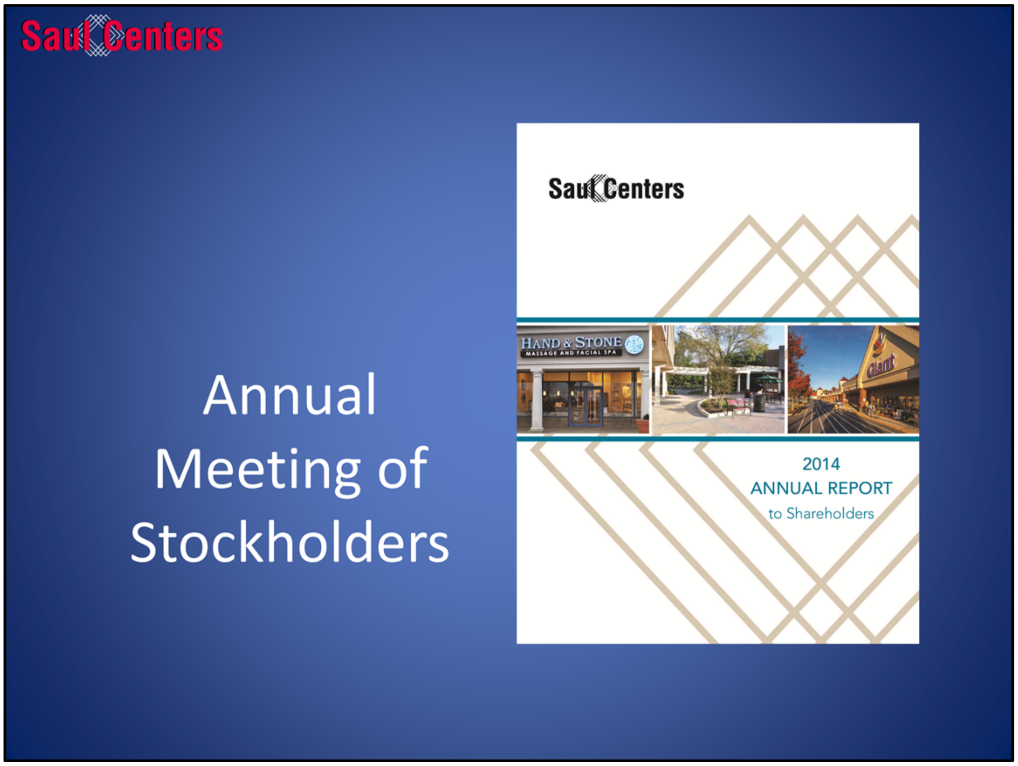
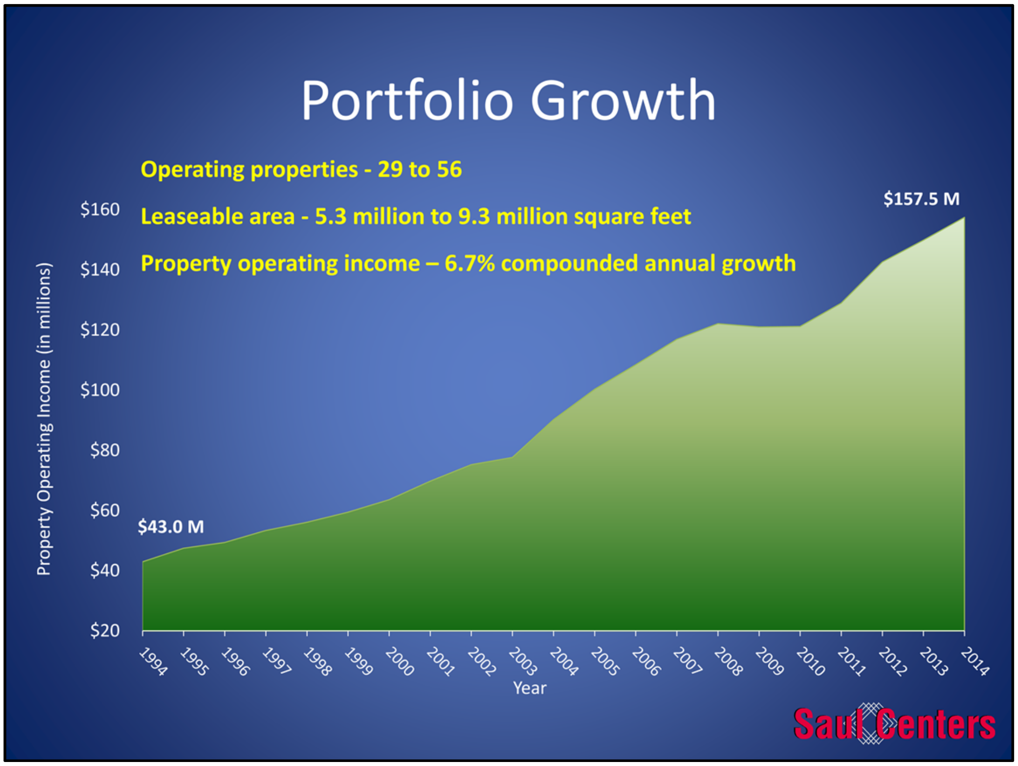
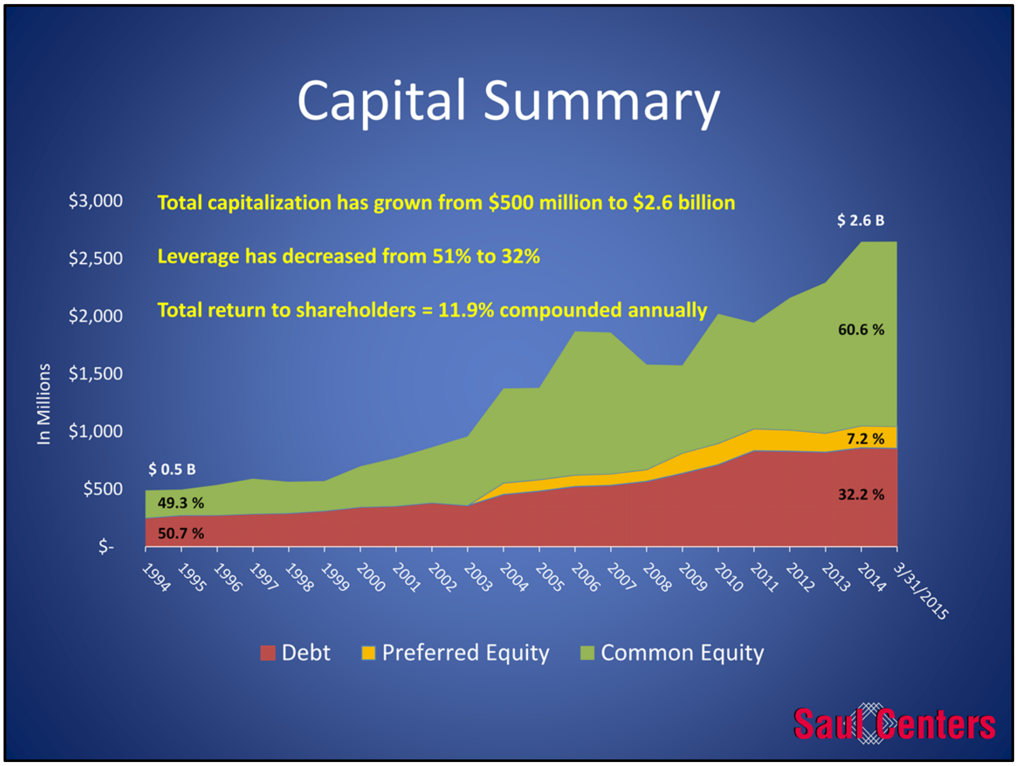


