

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>PHILLIPS EDISON GROCERY CENTER REIT II, INC.</b>		2 Issuer's employer identification number (EIN) <b>61-1714451</b>	
3 Name of contact for additional information <b>SCOTT NEKOLNY</b>		4 Telephone No. of contact <b>513-618-4439</b>	5 Email address of contact <b>SNEKOLNY@PHILLIPSEDISON.COM</b>
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>11501 NORTHLAKE DRIVE</b>		7 City, town, or post office, state, and Zip code of contact <b>CINCINNATI, OH 45249-1669</b>	
8 Date of action <b>JANUARY 1, 2016</b>		9 Classification and description <b>COMMON STOCK</b>	
10 CUSIP number <b>71844W 100</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>N/A</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON JANUARY 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.140 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS JANUARY 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.140 PER SHARE.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE 0.140 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
IRC SECTION 301(C)(2)

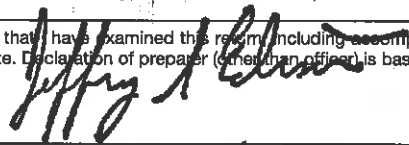
18 Can any resulting loss be recognized? ► N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►



Date ►

1/13/17

Print your name ►

Jeffrey S Edison

Title ►

CEO

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check  if self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

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8 Date of action <b>FEBRUARY 1, 2016</b>		9 Classification and description <b>COMMON STOCK</b>	
10 CUSIP number <b>71844W 100</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>N/A</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

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**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTION 301(C)(2)

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**18** Can any resulting loss be recognized? ► N/A

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

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Signature ► *Jeffrey S. Edison* Date ► 1/13/17

Print your name ► Jeffrey S. Edison Title ► CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

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8 Date of action <b>MARCH 1, 2016</b>	9 Classification and description <b>COMMON STOCK</b>		
10 CUSIP number <b>71844W 100</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>N/A</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON MARCH 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.130 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS MARCH 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.**

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**Part II Organizational Action** (continued)

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IRC SECTION 301(C)(2)

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18 Can any resulting loss be recognized? ► N/A

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

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Signature ► *Jeffrey S. Edison* Date ► 1/13/17  
Print your name ► Jeffrey S. Edison Title ► CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
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	Firm's address ►				Phone no.

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8 Date of action <b>APRIL 1, 2016</b>		9 Classification and description <b>COMMON STOCK</b>	
10 CUSIP number <b>71844W 100</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>N/A</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

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**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC SECTION 301(C)(2)

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18 Can any resulting loss be recognized? ▶ N/A

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

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Print your name ▶ Jeffrey S. Edison Title ▶ CEO

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<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  11501 NORTHLAKE DRIVE		<b>7</b> City, town, or post office, state, and Zip code of contact  CINCINNATI, OH 45249-1669	
<b>8</b> Date of action  MAY 1, 2016		<b>9</b> Classification and description  COMMON STOCK	
<b>10</b> CUSIP number  71844W 100	<b>11</b> Serial number(s)  N/A	<b>12</b> Ticker symbol  N/A	<b>13</b> Account number(s)  N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON MAY 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.130 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS MAY 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.

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**Part II Organizational Action** (continued)

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**18** Can any resulting loss be recognized? ► N/A

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Print your name ► Jeffrey S. Edison Title ► CEO

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**Part I Reporting Issuer**

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11501 NORTHLAKE DRIVE		CINCINNATI, OH 45249-1669	
<b>8</b> Date of action		<b>9</b> Classification and description	
JUNE 1, 2016		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
71844W 100	N/A	N/A	N/A

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**Part II Organizational Action** (continued)

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**18** Can any resulting loss be recognized? ▶ N/A

