($MM)
$925 - $975 Million
$400 - $425 Million
$1,325 - $1,400 Million
2014E Capital
Expenditures ($MM)
$780 Million
$400 - $450 Million
$1,180 - $1,230 Million
2014E Operating
Margin by Segment
YE 2014E % Fee-
Based
68%
32%
Fixed Fee

Percent of Proceeds
35%
7%
38%
20%
Field G&P
Coastal G&P
Logistics
Marketing and Dist.
40%
60%
Texas
Oklahoma
25%
5%
27%
15%
11%
17%
Field G&P - Targa
Coastal G&P - Targa
Logistics - Targa
Marketing and Dist. - Targa
Texas - Atlas
Oklahoma - Atlas
40%
60%
Fixed Fee
Percent of Proceeds
60%
40%
Fixed Fee
Percent of Proceeds
25
Increased Size and Scale Enhance Credit Profile
Targa
Atlas
Pro Forma Targa
(1)
Represents
combined
market
cap
and
enterprise
value
for
NGLS
and
TRGP

as
of
October
10,
2014,
less
the
value
of
NGLS
units
or
PF
NGLS
units
owned
by
TRGP

(2) Represents combined market cap and enterprise value for APL and ATLS as of October 10, 2014 based on transaction cons

(3) Includes keep-whole at 1% of total margin

(3)

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Pro Forma Organizational and Capital Structure
Targa Resources Corp.
(NYSE: TRGP)
(TRC
or the Company)
PF
Standalone

Leverage
(1)
:
3.8x
PF
Consolidated
Leverage
(2)
:
3.9x
Targa Resources
GP LLC
Targa Resources Partners LP
(NYSE: NGLS)
(TRP
or the Partnership)
PF Leverage
(3)
: 3.3x
Lenders
Lenders
Public Shareholders
Legacy TRGP: 80%
Legacy ATLS: 20%
Public Unitholders
Legacy NGLS: 59%
Legacy APL: 32%
$750 million of new Term Loan B borrowings
$92 million of existing revolver borrowings
plus $115 million of new revolver borrowings
under new $350 million revolver
$3.0 billion of existing debt at NGLS
$1.8 billion of debt from APL
$0.2 billion of new revolver borrowings
100% Interest
(52.5 million shares)
100% Indirect
Ownership
9% LP Interest
(16.3 million LP Units)
2% General
Partner Interest & IDRs
$5.0 billion
of debt
91% LP Interest
(158.5 million LP units)
$957 million
of debt
Note: Debt balances as of September 30, 2014. Transaction adjustments include estimated fees and expenses
(1)

Based on PF TRGP Debt / 2014E EBITDA. TRGP EBITDA based on cash distributions received from LP units, GP units and IDRs less TRGP G&A
(2) Based on PF total NGLS and TRGP debt divided by 2014E PF NGLS Compliance EBITDA
(3) Based on PF total NGLS Debt / 2014E PF NGLS Compliance EBITDA

Targa Business Division and Segment Review

Field Gathering and Processing Segment

28
Approximately 900 MMcf/d of gross processing capacity at the end of 2013, expanding to approximately 1,340 MMcf/d in 2014
(2)
Permian Basin activity dominated by oil shale / resource plays; SAOU, Sand Hills and Versado are gathering from oil wells with associated gas and NGLs
North Texas assets are located in oiler portion of Barnett Shale where drilling activity remains active
Bakken activity also dominated by oil shale / resource plays
Field G&P Highlights
Meaningful Increase in Plant Inlet Volumes
North Texas
278
200
478
SAOU
169
200
369
Sand Hills
175
0
175
Versado
240
0
240
Badlands
38
40
78
Total
900
1,340
Gross Processing
Capacity
(MMcf/d)
Expansions
2014
(MMcf/d)
Capacity
Post-Expansions
(MMcf/d)
(1)
(1)

As of YE 2013
(2)
Additional Badlands plant estimated completion YE 2014 and in-service early 2015
(2)

Note: Gross processing capacity varies as GPM increases and decreases
(1) As of Q3 2014
Targa s Permian Basin Systems Across Broad Active Plays
29
2014 inlet volumes are expected to be
meaningfully higher than 2013 in each of
SAOU, Sand Hills and Versado
More horizontal wells are accelerating

production growth
200 MMcf/d High Plains Plant placed in service in June 2014
35 mile Midland County Pipeline placed in service in June 2014
Recently approved construction of new 300 MMcf/d gas processing plant in Delaware Basin expected to be in-service at the end of Q1 2016
Permian Growth Continues
Addition of 200 MMcf/d High Plains Plant in June 2014
Targa s Permian Basin Throughput and Capacity

