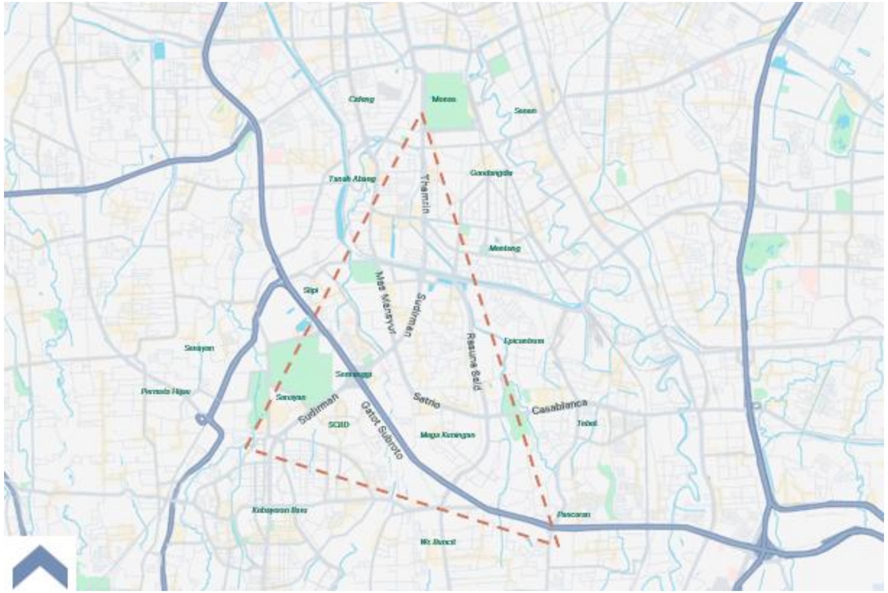
REPORT

Q2 2026
Jakarta Office Market Outlook

CBRE RESEARCH | INDONESIA

Jakarta Office Map



CBD Area

The Jakarta Central Business District (CBD)—widely known as the Golden Triangle—is a roughly triangular, high-density commercial zone stretching from Central to South Jakarta, bounded by the major corridors of Sudirman-Thamrin, Rasuna Said, and Gatot Subroto (incl. inner corridor of Mas Mansyur-Satrio-Casablanca). Recognized as the city's downtown, it concentrates Jakarta's tallest skyscrapers, multinational corporate offices, embassies, luxury hotels, and major superblocks such as SCBD, Mega Kuningan, and Rasuna Epicentrum, making it Indonesia's most prestigious economic hub.

Non-CBD Area

Jakarta Non-CBD area refers to the clusters of commercial office developments located outside the city's Golden Triangle Zone, where includes emerging business corridors like West and East Primary Centers as well as South Jakarta periphery of TB Simatupang and Pantai Indah Kapuk. These non-core submarkets are characterized by more decentralized land-use patterns, lower-density commercial zoning, and a broader mix of office typologies ranging from Grade C to better quality Grade A buildings, to business parks and mixed-use complexes.

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

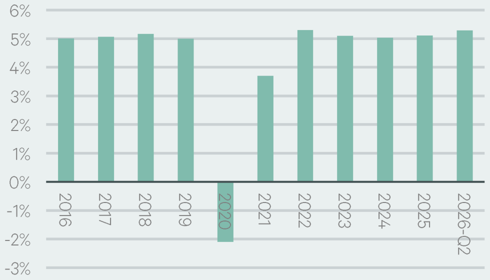


Figure 2. Rupiah Exchange Rate
IDR/USD
Source: BI

Figure 3. Inflation
CPI Growth
Source: BPS

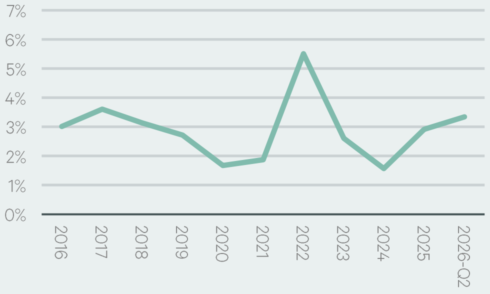
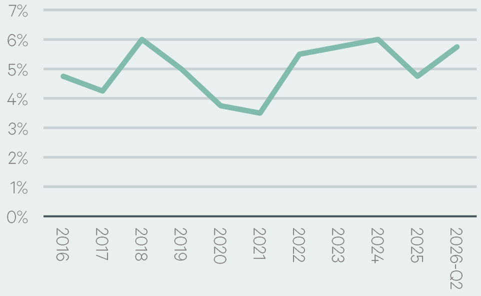


