UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 18, 2017

PHILLIPS EDISON GROCERY CENTER REIT I, INC.
(Exact name of registrant specified in its charter)

Maryland	**000-54691**	**27-1106076**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	IRS Employer Identification No.

11501 Northlake Drive
Cincinnati, Ohio 45249
(Address of principal executive offices)

Registrant’s telephone number, including area code: (513) 554-1110

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☒ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01. Regulation FD Disclosure

On May 18, 2017, Phillips Edison Grocery Center REIT I, Inc. (the “Company”) entered into a definitive contribution agreement (the “Contribution Agreement”) to acquire real estate assets and the third party asset management business of its sponsor, Phillips Edison Limited Partnership (“PELP”), in a stock and cash transaction valued at approximately $1 billion, subject to closing adjustments. In connection with entry into the Contribution Agreement, certain investor communications were prepared and are filed herewith.

The Company prepared a script to accompany an investor presentation regarding the Contribution Agreement, which is attached hereto as Exhibit 99.1 and is incorporated herein by reference. The related presentation was filed as Exhibit 99.3 to the Company’s Current Report on Form 8-K filed on May 19, 2017.

The Company prepared an additional presentation regarding the Contribution Agreement, which is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

Cautionary Statement Concerning Forward-Looking Statements:

Certain statements contained in this Current Report on Form 8-K may be considered forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), including statements regarding the transaction and the ability to consummate the transaction and anticipated accretion, dividend coverage, dividends and other anticipated benefits of the transaction. The Company intends for all such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act, as applicable. Such statements include, in particular, statements about the Company’s plans, strategies, and prospects and are subject to certain risks and uncertainties, as well as known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of the Company’s performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as “pro forma,” “may,” “will,” “would,” “could,” “should,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue,” or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. The Company makes no representation or warranty (express or implied) about the accuracy of any such forward-looking statements contained in this release, and does not intend, and undertakes no obligation, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

Additional Information and Where to Find It:

This communication does not constitute a solicitation of materials of any vote or approval in respect of the proposed transaction involving the Company or otherwise. In connection with the proposed merger, a stockholder meeting will be announced soon to obtain stockholder approval. In connection with the proposed transaction, the Company intends to file relevant materials, including a proxy statement, with the Securities and Exchange Commission (the "SEC"). The Company's stockholders are urged to read the definitive proxy statement and other relevant materials when they become available because they will contain important information about the Company and the proposed transaction. The proxy statement and other relevant materials (when they become available), and any other documents filed by the Company with the SEC, may be obtained free of charge at the SEC's website at www.sec.gov at the Company's website at www.grocerycenterREIT1.com or by sending a written request to the Company at 11501 Northlake Drive, Cincinnati, OH 45249, Attention: Investor Relations.

Participants in the Solicitation

The Company and its directors, executive officers and certain other members of management may be deemed to be participants in soliciting proxies from the Company's stockholders in favor of the proposed merger. Information regarding the persons who may, under the rules of the SEC, be considered to be participants in the solicitation of the Company's stockholders in connection with the proposed transaction and their ownership of the Company's common stock will be set forth in the proxy statement for its annual meeting of stockholders. Investors can find more information about the Company's executive officers and directors in its Annual Report on Form 10-K for the fiscal year ended December 31, 2016.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Presentation Script
99.2	Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHILLIPS EDISON GROCERY CENTER REIT I, INC

Dated: May 22, 2017	By: /s/ R. Mark Addy
	R. Mark Addy
	President and Chief Operating Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Presentation Script
99.2	Presentation

Exhibit 99.1

REIT ONE INVESTOR CALL SCRIPT 5.22.2017

To be posted to Phillips Edison and PECO REIT I websites on Monday, May 22 2017 at 3:00 p.m. Eastern time.

MARK

Hello and good afternoon everyone. I am Mark Addy, President and Chief Operating Officer of Phillips Edison Grocery Center REIT One. Thank you for joining us on today's webinar to discuss Phillips Edison Grocery Center REIT One's proposed acquisition of Phillips Edison Limited Partnership.

Before we begin, I would like to remind you that statements made during this call may contain forward-looking statements, which are subject to various risks and uncertainties. Please refer to **SLIDES 2 and 3** for additional disclosure and direction on where you can find more information regarding potential risks. In addition, we will also refer today to certain non-GAAP financial measures, including funds from operations, or F-F-O, and Same Store Net Operating Income, or S-S-N-O-I. Further information regarding our use of these measures and reconciliations of these measures to our GAAP results are available in our SEC Filings, as well as the end of this presentation.

For more information, please refer to the form 8-K which will be filed with the SEC today, which identifies important risk factors that could cause actual results to differ from those contained in the forward-looking statements.

Also, please note that during this call we will be referring to Phillips Edison Grocery Center REIT One, as "PECO ONE" and we will be referring to Phillips Edison Limited Partnership as "PELP."

SLIDE 4 outlines today's agenda. We will start with a review of the transaction, then move to an overview of PELP, then speak to the pro forma combined company, and finally I will address how all of this impacts our liquidity.

Turning to **SLIDE 5,** on May 19, 2017, PECO ONE announced that it entered into a definitive contribution agreement to acquire the real estate assets and the asset management business of its sponsor and external advisor, PELP, in a stock and cash transaction valued at approximately $1 billion. This strategic acquisition will result in the largest internally-managed, non-traded grocery-anchored shopping center REIT in the U.S.

PELP was founded in 1991, and since its inception, has been focused on grocery-anchored shopping centers. Currently there are two major parts to PELP's business – one part owns shopping centers, and the other provides real estate asset management services to PELP's wholly owned properties as well as to a number of third parties, including PECO ONE. A snapshot of the company is provided on Slide 5.

When the transaction is complete, as you will see on **SLIDE 6,** PECO ONE will own 230 shopping centers, and also own an asset manager which will provide services to PECO ONE's wholly owned properties, as well as additional third party properties.

SLIDE 7, provides some details on the two entities before the merger. PECO I is currently an externally managed non-traded REIT with estimated $3.0 billion total enterprise value. It owns 154 shopping centers with 16.8 million square feet of gross leasable area. It's IPO closed in 2014; raising $1.75B.

PELP is a vertically integrated owner and operator of 76 shopping centers that has been exclusively focused on grocery-anchored shopping centers since inception in 1991. PELP also has an asset management platform which advises approximately $4.9B of grocery-anchored shopping center assets, including PECO ONE.

As you will see on **SLIDE 8**, the resulting company will have a total enterprise value of approximately $4.0 billion, and will be exclusively focused on grocery-anchored shopping centers – just like we are in PECO ONE.

The combined company will own a high-quality, nationally-diversified portfolio of 230 shopping centers located in 32 states, with over 25.5 million square feet of Gross Leasable Area, or G-L-A.

Additionally, we are acquiring PELP's asset management business, which manages over $1.9 billion of third party real estate and which generates annual revenue of approximately $25 million.

The transaction, which is expected to close during the fourth quarter of 2017, will provide for meaningful synergies including:

- A projected accretion of 8 to 10 percent for pro forma F-F-O, per share for the first quarter of 2017 compared to standalone PECO ONE for the same period

- Secondly, our estimated pro forma dividend coverage is expected to exceed 100 percent on an F-F-O to total dividends basis, which would be up from 92 percent for standalone PECO ONE for the first quarter of 2017

- Importantly, now that we will be an internally managed REIT, we will be much better positioned for capital market opportunities, which include a potential future liquidity event

Now, turning to **SLIDE 9.** In exchange for PELP's 76 shopping centers and asset management business, PELP will receive approximately 45.2 million operating partnership units, or "O-P units", in PECO ONE's operating partnership, Phillips Edison Grocery Center Operating Partnership One, L.P., as well as $50.0 million in cash. Additionally, PECO ONE will assume or refinance $501 million of PELP's debt. This brings the total value of the transaction to approximately $1.0 billion.

It is important to note, that this transaction does not include any internalization fees, meaning that no fees will be paid in respect of ongoing management advisory services provided by PELP to PECO ONE. Additionally, PECO ONE's management is NOT receiving ANY cash consideration. In fact, 100 percent of the cash will be used to retire certain minority partnership interests in order to ensure that the combined company maintains its qualification as a REIT.

In addition to the equity consideration due at the closing of the transaction, there are two major performance-based earn-outs, which incentivize future action and performance.

The first earn-out, which can potentially be valued at 5 million additional OP Units, will be earned if a liquidity event for PECO ONE is achieved.

The second earn-out, which can potentially be valued at 8 million additional OP Units, can be earned based on achievement of certain fundraising targets for PECO THREE, which we believe will be assisted, to a degree, by a successful liquidity event.

Post transaction, company management will own 18 million units of the combined company, before any earn-outs, and will be PECO ONE's largest equity holder. Once the transaction closes, management will be subject to a significant lock-up period.

As you can see, this equity-based consideration aligns management with stockholders and preserves capital for future investments.

Although a stockholder vote is not required for this transaction, we do intend to receive stockholder approval before proceeding with the transaction. It is our goal to provide our investors with the appropriate approval opportunity and transparency around this transaction. As such, more information will be provided to you via a definitive proxy statement which we expect to be mailed to you, as well as filed with the SEC, during July.

The board of directors of the company has recommended that you to vote in favor of the transaction and believe it is in the best interest of the company.

Now, let's turn to **SLIDE 10**, As I touched on earlier, one of the main benefits to this transaction is that it is expected to be immediately accretive to earnings. Again, we expect an accretion of 8 to 10 percent for pro forma F-F-O per share for the first quarter of 2017 compared to standalone PECO ONE for the same period.

Our estimated pro forma dividend coverage is expected to exceed 100 percent on an F-F-O to total dividends basis, which is up from 92 percent for standalone PECO I for the first quarter of 2017.

Upon the closing of the transaction, we expect there to be 183.3 million equity shares of PECO ONE common stock and 45.2 million PELP-Owned, PECO ONE O-P Units outstanding. Both the common stock and the O-P Units are valued at $10.20 per share.

PECO ONE stockholders are expected to own 80.2 percent of the combined company, and PELP stockholders are expected to own 19.8 percent of the combined company.

Additionally, the combined company will have a total debt of $1.6 billion, which includes PECO ONE's $1.1 billion of debt, and PELP's $501 million of debt which will be assumed and or refinanced in this transaction.

This will result in a company with a total enterprise value of approximately $4.0 billion.

We anticipate our leverage on a Debt to Total Enterprise Value basis, will be approximately 41.2 percent, which is a figure we are comfortable with.

Of the outstanding debt, 87 percent will be fixed rate debt, and 13 percent will be floating rate debt. The weighted average interested rate will fall between 3.45 percent and 3.65 percent with a weighted average term that includes options of 4.8 to 5.3 years.

Now, I would like to provide you some details on the real estate which we are acquiring from PELP on **SLIDE 11**.

PECO ONE is acquiring 76 retail shopping centers, in 25 states, which total 8.7 million square feet. These shopping centers are highly complementary to the shopping centers that we own in PECO ONE, as they have a similar anchor lineup, a high level of exposure to national and regional tenants, and a preference for necessity based service providers, like grocers. These properties have demonstrated a stable, growing cash flow profile over the company's history.

Further, PELP and PECO ONE share four out of five top grocers by ABR – these include Kroger, Safeway/Albertsons, Ahold Delhaize, and Giant Eagle.

The resulting company's G-L-A profile will be over 44 percent grocery anchored, and its overall portfolio will benefit from a strong mix of national and regional tenants.

As we have mentioned, the resulting combined company is expected to see an estimated increase in its pro forma F-F-O per share of approximately 8 to 10 percent for the first quarter of 2017 compared to standalone PECO ONE for the same period.

Turning to **SLIDE 12,** PELP has a total of $4.8B of real estate assets under management, as of December 31, 2016.

These assets generate regular fees for PELP, which totaled approximately $71 million for 2016. This consistent asset management fee stream is generated from our non-traded REITs and Necessity Retail Partners, a value-added joint venture between Phillips Edison Grocery Center REIT Two and TPG Real Estate.

Further, PELP has sponsored 11 third party funds since 2000 which have raised over $3.8 billion of equity capital from a variety of sources including high net worth investors, institutional investors and public non-traded REITs.

The chart below illustrates the growth in both PELP's total real estate assets under management as well as its fee stream. Back in 2008, PELP had approximately $839 million of assets under management, and generated annual fee income of approximately $14 million. Since then, PELP has grown significantly, and now has approximately $4.8 billion of assets and generates annual fee income of over $71 million.

