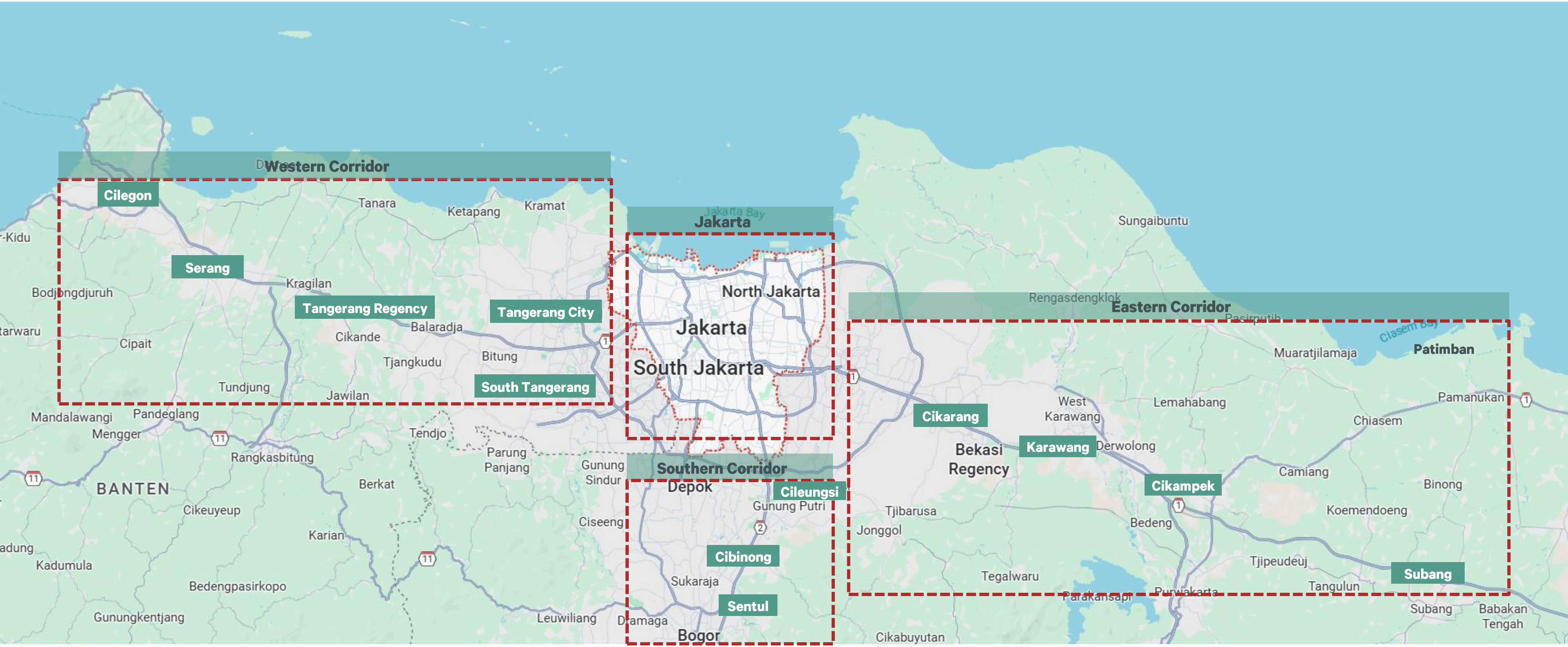
Q2 2026

Greater Jakarta Industrial Market Outlook

REPORT

CBRE RESEARCH

Greater Jakarta Industrial Estates Map



Area Profile

Western Corridor

Tangerang
- Light to heavy industries
- Strong logistics base
- Predominantly textile and footwear industries
- Good proximity and easy access to Jakarta International Airport and Merak seaport

Serang
- Light to heavy industries
- Predominantly automotive, F&B and chemicals
- Good proximity and easy access to toll roads, ports and urban markets

Cilegon
- Ideal for export-oriented and heavy industries due to proximity to port and infrastructure
- Dominant sectors: steel, petrochemicals, chemicals, energy and logistics

Jakarta

- First-era industrial locations (since 1970s)
- Strategic Location: central access to ports (Tanjung Priok), airports (CGK) and toll roads.
- Active sectors: FMCG and F&B
- Environmental and social pressures due to population density

