

SAUL CENTERS, INC.

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Saul Centers, Inc. Prices Offering of 9% Series B Cumulative Redeemable Preferred Depositary Shares

March 20, 2008

For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS) (the "Company") today announced that it priced 3,000,000 depositary shares, each representing a 1/100th fractional interest in a share of the Company's 9% Series B Cumulative Redeemable Preferred Stock, at an initial public offering price of \$25.00 per depositary share. The dividend rate of the Series B Cumulative Redeemable Preferred Stock underlying the depositary shares will be at a fixed rate of 9% of the liquidation preference per year, which is equivalent to an annual dividend of \$2.25 per depositary share. Dividends will be paid quarterly in arrears. The offering is expected to result in approximately \$72.1 million of net proceeds to the Company (assuming no exercise of the underwriters' over-allotment option).

The offering is being made pursuant to a shelf registration statement and is expected to close on March 27, 2008, subject to customary closing conditions. Up to 450,000 additional depositary shares may be issued pursuant to the underwriters' over-allotment option within 30 days of the initial issuance of the depositary shares. The Company anticipates listing the depositary shares on the New York Stock Exchange.

The joint book-running managers for the offering are RBC Capital Markets Corporation and Raymond James & Associates, Inc. The lead manager for the offering is Ferris, Baker Watts, Incorporated. The co-managers for the offering are Janney Montgomery Scott LLC and BB&T Capital Markets, a division of Scott & Stringfellow, Inc.

This communication shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction. Copies of the prospectus and the prospectus supplement, subject to completion, relating to these securities may be obtained from RBC Capital Markets Corporation and Raymond James & Associates, Inc. You should direct any requests to RBC Capital Markets Corporation, 165 Broadway, New York, NY 10006, by fax: (212) 428-6260, or to Raymond James & Associates, Inc., 880 Carillon Parkway, St. Petersburg, FL 33716, by phone: (727) 567-2586, or by fax: (727) 567-8010. You may also obtain a copy of the prospectus and the prospectus supplement, subject to completion, and other documents the Company has filed with the Securities and Exchange Commission for free by visiting the Commission's Web site at www.sec.gov.

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 48 community and neighborhood shopping center and office properties totaling approximately 8.0 million square feet of leasable area. Over 80% of the Company's cash flow is generated from properties in the metropolitan Washington, DC/Baltimore, MD area.

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

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Statements in this press release that are not strictly historical are “forward-looking” statements. Forward-looking statements involve known and unknown risks, which may cause the Company’s actual results to differ materially from expected results. These risks include, among others, general economic conditions, local real estate conditions and the availability of capital. Additional information concerning these and other factors that could cause actual results to differ materially from those forward-looking statements is contained from time to time in the Company’s Securities and Exchange Commission filings, including, but not limited to, Item 1A. Risk Factors of the Company’s annual report on Form 10-K. Copies of each filing may be obtained from the Company or the Commission. Consequently, such forward-looking statements should be regarded solely as reflections of the Company’s current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

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