SLIDE 13 provides a quick snapshot of the pro forma real estate portfolio. The combined company will own a high-quality, nationally-diversified portfolio of 230 shopping centers located in 32 states totaling over 25.5 million square feet. These properties have a leased occupancy of 93.9 percent and generate 78 percent of their A-B-R from Grocers, National tenants, and Regional tenants.

Additionally, the top three anchor tenants of the combined company are all grocers – Kroger, Publix, and Albertsons – Safeway. These three tenants combine for approximately 18 percent of our total A-B-R and account for 106 stores.

Turning to **SLIDE 14,** for the next step in this transaction a proxy statement will be mailed to you, which we expect to occur in July. This statement will include detailed pro forma financials on the combined company, as well as the proxy, which will allow you to submit your vote to approve this transaction. Assuming we get approval and receive the necessary debt consents during September, the transaction is expected to close during the fourth quarter of 2017.

Turning to **SLIDE 15,** in summary, we believe the strategic acquisition of PELP will create the largest internally-managed, grocery-anchored shopping center REIT.

This transaction includes a number of benefits which are as follows:

- It is expected to be immediately accretive to F-F-O per share and is expected to improve our dividend coverage
- It will strengthen our balance sheet and increase our future earnings growth potential
- Cost synergies will be realized through our internal management structure; and
- It will improve our valuation potential with our increased earnings, larger scale and internalized manager

Now, on **SLIDE 16**

- The transaction does not have internalization fees, meaning that no fees will be paid in respect of ongoing management advisory services provided by PELP to PECO ONE
- The asset management fees will provide consistent, predictable income through market cycles
- Equity-based transaction enhances REIT I's capital position and better aligns management with the shareholders
- Management will own over 18 million shares of the combined company excluding the earn-out and will be the biggest shareholder of REIT ONE; and
- And our managed portfolios provide an embedded acquisition pipeline with increased opportunities for growth

Turning to **SLIDE 17,** our goal is to provide liquidity to our stockholders, and we believe this transaction is a major step toward that event. We remain one of the only public REITs that has an exclusive focus on grocery-anchored shopping centers, which we believe is the most attractive space in shopping center real estate. The transaction clearly reflects that our integrated veteran management team is vested in the success of PECO ONE. This is a very positive step toward a liquidity event for PECO I stockholders.

And as a reminder, it remains our intention to begin the process of achieving a Liquidity Event not later than three to five years after the termination of our primary offering, which was in February 2014.

We encourage you to read the press release that was issued today, as well as the related S-E-C filings, which are both available on our website, grocery center REIT numeral 1 .com.

If you have further questions, we encourage you to reach out to our investor relations team by emailing INVESTORRELATIONS@PHILLIPSEDISON .COM or calling the phone number on **SLIDE 18.**

Thank you very much for joining us on today's webinar – this concludes our presentation.

Exhibit 99.2

PHILLIPS EDISON & COMPANY

Phillips Edison Grocery Center REIT I to Acquire Phillips Edison Limited Partnership

May 2017

FORWARD-LOOKING STATEMENT DISCLOSURE

Certain statements contained in this press release may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including statements regarding the transaction and the ability to consummate the transaction and anticipated dividends. We intend for all such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act, as applicable. Such statements include, in particular, statements about PECO I's plans, strategies, and prospects and are subject to certain risks and uncertainties, as well as known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of PECO I's performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "would," "could," "should," "expect," "intend," "anticipate," "estimate," "believe," "continue," or other similar words. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. PECO I makes no representation or warranty (express or implied) about the accuracy of any such forward-looking statements contained in this release, and does not intend, and undertakes no obligation, to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

INFORMATION DISCLOSURE

Additional Information About the Transaction and Where to Find It

This communication does not constitute a solicitation of materials of any vote or approval in respect of the proposed transaction involving PECO I or otherwise. In connection with the proposed transaction, a stockholder meeting will be announced soon to obtain stockholder approval. In connection with the proposed transaction, PECO I intends to file relevant materials, including a proxy statement, with the Securities and Exchange Commission (the "SEC"). Investors and security holders of PECO I are urged to read the definitive proxy statement and other relevant materials when they become available because they will contain important information about PECO I and the proposed transaction. The proxy statement and other relevant materials (when they become available), and any other documents filed by PECO I with the SEC, may be obtained free of charge at the SEC's website at www.sec.gov, at PECO I's website at www.grocerycenterREIT1.com or by sending a written request to the Company at 11501 Northlake Drive, Cincinnati, OH 45249, Attention: Investor Relations.

Participants in the Solicitation

PECO I and its directors, executive officers and certain other members of management and employees may be deemed to be participants in soliciting proxies from the stockholders of PECO I in favor of the proposed transaction. Information regarding the persons who may, under the rules of the SEC, be considered to be participants in the solicitation of PECO I's stockholders in connection with the proposed transaction and their ownership of PECO I's common stock will be set forth in the proxy statement for its stockholder meeting. Investors can find more information about PECO I's executive officers and directors in its Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and in its definitive proxy statement filed with the SEC on Schedule 14A on June 28, 2016.

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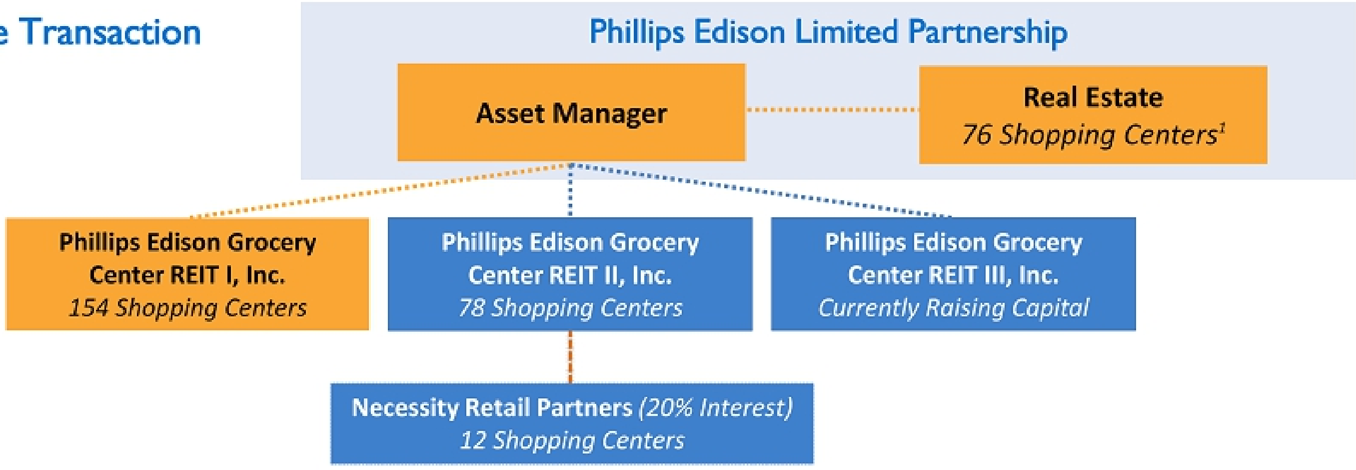
Phillips Edison represents the unique opportunity to invest in what is becoming the most attractive space within shopping center real estate

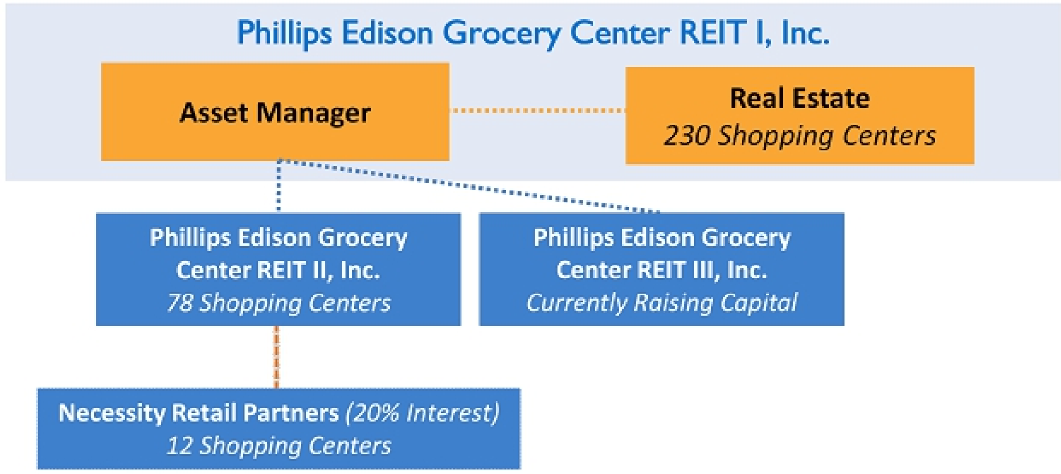
The Transaction

PECO I TO ACQUIRE PELP

Pre Transaction



Post Transaction



Property Count as of 3/31/2017 1) Excludes certain assets not included in the transaction

DETAILS: PECO I TO ACQUIRE PELP

Phillips Edison Grocery Center REIT I (PECO I) to acquire Phillips Edison Limited Partnership (PELP)

PECO I	PELP
• Externally managed non-traded REIT with estimated $3.0B TEV • 154 shopping centers with 16.8M square feet of GLA • IPO closed in 2014; raised $1.75B	• Vertically integrated owner and operator of 76 shopping centers • Exclusively focused on grocery-anchored shopping centers since inception in 1991 • Asset management platform advises approximately $4.9B of grocery-anchored shopping center assets, including PECO I

POST TRANSACTION:

- Estimated $4.0B TEV internally managed REIT with exclusive focus on grocery-anchored shopping centers
- 230 properties with 25.5M square feet of GLA located in 32 states
- Third party asset management business with over $1.9B of AUM and annual revenues of approximately $25M from PECO II, PECO III, and Necessity Retail Partners, a JV between PECO II and TPG Real Estate
- Projected accretion of 8-10% for pro forma FFO per share for Q1 2017 compared to standalone PECO I*
- Estimated pro forma dividend coverage expected to exceed 100% (on a FFO/Total Dividends basis), up from 92% for standalone PECO I for Q1 2017*
- Internally managed REIT well positioned for capital market opportunities, including strategic liquidity alternatives

All figures are as of 3/31/17 unless otherwise noted

*Please see the appendix for reconciliation of non-GAAP measures

TRANSACTION CONSIDERATION

- Assets acquired include 76 real estate assets and 100% of PELP's third-party asset management businesses
- Transaction consideration **excludes internalization fees**[1] in accordance with PECO I's advisory agreement with PELP
- Earnout structure incentivizes future performance:
  - 5 million additional OP Units earned if a liquidity event is achieved by December 31, 2019 at a share value of $10.20 or greater
  - 8 million additional OP Units earned based on achievement of certain fundraising targets for PECO III
  - Total earnout subject to cap of 12.49 million OP Units
- Equity-based consideration and earn-out aligns management with stockholders and preserves capital for future investments
- Management is receiving no cash consideration
  - 100% of cash will be used to retire certain minority interests in PELP in order to preserve PECO I REIT status
- Management will be PECO I's largest stockholder, owning over 18 million OP Units and common shares[3], with a long term view of increasing stockholder value, and will be subject to significant lock up periods
- Transaction will be subject to stockholder vote, although not legally required

TRANSACTION CONSIDERATION	
45.2 million PECO I Issued OP Units[2] ($10.20/share)	$461 M
Debt Assumed/ Refinanced	$501 M
Cash Consideration	$50 M
TOTAL VALUE	**$1,012 M**

1. Refers to the absence of any fee paid with respect to ongoing management advisory services provided to PECO I from PELP
2. Includes 4.8 million Class B OP Units in PECO I Operating Partnership received as payment for asset management services
3. Includes phantom shares held by employees

TRANSACTION CAPITAL STRUCTURE

- Transaction to be immediately accretive: Estimated pro forma FFO per share for Q1 2017 is higher by approximately 8-10% relative to the performance of stand-alone PECO I*
- Estimated pro forma dividend coverage expected to exceed 100% (on a FFO/Total Dividends basis), up from 92% for standalone PECO I for Q1 2017*
- PECO I stockholders to own 80.2% and PELP stockholders to own 19.8% of the combined company (without giving effect to the earn-out)
- Pro forma debt to total enterprise value of 41.4%

PRO FORMA CAPITAL STRUCTURE (NON-GAAP)	
183.3 M PECO I Existing Equity ($10.20/share)	$1,870 M
45.2 M PELP Owned OP Units[1] ($10.20/share)	$461 M
PECO I Total Outstanding Debt[2]	$1,144 M
PELP Debt Assumed/Refinanced in Transaction[2]	$501 M
TOTAL ENTERPRISE VALUE	**$3,976 M**