Southern Corridor

Cileungsi | Cibinong | Sentul
- Light to medium scale industries
- Main sectors: FMCG, automotive, cement
- Good access to Jagorawi & JORR toll and to Tanjung Priok seaport

Eastern Corridor

Cikarang
- Recognized as the largest industrial area in SEA, home of various scale modern industries
- Key sectors: auto, electronics, F&B, pharma
- Strong logistics base
- Good toll access to Tanjung Priok Seaport

Karawang
- Rising locations with ample land availability
- Various scale modern industries (automotive, FMCG, pharmaceutical & logistics)
- Good supporting infrastructure & toll access

Cikampek | Purwakarta | Subang
- Strategic industrial and transport hub, with Subang as emerging new location
- Strong sectors: chemical, automotive, fertilizer
- Designated as part of Rebana triangle zone

Area Profile

Beyond Greater Jakarta: Emerging Industrial Clusters in Java

Rebana Triangle (Cirebon, Patimban, Kertajati)

- A new industrial zone initiated by West Java provincial government
- It covers 5 (five) regencies including Cirebon, Subang and Majalengka
- Good access to Patimban & Cirebon seaport & Kertajati airport
- The region is location of several major (existing & proposed) industrial estates i.e. Subang, Patimban, Kertajati, Cirebon.

Central Java

- Emerging industrial destination
- Hotspot locations: Batang, Kendal & Semarang
- Access to low-cost labor pool
- Key sectors: manufacturing, textiles, furniture, food, footwear
- Major industrial estates: KITB, KIP, KIW, BSB

East Java

- Strong industrial base supported by major sea transport hub i.e. Tanjung Perak seaport, which serves as the main gateway port to eastern Indonesia region
- Popular key locations: Gresik, Mojokerto, Pasuruan, Sidoarjo
- Major industries: cement, petrochemicals, electronics, F&B, FMCG
- Major industrial estates: JIIPE, KIG, SIER

01

The Economy

GDP Beats Forecast as Rupiah Remains Soft

Indonesia's economy grew 5.29% y-o-y in Q2 2026, moderating from 5.61% in Q1 but exceeding market expectations.. Growth was supported by household consumption, investment, and government spending, while manufacturing, trade, and construction continued to be key contributors. Meanwhile, the rupiah has remained under pressure near the Rp18,000 per US dollar level, reflecting cautious investor sentiment and external uncertainties. Overall, the latest data suggests that Indonesia's economic fundamentals remain solid, although currency weakness continues to highlight challenges in attracting and sustaining capital inflows

Rising Inflation Prompts Policy Tightening

Domestic inflationary environment remained relatively manageable in Q2 2026, although price pressures increased toward the end of the quarter. Headline inflation accelerated to 3.34% y-o-y in June 2026, up from 3.08% in May, driven mainly by higher food, transportation, and energy-related costs. In response to rising external risks and ongoing pressure on the rupiah, Bank Indonesia raised the BI Rate to 5.75% in June, prioritizing currency stability and inflation management while maintaining support for economic growth. The combination of moderate inflation and tighter monetary policy suggests that macroeconomic conditions remain broadly stable, although higher financing costs could moderate borrowing activity and investment decisions in the near term