Figure 4. Interest Rate
BI 7-day Reverse Repo Rate
Source: BI



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

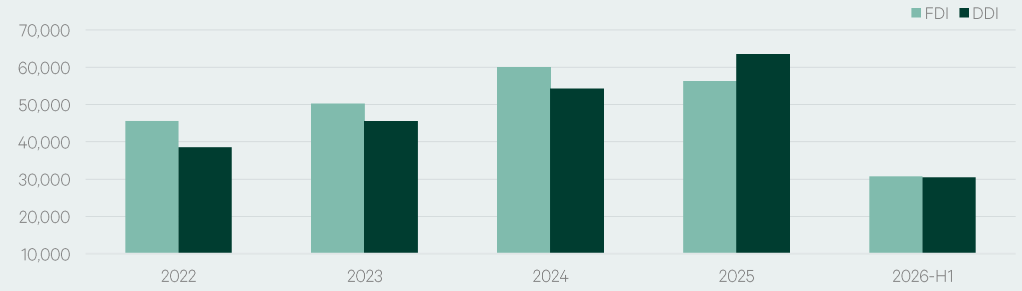


Figure 6. Top 5 Country of Origins

Investor country of origins (USD Million)

Source: BKPM

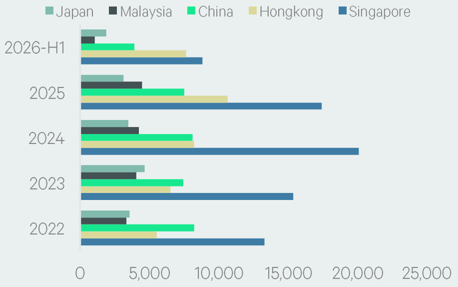
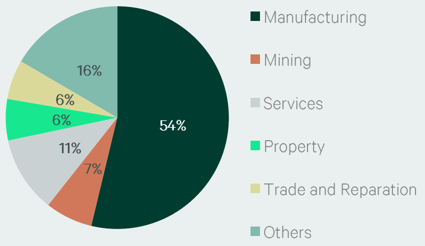


Figure 7. FDI Top Industries

Top five industries by sectors

Source: BKPM



Key Trends

Shift Toward Higher-Grade Offices Stays Strong

Occupiers are increasingly seeking modern, better quality office buildings, often with green certifications and better amenities.

Cost Management is Tenant Priority

More businesses are prioritizing cost-effective rent packages, thus consider rightsizing, downsizing or relocating their workplace.

Growing Preference for Flexible Lease

Companies are increasingly seeking greater agility and manage their costs more efficiently with shorter and flexible leases or other incentives.

Manufacturing, Tech & Energy Sectors

The manufacturing, technology and energy sectors currently account for a significant portion of office space demand.

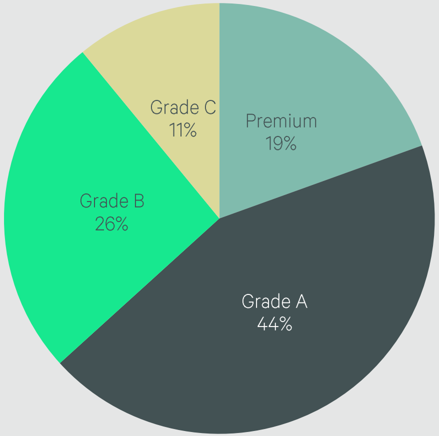
Limited Supply Sustains Occupancy

With a constrained pipeline of new developments, the market had witnessed improvements in occupancy and accordingly rents in better quality buildings.