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ *Jeffrey S. Edison* Date ▶ 1/13/17  
Print your name ▶ Jeffrey S. Edison Title ▶ CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
PHILLIPS EDISON GROCERY CENTER REIT II, INC.		61-1714451	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
SCOTT NEKOLNY	513-618-4439	SNEKOLNY@PHILLIPSEDISON.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
11501 NORTHLAKE DRIVE		CINCINNATI, OH 45249-1669	
<b>8</b> Date of action		<b>9</b> Classification and description	
JULY 1, 2016		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
71844W 100	N/A	N/A	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON JULY 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.130 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS JULY 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.130 PER SHARE.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE 0.130 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTION 301(C)(2)

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18 Can any resulting loss be recognized? ► N/A

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ► *Jeffrey S. Edison* Date ► 11/13/17  
Print your name ► Jeffrey S. Edison Title ► CFO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
PHILLIPS EDISON GROCERY CENTER REIT II, INC.		61-1714451	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
SCOTT NEKOLNY	513-618-4439	SNEKOLNY@PHILLIPSEDISON.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
11501 NORTHLAKE DRIVE		CINCINNATI, OH 45249-1669	
<b>8</b> Date of action		<b>9</b> Classification and description	
AUGUST 1, 2016		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
71844W 100	N/A	N/A	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON AUGUST 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.140 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS AUGUST 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.140 PER SHARE.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE 0.140 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
IRC SECTION 301(C)(2)

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18 Can any resulting loss be recognized? ► N/A

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

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Under penalties of perjury, I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►

*Jeffrey S. Edison*

Date ►

1/13/17

Print your name ►

Jeffrey S. Edison

Title ►

CEO

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check  if self-employed PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.



**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  PHILLIPS EDISON GROCERY CENTER REIT II, INC.		<b>2</b> Issuer's employer identification number (EIN)  61-1714451	
<b>3</b> Name of contact for additional information  SCOTT NEKOLNY	<b>4</b> Telephone No. of contact  513-618-4439	<b>5</b> Email address of contact  SNEKOLNY@PHILLIPSEDISON.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  11501 NORTHLAKE DRIVE		<b>7</b> City, town, or post office, state, and Zip code of contact  CINCINNATI, OH 45249-1669	
<b>8</b> Date of action  SEPTEMBER 1, 2016		<b>9</b> Classification and description  COMMON STOCK	
<b>10</b> CUSIP number  71844W 100	<b>11</b> Serial number(s)  N/A	<b>12</b> Ticker symbol  N/A	<b>13</b> Account number(s)  N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON SEPTEMBER 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.140 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS SEPTEMBER 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.**

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.140 PER SHARE.**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE 0.140 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.**

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► IRC SECTION 301(C)(2)

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**18** Can any resulting loss be recognized? ► N/A

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ► *Jeffrey S. Edison* Date ► 1/13/17  
Print your name ► Jeffrey S. Edison Title ► CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	

**Report of Organizational Actions  
 Affecting Basis of Securities**

▶ See separate instructions.

**Part I Reporting Issuer**

1 Issuer's name <b>PHILLIPS EDISON GROCERY CENTER REIT II, INC.</b>		2 Issuer's employer identification number (EIN) <b>61-1714451</b>	
3 Name of contact for additional information <b>SCOTT NEKOLNY</b>	4 Telephone No. of contact <b>513-618-4439</b>	5 Email address of contact <b>SNEKOLNY@PHILLIPSEDISON.COM</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>11501 NORTHLAKE DRIVE</b>		7 City, town, or post office, state, and Zip code of contact <b>CINCINNATI, OH 45249-1669</b>	
8 Date of action <b>OCTOBER 1, 2016</b>		9 Classification and description <b>COMMON STOCK</b>	
10 CUSIP number <b>71844W 100</b>	11 Serial number(s) <b>N/A</b>	12 Ticker symbol <b>N/A</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON OCTOBER 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.130 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS OCTOBER 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.130 PER SHARE.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE 0.130 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
IRC SECTION 301(C)(2)

18 Can any resulting loss be recognized? ► N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ►

*Jeffrey S. Edison*

Date ►

1/13/17

Print your name ►

Jeffrey S. Edison

Title ►

CEO

**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check  if self-employed

PTIN

Firm's name ►

Firm's EIN ►

Firm's address ►

Phone no.