Figure 1. Economic Growth

National GDP Growth

Source: BPS

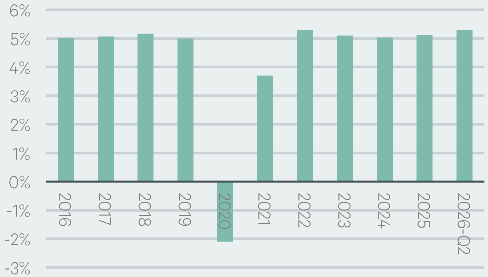


Figure 2. Rupiah Exchange Rate

IDR/USD

Source: BI

Figure 3. Inflation

CPI Growth

Source: BPS

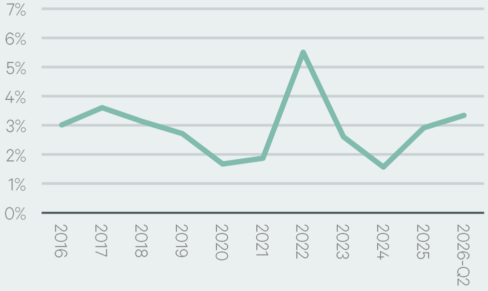
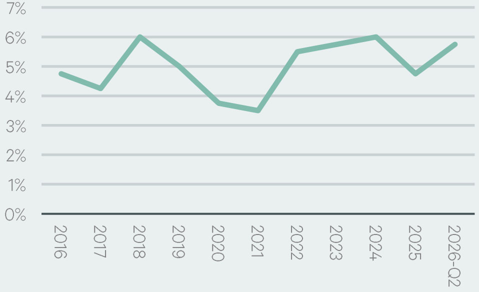


Figure 4. Interest Rate

BI 7-day Reverse Repo Rate

Source: BI



Investment Momentum Remains Strong

Investment realization reached Rp1,010.6 trillion in 1H 2026, growing 7.2% y-o-y and achieving nearly half of the annual target, highlighting continued investor confidence despite global uncertainty. FDI contributed Rp507.6 trillion (50.2%), slightly surpassing DDI at Rp502.9 trillion (49.8%), indicating a well-balanced investment profile. Investment activity remained concentrated in metals, mining, transportation, and industrial property sectors, while regions outside Java attracted a marginally larger share of capital than Java. Overall, the data points to sustained investment momentum, supported by industrial downstreaming policies, infrastructure development, and resilient domestic demand.

Manufacturing Remains the Largest FDI Contributor

Investment inflows were led by Hong Kong, Singapore, China, Japan, and Malaysia, highlighting Indonesia's growing role as a regional manufacturing and supply-chain hub, particularly for resource-based industries and downstream processing activities. The basic metals manufacturing sector remained the largest investment destination, driven by nickel smelting and EV battery-related projects, while significant capital also flowed into mining, transportation and telecommunications, industrial estates, and office property, reflecting sustained momentum in industrial expansion, infrastructure development, and business activity across the country.

Figure 5. Foreign Direct Investment & Domestic Direct Investment

Investment Growth (USD Million)

Source: BKPM

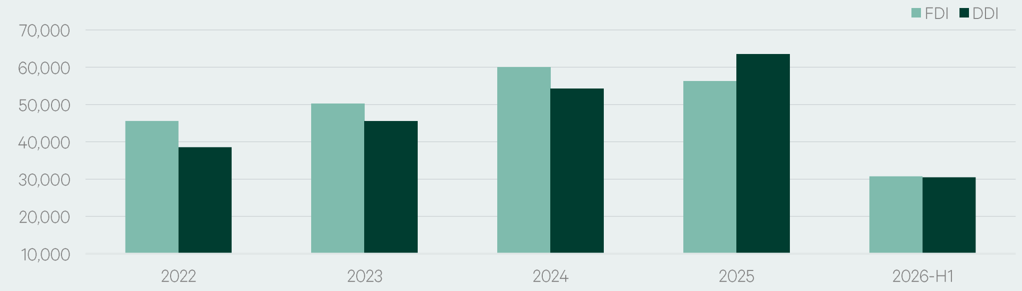


Figure 6. Top 5 Country of Origins

Investor country of origins (USD Million)

Source: BKPM

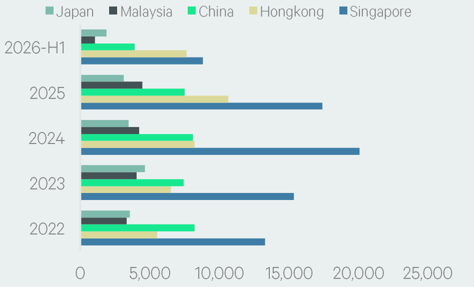
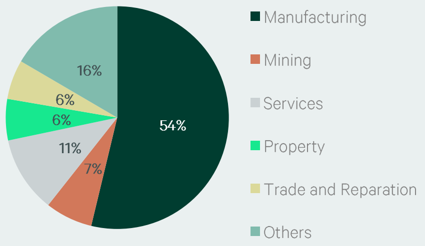


Figure 7. FDI Top Industries

Top five industries by sectors

Source: BKPM



Key Trends

Data Centers Reshape Industrial Land Pricing

Data center operators continue to compete for industrial land, particularly in Cikarang, supporting higher land values and increasing demand for utility-rich sites.