PRO FORMA DEBT METRICS	ESTIMATED 3/31/2017
Fixed Rate / Floating Rate	87% / 13%
Portfolio Weighted Average Interest Rate[3]	3.45 to 3.65%
Weighted Average Term with Options	4.8 to 5.3 years

*Please see the appendix for reconciliation of non-GAAP measures

1. Includes 4.8 million Class B OP Units in PECO I Operating Partnership received as payment for asset management services
2. Represents principal amount of outstanding debt and includes estimated transaction costs of $20.0 million in total and $50.0 million of cash consideration
3. Assumes all forward starting swaps are effective

OVERVIEW OF PELP

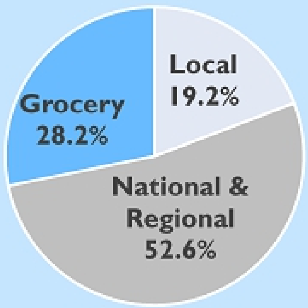
REAL ESTATE

- National platform focused from its inception in 1991 on grocery-anchored shopping centers
- Owns and operates 76 shopping centers, in 25 states, totaling 8.7 million square feet
- PECO I and PELP share 4 out of the top 5 grocers by % of ABR:

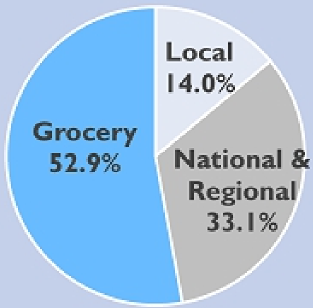
Kroger | Albertsons Safeway | Ahold Delhaize | Giant Eagle

- Highly complementary portfolios:

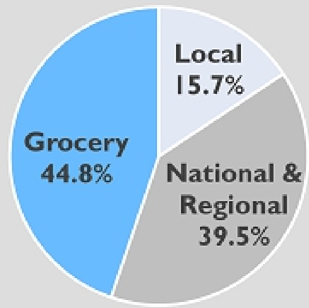
PELP GLA by Tenant Type



PECO I GLA by Tenant Type



Pro Forma GLA by Tenant Type



	2016 FFO/Share:	$0.58	Projected accretion of 8-10% on estimated pro forma FFO per share for Q1 2017*
	SSNOI Growth ('16 v '15):	3.2%	

*Please see the appendix for reconciliation of non-GAAP measures

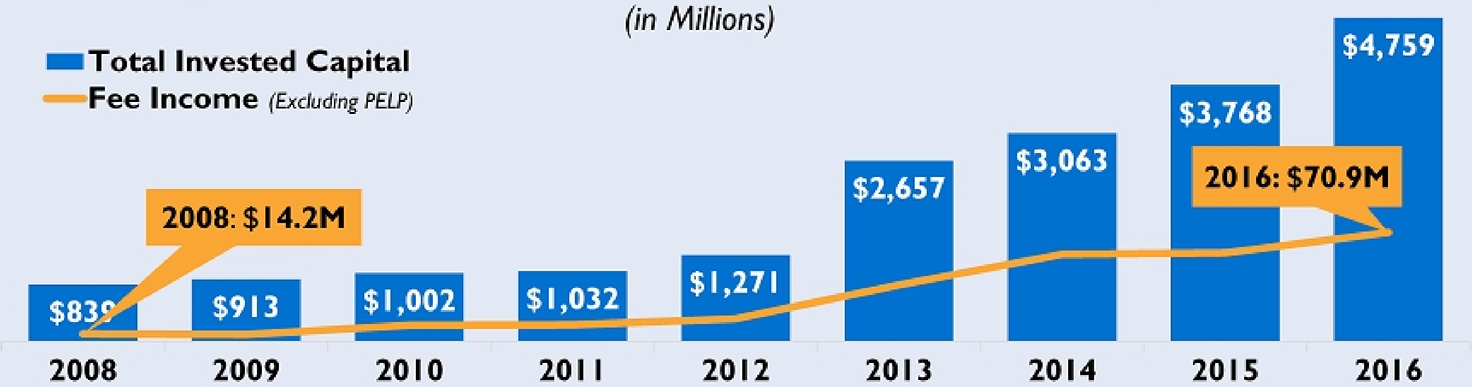
OVERVIEW OF PELP

ASSET MANAGEMENT BUSINESS

- **$4.8B of third-party assets under management** as of December 31, 2016
- Consistent asset management fees from PECO I, PECO II, PECO III and Necessity Retail Partners, a value-added joint venture between PECO II and TPG Real Estate
- Generates annual fee and management income of approximately $71 million
- Sponsored 11 third party funds (high net worth, institutional and public non-traded REITs) since 2000
    - Raised over $3.8 billion of equity capital
    - Generated strong investor returns: 5 of the 6 realized funds have achieved net IRRs in excess of 13%

Strong Growth in Third Party Assets Under Management[1,2]

(in Millions)



1) Includes PECO I, PECO II, PECO III and Necessity Retail Partners and certain other third-party owned centers
2) Certain amounts of fee income have been normalized to the periods earned

COMBINATION OF COMPLEMENTARY PORTFOLIOS

	PELP	PECO I	COMBINED
Property Count	76 in 25 states	154 in 28 states	**230 in 32 states**
Square Feet	8.7 million	16.8 million	**25.5 million**
Leased Occupancy	90.0%	96.0%	**93.9%**
% ABR from Grocers, National, and Regional Tenants	76%	79%	**78%**

	PELP			PECO I			COMBINED		
	Tenant	% of ABR	#	Tenant	% of ABR	#	Tenant	% of ABR	#
Top 3 Grocers by % of ABR	Kroger	8.7%	14	Kroger	8.4%	38	**Kroger**	**8.5%**	**52**
	Albertsons –Safeway	3.0%	5	Publix	7.4%	31	**Publix**	**5.9%**	**33**
	Ahold Delhaize	2.9%	9	Albertsons – Safeway	4.3%	14	**Albertsons – Safeway**	**4.0%**	**19**
Top 3 Inline Tenants by % of ABR	H&R Block	0.8%	18	Subway	0.8%	45	**Subway**	**0.8%**	**62**
	Dollar Tree	0.8%	7	Wells Fargo Financial	0.7%	14	**Anytime Fitness**	**0.6%**	**26**
	Hibbett Sports	0.8%	11	Anytime Fitness	0.6%	18	**H&R Block**	**0.6%**	**50**

PROJECTED TIMELINE

May 2017
- Executed Contribution Agreement

July 2017
- Proxy mailed to stockholders

September 2017
- Stockholder vote
- Receipt of required non recourse debt consents

Q4 2017
- Transaction expected to close

KEY TAKEAWAYS

- The result of this transaction will be the largest internally managed REIT exclusively focused on grocery-anchored properties
- Expected to be immediately accretive to FFO per share
- Estimated pro forma dividend coverage expected to exceed 100%
- Strengthens balance sheet
- Increases future earnings growth potential
- Drives cost synergies realized through internal management
- Improved valuation potential with increased earnings, scale and internalized manager
- Transaction consideration **does not include internalization fees**[1] and management receives no cash consideration
- Asset management fees provide consistent, predictable income through market cycles
- Equity-based transaction enhances REIT I's capital position and better aligns management with the stockholders
- PECO I management is the REIT's largest equity owner and will own over 18 million share equivalents (excluding earn-out)
- Managed portfolios provide embedded acquisition pipeline with increased opportunities for growth

1. Refers to the absence of any fee paid with respect to ongoing management advisory services provided to PECO I from PELP

GOAL: TO PROVIDE LIQUIDITY FOR PECO I STOCKHOLDERS

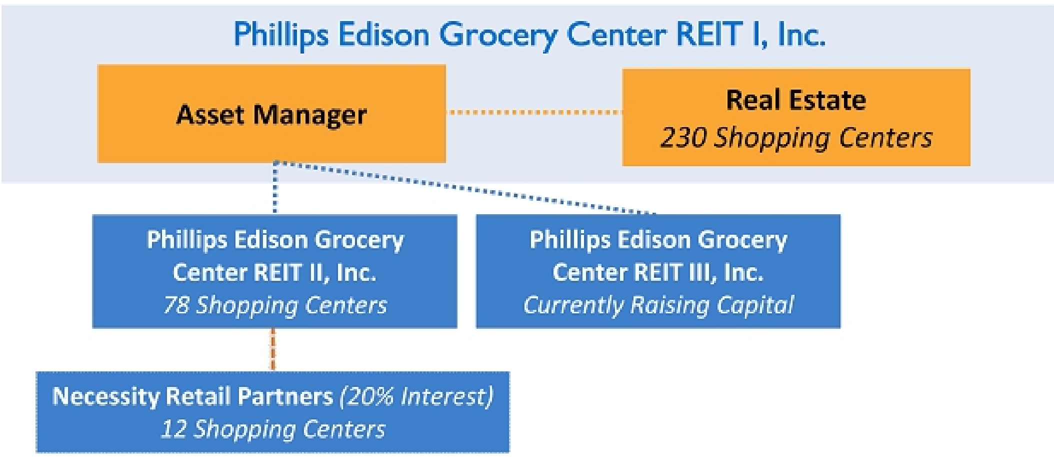
- Exclusive focus on grocery-anchored shopping centers: the most attractive space in shopping center real estate
- Integrated veteran management team vested in the success of PECO I through a meaningful ownership stake
- $4 billion TEV combined company with expected higher earnings per share and well positioned for future growth
- Appropriately leveraged balance sheet

All positive steps toward a liquidity event for PECO I stockholders

The Portfolio

PRO FORMA PECO I

Post Transaction

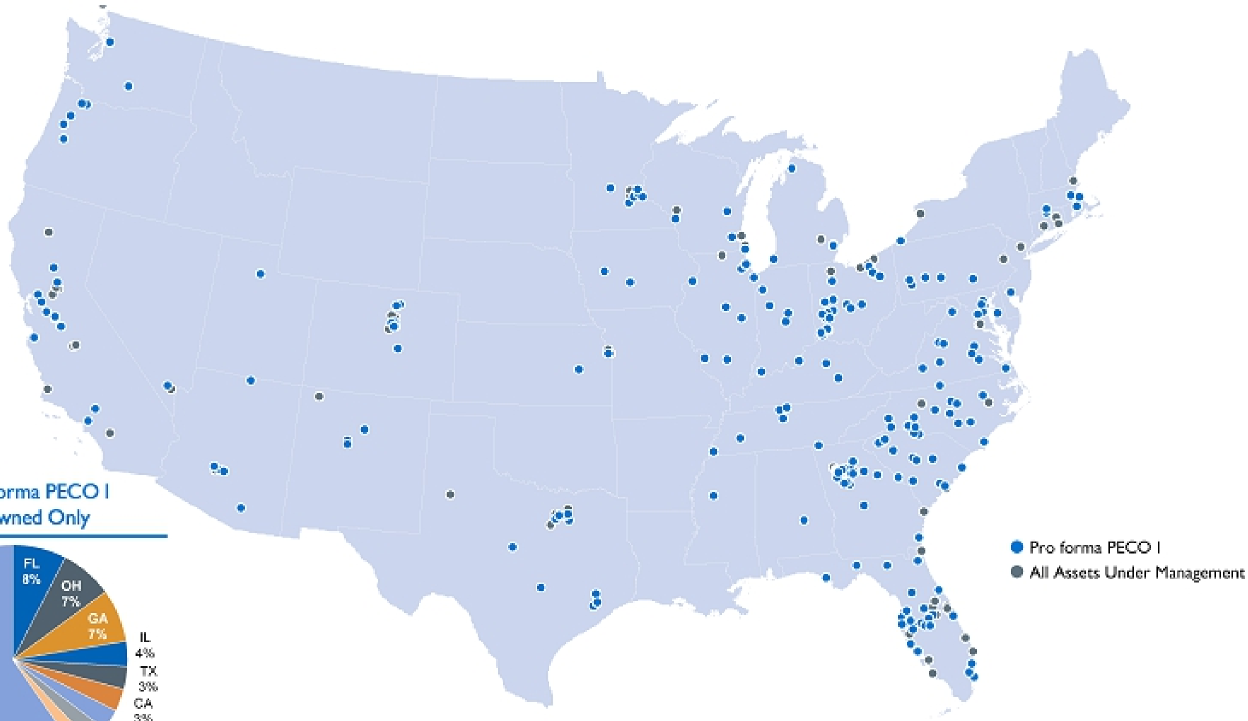


Property Count As of 3/31/2017

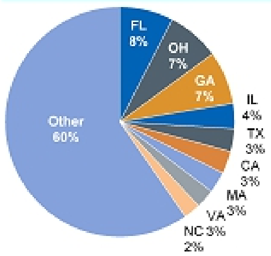
PRO FORMA PHILLIPS EDISON HAS A NATIONAL FOOTPRINT

346 properties under management across 33 states[1]