02

CBD Office

Market Snapshot Q2 2026



TOTAL CBD OFFICE STOCK
7.11 mil sqm

NET TAKE-UP
16,000 sqm
(Q2 2026)

FUTURE SUPPLY
188,000 sqm
(2026 – 2029)

OCCUPANCY

	1Q 2026		2Q 2026
CBD Overall	**76.1%**	↑	**76.3%**
Premium Grade	75.5%	↑	75.8%
Grade A	77.1%	↑	77.5%
Grade B	78. 5%	→	78. 5%
Grade C	67.6%	↓	67.5%

RENT

(Rp/sqm/month)	1Q 2026		2Q 2026
CBD Overall	**171,600**	↑	**171,800**
Premium Grade	258,000	↑	259,500
Grade A	206,000	↑	206,600
Grade B	165,150	↓	165,000
Grade C	105,320	↓	105,000

Source: CBRE Research

Supply

- The market remained notably supply-constrained, with no new office completions recorded in this quarter. This continues a prolonged period of limited development activity, as the market has not seen any significant additional office supply since 2023.
- In the absence of new completions during the quarter, total CBD office stock stood unchanged at approx. 7.11 million sqm as of Q2 2026.

Demand

- Demand remained positive during the quarter, generating approx. 16,000 sqm of net take-up despite a 25% q-o-q decline in absorption. Leasing activity was driven primarily by new office establishments, as occupiers continued to capitalize on competitive market conditions and the availability of quality space.
- Despite softer leasing momentum, market fundamentals improved modestly, with occupancy increasing from 76.1% to 76.3%, indicating that tenant demand remains resilient and continues to gradually absorb existing vacancies.

Rent

- Office rents continued to demonstrate resilience, with average CBD rents holding steady at Rp171,800 per sqm per month. The stability in headline rents reflects a gradual improvement in market fundamentals, supported by positive net absorption and marginal occupancy gains, although performance varied across building grades.
- Premium Grade and Grade A buildings recorded rental growth, driven by occupiers' preference for high-quality, well-located assets offering superior amenities, and ESG-aligned features. In contrast, Grade B and Grade C buildings continued to face downward rental pressure as landlords relied on incentives and pricing adjustments to remain competitive.

Figure 8. CBD Cumulative Supply-Demand-Occupancy

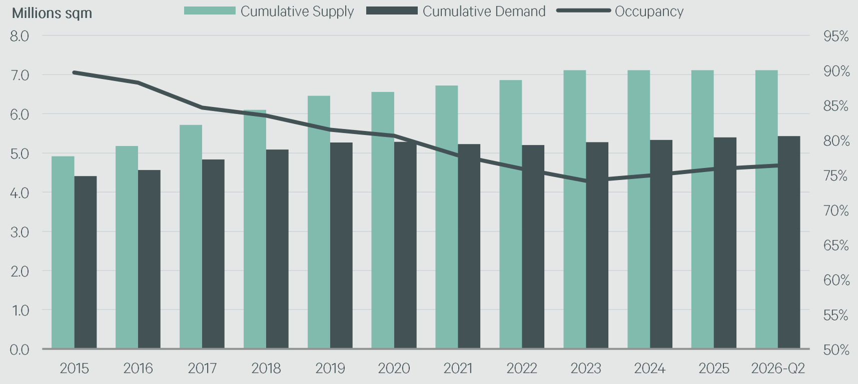
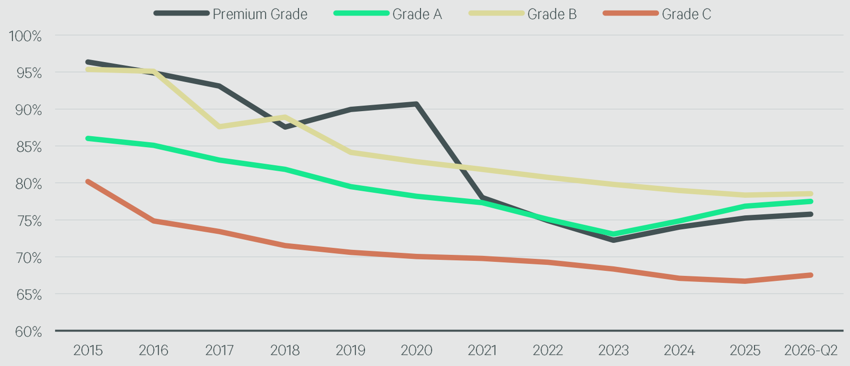