Utility Infrastructure = Key Differentiator

Reliable power, water, and telecommunications infrastructure are emerging as critical site selection factors, for technology and advanced manufacturing occupiers.

Build-to-Suit Preference Continues

Build-to-suit facilities remain an attractive option for occupiers seeking to reduce upfront capital requirements while meeting specific operational needs.

Developers Focus on Premium Logistics

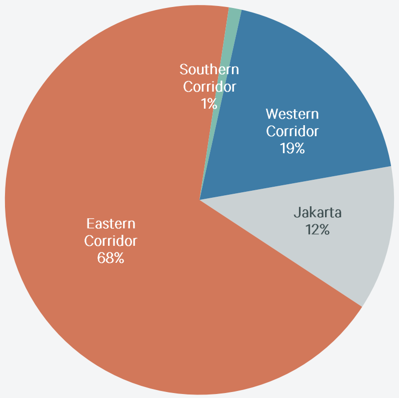
New developments are increasingly targeting premium specifications to cater to multinational occupiers and evolving operational requirements.

02

Industrial Estate Land

GREATER JAKARTA INDUSTRIAL ESTATE LAND

Q2 2026 Market Snapshot



TOTAL EXISTING STOCK
15,656 ha

NET TAKE-UP
62 ha
(Q1 2026)

FUTURE SUPPLY
1,400 ha
(2026 – 2028)

		Eastern Corridor	Southern Corridor	Western Corridor	
	Jakarta	**Cikarang-Subang**	**Cileungsi-Sentul**	**Tangerang-Cilegon**	**Total**
Total Land Area (ha)	1,761	10,788	165	2,943	15,656
Sold/Occupied (ha)	1,710	9,752	151	2,673	14,286
Take-up Rate	97%	90%	92%	91%	91%

Source: CBRE Research

GREATER JAKARTA INDUSTRIAL ESTATE LAND

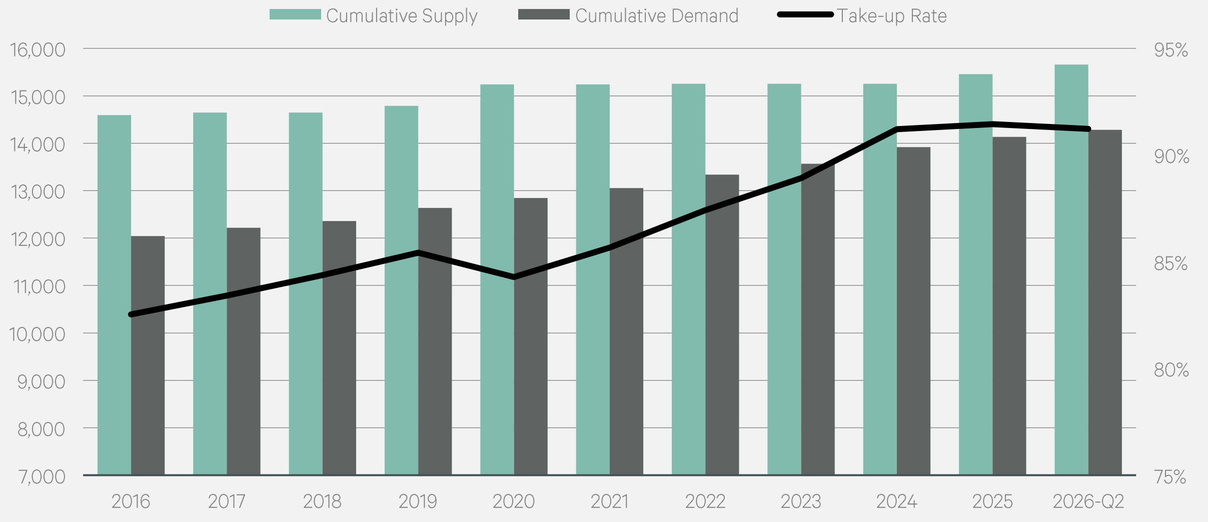
Industrial Estate Land Sales	ha
5-yr average take-up	258
10-yr average take-up	228

Supply-Demand & Take-up Rate

No new industrial supply was recorded during the quarter, and this trend is expected to continue for the remainder of the year. Any future additions are likely to come from expansion initiatives within existing industrial estates rather than new developments.