Diversified National Presence

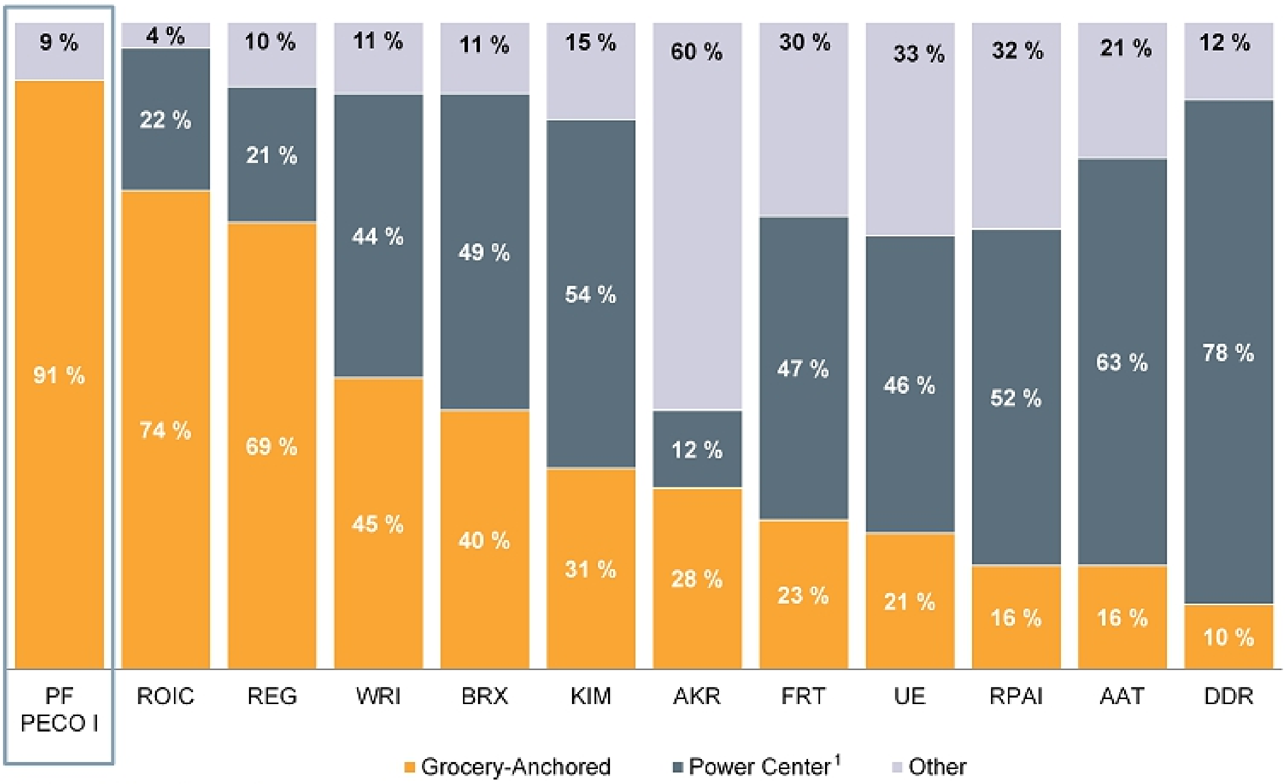


Pro forma PECO I Owned Only



(1) AS OF 3/31/2017

PURE-PLAY GROCERY-ANCHORED PORTFOLIO RELATIVE TO PEERS



Sources: Green Street Advisors and Company filings
Note: Peer breakdown by total asset value as of FYE 2016.
[1] Defined as a shopping center with 3 or more big box tenants and only a limited amount of space dedicated to smaller tenants.

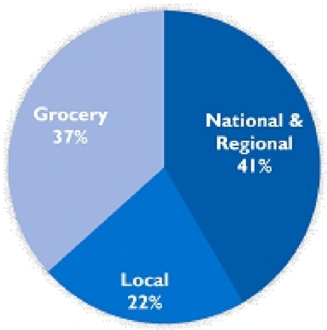
PRO FORMA PECO I PORTFOLIO DETAILS

Portfolio Highlights	
Total Assets (count)	230
Total GLA	25.5
Median Income - 3 mile (000s)	$55,641
Population - 3 mile (000s)	58,024
Anchor Term (yrs)	4.8
Total Occupancy	93.9%
Anchor Occupancy	97.8%
Inline Occupancy	86.2%
Total ABR / SF	$11.02
Anchor ABR / SF	$8.40
Inline ABR / SF	$16.94

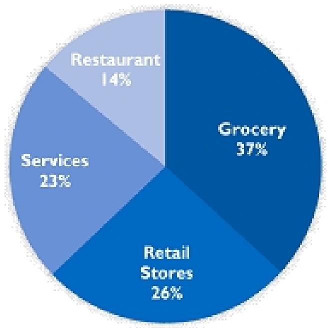
Financial Stats	
Fully Diluted Share Count	228.5
NAV / Share	$10.20
Total Debt	$1,645.0
Total Enterprise Value	$3,975.7

Credit Information	2017 Q1
Debt / TEV	41.4%

% ABR BY TENANT TYPE



% ABR BY INDUSTRY



Notes: Portfolio data as of 3/31/2017; All other financial data pro forma is as of 3/31/2017

INVESTMENT MANAGEMENT TRACK RECORD OF CAPITAL RAISED

History of building deep relationships, representing a broad spectrum of equity capital sources throughout all cycles - $3.9 Billion in total

High Net Worth LP's	Institutional LP's	Public REITs
$200 Million	$695 Million	$3.0 Billion

2000:	Fund I	$20 M	2005:	Fund III	$275 M	2010:	REIT I	$1.8 B
2002:	Fund II	$57 M	2008:	Fund IV	$120 M	2014:	REIT II	$1.2 B
2007:	SIF I	$65 M	2011:	CBRE JV	$50 M	2016:	REIT III	$1.5 B[2]
2011:	SIF II	$57 M	2016:	TPG JV	$250 M			

TRACK RECORD OF VALUE CREATION:
STRONG PERFORMANCE IN 6 OUT OF 7 CLOSED-END, CO-MINGLED FUNDS

NOTES:
(1) FOR PURPOSES OF PERFORMANCE FIGURES AND THE INFORMATION ABOVE, "FUND" MEANS PHILLIPS EDISON STRATEGIC INVESTMENT FUND LLC ("SIF I"), PHILLIPS EDISON STRATEGIC INVESTMENT FUND II LLC ("SIF II"), PHILLIPS EDISON & COMPANY SHOPPING CENTER OPPORTUNITY FUND LLC ("FUND I"), PHILLIPS EDISON & COMPANY SHOPPING CENTER OPPORTUNITY FUND II LLC ("FUND II"), PHILLIPS EDISON SHOPPING CENTER FUND III LP ("FUND III") OR PHILLIPS EDISON SHOPPING CENTER FUND IV LP ("FUND IV"), AS APPLICABLE.
(2) CURRENTLY IN OFFERING – REPRESENTS TARGET EQUITY RAISE

INVESTMENT MANAGEMENT- TRACK RECORD OF VALUE CREATION

Strong performance in 6 out of 7 closed-end funds

	Fund[1]	Vintage[2]	Equity Invested	Targeted Investor Return	Net IRR[3]	Net Multiple
REALIZED	Fund I	2000	$19,900,000	15-20%	32.1%	2.04X
	Fund II	2002	$57,200,000	15-20%	26.5%	1.26X
	Fund IV	2008	$62,350,000	13-15%	17.0%	1.67X
	CBRE JV	2011	$50,000,000	8%	16.1%	1.26X
PARTIALLY REALIZED	Fund III	2005	$275,000,000	13-15%	N/A	.17X
	SIF I	2007	$64,866,250	15-17%	13.4%	1.38X
UN-REALIZED	SIF II	2011	$57,200,000	15-17%	14.0%	2.80X

[1] For purposes of performance figures and the information above, "Fund" means Phillips Edison Strategic Investment Fund LLC ("SIF I"), Phillips Edison Strategic Investment Fund II LLC ("SIF II"), Phillips Edison & Company Shopping Center Opportunity Fund LLC ("Fund I"), Phillips Edison & Company Shopping Center Opportunity Fund II LLC ("Fund II"), Phillips Edison Shopping Center Fund III LP ("Fund III") or Phillips Edison Shopping Center Fund IV LP ("Fund IV"), as applicable.

[2] Vintage is the year in which the first capital call was made.

[3] Past performance is not necessarily indicative of prospective returns for the Fund. There can be no assurances that the Fund will be profitable. The partially realized and unrealized returns are estimates and actual results may vary. Internal rate of return net of all fees and payments to the manager. Calculated based on time of investment.

PECO I – BOARD OF DIRECTORS

Jeffrey S. Edison

Mr. Edison, together with Michael C. Phillips, founded Phillips Edison & Company and has served as a principal of the company since 1995. From 1991 to 1995, he was employed by NationsBank's South Charles Realty Corporation, serving as a Senior Vice President. Mr. Edison was employed by Morgan Stanley Realty Incorporated from 1987 until 1990 and The Taubman Company from 1984 until 1987.

Leslie T. Chao

Mr. Chao retired as Chief Executive Officer of Chelsea Property Group, a subsidiary of Simon Property Group, Inc. (NYSE: SPG), in 2008. Previously he served in various senior capacities at Chelsea, including President and Chief Financial Officer, from 1987 through its IPO in 1993 (NYSE: CPG) and acquisition by Simon in 2004. He is a non-executive director of Value Retail PLC, a leading developer of outlet centers in Europe, and from 2006 to 2008 served as an independent non-executive director of The Link REIT, the first and largest public REIT in Hong Kong.

Paul J. Massey, Jr.

Mr. Massey, together with partner Robert A. Knakal, whom he met at Coldwell Banker, founded Massey Knakal Realty Services, which became New York City's largest investment property sales brokerage firm, of which Mr. Massey served as Chief Executive Officer. With 250 sales professionals serving more than 200,000 property owners, Massey Knakal Realty Services was ranked as New York City's #1 property sales company in transaction volume by the CoStar Group, a national, independent real estate analytics provider. Mr. Massey also serves as Chairman for REBNY's Ethics and Business Practice Subcommittee, is Director of Commercial Board of Directors of REBNY, is an active member of the Board of Trustees for the Lower East Side Tenement Museum and serves as a chair or member of numerous other committees.

Stephen R. Quazzo

Mr. Quazzo is co-founder and Chief Executive Officer of Pearlmark Real Estate, L.L.C. From 1991 to 1996, Mr. Quazzo served as President of Equity Institutional Investors, Inc., a subsidiary of investor Sam Zell's private holding company, Equity Group Investments, Inc. Mr. Quazzo was responsible for raising equity capital and performing various portfolio management services in connection with the firm's real estate investments, including institutional opportunity funds and public REITs. He is a member and past trustee of the Urban Land Institute, a member of the Pension Real Estate Association, and is a licensed real estate broker in Illinois. In addition, Mr. Quazzo served as a director of Starwood Hotels & Resorts (NYSE: HOT) until its acquisition by Mariott and is an Investment Committee member of the Chicago Symphony Orchestra endowment and pension plans. Mr. Quazzo has served as a Trustee of The Latin School of Chicago since 2001 and since 1994 has been a Chicago Advisory Board member of City Year, a national service organization.

Gregory S. Wood

Mr. Wood has been Executive Vice President & Chief Financial Officer of EnergySolutions, Inc., a leading services provider to the nuclear industry, since June 2012. Prior to that, Mr. Wood held the role of chief financial officer at numerous public and private companies, including with Actian Corporation, Silicon Graphics, Liberate Technologies and InterTrust Technologies. Mr. Wood was a director of Steinway Musical Instruments, Inc. from October 2011 to October 2013, where he also served as Chairman of the Audit Committee.

PHILLIPS EDISON & COMPANY – MANAGEMENT

Jeffrey S. Edison, *Principal and Chief Executive Officer*

Jeff Edison, together with Michael C. Phillips, founded Phillips Edison & Company and has served as a principal of the company since 1995. From 1991 to 1995, he was employed by NationsBank's South Charles Realty Corporation, serving as a Senior Vice President. Mr. Edison was employed by Morgan Stanley Realty Incorporated from 1987 until 1990 and The Taubman Company from 1984 until 1987.

