

Saul Centers, Inc.

7501 Wisconsin Avenue, Suite 1500
Bethesda, Maryland 20814-6522
(301) 986-6200

Saul Centers, Inc. Reports First Quarter Earnings

April 24, 2002, Bethesda, MD.

Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), announced its first quarter operating results. Funds From Operations (FFO) increased 14.7% to \$11,048,000 in the quarter ended March 31, 2002 compared to \$9,632,000 for the same quarter in 2001. On a fully diluted per share basis, FFO was \$.56 per share for the 2002 first quarter, a 10.6% increase over the same quarter last year. Approximately 30% of the FFO improvement was derived from our 235,000 square foot Washington Square development. 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, gains and losses on property sales and before real estate depreciation and amortization.

Total revenues for the 2002 first quarter increased 9.2% to \$23,191,000 compared to \$21,236,000 for the 2001 quarter. Operating income before nonrecurring items and minority interests was \$6,926,000, or \$.35 per share, representing a per share increase of 10.4% over the comparable 2001 quarter. After including the gain on property sold and deducting minority interests the company reported net income of \$6,335,000 or \$.43 per share for the 2002 quarter, a per share increase of 49.5% compared to net income of \$4,034,000 or \$.29 per share for the 2001 quarter (basic and diluted). In 1999, the District of Columbia condemned and purchased the Company's Park Road property as part of an assemblage of parcels for a neighborhood revitalization project. The Company disputed the original purchase price awarded by the District. The gain reported during the 2002 first quarter of \$1,426,000, or \$.10 per share, represents additional net proceeds the Company received upon settlement of the dispute.

Same center net operating income in the shopping center portfolio grew 8.1% for the 2002 first quarter compared to the same period in 2001. Same property net operating income in the office portfolio grew 5.8% for the 2002 first quarter. Overall same property net operating income for the total portfolio grew 7.5% for the 2002 first quarter. As of March 31, 2002, 94.2% of the portfolio was leased.

Saul Centers is a self-managed, self-administered equity real estate investment trust headquartered in Bethesda, Maryland. Saul Centers currently 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 leasable area. Over 80% of the Company's cash flow is generated from properties in the metropolitan Washington, DC/Baltimore area.

Contact: Scott V. Schneider
(301) 986-6220

Saul Centers, Inc.
Condensed Consolidated Statements of Operations

(\$ in thousands, except per share amounts)

	Three Months Ended March 31.	
	2002	2001
Revenue		
Base rent.....	\$ 18,353	\$ 17,285
Other revenue.....	4,838	3,951
Total revenue.....	23,191	21,236
Operating Expenses		
Property and administrative expenses.....	5,721	5,116
Interest expense.....	6,259	6,351
Amortization of deferred debt expense.....	163	137
Depreciation and amortization.....	4,122	3,581
Total operating expenses.....	16,265	15,185
Operating Income Before Nonrecurring Item and Minority Interests.....	6,926	6,051
Nonrecurring Item		
Gain on property disposition	1,426	--
Minority Interests		
Minority share of income.....	(2,017)	(1,634)
Distributions in excess of earnings.....	--	(383)
Total minority interests.....	(2,017)	(2,017)
Net Income.....	\$ 6,335	\$ 4,034
Per Share Amounts (basic and diluted):		
Net income.....	\$ 0.43	\$ 0.29
Funds From Operations.....	\$ 0.56	\$ 0.50
Weighted average shares outstanding :		
Basic		
Common stock.....	14,649,241	13,955,398
Fully converted.....	19,821,482	19,127,639
Fully Diluted		
Common stock.....	14,663,189	13,955,398
Fully converted.....	19,835,430	19,127,639

Condensed Consolidated Balance Sheets

(\$ in thousands)

	March 31, 2002	December 31, 2001
	Assets	
Real estate investments.....	\$ 462,122	\$ 454,809
Accumulated depreciation.....	(140,500)	(136,928)
Other assets.....	30,645	28,522
Total assets.....	\$ 352,267	\$ 346,403
Liabilities and Stockholders' Equity (Deficit)		
Notes payable.....	\$ 354,698	\$ 351,820
Other liabilities.....	17,635	18,706
Stockholders' equity (deficit).....	(20,066)	(24,123)
Total liabilities and stockholders' equity (deficit)	\$ 352,267	\$ 346,403