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
PHILLIPS EDISON GROCERY CENTER REIT II, INC.		61-1714451	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
SCOTT NEKOLNY	513-618-4439	SNEKOLNY@PHILLIPSEDISON.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
11501 NORTHLAKE DRIVE		CINCINNATI, OH 45249-1689	
<b>8</b> Date of action		<b>9</b> Classification and description	
NOVEMBER 1, 2016		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
71844W 100	N/A	N/A	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **ON NOVEMBER 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.140 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS NOVEMBER 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.**

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.140 PER SHARE.**

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **THE 0.140 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.**

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ►  
IRC SECTION 301(C)(2)

18 Can any resulting loss be recognized? ► N/A

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► N/A

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**

Signature ► *Jeffrey S. Edison* Date ► 1/13/17  
Print your name ► Jeffrey S. Edison Title ► CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
PHILLIPS EDISON GROCERY CENTER REIT II, INC.		61-1714451	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
SCOTT NEKOLNY	513-618-4439	SNEKOLNY@PHILLIPSEDISON.COM	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
11501 NORTHLAKE DRIVE		CINCINNATI, OH 45249-1669	
<b>8</b> Date of action		<b>9</b> Classification and description	
DECEMBER 1, 2016		COMMON STOCK	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
71844W 100	N/A	N/A	N/A

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ ON DECEMBER 1, 2016 ISSUER PAID A NONTAXABLE RETURN OF CAPITAL DISTRIBUTION TO ITS COMMON STOCKHOLDERS OF RECORD IN THE AMOUNT OF 0.130 PER SHARE. AT THE TIME OF THE DISTRIBUTION, THE TAXPAYERS EARNINGS AND PROFITS WERE NOT CALCULATED AND THE PORTION OF THE DISTRIBUTION THAT WOULD BE TREATED AS A RETURN OF CAPITAL WAS UNCERTAIN. PURSUANT TO TREASURY REGULATION 1.6042-3(C), THE TAXPAYER PRESUMED 100% OF THE DISTRIBUTION TO BE A TAXABLE DIVIDEND, AND THEREFORE, WAS NOT REQUIRED TO FILE A FORM 8937. THE TAXPAYER ESTIMATED ITS EARNINGS AND PROFITS CALCULATION ON DECEMBER 31, 2016 AND AT THAT TIME IT WAS DETERMINED THAT 80.19% OF ITS DECEMBER 1, 2016 DISTRIBUTION WAS A RETURN OF CAPITAL. THE TAXPAYER IS FILING THIS FORM 8937 ON THE EARLIER OF JANUARY 15, 2017 OR 45 DAYS AFTER DECEMBER 31, 2016, THE DATE ON WHICH ITS EARNINGS AND PROFITS CALCULATION WAS ESTIMATED.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE COMMON STOCK DISTRIBUTION REDUCES THE BASIS OF EACH COMMON STOCK BY 0.130 PER SHARE.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE 0.130 PER SHARE COMMON STOCK DISTRIBUTION WAS DETERMINED TO COMPRISE OF 80.19% RETRUN OF CAPITAL AND 19.81% TAXABLE DIVIDEND. THE ISSUER ESTIMATED THAT IT HAS CURRENT EARNINGS AND PROFITS EQUAL TO 19.81% OF THE CURRENT YEAR DISTRIBUTION.

**Part II Organizational Action** (continued)

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ IRC SECTION 301(C)(2)

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**18** Can any resulting loss be recognized? ▶ N/A

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ N/A

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ *Jeffrey S. Edison* Date ▶ 1/13/17  
Print your name ▶ Jeffrey S. Edison Title ▶ CEO

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	