MARKETBEAT

KUALA LUMPUR

INDUSTRIAL Q2 2026

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

Industrial Property (All Types)	12-Month Forecast
51.65% Transactions from Terraced Factory / Warehouse	▼
-17.47% Sales Growth (Value y-o-y)	▲
-11.17% Sales Growth (Volume y-o-y)	▼

Source: C&W / IVPS Research

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
5.4% GDP Growth	▲	▲
2.0% CPI Growth *May 2026*	▼	▼
3.0% Unemployment Rate *April 2026*	▼	▼

Source: BNM, DOSM

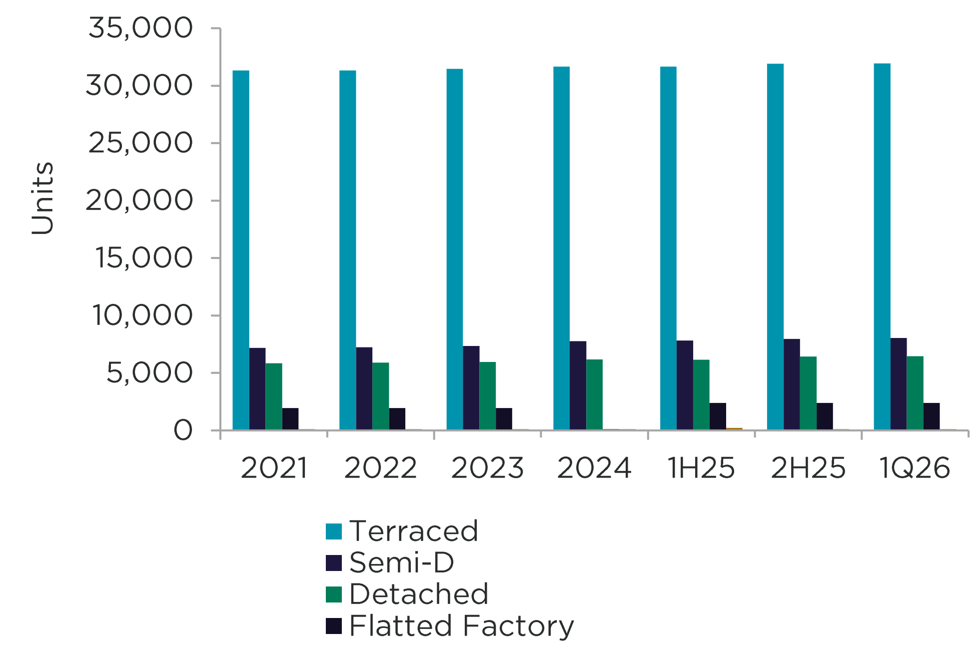
ECONOMY: STRONG INDUSTRIAL MOMENTUM ANCHORED BY MANUFACTURING EXPANSION AND LOGISTICS GROWTH IN Q2 2026

Malaysia's industrial sector recorded a strong acceleration in Q2 2026, with the Industrial Production Index (IPI) rising 8.2% year-on-year in April 2026, up from 3.1% in March 2026, reflecting improved overall industrial momentum. Growth was led by the manufacturing sector (+8.3% YoY), supported by stronger output in E&E, electronics, food processing, and fabricated metals, alongside sustained export demand and stable domestic production. The electricity sector (+10.5%) expanded on higher industrial and commercial consumption, while the mining sector (+6.8%) returned to growth driven by improved crude oil and natural gas output. Overall, the broad-based expansion across manufacturing, utilities, and mining signals a stronger industrial recovery in early Q2 2026, reinforcing continued demand for Malaysia's production capacity across key sectors.

