

Dipula's half year distributable earnings up 20%

JOHANNESBURG, 13 May 2026 — Dipula Properties (JSE: DIB) has delivered a robust set of interim results for the six months ended 28 February 2026, showcasing sustained strategic progress and strengthened key financial and operational metrics. The company's first half performance delivered a 20% increase in distributable earnings to R310 million. This translates to half-year distributable earnings per share of 30.56 cents.



Izak Petersen, CEO of Dipula Properties, highlights that the robust results reflect responsible capital management and several strategic priorities, including selective, value-enhancing acquisitions and redevelopments; organic portfolio growth; rigorous asset management; and sustained financial and operational discipline. Performance was also supported by a favourable interest rate environment.

"The Dipula team has delivered an excellent set of results, with all key metrics trending positively. This performance reflects our continued focus on long-term shareholder value. We

continue to show that we are an actively and optimistically managed business. Dipula shareholders have enjoyed exceptional returns since listing, a performance that was further validated in November 2025 when Dipula was ranked number one in the Sunday Times Top 100 Companies,” says Petersen.

Dipula announced an upgrade to its distributable earnings guidance of 7%, to between 7% and 8% for its 2026 financial year. A continued focus on prudent tenant selection and retention is expected to support stable income growth, while sustained balance sheet resilience is an ongoing priority.

This financial year is proving to be another milestone year for Dipula Properties following its inclusion in the FTSE/JSE All Property Index (ALPI) and the SA REIT Index, post period from 23 March 2026. This inclusion positions the company more prominently within listed property markets. Petersen reports that Dipula’s share is already enjoying higher trading volumes and improved liquidity levels.

Dipula Properties is a prominent, diversified South Africa-focused REIT that has been delivering sustainable above-inflation returns, generating long-term value for stakeholders for more than 20-years, with nearly 16 of those as a listed entity.

The company owns 155 properties and generates 67% of its income from retail properties located conveniently close to where people live in townships, rural and urban convenience locations. It also has a core portfolio of mid-sized logistics and industrial assets (16% of income), multi-purpose office assets (14%), and a small non-core affordable, quality residential property portfolio (3%). Dipula is invested in a portfolio of well-positioned, high-quality assets across South Africa, with the majority (58%) in Gauteng.

Supported by positive property valuations, Dipula’s proactive asset management and around R700 million of strategic acquisitions, the property portfolio increased in value by 12% to R11.5 billion, buoyed by higher income prospects. The net asset value increased by 16% and Dipula’s average property value increased to R74 million from R64 million.

Dipula’s revenue, excluding straight-lining, increased 7% to R811 million. Net property income rose 9%. Cost containment and improved recovery levels continued to be a management priority, and the total cost-to-income ratio of 42.8% reflected a marginal decrease,

notwithstanding property expenses increasing 5%, largely coming from escalating municipal charges and utilities costs.

Operational highlights included significant leasing activity, with retail portfolio vacancies at a steady 5%, and total portfolio vacancy reducing from 8.5% at year-end to 7% for the period. Letting activity was led by the retail and industrial sectors. Office occupancies remained stable, showing isolated areas of improvement.

Dipula boosted tenant retention from 79% to 90%. It achieved a significantly improved weighted average positive renewal rental rate across the portfolio of 6%. Active leasing secured sustainable income streams.

The SA REIT took transfer of five strategic acquisitions totalling approximately R700 million at various stages from September 2025. The largest of these was the R480 million purchase of Protea Gardens Mall in Soweto, transferred in January 2026.

“We will continue to assess acquisition opportunities that are strategically aligned with our portfolio objectives,” says Petersen. “Dipula’s capital allocation will see us growing and enhancing the quality of properties in our retail portfolio, increasing exposure to logistics and industrial properties and advancing our sustainability programmes.”

Driving its active capital recycling, Dipula disposed of 12 non-core properties during the period for a combined R130 million. Proceeds contributed to repaying debt and funding value-enhancing asset management strategies, quality-improving acquisitions and sustainability initiatives.

Dipula invested R56 million in refurbishments and redevelopments to sustain and enhance the quality of portfolio assets, of which R30 million was for income-generating capital expenditure. Solar PV capacity grew significantly during the period, nearly trebling from approximately 6MWp to 16.6MWp in a tangible demonstration of Dipula’s commitment to sustainability.

Dipula benefits from a strong balance sheet and has maintained prudent debt levels. Gearing reduced to 34%, and a strengthened ICR of 3.4 times (from 2.8 times) reflects a consistently

well-managed balance sheet. It also further diversified its funding base with a new R250 facility from a new funder. Funding costs reduced 11% as a result of lower interest rates during the period. Dipula refinanced a portion of its debt in February 2026 at more competitive rates, which also extended its debt expiry profile.

Looking ahead, Petersen notes that while geopolitical tensions may temper market momentum and place near-term pressure on rental growth and interest rates, Dipula's portfolio is well positioned to navigate these challenges through disciplined asset management, strategic disposal of non-core assets, and targeted investment in core defensive sectors.



Contact details

Angie Di Giovamapolo

PR and Portfolio Lead

angie@catchwords.co.za

[0834536668](tel:0834536668)

Copy link

<https://www.catchwords.co.za/265601-dipula-s-half-year-distributable-earnings-up-20/>