We have prepared a brief slide show to highlight the company's performance over our 22 years as a public REIT, and to present a summary of recent activity in both our retail and mixed-use portfolios.



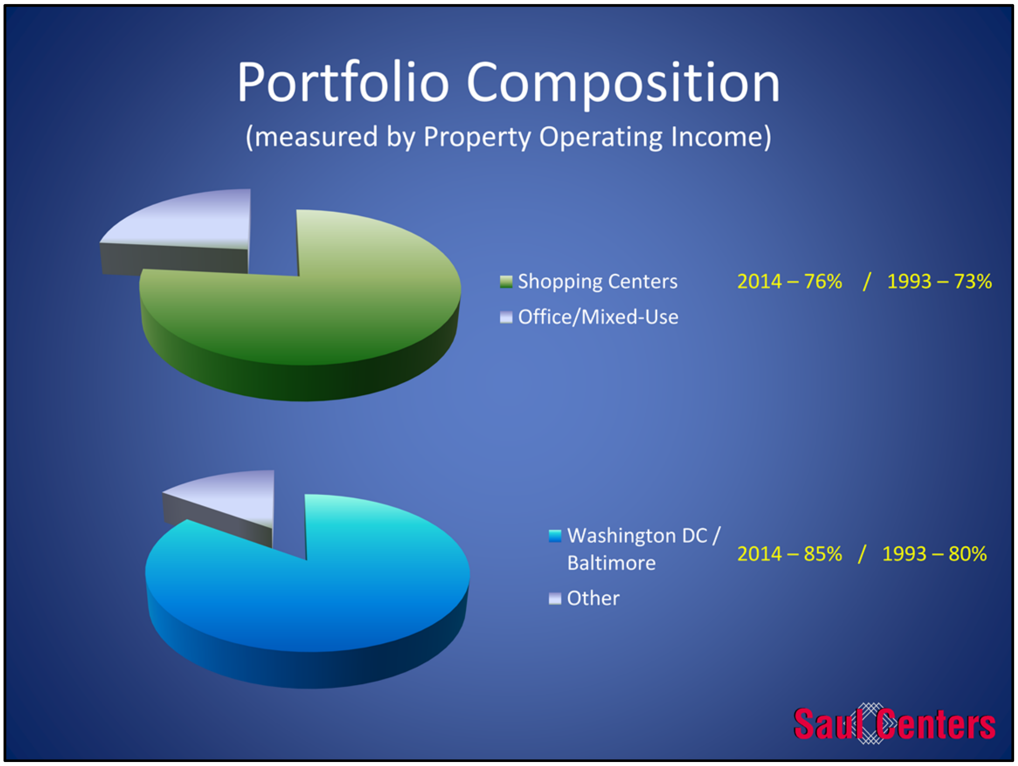
Beginning in 1993, we were a company of 29 properties containing 5.3 million square feet of retail and office space. As a result of core property redevelopment, supplemented with acquisitions and new developments, we now have 56 properties with 9.3 million square feet.

Property operating income of $43 million has increased to $158 million in 2014, a 6.7% compounded annual growth rate.



We began in 1993 with a $500 million total capitalization, split evenly between debt and equity – 50% leveraged.
As of March 2015, our total capitalization was $2.6 billion and, with $850 million of debt, our leverage has decreased to 32%.