Demand remained stable, particularly in the eastern corridor where the majority of industrial estates are located. Coupled with the limited supply pipeline, this continued demand contributed to a modest improvement in overall occupancy levels.

Figure 8. Industrial Estate Land Cumulative Supply-Demand & Take-up Rate



Source: CBRE Research

GREATER JAKARTA INDUSTRIAL ESTATE LAND

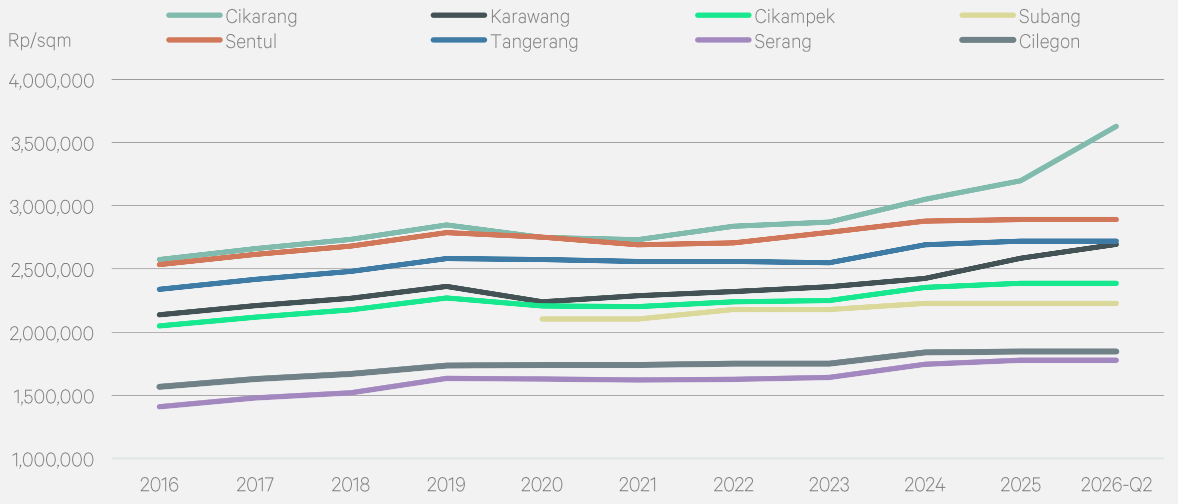
Industrial Estate Land Price Growth	%
5-yr average annual growth	1.3
10-yr average annual growth	1.8

Price

Cikarang maintained its position as the most expensive industrial submarket, with average land prices reaching approximately IDR 3.6 million per sqm, underpinned by strong demand from data center operators and the area's mature infrastructure, utility provision, and industrial ecosystem.

Growing requirements for sites with reliable power supply and supporting infrastructure have further strengthened land values, particularly for large-scale digital infrastructure projects, resulting in an approximately 4% increase in average overall land prices YTD.

Figure 9. Industrial Estate Land Price By Area



Source: CBRE Research

GREATER JAKARTA MODERN LOGISTICS

Outlook

Demand for industrial land is expected to remain robust, driven by continued enquiries from data center operators, manufacturing companies, and logistics-related occupiers, reinforcing Indonesia's position as a key regional production base and digital infrastructure destination. As operational requirements become more sophisticated, occupiers are placing greater emphasis on industrial estates that can provide reliable power supply, water availability, telecommunications infrastructure, and scalable development opportunities, particularly for technology-intensive and advanced manufacturing operations. Consequently, demand is expected to remain concentrated in established industrial corridors that offer strong connectivity, integrated infrastructure, and access to mature supplier and labor ecosystems.