Devin I. Murphy, *Principal and Chief Financial Officer*

Devin Murphy is the Chief Financial Officer of Phillips Edison Grocery Center REIT I, Inc. He previously served as Vice Chairman of Investment Banking at Morgan Stanley. He began his real estate career in 1986 when he joined the real estate group at Morgan Stanley as an associate. Prior to rejoining Morgan Stanley in June 2009, Mr. Murphy was a managing partner of Coventry Real Estate Advisors, a real estate private equity firm which sponsors institutional investment funds that acquire and develop retail properties.

Robert F. Myers, *Chief Operating Officer*

Bob Myers joined Phillips Edison in 2003 as a Senior Leasing Manager, was promoted to Regional Leasing Manager in 2005 and became Vice President of Leasing in 2006. He was named Senior Vice President of Leasing and Operations in 2009, and Chief Operating Officer in 2010. Before joining Phillips Edison, Mr. Myers spent six years with Equity Investment Group, where he started as a property manager in 1997. He served as Director of Operations from 1998 to 2000 and as Director of Lease Renegotiations/Leasing Agent from 2000 to 2003.

R. Mark Addy, *President and Chief Operating Officer, PECO I*

Mark Addy has served as the Co-President of Phillips Edison Grocery REIT I since April 2013 and as the Chief Operating Officer of Phillips Edison Grocery REIT I since October 2010. Mr. Addy served as Chief Operating Officer for Phillips Edison & Company from 2004 to October 2010. He served Phillips Edison as Senior Vice President from 2002 until 2004, when he became Chief Operating Officer. Mr. Addy was the top executive in the Cincinnati, Ohio headquarters, responsible for implementing the company's growth strategy.

Why Grocery?

ADVANTAGES OF OUR GROCERY ANCHORED FOCUS

Grocery is the most attractive space in shopping center real estate

NECESSITY-BASED

- Average customer trips per week is **1.6**[1]
- Consistent demand generator — non-cyclical
- Recession resistant

HIGH TRAFFIC

- **18,000** avg. total trips per week
- Benefits in-line tenant sales and growth

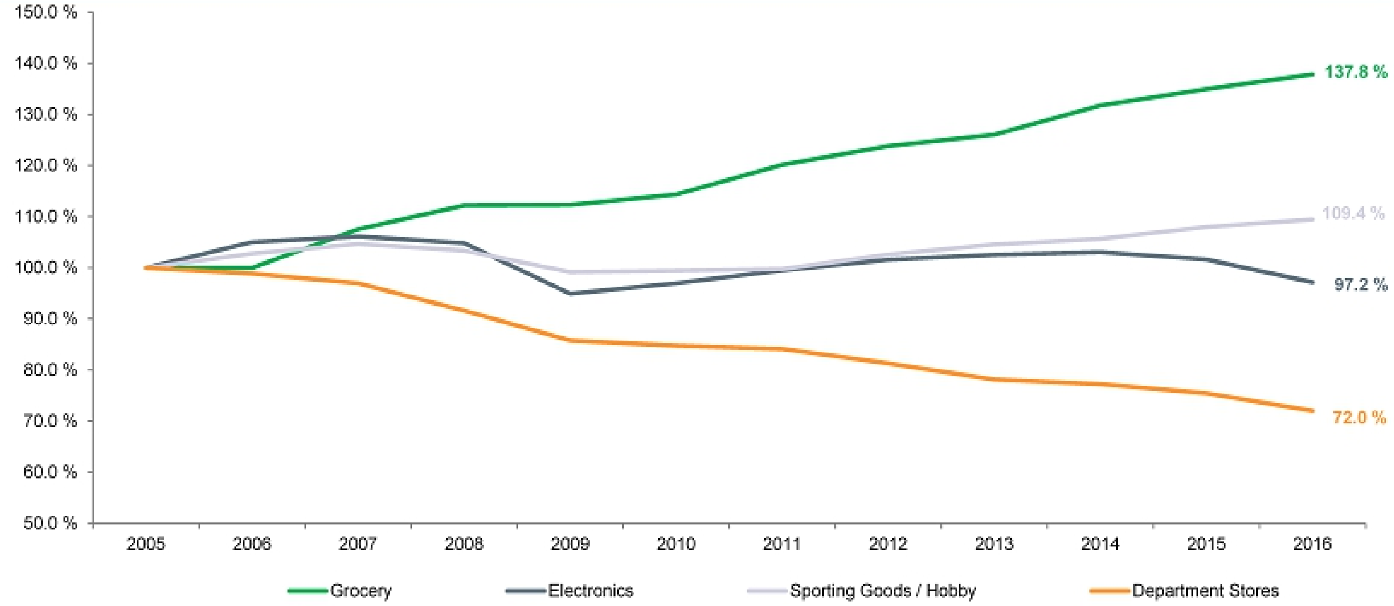
E-COMMERCE RESISTANT

- Rental revenue driven by convenience and service-based business
- Online is currently **2.4%** of total food sales[2]

SOURCES:
(1) FOOD MARKETING INSTITUTE
(2) THE FUTURE OF FOOD RETAILING 2015, WILLARD BISHOP

GROCERY SALES HAVE OUTPERFORMED ALL OTHER RETAIL SALES

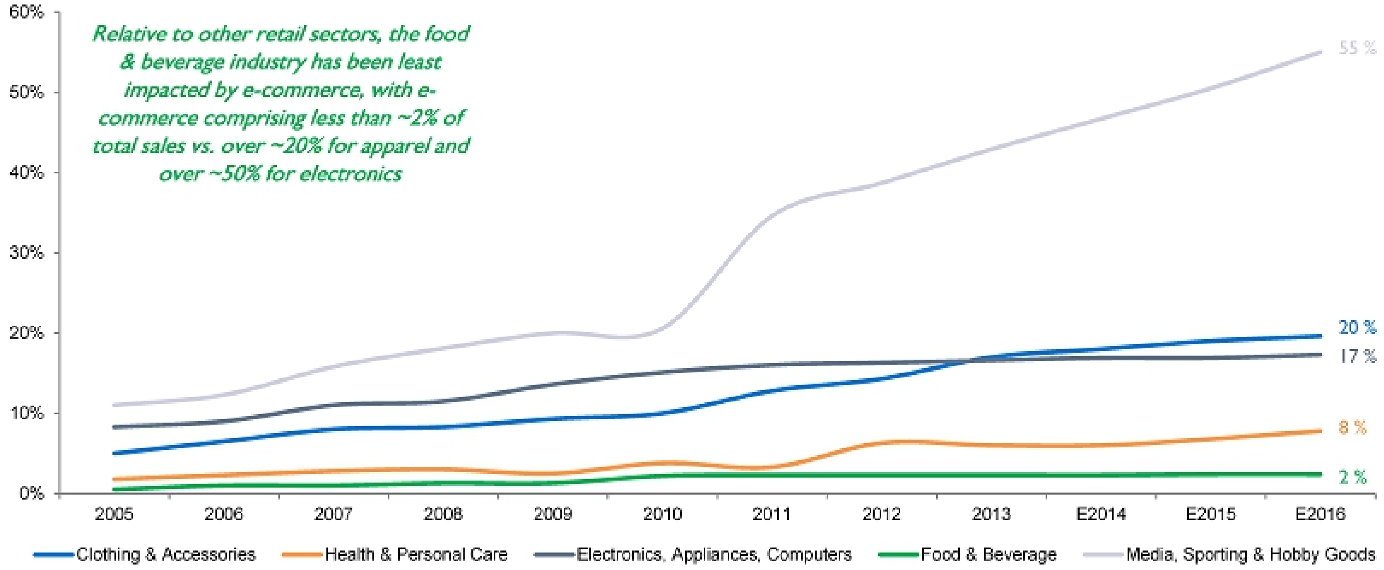
Monthly Retail Store Sales per U.S. Census Data[1]



Sources: U.S. Census Advanced Monthly Retail Trade Report as of February 2017 and NAICS retailer codes
Note: **Grocery** includes supermarkets and other grocery stores, excluding convenience stores. **Electronics** includes electronics and appliance stores. **Sporting Goods / Hobby** includes sporting goods stores, hobby stores, book stores and music stores. **Department** stores includes all department stores.
[1] Includes both in-store and online sales for companies that have physical brick-and-mortar stores. Monthly sales are adjusted for seasonal variation. Excludes pure-play online retail.

FOOD AND BEVERAGE IS MORE RESISTANT TO E-COMMERCE THAN OTHER RETAIL SECTORS

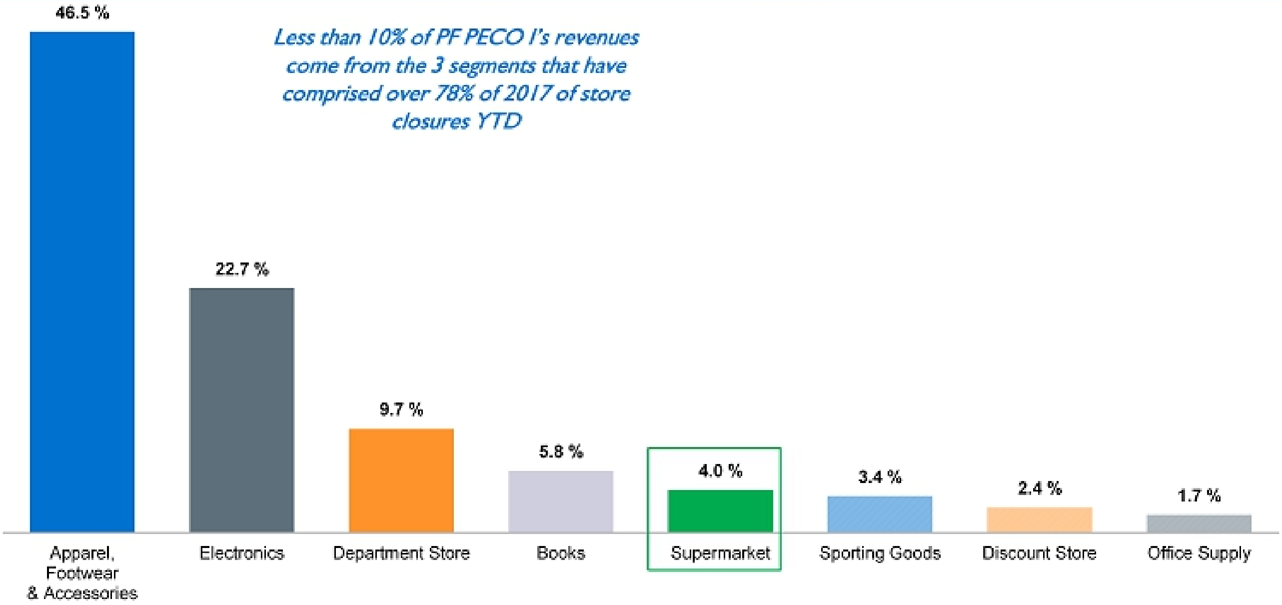
Digital's Share of U.S. Retail Sales by Type of Retailer



Sources: U.S. Census Bureau, BI intelligence estimates, Cushman & Wakefield research and U.S. Department of commerce

STORE CLOSURES ARE CONCENTRATED IN NON-GROCERY RETAIL, PARTICULARLY APPAREL

Store Closings Completed or Announced YTD by Type of Retailer



Less than 10% of PF PECO I's revenues come from the 3 segments that have comprised over 78% of 2017 of store closures YTD

	Apparel, Footwear & Accessories	Electronics	Department Store	Books	Supermarket	Sporting Goods	Discount Store	Office Supply
PECO I PF Exposure[1]	5.8 %	0.8 %	2.7 %	0.3 %	37.4 %	1.2 %	4.0 %	0.9 %

Annual rent lost due to closures in Q1 2017 for PF PECO I totaled ~0.36% of annual rent

Sources: TNT Store Closure Database
Note: The above data excludes 3.7% of other, which includes beauty, convenience, crafts stores, dollar stores, drug retailers, home stores and toys.
[1] PF PECO I exposure weighted by annualized base rent.