	Gross Processing Capacity (MMcf/d)	Q3 2014 Inlet Volume (MMcf/d)	Pipeline Miles	Q3 2014 Recovered GPM
SAOU	369	207	1,800	5.3
Sand Hills	175	167	1,500	4.4
Versado	240	172	3,350	5.4
Total	784	546	6,650	(1)

North Texas
Well Positioned for Growth
30
Liquids-Rich Barnett Shale and
Marble Falls Driving Growth
Targa s assets are well positioned to
access the active liquids-rich portion of
the Barnett Shale and the Marble Falls

play
200 MMcf/d Longhorn Plant placed in service in May 2014
Barnett volumes continue to trend higher as improvements in horizontal drilling and multi-staged frac completions result in higher initial production rates
Producers starting to show increased activity in Clay County
Marble Falls play in Jack and Palo Pinto counties leverages existing system, while providing expansion opportunities
Rig
Activity
in
North
Texas
(1)
(1)
Source: Drillinginfo; includes Archer, Clay, Cooke, Denton, Eastland, Haskell, Jack, Jones, Montague, Palo Pinto, Parker, Sha
Young Counties, TX

Badlands
High-Quality, Fee-Based Assets
31
System Map
Crude Oil Assets
Completed pipelines
Proposed Pipelines
Terminals

Natural Gas Assets
Completed Pipelines
Processing Plant
Proposed Pipelines
Little Missouri Phase 3
Legend

Coastal Gathering and Processing Segment Overview
Positioned on mainline gas pipelines processing volumes of gas collected from multiple offshore producing areas
VESCO is now processing rich gas from Shell s Mars B / Olympus development
Coastal Straddles (including VESCO)
Processing Plants: Gillis (180 MMcf/d), Acadia (80

MMcf/d) and Big Lake (180 MMcf/d)
Fractionation interconnected to LCF
Traditional wellhead volumes have been declining
but inlet volumes have longer term upside potential
Other
interconnected
straddle
volumes
32
LOU (Louisiana Operating Unit)
Coastal G&P Segment Volumes

Logistics Assets
Extensive Gulf Coast Footprint
33
(1)
Recently commenced construction on Train 5, a 100 MBbl/d expansion
(2)
Net
capacity

is
calculated
based
on
TRP s
88%
ownership
of
CBF
and
39%
ownership
of
GCF
(3)
Phase II expansion now fully complete
Galena Park Marine Terminal
Products
MMBbl/
Month
Export Capacity
(3)
LEP / HD5 / NC4
~6.5
Other Assets
700 MBbls in Above Ground Storage Tanks
4 Ship Docks

0
50
100
150
200
250
300
Loading Rates

MBbl/d
5000 BPH Fully-Ref #1 Chiller
5000 BPH Fully-Ref #2 Chiller
2500 BPH Semi-Ref Chiller
Effective Capacity
70%
Galena Park Loading Rates
Targa s Galena Park Marine Terminal Effective Export Capacity
34
Phase I expansion completed in September 2013
Phase II was fully completed in September 2014
Phase II expansion was completed in stages
Additional 12
pipeline, refrigeration, and new VLGC-
capable dock were placed in-service in Q1 and Q2 2014
Additional de-ethanizer at Mont Belvieu was placed in-
service in Q3 2014
Targa s nameplate refrigeration capacity is
~12,500 Bbl/h or ~300 MBbl/d or ~9 MMBbl/month
Effective capacity for Targa and others is
primarily a function of:
Equipment run-time and efficiencies
Dock space and ship staging
Storage and product availability
Targa s effective capacity of 6.5 MMBbl/month is
~70% of the nameplate

Demand for Exports Continues to Increase
Long term incentive to export continues as expected supply growth exceeds domestic demand
U.S. Propane
(1)
U.S. Butane
(1)
(2)
Historically, U.S. Gulf Coast propane

and butane have been favorably
priced compared to world markets
Year to date 2014, the spread between the
Saudi Contract propane price and Mont
Belvieu propane price narrowed versus the
levels experienced in 2012 and 2013, but
demand for long-term and short-term
cargoes remains strong
Targa owns one of only two
operating commercial LPG export
facilities on the Gulf Coast
Currently exporting low ethane propane,
HD5 and butane
Targa can service small, mid-sized and
VLGC vessels
Targa s Phase II expansion is now complete
and has increased effective capacity to
export to approximately 6.5 MMBbl/month
(1)
Source: IHS
(2)
CP = Saudi Contract Price
35
(2)