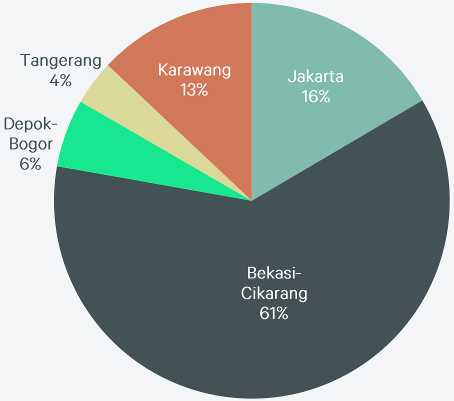
While global economic uncertainty and evolving trade policies may influence investment decisions, market sentiment has remained generally positive, supported by Indonesia's large domestic market, strategic location, and ongoing industrialization initiatives. Land absorption is therefore expected to remain healthy, although transaction timelines may lengthen as occupiers adopt a more selective approach to expansion. At the same time, new supply in emerging locations such as Subang is likely to broaden occupier options and intensify competition among industrial estate developers. Nevertheless, well-established estates in Cikarang and Karawang are expected to maintain a competitive advantage due to superior infrastructure, utility readiness, and proven operational track records. Against this backdrop, industrial land prices are projected to continue trending upward, supported by sustained occupier demand and the limited availability of high-quality serviced industrial land in strategic locations.

03

Modern Logistics

GREATER JAKARTA MODERN LOGISTICS

Q1 2026
Market Snapshot



TOTAL EXISTING STOCK
3.5 million sqm

NET TAKE-UP
23,900 sqm
(Q2 2026)

FUTURE SUPPLY
1.0 million sqm
(2026 – 2029)

	Jakarta	Bekasi-Cikarang	Depok-Bogor	Tangerang	Karawang	Total
Total Stock (sqm)	575,900	2,133,900	193,400	152,100	470,600	3,526,000
Occupied (sqm)	569,300	2,058,300	191,000	152,100	464,700	3,435,300
Occupancy Rate	99%	97%	99%	100%	98%	97%

Source: CBRE Research

GREATER JAKARTA MODERN LOGISTICS

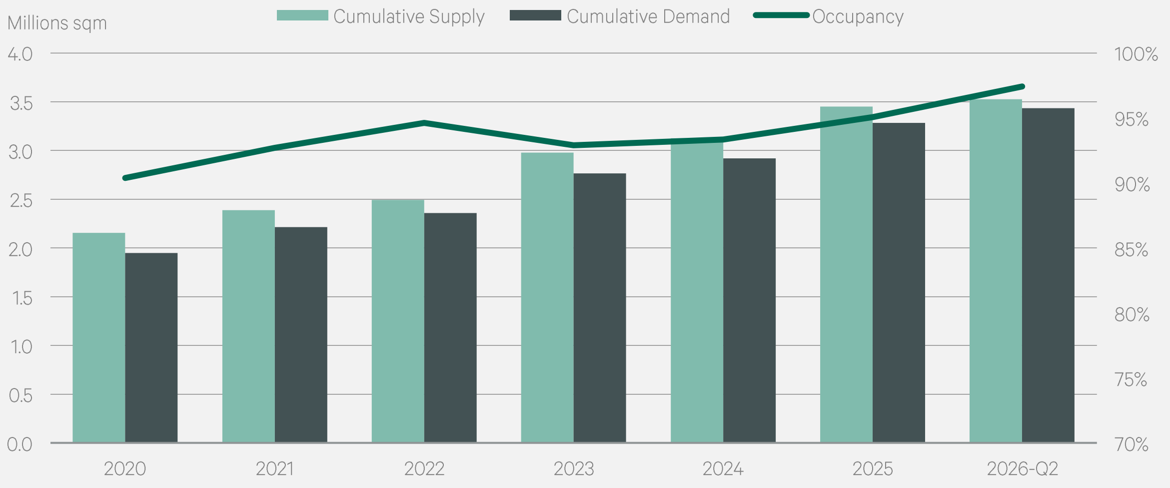
Modern Logistics Take-up	sqm
3-yr average take-up	320,000
5-yr average take-up	267,400

Supply-Demand & Occupancy

Over 42,000 sqm of modern warehouse space was delivered in Q2 2026, increasing total inventory to approximately 3.5 million sqm. Future developments are expected to remain focused on modern-spec facilities, reflecting evolving occupier requirements.

Demand for logistics space remained healthy, with approximately 23,900 sqm of net take-up recorded in Q2 2026 and overall occupancy holding at a high 97.4%, supported by active demand from 3PL, e-commerce, FMCG, and manufacturing occupiers amid limited new supply.

