

# Saul Centers, Inc.

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## **Saul Centers, Inc. Reports First Quarter Earnings**

April 26, 2000, Chevy Chase, MD.

Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), announced its first quarter operating results. Funds From Operations (FFO) increased 8.1% to \$8,580,000 in the quarter ended March 31, 2000 compared to \$7,938,000 for the same quarter in 1999. On a per share basis, FFO was \$.46 per share for the 2000 first quarter, a 3.5% increase over the same quarter last year. FFO is presented on a fully converted basis and is the most widely accepted measure of operating performance for REITs. FFO is defined as net income before extraordinary items and before real estate depreciation and amortization.

Total revenues for the 2000 first quarter increased 8.0% to \$19,407,000 compared to \$17,964,000 for the 1999 quarter. Operating income before minority interests was \$5,533,000, or \$.30 per share, representing a per share increase of 5.1% over the comparable 1999 quarter. After deducting minority interests, the company reported net income of \$3,516,000 or \$.26 per share for the 2000 quarter, a per share increase of 8.4% compared to net income of \$3,120,000 or \$.24 per share for the 1999 quarter (basic and diluted).

Same center net operating income in the shopping center portfolio grew 3.0% for the 2000 first quarter compared to the same period in 1999. Same property net operating income in the office portfolio grew 13.3% for the 2000 first quarter. Overall same property net operating income for the total portfolio grew 5.5% for the 2000 first quarter. As of March 31, 2000, 92% of the portfolio was leased. Excluding the 200,000 square foot Crosstown Business Center warehouse/office redevelopment which is currently 15% leased, 95% of the portfolio was leased.

Saul Centers, Inc. operates and manages a real estate portfolio of 33 community and neighborhood shopping center and office properties totaling approximately 6.1 million square feet of gross leasable area, with over 80% of the cash flow generated from properties in the metropolitan Washington, D.C./Baltimore area.

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*Visit the Company's web site at [SaulCenters.com](http://SaulCenters.com)*

**Saul Centers, Inc.**  
**Condensed Consolidated Statements of Operations**

(\$ in thousands, except per share amounts)

	<u>Three Months Ended March 31,</u>	
	2000	1999
<b>Revenue</b>		
Base Rent.....	\$ 15,647	\$ 14,333
Other Revenue.....	3,760	3,631
Total revenue.....	19,407	17,964
<b>Operating Expenses</b>		
Property and administrative expenses.....	4,936	4,393
Interest expense.....	5,788	5,530
Amortization of deferred debt costs.....	103	103
Depreciation and amortization.....	3,047	2,897
Total operating expenses.....	13,874	12,923
<b>Operating Income.....</b>	<b>5,533</b>	<b>5,041</b>
<b>Minority Interests</b>		
Minority share of income.....	(1,538)	(1,381)
Distributions in excess of earnings.....	(479)	(540)
Total minority interests.....	(2,017)	(1,921)
<b>Net Income.....</b>	<b>\$ 3,516</b>	<b>\$ 3,120</b>
<b>Per Share Amounts :</b>		
Net income (basic and diluted).....	\$ 0.26	\$ 0.24
Funds From Operations.....	\$ 0.46	\$ 0.45
Weighted average shares outstanding :		
Common stock.....	13,424,324	12,917,331
Fully converted.....	18,596,565	17,800,494

**Condensed Consolidated Balance Sheets**

(\$ in thousands)

	March 31, 2000	December 31, 1999
<b>Assets</b>		
Real estate investments.....	\$ 403,520	\$ 389,583
Accumulated depreciation.....	(115,029)	(112,272)
Other assets.....	25,822	22,354
Total assets.....	\$ 314,313	\$ 299,665
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
Notes payable.....	\$ 319,183	\$ 310,268
Other liabilities.....	26,782	21,256
Stockholders' equity (deficit).....	(31,652)	(31,859)
Total liabilities and stockholders' equity (deficit) .....	\$ 314,313	\$ 299,665