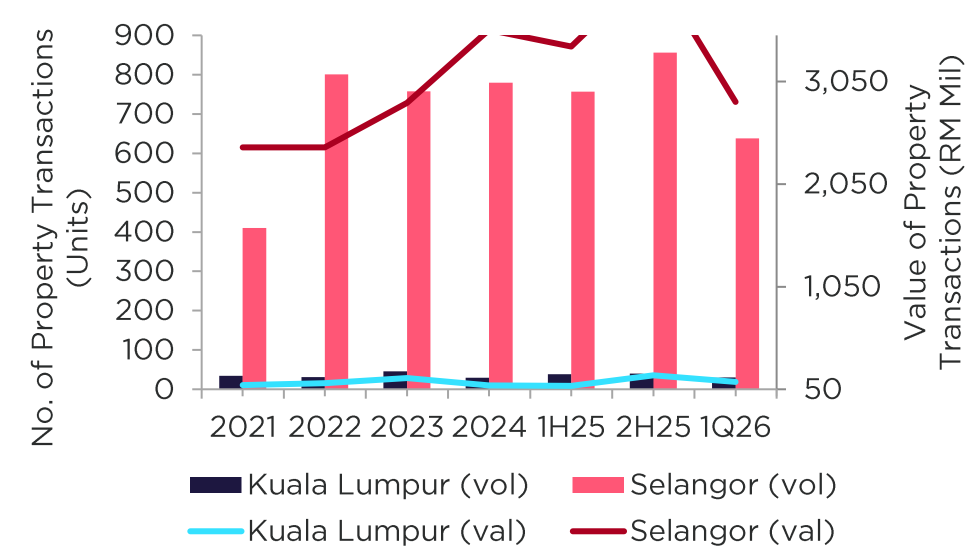
SUPPLY: INDUSTRIAL LANDBANK EXPANSION SUPPORTS FUTURE DEVELOPMENT PIPELINE

Industrial supply continued to expand in Q2 2026 as developers acquired strategic land parcels for future industrial park and logistics developments. Notable acquisitions in Kuala Langat, Sepang, Kuala Selangor and Johor are expected to support the next phase of industrial growth, particularly for logistics, manufacturing and data centre-related developments. In parallel, existing industrial parks continued to introduce new industrial products and facilities, including detached factories, warehouse hubs, and data centre-ready sites. The sustained pace of land acquisitions and project launches reflects developers' confidence in long-term occupier demand, particularly in well-connected industrial corridors.

INDUSTRIAL SUPPLY PIPELINE (GREATER KL)



VOLUME & VALUE OF PROPERTY TRANSACTIONS



MARKET STATISTICS

SUBMARKET	INDUSTRIAL AREA	INVENTORY (UNIT)	PLANNED & UNDER CNSTR (UNIT)	FACE RENT RM PSF PM (ALL TYPES)	FACE RENT USD PSF PM (ALL TYPES)	FACE RENT EUR PSF PM (ALL TYPES)
Central Region	W.P Kuala Lumpur, Gombak, Petaling	25,039	244	RM 2.00 – RM 4.50	$ 0.49 – $ 1.10	€ 0.43 – € 0.96
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	5,093	532	RM 1.20 – RM 2.50	$ 0.29 – $ 0.61	€ 0.26 – € 0.54
Southern Region	Kuala Langat, Sepang	1,906	407	RM 1.80 – RM 3.00	$ 0.44 – $ 0.73	€ 0.39 – € 0.64
Western Region	Klang	9,591	1,069	RM 2.00 – RM 3.50	$ 0.49 – $ 0.86	€ 0.43 – € 0.75
Eastern Region	Hulu Langat	7,436	310	RM 1.20 – RM 2.80	$ 0.29 – $ 0.68	€ 0.26 – € 0.60
TOTALS		49,065	2,562	RM 1.20 – RM 4.50	$ 0.29 – $ 1.10	€ 0.26 – € 0.96

Cumulative supply for all submarkets are based on total supply of industrial space (all types).

Source: NAPIC & IVPS/Cushman & Wakefield Research

KEY SALES TRANSACTIONS Q2 2026

PROPERTY	LOCATION	SELLER/BUYER	LAND AREA	PRICE RM
Three adjoining parcels of mixed industrial and building land	District of Timor Laut, Pulau Pinang	Boustead Penang Shipyard/ Karya Koperat	26 acres	RM 28 Mil
Two parcels of freehold industrial land	Mukim Pulai, Johor Bahru, Johor	Kesas Kenangan/Topmix Resources	2.5 acres	RM 18.97 Mil
Industrial building	Semenyih, Selangor	Anthens Park Machineries/WTEC Group	1 acre	RM 10.80 Mil
Industrial land	Klang, Selangor	Beshom Holdings Bhd/Tuna Bumi Sdn Bhd	14.58 acres	RM 85.80 Mil
Industrial land	Gurun, Kedah	Gurun Heavy Industrial Park Sdn Bhd/Zichen Malaysia Sdn Bhd	62.40 acres	RM 119.59 Mil

INVESTMENT TREND/INDUSTRIAL DEVELOPMENT ACTIVITIES

- *IJM Corporation secured a RM658.01 million contract for hyperscale data centre core and shell works at Elmina Business Park, Selangor.*
- *Y&G Corporation Bhd is acquiring 548.4 acres of land in Sepang and Kuala Selangor for RM477 million to strengthen its development landbank.*
- *PTT Synergy Group Bhd secured a RM31.68 million contract and RM900,000 monthly lease agreement at Elmina East, Shah Alam.*
- *Axteria Group Bhd acquires an 80% stake in construction firm Niaga Sari for RM35 million cash.*
- *Sime Darby Property launches industrial lots and factories at Elmina Business Park 2 in Rawang, Selangor.*
- *Mitrajaya Holdings Bhd secures RM54 million data centre early works contract from NEXTDC in Kuala Lumpur.*
- *PTT Synergy Group Bhd expands warehouse capacity through new automated hub development at Elmina Business Park, Selangor..*
- *KHPT Holdings Bhd is leasing a 118,506 sq ft factory in Puchong for 10 years in a RM14.6 million deal to support its precision metal stamping manufacturing operations.*

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