

SAUL CENTERS, INC.

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Saul Centers, Inc. Announces Tax Treatment of 2019 Dividends

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For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), announced today the income tax treatment of its 2019 dividends. The Company declared and paid four quarterly dividends totaling \$2.12 per share of Common Stock during 2019. For tax purposes, 94.4% of the dividends (\$2.00 per common share) are characterized as ordinary income, while 5.6% of the dividends (\$0.12 per common share) are characterized as return of capital. The information will be reported to shareholders on Form 1099-DIV and the ordinary income portion will be reported as a section 199A dividend.

During 2019, the Company declared and paid the following dividends on its preferred stock:

- \$1.79513 per depositary share on its 6.875% Series C Preferred Stock comprised of (a) four quarterly dividends totaling \$1.71875 and (b) one prorated dividend covering the period from October 1, 2019 through (but not including) its October 17, 2019 redemption date;
- four dividends totaling \$1.53125 per depositary share on its 6.125% Series D Preferred Stock; and
- one prorated dividend of \$0.05833 per depositary share on its 6.000% Series E Preferred Stock covering the period from its September 17, 2019 issuance date through and including September 30, 2019.

For tax purposes, 100.0% of the Preferred Stock dividends are characterized as ordinary income. The information will be reported to shareholders on Form 1099-DIV and will be reported as a section 199A dividend.

Saul Centers, Inc. is a self-managed, self-administered equity REIT headquartered in Bethesda, Maryland, which currently operates and manages a real estate portfolio of 60 properties which includes (a) 49 community and neighborhood shopping centers and six mixed-use properties with approximately 9.2 million square feet of leasable area and (b) five land and development properties. Approximately 85% of the Saul Centers' property operating income is generated by properties in the metropolitan Washington, DC/Baltimore area.

More information about Saul Centers, Inc. is available on the Company's website at www.SaulCenters.com.

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