

SAUL CENTERS, INC.

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Saul Centers Declares Quarterly Dividends

September 21, 2006

For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS) has declared a quarterly dividend of \$0.42 per share on its common stock, to be paid October 31, 2006 to holders of record on October 17, 2006. The Company also declared the quarterly dividend for its 8% Series A Cumulative Redeemable Preferred Stock in the amount of \$0.50 per depositary share. The dividend will be paid October 13, 2006 to holders of record on October 3, 2006.

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 46 community and neighborhood shopping center and office properties totaling approximately 7.7 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.

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

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