MARKETBEAT
KUALA LUMPUR
INDUSTRIAL Q2 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS

Industrial Property (All Types)	12-Month Forecast
50.4% Transactions from Terraced Factory / Warehouse	▲
-3.51% Sales Growth (Value y-o-y)	▼
7.58% Sales Growth (Volume y-o-y)	▲

Source: C&W / IVPS Research

ECONOMIC INDICATORS

	YOY Chg	12-Month Forecast
4.4% GDP Growth	▲	▲
1.4% CPI Growth *April 2025*	▼	▲
3.1% Unemployment Rate *March 2025*	▼	▼

Source: BNM, DOSM (Q1 2025)

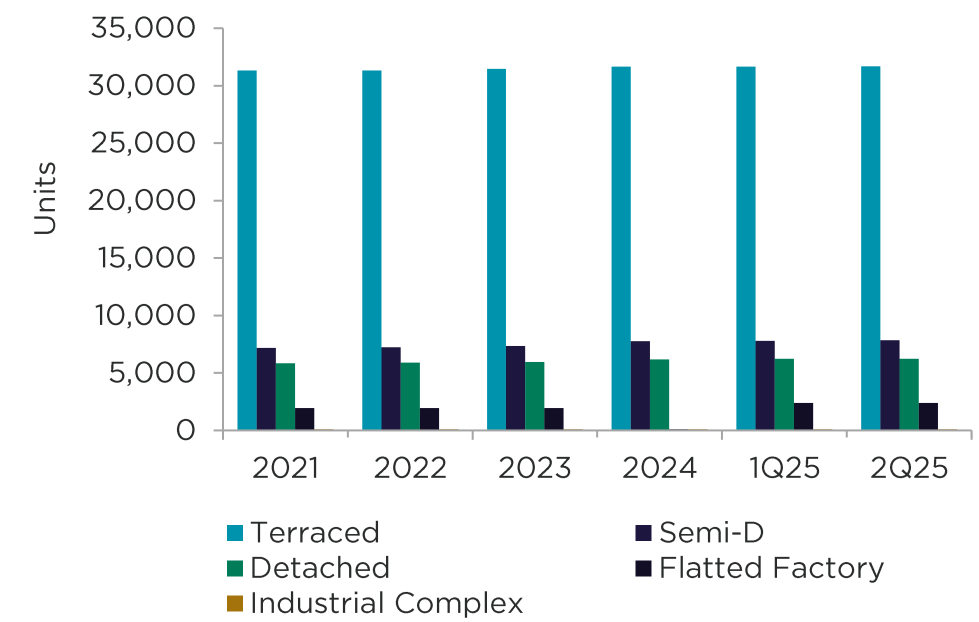
ECONOMY: MANUFACTURING REMAINS THE DOMINANT FORCE BEHIND THE GROWTH OF MALAYSIA'S INDUSTRIAL PRODUCTION INDEX (IPI)

In March 2025, Malaysia's Industrial Production Index (IPI) rose by 3.2% YoY, driven mainly by growth in the manufacturing and mining sectors. The manufacturing sector recorded a 4.0% increase, supported by a 4.8% expansion in export-oriented industries. Key contributors included the manufacture of computer, electronic and optical products, oils and fats from vegetables and animals, and chemicals and chemical products. Meanwhile, the mining sector grew by 1.9%, supported by higher output in both crude petroleum & condensate and natural gas. In contrast, the electricity sector continued to decline, registering a 2.7% contraction. On a month-on-month basis, the overall IPI rose sharply by 9.3%, rebounding from a 6.8% decline in February 2025.

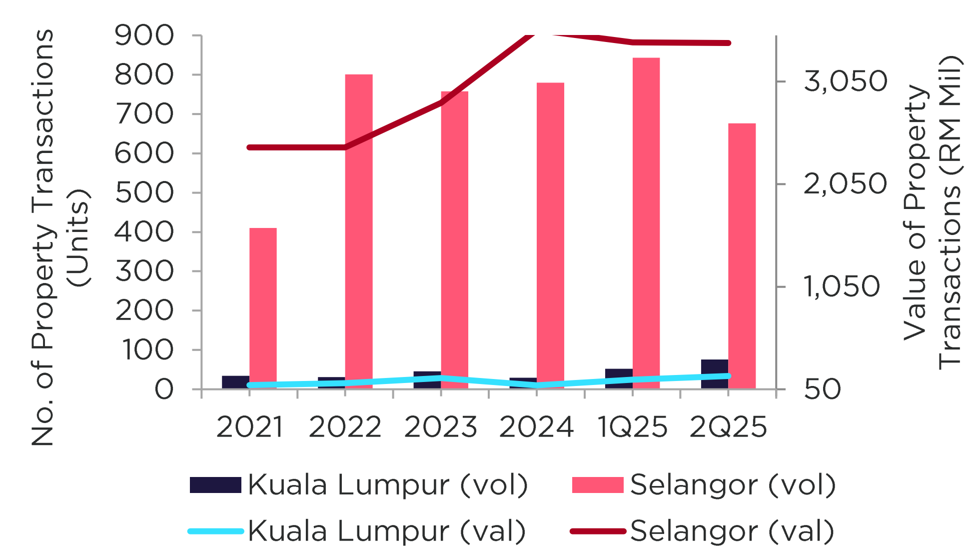
SUPPLY : STRATEGIC DEVELOPMENT – JOHOR-SINGAPORE SEZ SPURS INDUSTRIAL SPACE EXPANSION