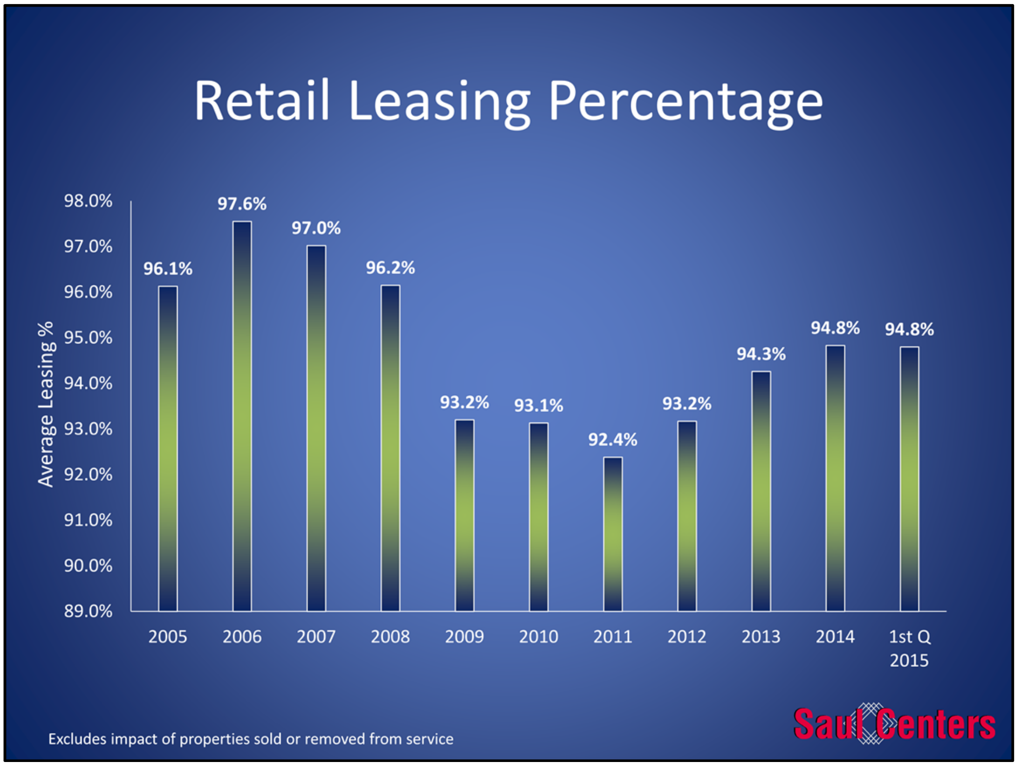
Throughout this period, a long-term holder of our stock since our August 1993 IPO has received a 11.9% compounded annual total return, including both dividends and price appreciation.



While overall size has grown as just discussed, our geographic and property type focus has remained consistent. Over 76% of our 2014 property operating income is from our community and neighborhood shopping centers, compared to 73% at the outset.

Approximately 85% of our 2014 property operating income was generated from the metropolitan Washington, DC market, an increase from 80% in 1993.

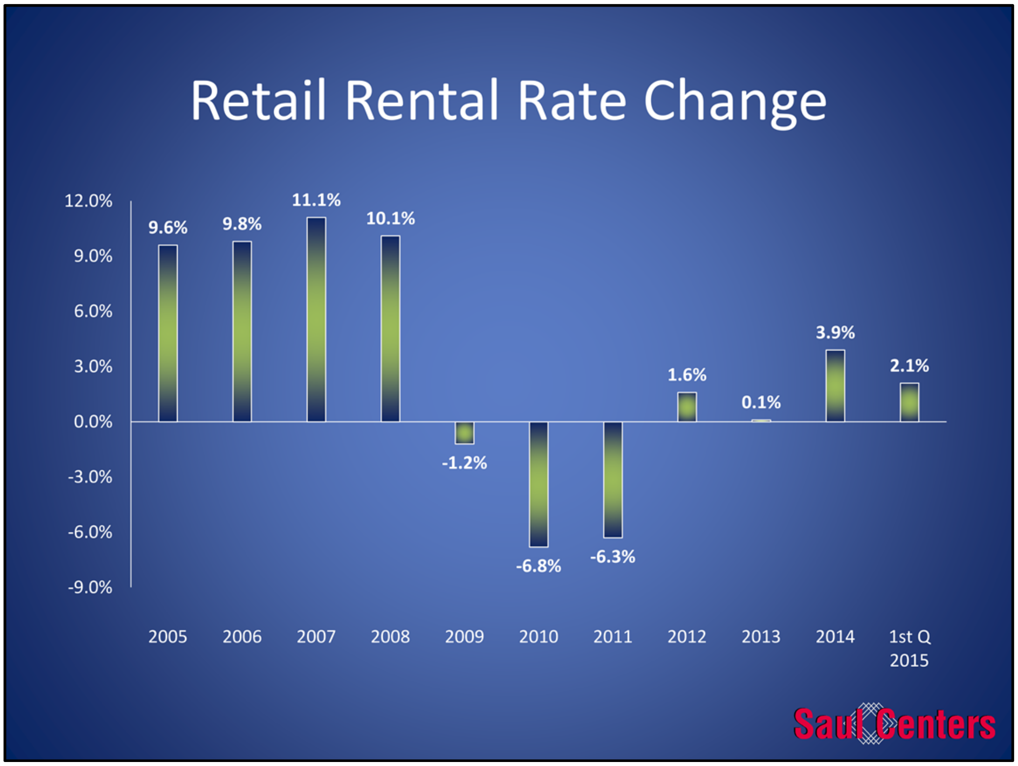
Our 50 retail properties continue to display positive results. 2014 was the third consecutive year of improved shopping center occupancy, positive rent growth on a same space basis, and increased same center property operating income.



Our retail leasing percentage averaged 94.8% for 2014 and the most recent quarter, continuing to rebound from an annual low of 92.4% in 2011.

