

# Saul Centers, Inc.

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## Saul Centers Announces Pricing of Up to \$100 Million Preferred Equity Offering

October 30, 2003

### For Immediate Release

BETHESDA, MARYLAND - Saul Centers, Inc. (NYSE: BFS), an equity real estate investment trust (REIT), today announced that it has priced an offering of 3,500,000 depositary shares, each representing 1/100<sup>th</sup> of a share of 8% Series A Cumulative Redeemable Preferred Stock. All of the depositary shares are being sold by Saul Centers.

The depositary shares may be redeemed, in whole or in part, at the \$25.00 liquidation preference at the Company's option on or after November 5, 2008. The depositary shares will pay an annual dividend of \$2.00 per share, equivalent to 8% of the \$25.00 liquidation preference. The first dividend we pay on January 15, 2004 will be for less than a full quarter and will cover the period from the first date we issue and sell the depositary shares through December 31, 2003. The Series A preferred stock has no stated maturity, is not subject to any sinking fund or mandatory redemption and is not convertible into any other securities of the Company. Investors in the depositary shares will generally have no voting rights, but will have limited voting rights if the Company fails to pay dividends for six or more quarters (whether or not declared or consecutive) and in certain other events.

The Company has granted the underwriters an over-allotment option to purchase up to an additional 500,000 depositary shares, which is exercisable within 30 days after closing.

Net proceeds from the issuance, excluding any proceeds from the over-allotment, are estimated to be approximately \$84.3 million and will be used to fund acquisitions and redevelopments and to repay amounts outstanding under the Company's revolving credit facility.

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*www.SaulCenters.com*

An application has been filed to list the depositary shares on the New York Stock Exchange under the symbol "BFS PrA." The offering is expected to close on November 5, 2003.

The offering is underwritten by Friedman, Billings, Ramsey & Co., Inc. and Ferris, Baker Watts, Incorporated.

The securities may not be sold nor may offers to buy be accepted prior to the time that the prospectus supplement is final. 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 jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

Copies of the final prospectus supplement relating to this offering may be obtained from Friedman, Billings, Ramsey & Co., Inc., 1001 19<sup>th</sup> Street North, Arlington, VA 22209, Telephone: (703) 312-9500.

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 36 community and neighborhood shopping center and office properties totaling approximately 6.6 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.

*This press release contains "forward-looking" statements. For this purpose, any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "will," "intends" and similar expressions are intended to identify forward-looking statements. Saul Centers does not undertake any obligation to update forward-looking statements.*

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[www.SaulCenters.com](http://www.SaulCenters.com)