

Nontraded REIT Industry Review: First Quarter 2015

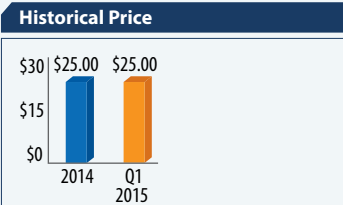
Phillips Edison Grocery Center REIT II, Inc.

Total Assets.....	\$673.7 Million
Real Estate Assets	\$401.5 Million
Cash	\$235.3 Million
Securities	\$0.0 Million
Other	\$36.9 Million



Initial Offering Date: November 25, 2013
 Offering Status..... Initial
 Number of Months Fundraising: 16
 Anticipated Offering Close Date: November 25, 2015
 Current Price per Share: \$25.00
 Reinvestment Price per Share: \$23.75

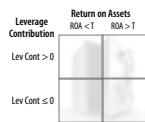
Cash to Total Assets Ratio: 34.9%
 Asset Type: Retail
 Number of Properties: 25
 Square Feet / Units / Rooms / Acres: 2,794,161 Sq. Ft.
 Percent Leased: 94.3%
 Weighted Average Lease Term Remaining: 5.8 Years
 LifeStage: Growth
 Investment Style: Core
 Weighted Average Shares Outstanding: 25,186,000



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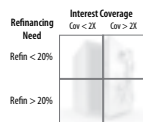
Performance Profiles

Operating Performance



As a Growth LifeStage REIT, there are less than five quarters of data to calculate meaningful return on assets and leverage contribution metrics.

Financing Outlook



As a Growth LifeStage REIT, there are less than five quarters of data to calculate meaningful interest coverage ratios. REITs in this LifeStage often rely on short-term financing with variable rates which will later be refinanced with longer maturity debt.

Cumulative MFFO Payout

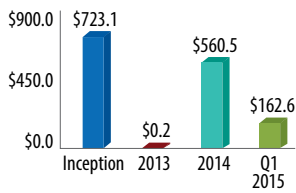


For this Growth LifeStage REIT there are less than five quarters of data to calculate meaningful MFFO Payout ratios. REITs in this LifeStage may fund a portion of cash distributions in the first year of operations from offering proceeds until MFFO is sufficient to fund them.

Summary

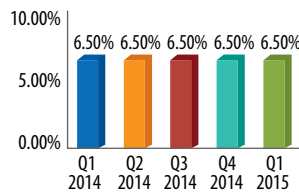
As a Growth LifeStage REIT with less than five quarters of operating data, metrics for Operating Performance, Financing Outlook and Cumulative MFFO Payout are not yet meaningful. After 1Q 2015, the profile will begin to show meaningful results.

Gross Dollars Raised*

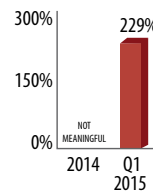


*Includes reinvested distributions (in millions)

Historical Distribution

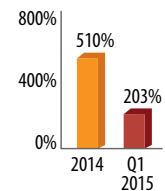


Historical FFO Payout Ratio



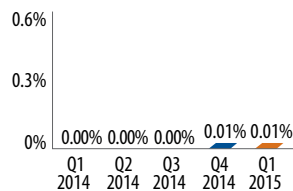
2015 YTD Dist. Paid: \$9,342,000
 2015 YTD FFO: \$4,072,000

Historical MFFO Payout Ratio



2015 YTD Dist. Paid: \$9,342,000
 2015 YTD MFFO: \$4,611,000
 Company Reported MFFO – see notes

Redemptions

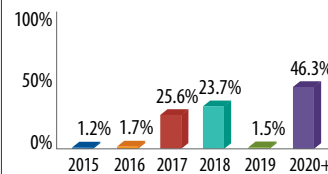


Debt Breakdown

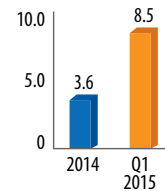


Debt to Total Assets Ratio: 5.8%
 Total: \$38.8 Million
 Fixed: \$38.8 Million
 Variable: \$0.0 Million
 Avg. Wtd. Rate: 5.70%
 Loan Term: 10.1 yrs

Debt Repayment Schedule



Interest Coverage Ratio



Source of Distributions, Trends and Items of Note

- During the three months ended March 31, 2015 the Company acquired 5 properties for \$64.7 million.
- The Company acquired three additional properties for \$59.2 million in April, 2015.
- From April 1, 2015 through April 30, 2015, the Company raised gross proceeds of approximately \$79.1 million through the issuance of 3.2 million shares of common stock under the offering.
- On March 4, 2015, the board of directors authorized distributions to the stockholders of record at the close of business each day in the period commencing May 1, 2015 through and including May 31, 2015. On May 5, 2015, the board of directors authorized distributions to the stockholders of record at the close of business each day in the period commencing June 1, 2015 through and including July 31, 2015. The authorized distributions equal an amount of \$0.00445205 per share of common stock.
- The REIT's Cash to Total Assets ratio decreased to 34.9% as of 1Q 2015 compared to 83.6% as of 1Q 2014.
- The REIT's Debt to Total Assets ratio increased to 5.8% as of 1Q 2015 compared to 0.3% as of 1Q 2014.
- The Company uses modified funds from operations ("MFFO") as defined by the Investment Program Association ("IPA").
- During the quarter ended March 31, 2015, the Company paid monthly cash distributions to stockholders that totaled \$4.459 million. Distributions reinvested through DRIP totaled \$4.883 million. Net cash provided in operating activities were \$3.493 million. Net cash distributions of \$0.966 million were funded by proceeds of the offering.