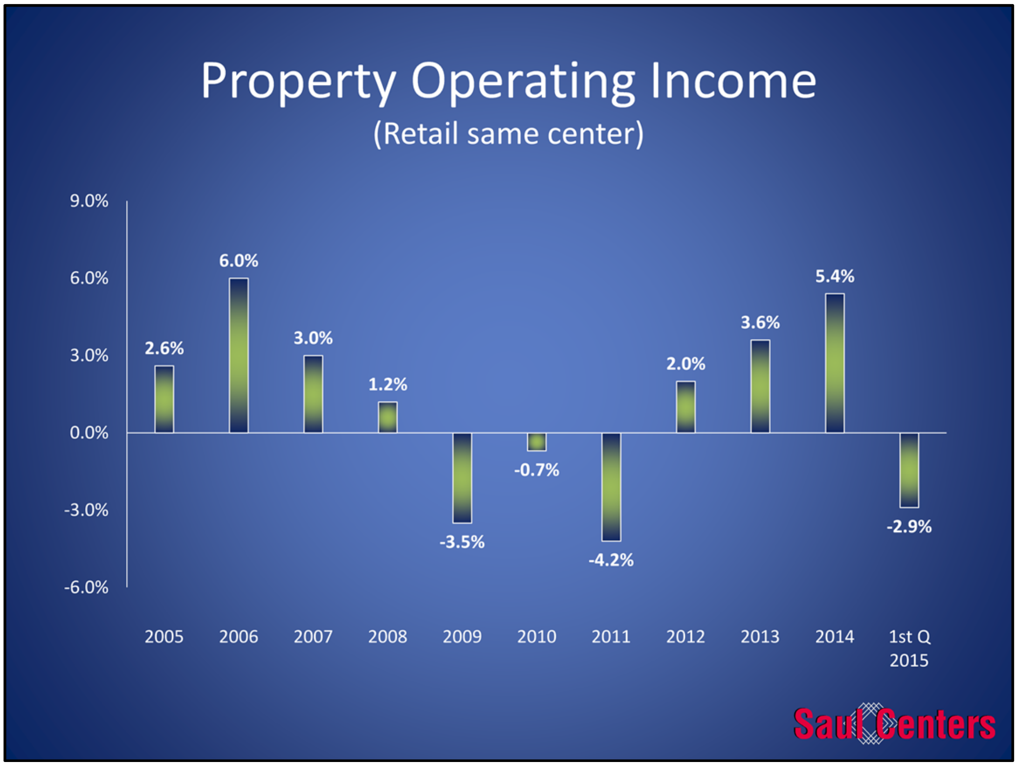
Recent retail leasing increases have largely been driven by small shop leasing percentage improvement. We define small shops as in-line spaces less than 10,000 square feet. Shop leasing has improved to 91% in 2014 and the most recent quarter, still less than our high of 94% in 2006. With most mom & pop tenants in this category, the recession caused shop leasing low's averaging 84% in 2010 and 2011.

Small shop leasing is an important contributor to cash flow growth. While small shops comprised only 31% of our retail square footage, they contributed 49% of our retail annual base rent.



On a same space basis, retail rental rate increases over expiring rents averaged approximately 10% during the four years leading up to the economic downturn.

After 3 years of rental rate declines from 2009 to 2011, retail rents have since averaged 1.9% increases. These still low, yet positive, rent increases largely result from healthy and stable retail tenant sales.



Retail same center property operating income averaged 3.2% annually from 2005 to 2008. The economic downturn drove shopping center results negative for the next 3 years. Beginning in 2012, as leasing percentages and rental rates rebounded, same property operating income growth has averaged 3.7% annually.

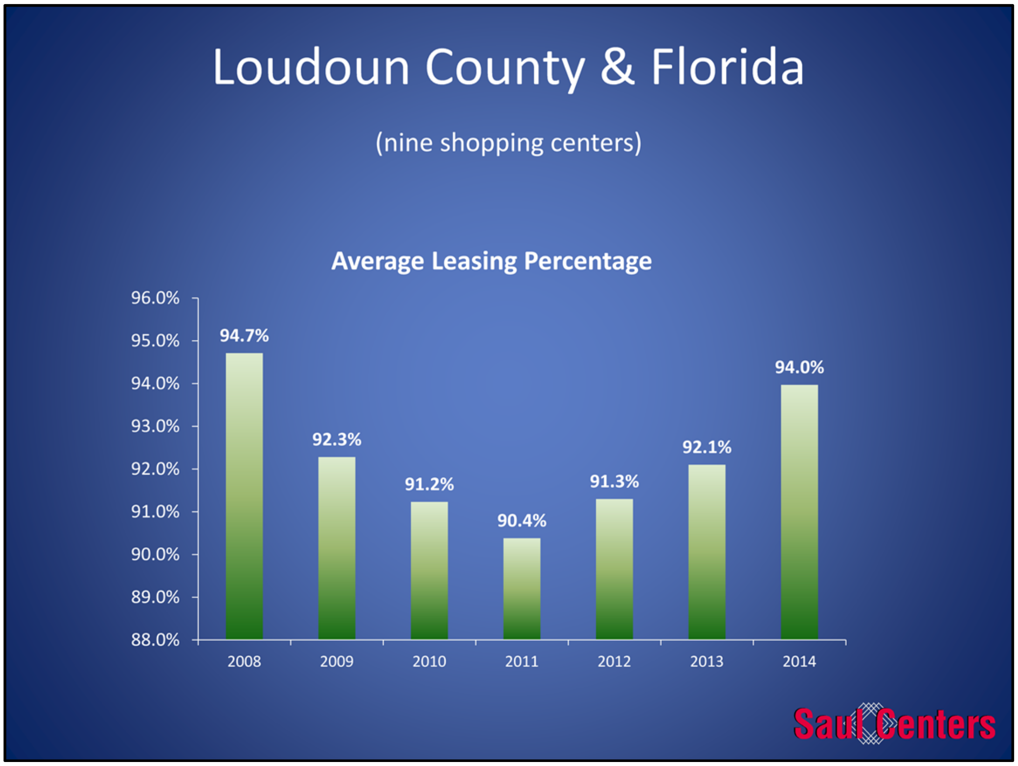
Note that the 2014 results were largely driven by a non-recurring lease termination fee and a bankruptcy collection. Without these 2 events, the 2014 increase would have been 3.4%, and the latest quarter would be a positive 2.2%.

Major Retail Tenants

Tenant Name	Locations	Retail SF %	2014 Total Revenue
Giant Food	9	6.8%	4.5%
Safeway	8	5.0%	2.5%
Capital One Bank	19	0.8%	2.2%
CVS	7	1.1%	2.2%
Lowes Home Center	2	3.3%	1.4%
Publix	5	3.1%	1.4%
Harris Teeter	3	1.8%	1.2%
Home Depot	2	3.7%	1.1%
Staples	3	0.8%	0.8%
Trader Joe's	3	0.5%	0.8%
Totals	61	26.9%	18.1%

Saul Centers

A diverse retail tenant base minimizes exposure to any one tenant's credit. Our top 10 retail tenants comprise only 18.1% of total company revenue. Only Giant Food and Safeway individually accounted for more than 2.5% of our total revenue last year.