Figure 10. Cumulative Modern Logistics Supply, Demand & Occupancy



Source: CBRE Research

GREATER JAKARTA MODERN LOGISTICS

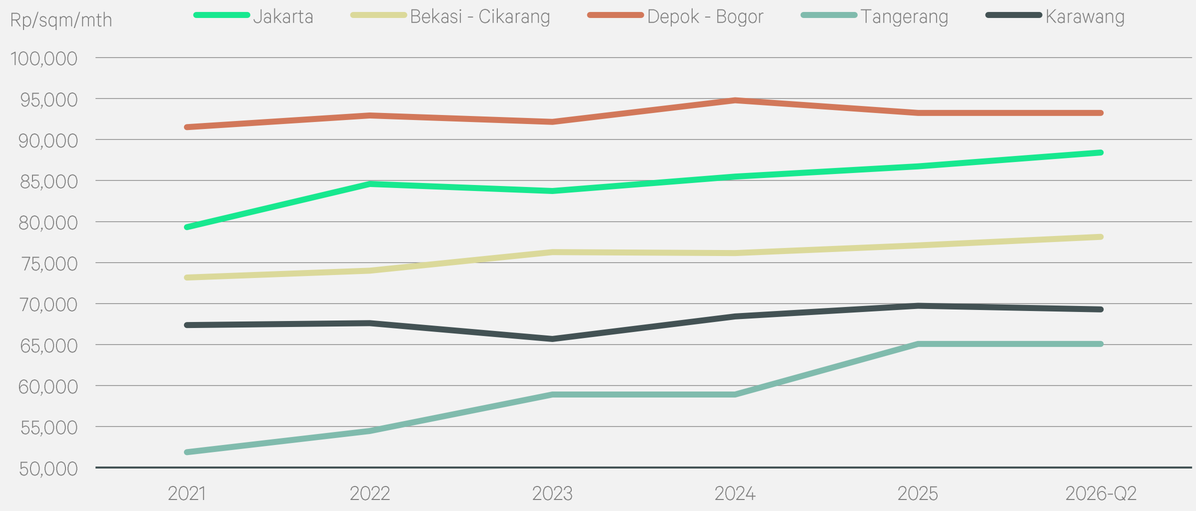
Modern Logistics Rent Growth	%
3-yr average annual growth	0.7
5-yr average annual growth	0.6

Rent

Rents of modern logistics space continued to grow steadily during the quarter, rising by nearly 1% quarter-on-quarter, supported by resilient demand across key industrial markets.

Karawang recorded the strongest rental growth at around 6% quarter-on-quarter, driven by the introduction of modern, higher-specification facilities at premium rents, reflecting continued demand for quality industrial space.

Figure 11. Modern Logistics Rent



Source: CBRE Research

GREATER JAKARTA MODERN LOGISTICS

Outlook

Demand for modern logistics facilities is expected to remain broadly resilient, supported by sustained activity from 3PL operators, e-commerce players, FMCG companies, and an increasingly diverse group of industrial occupiers. While approximately 1 million sqm of new warehouse supply is projected to enter the market over the next three years, demand fundamentals are expected to remain supportive, enabling the market to absorb a significant portion of this new space. Nevertheless, occupancy levels may gradually normalize from current highs as new projects are completed and competition among landlords increases. Notably, light manufacturing occupiers are accounting for a growing share of leasing activity, reflecting the increasing convergence between industrial production and logistics operations, particularly among companies seeking integrated distribution and fulfilment facilities.

On the supply side, developers are expected to remain focused on modern, high-spec warehouse formats, reflecting occupiers' increasing emphasis on operational efficiency, automation readiness, higher clear heights, and enhanced loading capabilities. The Eastern Corridor of Greater Jakarta is likely to retain its position as the primary location for new warehouse development, benefiting from its mature industrial ecosystem, extensive transportation infrastructure, and proximity to major manufacturing clusters. As supply expands, rental growth is likely to moderate from recent levels, particularly in submarkets with a larger pipeline of upcoming projects. However, well-located facilities offering modern specifications and strong connectivity are expected to maintain pricing power and achieve higher occupancy levels. Over the medium term, market performance will be shaped by the balance between new supply delivery, occupier expansion plans, and broader economic conditions, with demand increasingly favoring quality assets that support evolving supply chain and distribution requirements.

Thank you

Disclaimers & Waivers