INVESTMENT STRATEGY

INVESTMENT THESIS

We invest in grocery-anchored shopping centers with a focus on the three-mile trade area – the micro-market – surrounding each shopping center with the following characteristics:

GENERAL

- Geographically diverse portfolio in growing markets
- Market leading grocery anchor
- 70-80% national and regional creditworthy tenants
- Diversification by tenancy, industry and lease term
- E-commerce resistant

TRADE AREA SPECIFIC

- #1 or #2 traditional grocer in market with a favorable health ratio[2]
- Walmart established in marketplace
- Average population target of 55,000 in a three-mile radius
- Average household income target of $60,000
- Employment diversity

PROPERTY SPECIFIC – POWER SCORE[1]

- Proprietary, algorithm based scorecard that ranks over 40 property criteria including:
- Grocer strength – sales, market share, health ratio[2], lease term
- Functionality of site design
- Asset age/quality
- Access and visibility
- Merchandising mix/opportunity

NOTES:
(1) PROPRIETARY SCORECARD THAT USES A SERIES OF ALGORITHMS TO BENCHMARK INDIVIDUAL ASSETS BASED ON A DEFINED SET OF CHARACTERISTICS INCLUDING THOSE FEATURED ON THIS SLIDE.
(2) HEALTH RATIO IS THE AMOUNT OF ANNUAL RENT AS A PERCENTAGE OF ANNUAL SALES.

INVESTMENT STRATEGY

FOCUS ON MAJOR GROCERY FORMATS

TRADITIONAL

- DOMINANT FORMAT
- 65% OF SUPERMARKET FOOD SALES
- 3% CAGR[1]

Publix. SAFEWAY Kroger

CHARACTERISTICS:
- Full line of groceries, meat, and produce
- 15% of sales in General Merchandise and Health & Beauty
- Service deli, service bakery, and/or pharmacy

SUPERCENTER

- Second largest format
- 25% of supermarket food sales
- 0.7% CAGR[1]

Walmart SuperTARGET

CHARACTERISTICS:
- Mass Merchandiser + Grocery Component
- Average size – 170,000 square feet
- 40% dedicated to grocery

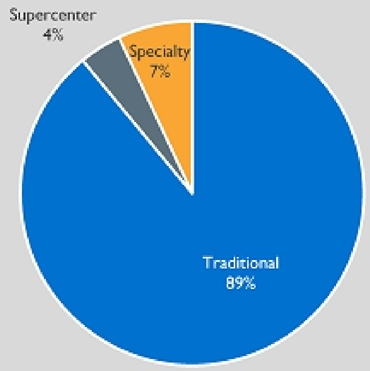
FRESH FORMAT

- Fastest growing format
- 6.4% 2013 sales growth
- 12.3% CAGR[1]

SPROUTS FARMERS MARKET WHOLE FOODS MARKET THE FRESH MARKET

CHARACTERISTICS:
- Emphasize perishables and organics
- 75% of sales from produce, meat, seafood, dairy
- Smaller footprint

Pro Forma PECO I

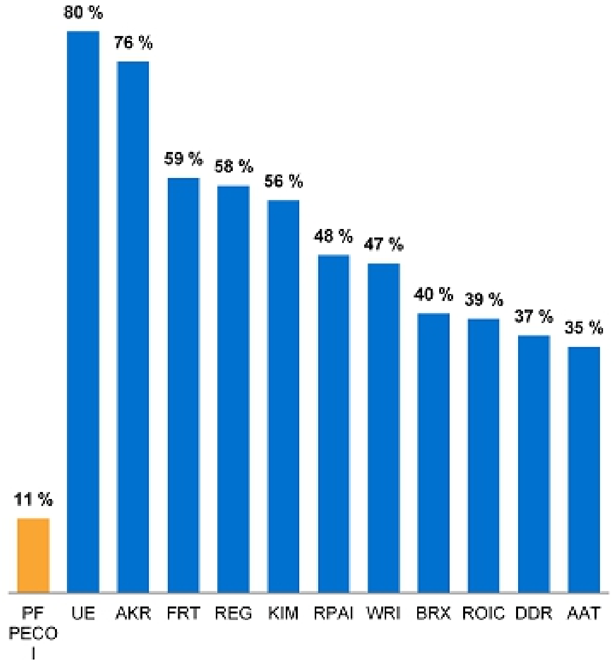


PECO I focuses on the #1 or #2 market-leading grocer across the traditional format

NOTES:
(1) 2011 – 2016 CAGR, SOURCE: PROGRESSIVE GROCER
(2) GRAPH IS REPRESENTATIVE OF 198 GROCERY ANCHORED PROPERTIES (EXCLUDING SHADOW ANCHORS)

PROPERTIES LOCATED IN UNCROWDED MARKETS

% Exposure to Top 15 MSAs[1]



Key Opportunities

- ✓ Established position in markets outside the Top 15 GSA MSAs, supported by 25+ year operating history
- ✓ Limited competition from public peers, which tend to focus on crowded major MSAs
- ✓ Positioning outside Top 15 MSAs enables Phillips Edison to compete in markets with less existing retail SF on a per capita basis
- ✓ Competitive advantage over local operators due to:
  - Scale of platform
  - Depth of market / management expertise; and
  - Spectrum of capabilities
- ✓ Expertise in segment of market in which Public REITs do not have significant expertise
  - Expands opportunity set
  - Potential to pair with public currency in the future

Sources: Green Street Advisors, J.P. Morgan research report ("Dept Stores / Specialty Softlines" dated 7-May-2017)
[1] Data for shopping center peers covered by Green Street Advisors is by asset value.

PORTFOLIO BREAKDOWN BY TOP MSAS

Top 5 MSAs

	Metropolitan Statistical Area	Rank in Population	Number of Pro Forma PECO I Properties
1	Atlanta-Sandy Springs-Roswell, GA Metro Area	9	17
2	Tampa-St. Petersburg-Clearwater, FL Metro Area	18	8
3	Dallas-Fort Worth-Arlington, TX Metro Area	4	5
T4	Chicago-Naperville-Elgin, IL-IN-WI Metro Area	3	6
T4	Minneapolis-St. Paul-Bloomington, MN-WI Metro Area	16	5
		Total	41

18.1% of the portfolio

Properties in Top MSAs

	Number of Properties	Percent of PF PECO I Portfolio
Top 25 MSAs	80	35.2%
Top 50 MSAs	120	52.9%

Notes:
Includes Pro Forma PECO I properties as of 12/31/16 (227)
MSA data is as of 7/1/16

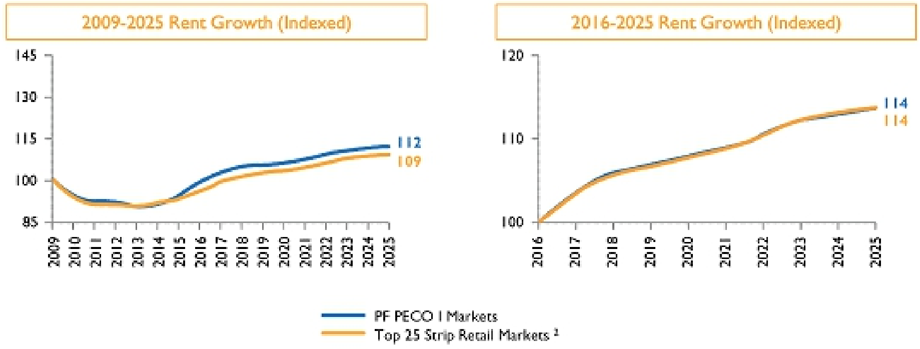
SECONDARY MARKET RETAIL RETURNS BEAT CORE MARKETS

Assets in the Top 25 shopping center markets would need to experience a ~67 bps decrease in exit cap rates to achieve a levered IRR comparable to PF PECO I assets

Key Notes

- ✓ Historical indexed rent growth for PECO I markets has largely tracked and even beaten rent growth for the Top 25 shopping center markets since 2009
- ✓ Going forward, secondary market rent growth is expected to track growth in the Top 25 markets
- ✓ Given the higher initial yields of secondary markets, this translates into higher potential total returns of over 250 bps or 25%

PF PECO I Markets vs. Top 25 Markets[1]



Hypothetical Returns

	Initial Investment	Entry Cap Rate	LTV[4]	Levered Free Cash Flows Year 1	Year 2	Year 3	Year 4	Year 5	Levered IRR
PF PECO I Markets[3]	$ 100.0	6.5 %	40.0 %	$ 5.9	$ 6.1	$ 6.5	$ 6.7	$ 6.9	14.4 %
Top 25 Shopping Center Markets[1]	$ 100.0	5.4 %	40.0 %	$ 4.9	$ 5.0	$ 5.2	$ 5.4	$ 5.5	11.8 %
								DELTA:	259 bps

Source: CBRE Econometric Advisors / Torto Wheaton and Real Capital Analytics

[1] Rent growth for PF PECO I Markets and Top 25 Strip Retail Markets are based on CBRE Econometric Advisors / Torto Wheaton rent growth forecasts for each of their respective markets. Rent growth detail for PF PECO I Markets is not available for all markets – data shown reflect growth estimates based on data only for available markets, which represent approximately 55% of the portfolio by square feet

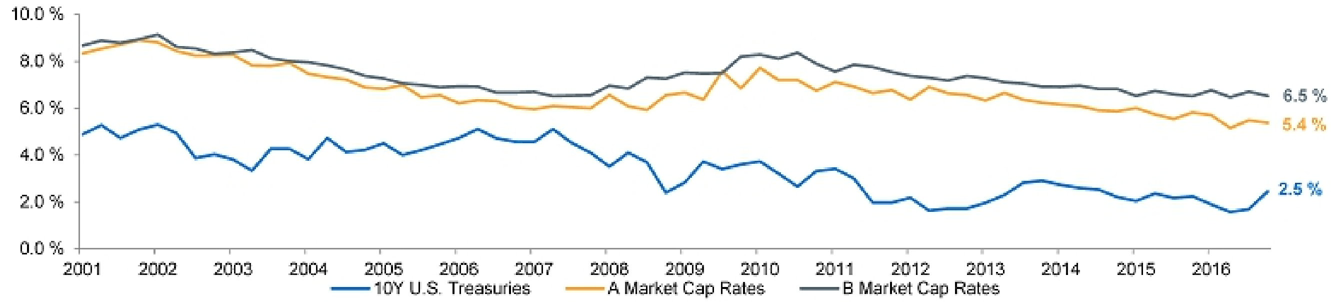
[2] Top 25 Markets include Atlanta, Baltimore, Boston, Charlotte, Chicago, Dallas, Denver, Fort Lauderdale, Fort Worth, Houston, Jacksonville, Las Vegas, Long Island, Los Angeles, Miami, Orlando, West Palm Beach, Philadelphia, Phoenix, Raleigh, San Antonio, San Diego, San Francisco, San Jose and Tampa

[3] PF PECO I Markets cap rate is an estimate based on average acquisition cap rates over the past 12 months. Top 25 Strip Retail Markets cap rate is an estimate calculated as PF PECO I markets less the current 1.1% spread between A and B market cap rates. See next slide for details

[4] The same debt assumptions are applied to both PF PECO I Markets and Top 25 Shopping Center Markets

SPREAD BETWEEN CAP RATES IN A MARKETS VS. B MARKETS HAS WIDENED

B Market Cap Rates Have Closely Tracked A Market Cap Rates Historically

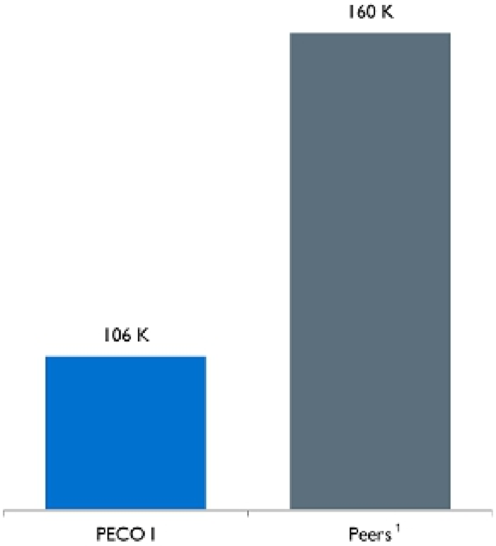


Recently, the Spread Between A and B Markets has Widened and is Well Above the Long-Term Average

Sources: Real Capital Analytics

OUR STORES ARE RIGHT-SIZED

Average Property Size (Square Feet)



Source: Cushman & Wakefield Research
[1] Peers include AAT, AKR, BRX, DDR, FRT, KIM, REG, ROIC, RPAI, UE and WRI.