The recent recession negatively impacted the operating results of our Loudoun County, Virginia and Florida shopping centers to a greater extent than other sub-markets. Our 9 grocery anchored shopping centers in these markets total 1.3 million square feet of space, and produced $20 million, or 12.9% of our 2014 property operating income. Leasing percentages at these properties have improved from recession lows of 90.4% in 2011, to 94.0% at year-end 2014.

A few comments about retail tenants in the news earlier this year.

Radio Shack filed Chapter 11 bankruptcy in February. We have 6 Radio Shacks, with annual base rents representing 0.3% of total base rent. Four of these 6 leases were sold to a partnership which includes Sprint and General Wireless. They are expected to continue operating these stores under a co-branded Sprint-Radio Shack format. Only 2 stores, totaling 4,850 SF, will be returned to us to re-lease.

Also in February, Staples announced the acquisition of Office Depot, with the deal projected to close later this year. Combined, we have 5 of these stores with annual base rent totaling 1.3% of our total base rent. Leases will all continue, and while the combined entity has announced that they may close up to 10% of their 4,000 stores, our earliest lease expiration is in mid-2017. As a result, we expect no near term financial impact.

Seven Corners is our largest shopping center, as measured by both square footage and property operating income, and is 100% leased. In 2014 this center produced the top retail sales volume in our portfolio, over $180 million It is one of 3 of centers where tenants report sales in excess of $100 million. Half of this Seven Corners sales volume is driven by a 125,000 square foot Home Depot, one of their top stores.

During 2014, we negotiated and received a termination fee from the adjacent 50,000 square foot tenant in order to accommodate Home Depot’s request to expand. They have commenced interior construction and are scheduled to open this new space in the fall. The resulting 175,000 square foot store will be one of their largest in the country.

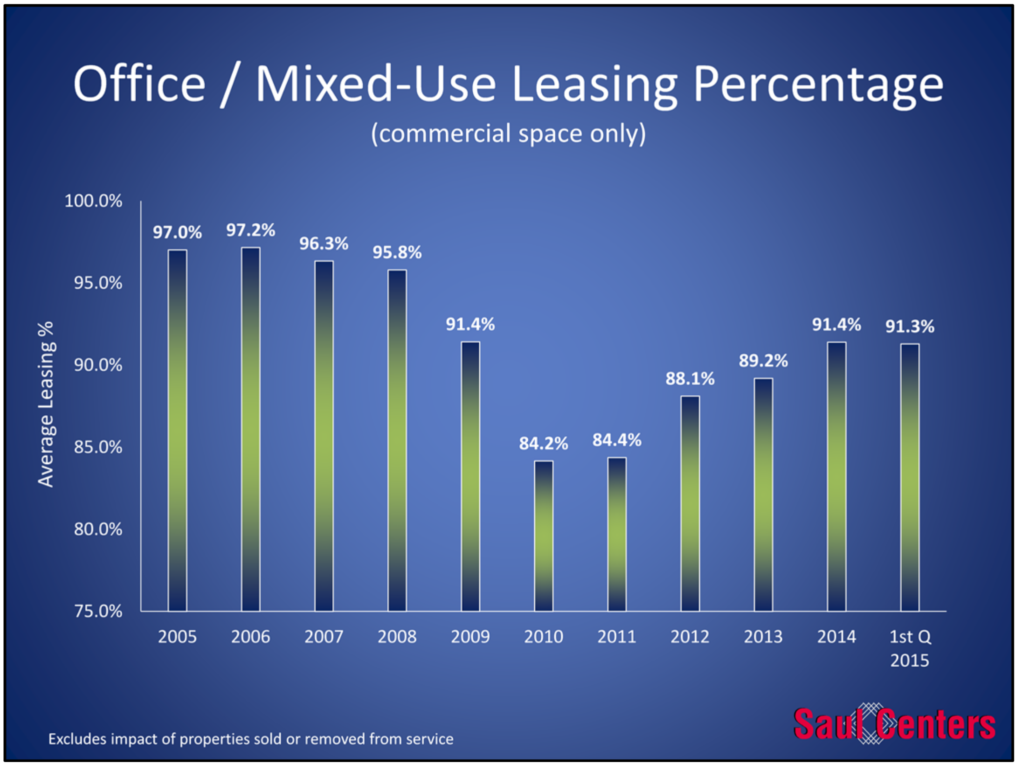
Thruway is our second largest shopping center in terms of property operating income. This center is the dominant center in Winston-Salem, North Carolina and its customer draw has expanded since Trader Joe's opened in 2012. Other significant tenants include Harris Teeter, Hanesbrands, SteinMart, Chico's, Ann Taylor and Bonefish Grill.

Over the past 10 years, property operating income at Thruway has grown at a compounded annual rate of 3.3%, well in excess of our overall portfolio average.

Office / Mixed-Use Properties

- 1.5 million square feet
- 25% of property operating income

The office/mixed-use space totals over 1.5 million square feet, and produces 25% of our total property operating income. Our recently developed Clarendon Center and 601 Pennsylvania Avenue are the company's two largest income generators at approximately 70% of our office/mixed-use property operating income.



Demand for office space in the metropolitan Washington, DC market continues to be lower than historic levels, with overall vacancy rates exceeding 16%. During 2010 and 2011 our office vacancy was near 16%, however, since then our leasing percentage has improved. The average percentage leased in our 5 commercial buildings exceeded 91% in 2014 and the first quarter of 2015. While our leasing has improved, office rents remain under pressure, as demonstrated by a 5.7% decline in rents on 183,000 square feet of new and renewal office deals signed in 2014.