The Johor-Singapore Special Economic Zone (JS-SEZ) is gaining significant traction as a strategic cross-border initiative aimed at boosting industrial development and trade integration between Malaysia and Singapore. Supported by MIDA and key government agencies, the zone is expected to catalyze the development of new industrial parks and infrastructure in Johor, particularly near Iskandar Malaysia and the CIQ checkpoints. This initiative is designed to attract high-value industries, including advanced manufacturing, logistics, and renewable energy, thereby expanding Malaysia's industrial supply pipeline. As investor interest builds, developers are preparing to meet demand with modern, high-specification industrial facilities tailored for seamless cross-border operations.

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	25,009	85	RM 1.90 – RM 4.00	$ 0.45 – $ 0.94	€ 0.39 – € 0.83
Northern Region	Kuala Selangor, Hulu Selangor, Sabak Bernam	4,961	618	RM 1.20 – RM 2.40	$ 0.28 – $ 0.57	€ 0.25 – € 0.50
Southern Region	Kuala Langat, Sepang	1,680	697	RM 1.60 – RM 2.80	$ 0.38 – $ 0.66	€ 0.33 – € 0.58
Western Region	Klang	9,377	1,005	RM 1.90 – RM 3.50	$ 0.45 – $ 0.82	€ 0.39 – € 0.72
Eastern Region	Hulu Langat	7,376	196	RM 1.40 – RM 2.00	$ 0.33 – $ 0.47	€ 0.29 – € 0.41
TOTALS		48,403	2,601	RM 1.20 – RM 4.00	$ 0.28 – $ 0.94	€ 0.25 – € 0.83

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 2025

PROPERTY	LOCATION	SELLER/BUYER	LAND AREA	PRICE RM
Industrial land	Kedah	Konsortia Etiqa/ Ann Joo Resources	437 acres	RM 196 Mil
Industrial land	Port Dickson	Gamuda/ Pearl Computing Malaysia	389 acres	RM 455.23 Mil
2 Industrial land parcels with buildings	Kuantan	Mieco Chipboard/ G-Force	43.9 acres	RM 40 Mil
Agriculture land	Seremban	N9 Matrix Development/ Kuntum Kemuning	38.65 acres	RM 90.91 Mil
3 Industrial properties (under construction)	I-park @ Senai Airport City, I-Tech Valley, Johor	AME Elite Consortium/ AME REIT	12.81 acres	RM 100.8 Mil

INVESTMENT TREND/INDUSTRIAL DEVELOPMENT ACTIVITIES

- Area Group Forms US$20 Billion Alliance with Shenzhen to Develop Industrial Hubs in Kedah and Selangor as Part of China's Belt and Road Initiative.
- Sime Darby Property Unveils RM 2.4 Billion, 760-acre Vision Business Park in Negeri Sembilan to Boost Industrial Growth.
- Ferrotec Breaks Ground on RM 1 Billion, 18.37-acre High-Tech Facility in Kulim, Kedah.
- Horiba announces plans to establish its first manufacturing base in Malaysia, committing a 1 billion yen investment to strengthen regional operations.
- Jingxing Holdings embarks on a RM 1.9 billion expansion project in Banting, Selangor, aimed at boosting production capacity.
- Astino's subsidiary acquires an 85,615.29 square metre land in Seberang Perai Selatan for RM 30.41 million, signaling future industrial development.
- Agricore CS Holdings purchases an industrial property in Penang for RM 5.25 million, marking a strategic move into northern Malaysia.
- Golden Valley Industrial Hub in Jasin, Melaka, spanning 270 acres with RM 900 million investment, poised to drive economic growth.

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