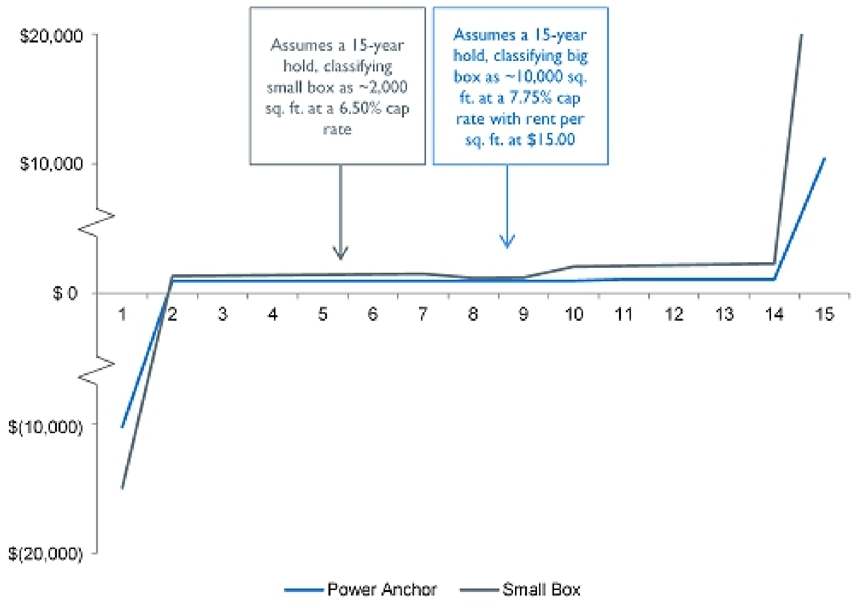
Commentary

- ✓ Our assets are **~1/3 smaller than our peers' assets**, and our non-anchor stores, averaging 2,477 square feet, are also smaller than power center peers' small shops
- ✓ Meetings with national and regional tenants over the last 30 days indicate **demand for over 6,500 new small shops (2K - 3K square feet)** in the next year across several necessity retail tenant types
- ✓ Trends expected in the next year will also favor smaller shops
  - ✓ Health & Wellness: spin classes, pilates studios, health-conscious fast casual restaurants, etc.
  - ✓ Clicks-to-Bricks: online retailers opening physical brick-and-mortar stores
- ✓ A small portion of the retail world is contributing to the negative news: apparel, department stores, and office are the headliners
- ✓ Food is major driver everywhere because Americans are eating out now more than ever
- ✓ Neighborhood community centers and grocery-anchored centers are performing well because success in this area depends on in-line local services; vacant Class A space is being refilled easily

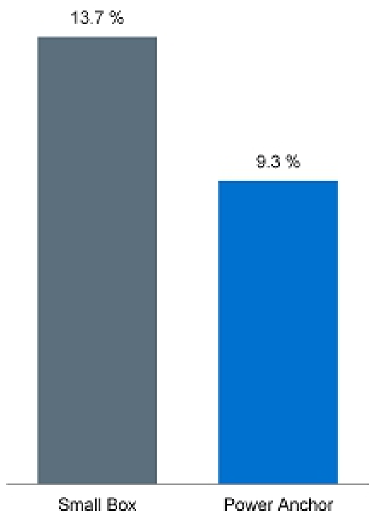
ECONOMICS OF SMALL BOX VS. BIG BOX RETAILERS

Our smaller tenants have more attractive unit economics than our anchor tenants, generating an IRR of ~14% over a 15 year period versus ~9% for anchor tenants

Cash Flows



IRR



ECONOMICS OF SMALL BOX VS. BIG BOX RETAILERS

Our smaller tenants have more attractive unit economics than our anchor tenants, generating an IRR of ~14% over a 15 year period versus ~9% for anchor tenants

Power Anchor

Cap Rate		7.75%	Initial Term (yrs)		10	Initial TI / Sq. Ft.		$35.00
Square Feet		10,000	Option (yrs)		5	Debt	50.0%	$774,194
Initial Rent / Sq. Ft.		$15.00	Option Rent	110.0%	$16.50	Debt Service	3.00%	23,226

Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Terminal
Rent		$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$150,000	$165,000	$165,000	$165,000	$165,000	$165,000	$165,000
Less: Prop. OpEx	20.0%	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)	(33,000)
Less: Tenant Improvements		(350,000)															
Less: Debt Service		(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	(23,226)	
Entry		(774,194)															
Exit																929,032	
Cash Flow		**($1,027,419)**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$96,774**	**$108,774**	**$108,774**	**$108,774**	**$108,774**	**$1,037,806**	
IRR		**9.3%**															

Small Shop

Cap Rate		6.50%	Initial Term (yrs)		7	Initial TI / Sq. Ft.		$40.00	Downtime (yrs)		1.0
Square Feet		2,000	Option (yrs)		3	Retention Rate		75.0%	Debt	50.0%	$1,307,692
Tenants	5	10,000	Rent / Sq. Ft		$25.00	New Lease Mark to Market		115.0%	Debt Service	3.00%	39,231
Vacancy Factor		80.0%	Option Growth		10.0%	Annual Rent Growth		2.0%			

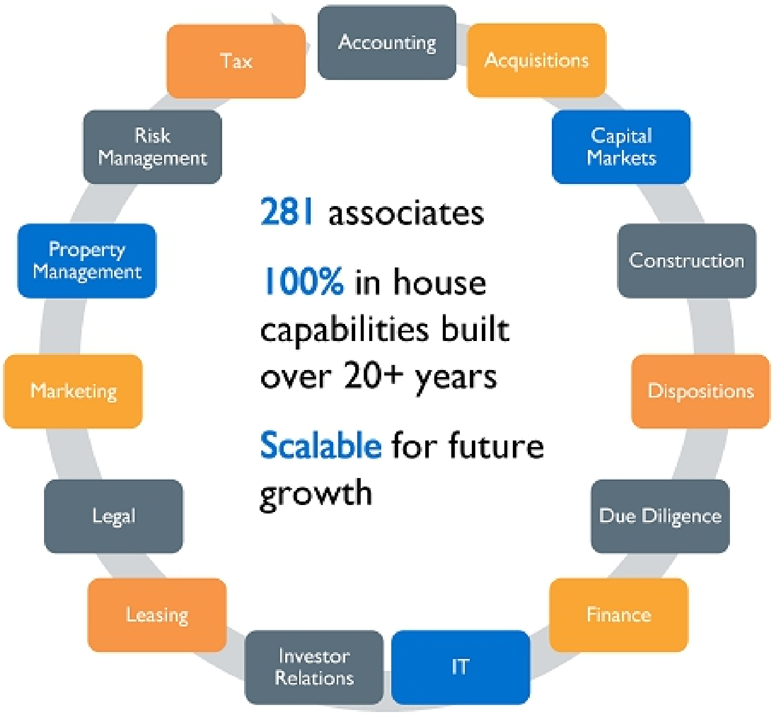
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	Terminal
Rent: Tenant 1		$50,000	$51,000	$52,020	$53,060	$54,122	$55,204	$56,308	$61,939	$71,230	$72,654	$74,107	$75,590	$77,101	$78,643	$86,508	$88,238
Rent: Tenant 2		50,000	51,000	52,020	53,060	54,122	55,204	56,308	61,939	71,230	72,654	74,107	75,590	77,101	78,643	86,508	88,238
Rent: Tenant 3		50,000	51,000	52,020	53,060	54,122	55,204	56,308	61,939	71,230	72,654	74,107	75,590	77,101	78,643	0	88,238
Rent: Tenant 4		50,000	51,000	52,020	53,060	54,122	55,204	56,308	0	71,230	72,654	74,107	75,590	77,101	78,643	80,216	88,238
Rent: Tenant 5 (static vacancy)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Rent		$200,000	$204,000	$208,080	$212,242	$216,486	$220,816	$225,232	$185,817	$284,919	$290,617	$296,430	$302,358	$308,406	$314,574	$253,232	$352,952
Less: Prop. OpEx	15.0%	(30,000)	(30,600)	(31,212)	(31,836)	(32,473)	(33,122)	(33,785)	(27,873)	(42,738)	(43,593)	(44,464)	(45,354)	(46,261)	(47,186)	(37,985)	(52,943)
Less: Tenant Improvements		(320,000)								(80,000)							
Less: Debt Service		(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	(39,231)	
Entry		(1,307,692)															
Exit																3,307,830	
Cash Flow		**($1,496,923)**	**$134,169**	**$137,637**	**$141,175**	**$144,783**	**$148,463**	**$152,217**	**$118,714**	**$122,950**	**$207,794**	**$212,735**	**$217,774**	**$222,914**	**$228,157**	**$3,483,846**	
IRR		**13.7%**															

The Platform

MANAGEMENT & PELP'S FULLY INTEGRATED OPERATING PLATFORM

Highly experienced management team with a fully integrated operating platform with

- Executive management averages 15 years at Philips Edison and 28 in commercial real estate
- Fully integrated platform provides **synergies and efficiencies**
- **Control along every step of the value creation cycle**, from sourcing an acquisition to property disposition
- Platform **scalable** to own and operate 400+ shopping centers



NATIONAL, FULLY INTEGRATED OPERATING PLATFORM

In-House Portfolio Management, Leasing and Operations team with regional focus and expertise

Chief Operating Officer

SENIOR LEADERSHIP TEAM - OPERATIONS

SVP, Portfolio/Asset Management
SVP, Leasing
VP, Leasing
VP, Renewal Leasing

SVP, Property Management
Chief Marketing Officer
SVP, Construction
SVP, General Counsel

WEST REGION[1]

Regional VP Portfolio Manager: 1
Property Management Associate: 1
Leasing Agents: 7
Retention Agents: 1
Property Managers: 6
Construction Managers: 2
Attorneys: 1
Paralegals: 1

NORTH REGION[1]

Regional VP Portfolio Manager: 1
Property Management Associate: 1
Leasing Agents: 7
Retention Agents: 1
Property Managers: 9
Construction Managers: 2
Attorneys: 1
Paralegals: 1

MID-ATLANTIC REGION[1]

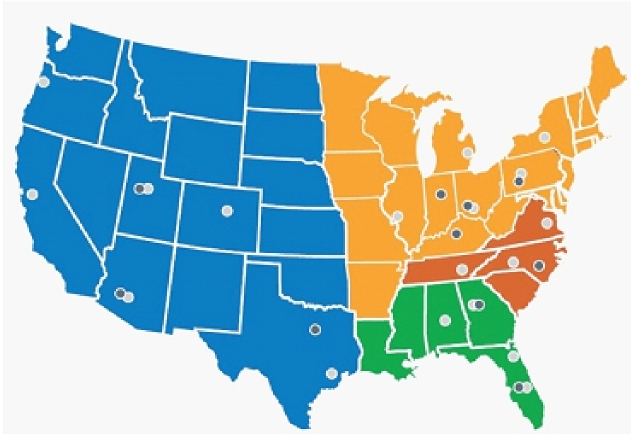
Regional VP Portfolio Manager: 1
Property Management Associate: 1
Leasing Agents: 6
Retention Agents: 1
Property Managers: 7
Construction Managers: 1
Attorneys: 1
Paralegals: 1

SOUTHEAST REGION[1]

Regional VP Portfolio Manager: 1
Property Management Associate: 1
Leasing Agents: 6
Retention Agents: 1
Property Managers: 8
Construction Managers: 1
Attorneys: 1
Paralegals: 1

REDEVELOPMENT REGION[1]

Vice President of Redevelopment: 1
Redevelopment Construction Managers: 2
Redevelopment Leasing Agents: 3



- Leasing Agent Offices: 8
- Property Manager Offices: 18

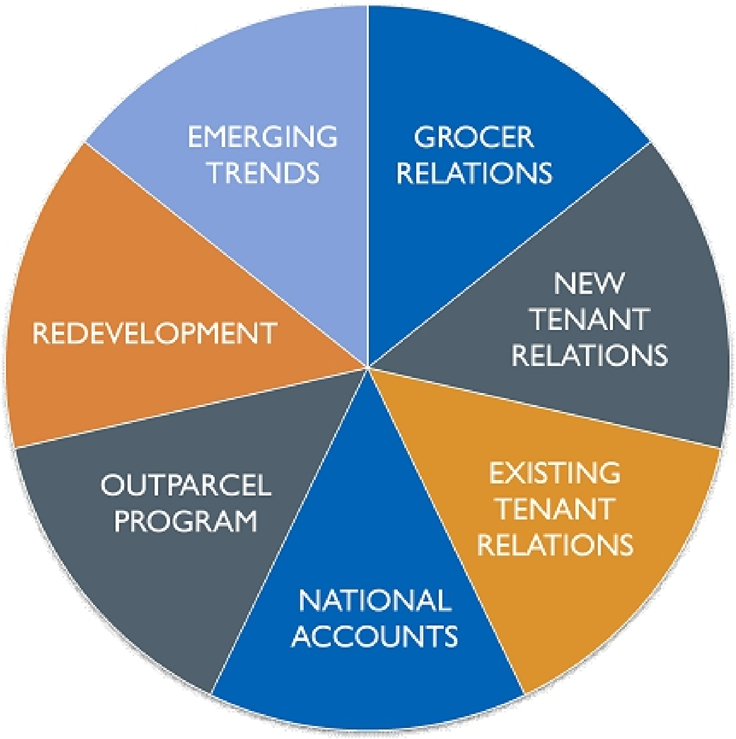
26 TOTAL OFFICES NATIONWIDE

In addition, the operations team is complemented by a fully integrated platform of more than 160 associates within Finance, Capital Markets, Research, Accounting, Marketing, Information Technology, and more.