Major Office Tenants

Tenant Name	Locations	Office SF %	2014 Total Revenue	Year Expiring
American Health Ins. Plans	1	4.4%	1.9%	2026
Airline Reporting Corp.	1	5.4%	1.6%	2023
National Gallery of Art	1	2.8%	1.3%	2019
Credit Union National Assn.	1	2.3%	1.0%	2023
HQ Global Workplace	2	2.4%	0.9%	2024
Gene Dx	1	7.4%	0.8%	2020
U.S. Government	2	2.5%	0.5%	2018
Cannon Washington	1	1.6%	0.5%	2022
Pharmaceutical Care	1	1.2%	0.5%	2015
Southern Company	1	0.9%	0.5%	2021
Totals	12	30.9%	9.5%	

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Our top 10 office tenants, representing 31% of our office square footage, produced 9.5% of 2014 company revenue.
It is important to note that all but one of these tenants have lease expirations in 2018 or later.

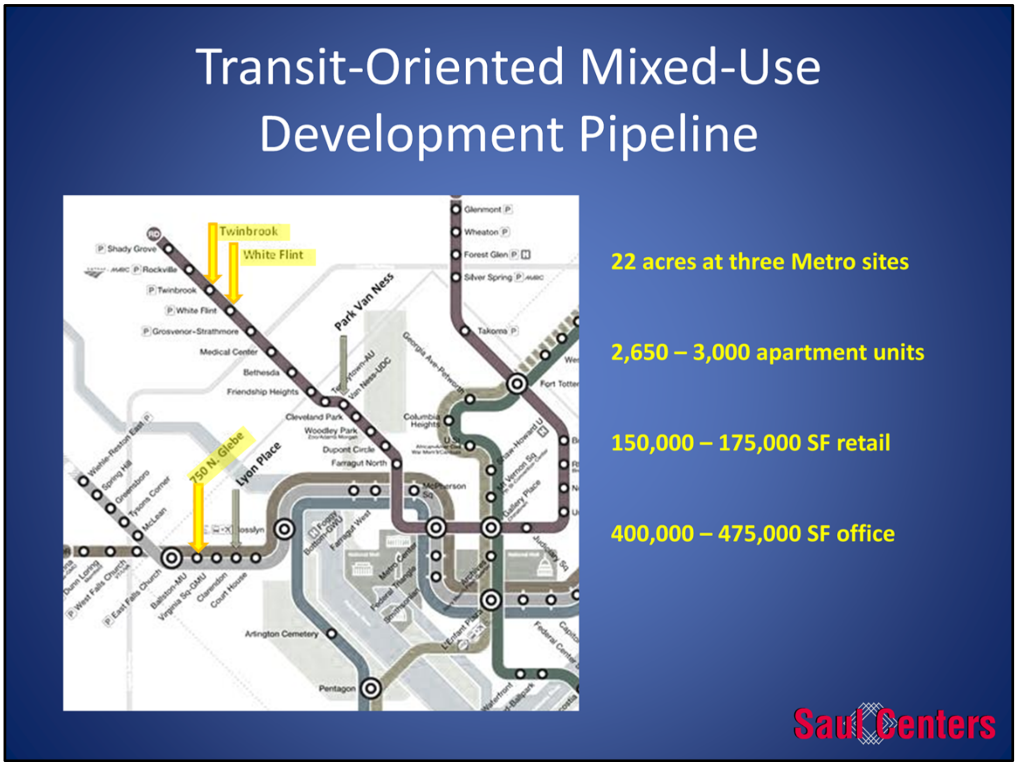
For the tenant lease expiring in 2015, we have executed a new lease for 10,000 of the 15,000 square feet of space.

We have recently completed a significant lobby, fitness center, and building common area upgrade at 601 Pennsylvania Avenue, which will maintain the building's position as one of the premier East End office addresses. The building is 98.1% leased, and leases for 84% of the building have expirations in 2019 or later. Since 1994, the average leasing percentage was 98%, and 601's property operating income has grown at a compounded annual rate of 3.7%.

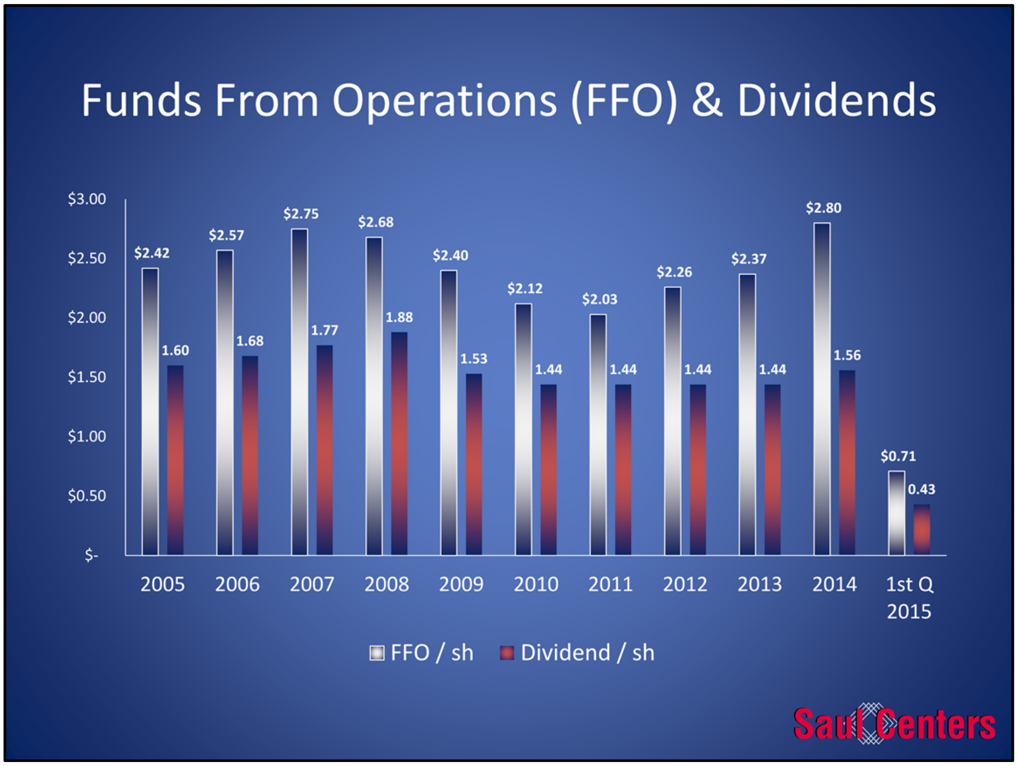
This week we have substantially completed structural concrete work on the top floor of our Park Van Ness development, a 224,000 square foot apartment / retail building. The project is conveniently located on the east side of Connecticut Avenue overlooking Rock Creek Park, and is a short walk from the Van Ness Metro Station.