36
Petroleum Logistics
Highlights
Expanding TRP s Channelview Terminal
In March 2014, announced the approval to construct a 35 MBbl/d condensate splitter at TRP s Channelview Terminal (Houston)
TRP has filed the permit, and expects the splitter

to be in-service late 2016 or early 2017,
depending on permit timing
Supported by a long-term fee-based arrangement with
Noble Americas Corp., a subsidiary of Noble Group Ltd.
Continuing to expand TRP s Sound Terminal
Expanded in Q1 2013 with connection to a local products
pipeline
Added storage capacity in Q2 2014, and added ethanol,
biodiesel and gasoline blending to the truck loading rack
The acquisition announced in January 2013 of
Patriot on the Houston Ship Channel provides
additional growth opportunities
Potential location for an additional condensate splitter
Clean product storage and terminaling
Expansion potential for LPG exports
Connectivity to local pipelines and Targa Galena Park
Growing backlog of additional organic growth
projects
Terminal
Current
Storage
Products
Capabilities
Targa Channelview
Houston, TX
556 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 truck transport;
fuel oils, LPGs, ethanol,
biodiesel
Ship, barge, pipe, rail, and
Blending and heating;
Vapor controls
Targa Baltimore
Baltimore, MD
505 MBbl
Asphalt, fuel oil; ability to
expand product handling
Truck and barge transport;

Blending and heating;
Can add rail, pipe, and ship
Total
2,518MBbl

Marketing and Distribution Segment
37
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
Sell propane and butane for international export
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
686 railcars leased and managed
75 owned and leased transport tractors
22 pressurized NGL barges
This segment incorporates the skills and capabilities that enable other Targa businesses
Operating Margin vs. NGL Price
Marketing and Distribution Highlights

Appendix

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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

40
Adjusted
EBITDA

The
Partnership
and
Targa

define Adjusted EBITDA as net income attributable to Targa Resources Partners LP before: interest; income taxes; depreciation and amortization; gains or losses on debt repurchases and redemptions; early debt extinguishment and asset disposals; non-cash risk management activities related to derivative instruments; changes in the fair value of the Badlands acquisition contingent consideration and the non-controlling interest portion of depreciation and amortization expenses. Adjusted EBITDA is used as a supplemental financial measure by our management and by external users of our 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 our assets to generate cash sufficient to pay interest costs, support our indebtedness and make distributions to our 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 (loss) 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 our 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 our industry, our definition of Adjusted EBITDA may not be comparable to similarly titled measures of other companies. 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 management s decision-making processes.

Non-GAAP Measures Reconciliation

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Non-GAAP Reconciliation

2014 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:
2014
2013
Reconciliation of net income (loss) attributable to Targa
Resources Partners LP to Adjusted EBITDA:
Net income to Targa Resources Partners LP
128.3
$
59.7
$
Add:
Interest expense, net
36.0

32.6

Income tax expense
1.3

0.7

Depreciation and amortization expense
87.5

68.9

(Gain) Loss on sale or disposal of assets
(4.4)

(0.7)

Loss on debt redemption and early debt extinguishments
-

7.4

Change in contingent consideration

-

(9.1)

Risk management activities
1.5

(0.3)

Noncontrolling interest adjustment
(3.5)

(3.3)

Adjusted EBITDA
246.7
$
155.9
$
2014
2013
Reconciliation of gross margin and operating
margin to net income (loss):
Gross margin
407.9
$
297.1
$
Operating expenses
(112.8)

(97.6)

Operating margin
295.1

199.5

Depreciation and amortization expenses
(87.5)

(68.9)

General and administrative expenses
(40.5)

(35.4)

Interest expense, net
(36.0)

(32.6)

Income tax expense
(1.3)

(0.7)

(Gain) Loss on sale or disposal of assets
4.4

0.7

Loss on debt redemption and early debt extinguishments
-

(7.4)

Change in contingent consideration
-

9.1

Other, net
4.0

0.7

Net income
138.2
$
65.0
$
($ in millions)
($ in millions)
Three Months Ended
Three Months Ended
September 30,
September 30,

42
Non-GAAP Reconciliation
2014 EBITDA
The following table presents a reconciliation of 2014 projected Adjusted EBITDA to net income for NGLS:
Low Range
High Range
($ in millions)
Reconciliation of net income attributable to Targa

Resources Partners LP to Adjusted EBITDA:
Net income attributable to Targa Resources Partners LP
444.5
$
494.5
$
Add:
Interest expense, net
150.0