Figure 2. CBD Occupancy By Grade



Source: CBRE Research

Outlook

- The CBD office market is expected to remain on a gradual path toward stabilization, underpinned by limited new supply and steady tenant demand. With less than 200,000 sqm of new office space scheduled for completion over the next two to three years, supply-side pressure is expected to remain manageable, providing greater support to market fundamentals.
- Occupancy levels are forecast to improve progressively, likely to approach 78% in the near to medium term as leasing activity continues to absorb existing vacancies. Demand will be primarily driven by relocations and portfolio optimization strategies, as occupiers seek better-quality and more efficient workspaces, while expansion-driven demand is expected to recover at a slower pace, reflecting broader economic conditions and business sentiment. Rental performance is also projected to strengthen gradually, supported by improving occupancy and a limited development pipeline.

Figure 10. CBD Office Annual Supply-Demand-Occupancy | Forecast

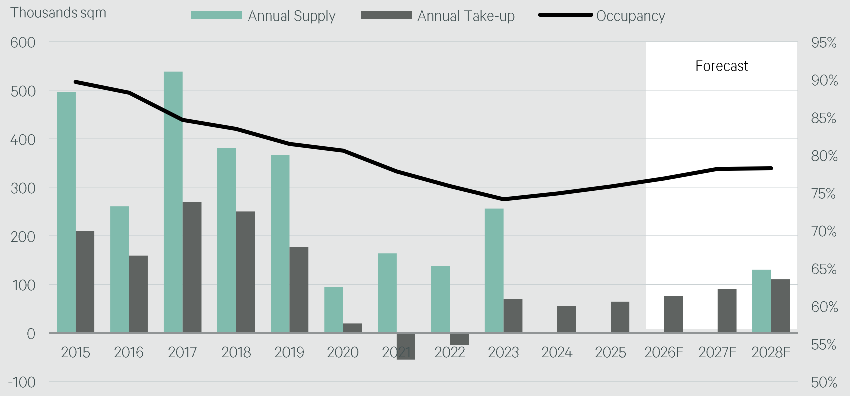
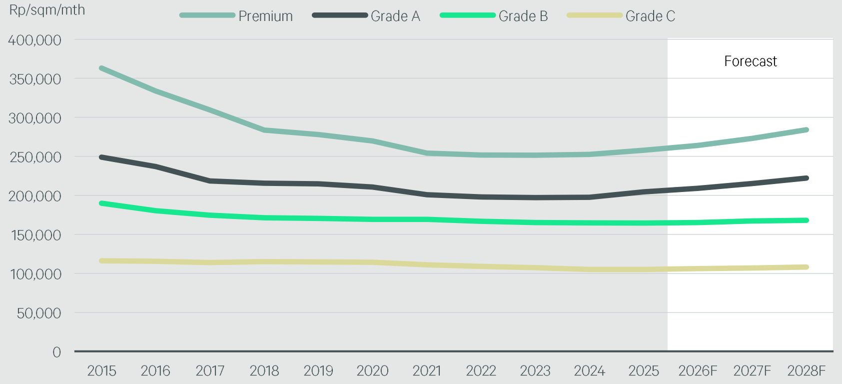


Figure 11. CBD Office Rent Growth By Grade | Forecast

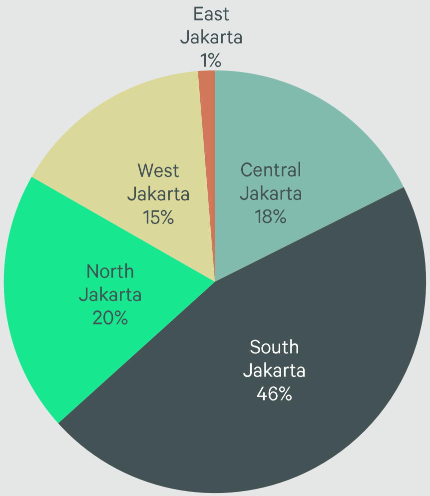


Source: CBRE Research

03

Non-CBD Office

Market Snapshot
Q2 2026



TOTAL NON-CBD OFFICE STOCK

3.41 mil sqm

NET TAKE-UP OF

12,900 sqm

(Q2 2026)