The building is scheduled for completion and occupancy in the 1st quarter of 2016, and will contain 271 luxury apartments and 9,000 square feet of street retail.

Amenities will include a rooftop pool, community room, fitness center and several outdoor landscaped courtyards overlooking the park. We are about $40 million into this $93 million development, with all remaining costs to be funded by our 18-year construction/permanent loan.

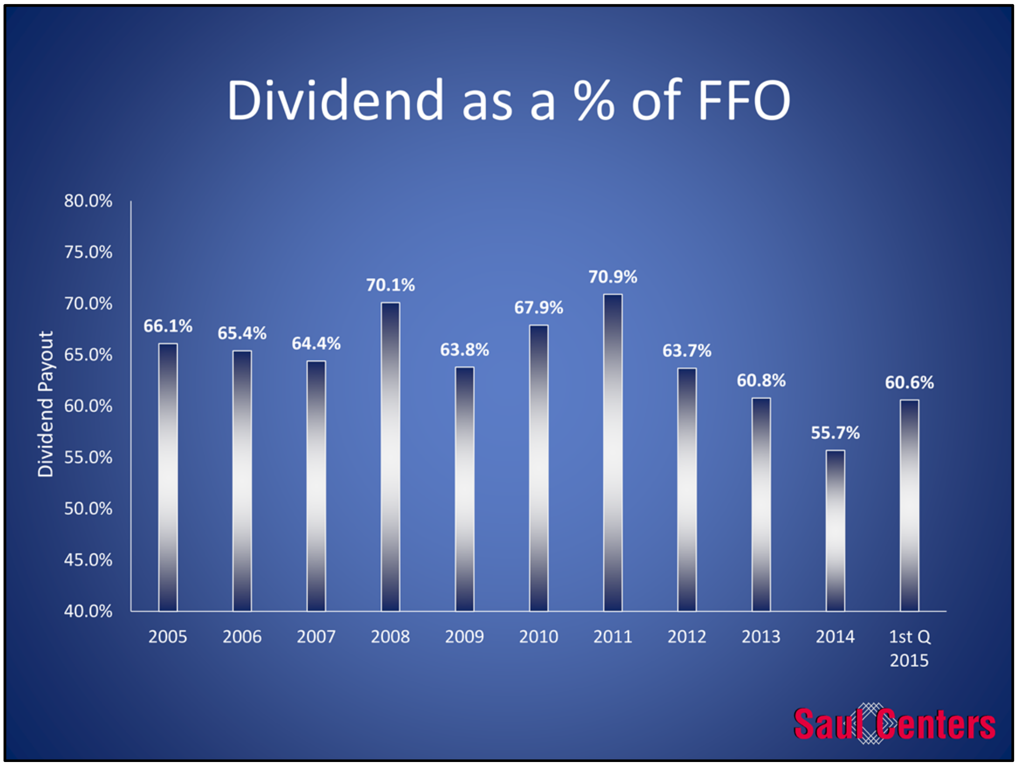


Looking beyond the Park Van Ness development, we have assembled sites containing one and two-story retail buildings adjacent to three Metro stations – Glebe Road in Northern Virginia and White Flint and Twinbrook in Montgomery County, Maryland. These 3 sites contain 22 acres, and have development potential of up to 3,000 apartments, 175,000 square feet of street retail, and 475,000 square feet of office space. Our development and construction schedules will be determined by the site and building plan approval process, and market conditions.



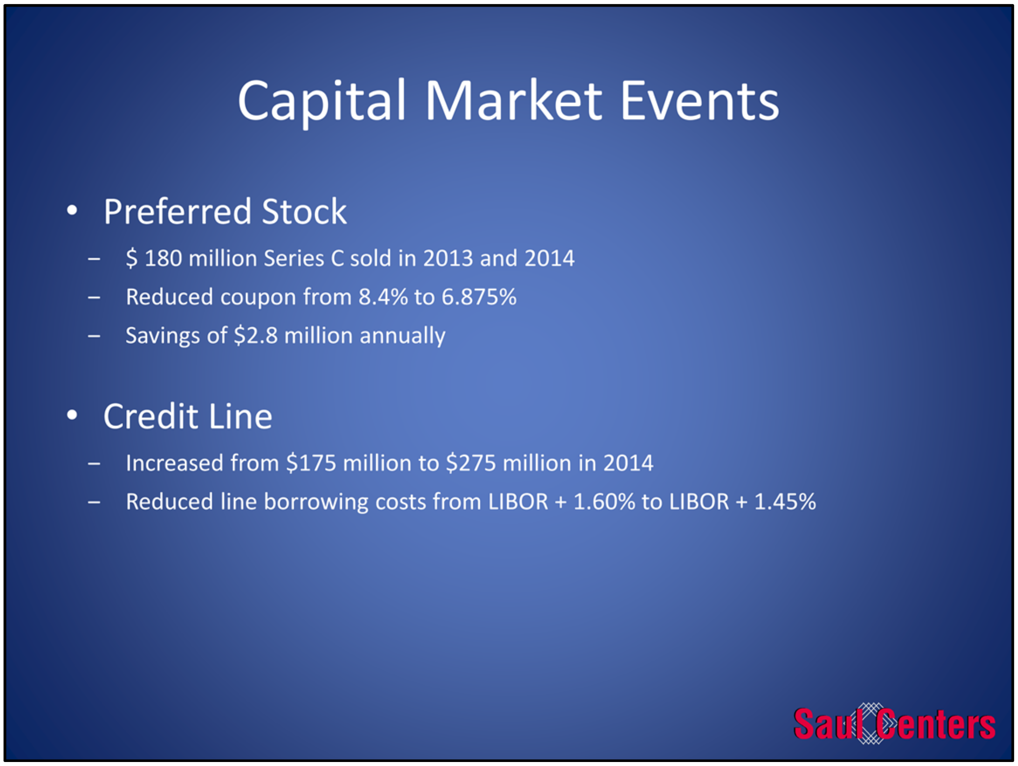
FFO has continued to improve since 2011, reaching $2.80 per share in 2014. This is the company's highest annual FFO, surpassing the $2.75 per share reported in 2007.