150.0

Income tax expense
4.0

4.0

Depreciation and amortization expenses
340.0

340.0

Noncontrolling interests adjustment
(13.5)

(13.5)

Adjusted EBITDA
925.0
$
975.0
$
Twelve Months Ended 12/31/2014

43
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)
31-Mar
30-Jun

30-Sep
31-Dec
31-Mar
30-Jun
30-Sep
2013
2013
2013
2013
2014
2014
2014
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
Add:
Depreciation and amortization expense
63.9

65.7

68.9

73.1

79.5

85.8

87.5

Deferred income tax (expense) benefit
0.4

0.4

-

0.1

0.4

0.3

0.4

Amortization in interest expense
4.0

4.0

3.8

3.7

3.4

3.3

2.2

Loss (gain) on debt redemption and early debt extinguishments
-

7.4

7.4

-

-

-

-

Change in contingent consideration
0.3

(6.5)

(9.1)

-

-

-

-

Loss (gain) on disposal of assets
(0.1)

3.9

(0.7)

0.8

(0.8)

(0.5)

(4.4)

Risk management activities
(0.2)

0.2

(0.3)

(0.3)

(0.2)

(0.4)

1.5

Maintenance capital expenditures
(21.7)

(21.8)

(17.0)

(19.5)

(13.7)

(20.0)

(21.9)

Other

-

(0.6)

(1.9)

(1.6)

(2.0)

(2.0)

(1.1)

Distributable cash flow
$ 85.5
$ 79.0
$ 110.8
$ 164.9
$ 189.0
$ 175.3
$ 192.5
Distributions Declared
95.7
102.4
108.5
115.8
121.3
125.7
130.9
Distribution Coverage
0.9x
0.8x
1.0x
1.4x
1.6x
1.4x
1.5x
Three Months Ended

44
Non-GAAP Reconciliation
2010-2011 Fee-Based Margin
The following table presents a reconciliation of operating margin to net income (loss) for the periods shown for TRP:
3/31/2010
6/30/2010
9/30/2010
12/31/2010

3/31/2011
6/30/2011
9/30/2011
12/31/2011
Reconciliation of gross margin and operating
margin to net income (loss):
Gross margin
185.9
$
179.8
$
184.7
$
221.7
$
213.9
$
248.2
$
227.2
$
258.8
$
Operating expenses
(62.2)

(62.0)

(66.0)

(69.4)

(65.9)

(71.6)

(76.5)

(72.9)

Operating margin
123.7

117.9

118.8

152.4

148.0

176.6

150.7

185.9

Depreciation and amortization expenses
(42.0)

(43.0)

(43.3)

(47.8)

(42.7)

(44.5)

(45.0)

(46.0)

General and administrative expenses
(25.0)

(28.4)

(26.7)

(42.5)

(31.8)

(33.2)

(33.7)

(29.2)

Interest expense, net
(31.1)

(27.5)

(27.2)

(25.1)

(27.5)

(27.2)

(25.7)

(27.3)

Income tax expense
(1.4)

(0.9)

(1.6)

(0.1)

(1.8)

(1.9)

(1.5)

0.9

Loss (gain) on sale or disposal of assets
-

-

-

-

-

-

0.3

(0.6)

(Loss) gain on debt redemption and early debt extinguishments
-

-

(0.8)

0.8

-

-

-

-

Change in contingent consideration
-

-

-

-

-

-

-

-

Risk management activities
25.4

2.5

(1.9)

-

-

(3.2)

(1.8)

-

Equity in earnings of unconsolidated investments
0.3

2.4

1.1

1.7

1.7

1.3

2.2

-

Other Operating income (loss)
-

-

-

3.3

-

-

-

-

Other, net
-

0.1

-

0.1

(0.2)

0.1

(0.6)

3.2

Net income
49.9
$
22.9
$
18.4

$
42.8
$
45.7
$
68.0
$
44.9
$
86.9
$
Fee Based operating margin percentage
19%
25%
31%
31%
25%
28%
30%
30%
Fee Based operating margin
$ 23.0
$ 30.0
$ 36.9
$ 47.1
$ 37.3
$ 48.8
$ 44.8
$ 55.3
Three Months Ended
($ in millions)

45
Non-GAAP Reconciliation
2012-2014 Fee-Based Margin
The following table presents a reconciliation of operating margin to net income (loss) for the periods shown for TRP:

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1000 Louisiana
Suite 4300
Houston, TX 77002
Phone: (713) 584-1000
Email: InvestorRelations@targaresources.com
Website: www.targaresources.com