FUTURE SUPPLY

119,300 sqm

(2026 – 2028)

OCCUPANCY

	1Q 2026		2Q 2026
Non-CBD Overall	**72.9%**	↑	**73.3%**
Central Jakarta	64.2%	↑	64.3%
West Jakarta	75.5%	↑	75.8%
East Jakarta	81.9%	→	81.9%
North Jakarta	71.3%	↑	71.6%
South Jakarta	75.8%	↑	76.4%

RENT

(Rp/sqm/month)	1Q 2026		2Q 2026
Non-CBD Overall	**112,700**	↑	**112,900**
Central Jakarta	93,180	↑	93,500
West Jakarta	114,570	↑	115,200
East Jakarta	86,000	→	86,000
North Jakarta	107,200	↑	107,600
South Jakarta	124,030	↑	124,030

Source: CBRE Research

Supply

- No new supply was delivered in Q2 2026, keeping total non-CBD office stock stable at approx. 3.4 million sqm. Existing stock continues to be dominated by Grade B buildings, which account for nearly half of total inventory.
- The development pipeline remains thin, with Arumaya in TB Simatupang the sole project scheduled for completion this year. The limited pipeline is expected to keep supply-side pressure manageable, supporting vacancy absorption and a gradual improvement in market fundamentals over the medium term.

Demand

- Demand continued to generate positive absorption, with approx. 12,900 sqm of net take-up recorded during the quarter, driven largely by new office set-ups as occupiers took advantage of competitive occupancy costs and improving business confidence, while the education sector emerged as the most active source of leasing demand.
- Despite a moderation in absorption compared with previous periods, overall occupancy increased from 72.9% to 73.3%, indicating a gradual strengthening of market fundamentals and highlighting the market's ability to steadily absorb existing vacancies across major Non-CBD office submarkets.

Rent

- Rental growth remained modest but positive, with average rents rising 0.2% q-o-q to Rp112,900 per sqm per month, supported by stronger Grade A performance and gradually improving demand.
- Rental levels continued to vary across submarkets, with South Jakarta, particularly TB Simatupang, commanding the highest rents at over Rp130,000 per sqm per month. Meanwhile, East Jakarta remained the most affordable market at around Rp86,000 per sqm per month.

Figure 12. Non-CBD Cumulative Supply-Demand-Occupancy

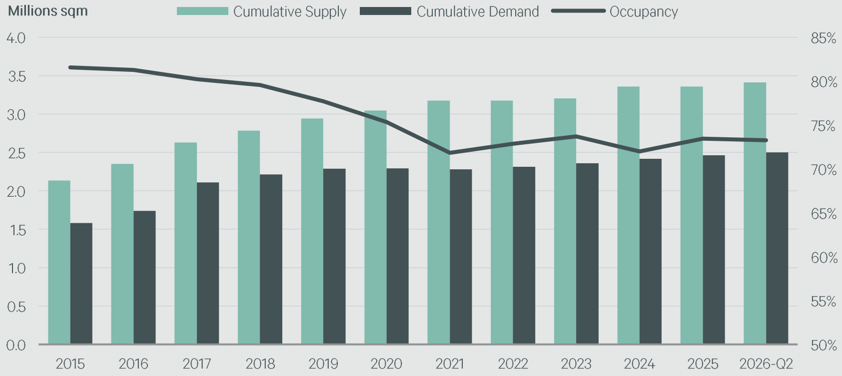
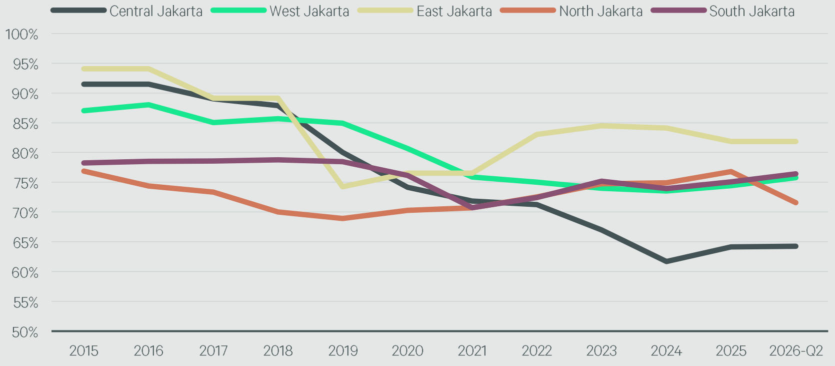