We raised the dividend by 11% in April 2014, after four consecutive years without an increase. We again increased the dividend in April 2015, by 7.5%, to the current annualized rate of $1.72 per share.



Our dividend payout ratio has dropped over the past 3 years, from 70.9% of FFO in 2011, to 55.7% of FFO in 2014. Even with the 2 recent dividend increases, our ratio of dividends to first quarter 2015 FFO remains a very comfortable 60.6%.

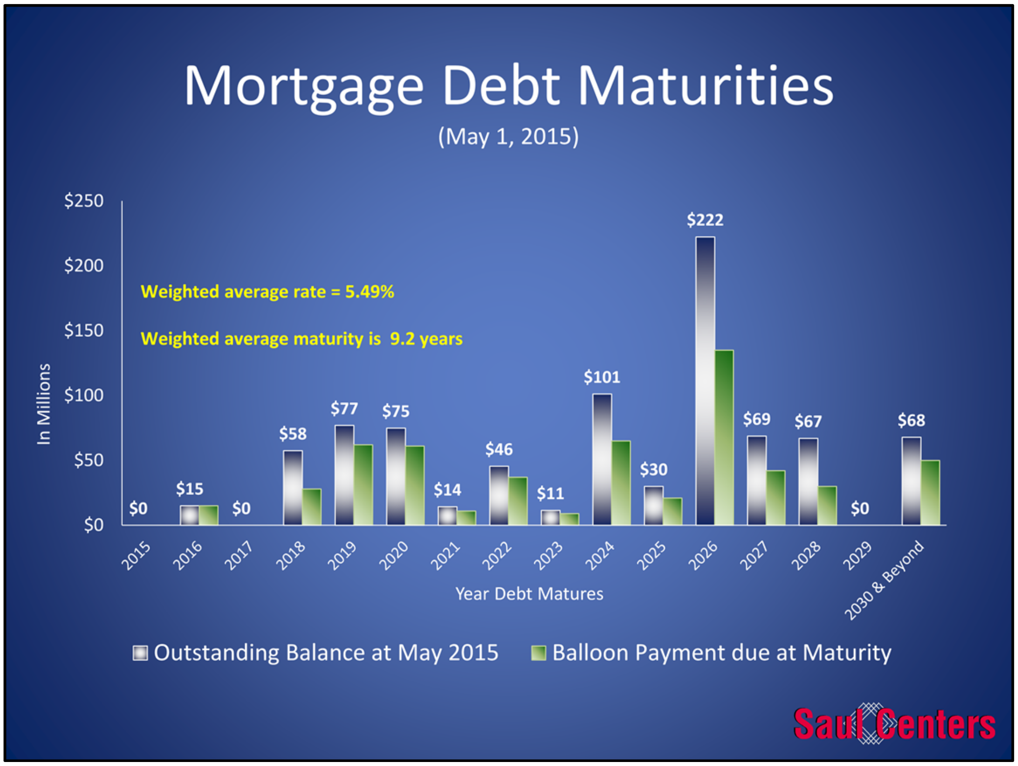
This conservative payout policy allows us to retain operating cash flow as capital to fund portions of our future acquisition and development activities.



In 2 separate transactions in 2013 and late 2014, we issued $180 million of 6 7/8% Series C, perpetual preferred stock and redeemed all of our Series A & B preferred stock. These transactions resulted in a reduction of our preferred dividend rate from 8.4% to 6.875%, a savings of $2.8 million in preferred dividends annually from earlier levels.

During the summer of 2014, we expanded our revolving credit line capacity from $175 million to $275 million. The maturity date of the line was extended until June 2018 and borrowing costs were reduced by 15 basis points.

With current line borrowings of $26 million and availability totaling $249 million, this new facility provides borrowing capacity for funding portions of our development pipeline and acquisition opportunities.



Over 95% of our total debt is fixed rate, non-recourse debt. A favorable rate environment over the past 5 years has allowed us to reduce our weighted average interest rate to 5.5% from 6.7% at the beginning of 2010. Maturities are staggered through 2034 – the silver bars represents the current value of the debt at the year of maturity. More importantly, with scheduled principal amortization reducing debt annually, the green bars shows debt balances at maturity, with only 1 year over $100 million. This laddered maturity greatly minimizes our risk associated with debt markets in the future.

We remain committed to, and confident in, the long-term performance of our core retail and mixed-use properties.

Our balance sheet is strong, and we are prepared for new opportunities moving forward.

I now welcome any questions you may have.

Adjournment (after questions)

Forward-Looking Statements

•This presentation contains forward-looking statements within the meaning of the federal securities laws. These statements are generally characterized by terms such as "believe," "expect" and "may."

•Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions, our actual results could differ materially from those given in the forward-looking statements as a result of changes in factors which include, among others, the following:

•continuing risks related to the challenging domestic and global credit markets and their effect on discretionary spending;

•risks related to our tenants' ability to pay rent and our reliance on significant tenants;

•risks related to our substantial relationships with entities affiliated with our senior management;

•risks of financing, such as increases in interest rates, restrictions imposed by our debt, our ability to meet existing financial covenants and our ability to consummate planned and additional financings on acceptable terms;

•risks related to our development activities;

•risks that our growth will be limited if we cannot obtain additional capital;

•risks that planned and additional acquisitions or redevelopments may not be consummated, or if they are consummated, that they will not perform as expected;

•risks generally incident to the ownership of real property;

•risks related to our status as a REIT for federal income tax purposes; and

•such other risks as described in Part I, Item 1A of our Form 10-K for the year ended December 31, 2014.

Saul Centers