NOTE: (1) CERTAIN EMPLOYEES HAVE MULTI-REGIONAL ROLES AND MAY BE COUNTED TWICE

NATIONAL, FULLY INTEGRATED OPERATING PLATFORM: IN-HOUSE LEASING

National footprint with strategically focused teams



New Leases

	Lease Count	GLA	First Yr ABR
2014	260	720,505	$11.02
2015	330	1,172,500	$11.62
2016	342	1,142,223	$12.47
2017[1]	89	281,254	$13.40

On pace for 356 new leases in 2017

Renewals

	Lease Count	GLA	Renewal Spread
2014	404	1,537,409	4.9%
2015	434	1,535,230	13.6%
2016	545	1,728,755	13.7%
2017[1]	131	347,722	13.1%

On pace for 524 renewals in 2017

NOTE: (1) 2017 LEASING STATS ARE YTD THROUGH 3/31/2017

NATIONAL, FULLY INTEGRATED OPERATING PLATFORM: IN-HOUSE ACQUISITIONS

Senior Vice President of Acquisitions

SENIOR LEADERSHIP TEAM

Head of Western Acquisitions
Head of Midwest Acquisitions
Head of Southeast Acquisitions
Head of Northeast Acquisitions
Vice President of Transactions
Director of Underwriting

WEST REGION[1]

Acquisitions Associates: 1
Underwriting Analysts: 2
Transactions Analysts: 2

MIDWEST REGION[1]

Acquisitions Associates: 1
Underwriting Analysts: 1
Transactions Analysts: 2

CENTRAL REGION[1]

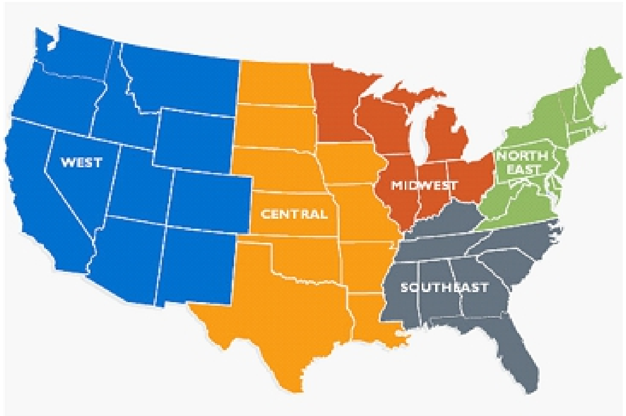
Acquisitions Associates: 1
Underwriting Analysts: 1
Transactions Analysts: 2

NORTHEAST REGION[1]

Acquisitions Associates: 1
Underwriting Analysts: 2
Transactions Analysts: 2

SOUTHEAST REGION[1]

Acquisitions Associates: 1
Underwriting Analysts: 1
Transactions Analysts: 2



NOTE: (1) CERTAIN EMPLOYEES HAVE MULTI-REGIONAL ROLES AND MAY BE COUNTED TWICE

NATIONAL, FULLY INTEGRATED OPERATING PLATFORM: IN-HOUSE ACQUISITIONS

2014	2015	2016

ACQUISITIONS ACTIVITY
• Reviewed 3,134 deals
• Underwrote 581 active opportunities
• Sent out 434 LOIs
• Closed on 77 grocery anchored centers representing $1.2 billion and 6 million square feet
  • 33 off-market and direct acquisitions
  • 44 on-market acquisitions
	ACQUISITIONS ACTIVITY
	• Reviewed 2,549 deals
	• Underwrote 386 active opportunities
	• Sent out 247 LOIs
	• Closed on 49 grocery anchored centers representing $808 million and 5.4 million square feet
	  • 24 off-market and direct acquisitions
	  • 25 on-market acquisitions
		ACQUISITIONS ACTIVITY
		• Reviewed 2,217 deals
		• Underwrote 364 active opportunities
		• Sent out 233 LOIs
		• Closed on 41 grocery anchored centers representing $880 million and 5.1 million square feet
		  • 18 off-market and direct acquisitions
		  • 23 on-market acquisitions

GROCERY ANCHORED PIPELINE (LOI'S OUTSTANDING AS OF 3/31/2017)

3.5mm
SQUARE FEET

~$700m
AGGREGATE
PURCHASE PRICE

32
PROPERTIES

SUPPORT DEPARTMENTS BUILT TO DRIVE SCALABLE EFFICIENCIES

Back office platform focused on process efficiencies, driving high incremental margins with each new asset under management

Accounting

- Property Accounting
- Financial Reporting
- CAM
- Accounts Receivable/Payable

Finance

- Regional Portfolio support
- FP&A and Corporate
- Investor Relations

Legal

- Acquisition support
- Lease Administration
- Corporate Governance

Risk Management

- Insurance
- Claims Management
- Enterprise Risk Management

Information Technology

- Strategic platform design
- Systems implementation and integration
- Cyber Security

SHAREHOLDER ALIGNED COMPANY CULTURE

- Ownership culture aligned with shareholders
  - Every associate receives ownership units after 1 year of service
  - Fosters environment of innovation and encourages associates to "act like an owner"
- Culture of learning
  - PECO University: training department with employee-led curriculum featuring over 75 courses
  - Innovation Lab: annual cross-functional projects intended to promote forward thinking
- Highly engaged, dedicated associates
  - 4-time "Best Place to Work in Cincinnati" Finalist
  - In a study conducted by CEB, Phillips Edison employees ranked significantly higher in employee engagement[1] and retention versus a benchmark[2] comprised of 180 like-sized companies
  - Employee-led initiatives for promoting women and community service

INNOVATION LAB

PECO
PRIDE | ENERGY | CONNECTION | OPPORTUNITY

PECO UNIVERSITY

PECO NOW Networking Opportunity for Women

PECO COMMUNITY PARTNERSHIP

NOTES:
(1) ENGAGEMENT CAPITAL SCORE IS THE AMOUNT OF COMMITMENT, DISCRETIONARY EFFORT AND INTENT TO STAY THAT ASSOCIATES EXHIBIT BASED ON PAST, PRESENT, AND FUTURE CONDITIONS
(2) SURVEY CONDUCTED BY CEB AND BENCHMARKED AGAINST 180 LIKE-SIZED GLOBAL COMPANIES IN 20 INDUSTRIES

PHILLIPS EDISON & COMPANY

For more information please contact:

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  InvestorRelations@PhillipsEdison.com
  (513) 338-2743

Appendix


Harris Teeter
Your Neighborhood Food & Pharmacy
redbox
DVD RENTALS

RECONCILIATION OF NON-GAAP FINANCIALS

Funds from Operations

Funds from operations ("FFO") is a non-GAAP performance financial measure that is widely recognized as a measure of REIT operating performance. We use FFO as defined by the National Association of Real Estate Investment Trusts ("NAREIT") to be net income (loss), computed in accordance with GAAP, adjusted for gains (or losses) from sales of depreciable real estate property (including deemed sales and settlements of pre-existing relationships), plus depreciation and amortization on real estate assets and impairment charges, and after related adjustments for unconsolidated partnerships, joint ventures, and noncontrolling interests. We believe that FFO is helpful to our investors and our management as a measure of operating performance because, when compared year to year, it reflects the impact on operations from trends in occupancy rates, rental rates, operating costs, development activities, general and administrative expenses, and interest costs, which are not immediately apparent from net income. FFO should not be considered as an alternative to net income (loss) or income (loss) from continuing operations under GAAP, nor as an indication of our liquidity, nor is this measure indicative of funds available to fund our cash needs, including our ability to fund distributions. Accordingly, FFO should be reviewed in connection with other GAAP measurements. FFO should not be viewed as more prominent measures of performance than our net income or cash flows from operations prepared in accordance with GAAP. Our FFO, as presented, may not be comparable to amounts calculated by other REITs.

Pro Forma Funds from Operations – FFO for the quarter ended March 31, 2017, pro forma for the transaction, is not reasonably reconcilable to net income at this time as purchase accounting and other non-cash transaction adjustments have not yet been completed.

The following section presents our calculation of FFO and provides additional information related to our operations (in thousands):

	PECO I Three Months Ended March 31, 2017	PECO I Twelve Months Ended December 31, 2016
Calculation of FFO		
Net income attributable to stockholders	$ 1,106	$ 8,932
Adjustments:		
Depreciation and amortization of real estate assets	27,624	106,095
Impairment of real estate assets	-	-
Gain on sale of property	-	(4,732)
Noncontrolling interest	(420)	(1,513)
FFO attributable to common stockholders	$ 28,310	$ 108,782
Earnings per common share:		
Weighted-average common shares outstanding - basic	183,230	183,678
Weighted-average common shares outstanding - diluted	186,022	186,394
Net income per share - basic and diluted	$0.01	$0.05
FFO per share - basic	$0.15	$0.59
FFO per share - diluted	$0.15	$0.58
Dividends per share	$0.165	$0.670

RECONCILIATION OF NON-GAAP FINANCIALS

Same-Center Net Operating Income

We present Same-Center NOI as a supplemental measure of our performance. We define NOI as total operating revenues, adjusted to exclude lease buy-out income and non-cash revenue items, less property operating expenses and real estate taxes. Same-Center NOI represents the NOI for the 132 properties for PECO I that were owned and operational for the entire portion of both comparable reporting periods, except for those properties we currently classify as redevelopment. A property is removed from the Same-Center pool and classified as redevelopment when it is being repositioned in the market and such repositioning is expected to have a significant impact on property operating income. While there is judgment surrounding changes in designations, once a redevelopment property has stabilized, it is typically moved to the Same-Center pool the following year. Currently, we have identified five properties that we classify as redevelopment properties.

We believe that NOI and Same-Center NOI provide useful information to our investors about our financial and operating performance because each provides a performance measure of the revenues and expenses directly involved in owning and operating real estate assets and provides a perspective not immediately apparent from net income. Because Same-Center NOI excludes the change in NOI from properties acquired after December 31, 2014, and those considered redevelopment properties, it highlights operating trends such as occupancy levels, rental rates, and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Same-Center NOI, and accordingly, our Same-Center NOI may not be comparable to other REITs.

Same-Center NOI should not be viewed as an alternative measure of our financial performance since it does not reflect the operations of our entire portfolio, nor does it reflect the impact of general and administrative expenses, acquisition expenses, depreciation and amortization, interest expense, other income, or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties that could materially impact our results from operations.

RECONCILIATION OF NON-GAAP FINANCIALS

The table below is a comparison of Same-Center NOI for the years ended December 31, 2016 and 2015 (in thousands) for PECO I:

	2016	2015	$ Change	% Change
Revenues:				
Rental income[1]	$ 164,622	$ 160,515	$ 4,107	
Tenant recovery income	56,142	53,737	2,405	
Other property income	773	1,111	(338)	
Total revenues	221,537	215,363	6,174	2.9%
Operating Expenses:				
Property operating expenses	36,784	35,049	1,735	
Real estate taxes	31,679	31,945	(266)	
Total operating expenses	68,463	66,994	1,469	2.2%
Total Same-Center NOI	$ 153,074	$ 148,369	$ 4,705	3.2%

(1) Excludes straight-line rental income, net amortization of above- and below-market leases, and lease buyout income.

Below is a reconciliation of net income to NOI and Same-Center NOI for the years ended December 31, 2016 and 2015 for PECO I (in thousands):

	2016	2015
Net income	$ 9,043	$ 13,561
Adjusted to exclude:		
Lease buyout income	(583)	(6)
General and administrative expenses	31,804	15,829
Acquisition expenses	5,803	5,404
Depreciation and amortization	106,095	101,479
Interest expense, net	32,458	32,390
Other income, net	(5,990)	(248)
Net amortization of above- and below-market leases	(1,208)	(821)
Straight-line rental income	(3,512)	(4,571)
NOI	173,910	163,017
Less: NOI from centers excluded from Same-Center	(20,836)	(14,648)
Total Same-Center NOI	$ 153,074	$ 148,369