Figure 13. Non-CBD Occupancy By Area



Source: CBRE Research

Outlook

- The Non-CBD office market is expected to move toward a more balanced position, supported by a highly constrained supply pipeline, with Arumaya in TB Simatupang representing the only near-term addition and no confirmed developments beyond 2026, which should facilitate the absorption of existing vacant space.
- As occupier demand continues to be driven by new business formations, decentralization trends, and the search for cost-efficient alternatives to the CBD, occupancy is projected to improve steadily toward 76% by 2028, accompanied by gradual rental growth of around 2% per annum over the next three years.

Figure 14. Non-CBD Office Annual Supply-Demand-Occupancy | Forecast

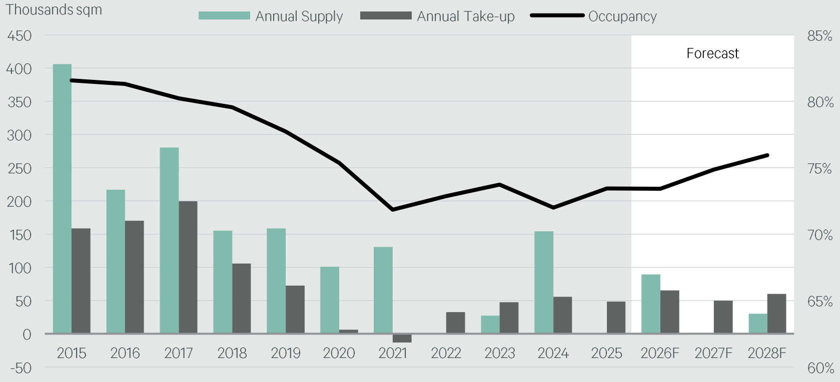
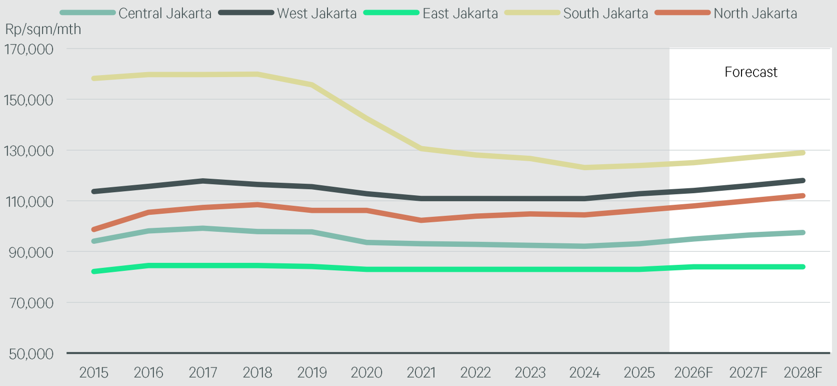


Figure 15. Non-CBD Office Rent Growth By Area | Forecast



Source: CBRE Research

Thank you

Disclaimers & Waivers

This presentation has been prepared in good faith based on CBRE's current views of the commercial real-estate market. Although CBRE believes its views reflect market conditions on the date of this presentation, they are subject to significant uncertainties and contingencies, many of which are beyond CBRE's control. In addition, many of CBRE's views are opinion and/or projections based on CBRE's subjective analyses of current market circumstances. Other firms may have different opinions, projections and analyses, and actual market conditions in the future may cause CBRE's current views to later be incorrect. CBRE has no obligation to update its views herein if its opinions, projections, analyses or market circumstances later change.

Nothing in this presentation should be construed as an indicator of the future performance of CBRE's securities or of the performance of any other company's securities. You should not purchase or sell securities – of CBRE or any other company – based on the views herein. CBRE disclaims all liability for securities purchased or sold based on information herein, and by viewing this presentation, you waive all claims against CBRE and the presenter as well as against CBRE's affiliates, officers, directors, employees, agents, advisers and representatives arising out of the accuracy, completeness, adequacy or your use of the information herein.