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SPOTLIGHT

BEYOND STORAGE

WAREHOUSE - INDONESIA - SEPTEMBER 2026

RESEARCH

SUMMARY

01

Indonesia's resilient macroeconomic backdrop, driven by robust private consumption and rising trade activities, continues to drive the movement of goods, underpinning demand for modern warehouse facilities. Further, the rapid expansion of e-commerce presents significant opportunities for Modern Warehouse, particularly for urban last-mile distribution hubs.

02

Beyond the growth of e-commerce, a more subtle transformation is underway. The entry of institutional capital alongside strategic partnerships, such as ESR, Indonesia Investment Authority (INA), and Mitsubishi Corp, signals growing recognition that the warehouse market is moving from a fragmented, owner-operated market towards a more institutional-quality asset class.

03

While institutional participation remains at an early stage compared with mature markets, such as Japan, Australia and Singapore, recent transactions are steadily laying the foundation for a deeper and more liquid investment market.

04

Looking forward, as occupiers' requirements are expected to evolve beyond location to place greater emphasis on operational efficiency, digital integration, and sustainability requirements, demand will increasingly favour modern high-quality warehouse facilities.

The emergence of institutional capital in Indonesia warehouse market



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MACROECONOMY - A CONSUMPTION-LED GROWTH STORY

Indonesia has sustained steady economic growth of approximately 5.1% annually over the past four years, supported by its large and expanding consumer base.

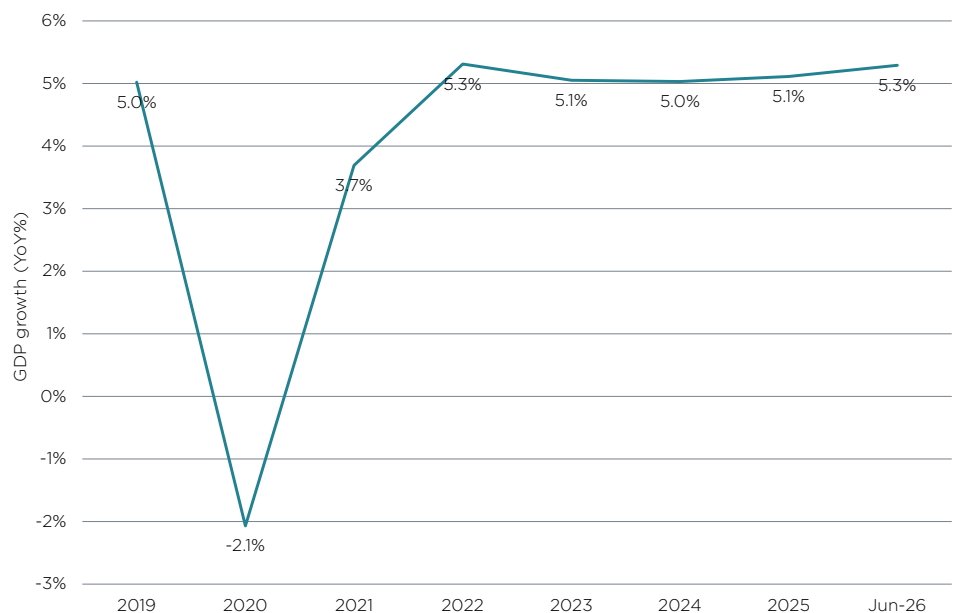
Indonesia's expanding e-commerce market is generating greater demand for logistics networks and modern warehouse to support fulfilment and last mile delivery.

Household spending remains the backbone of the economy, contributing

about 53% of GDP alongside the rapid adoption of e-commerce has reshaped the way goods are bought, stored and distributed.

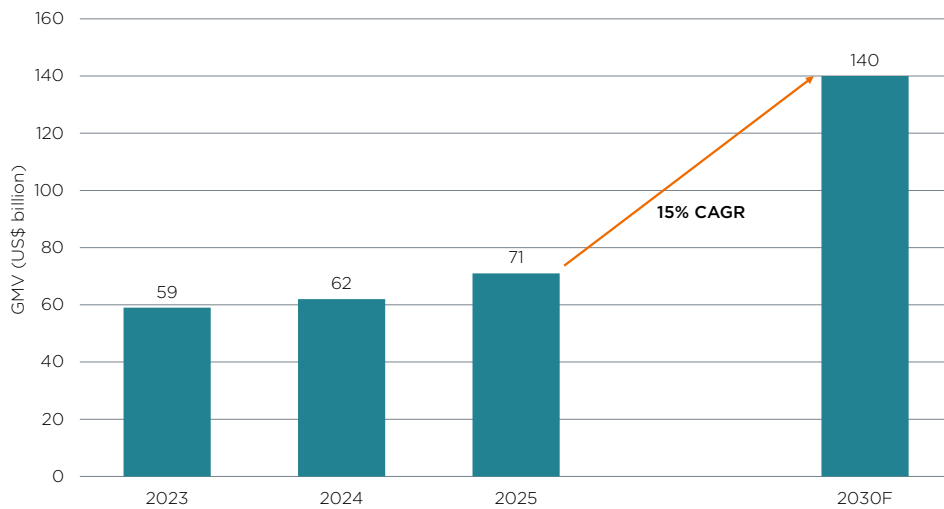
This trend is most evident in Greater Jakarta, which hosts the largest modern warehouse stock and serve as the primary barometer of the nation's warehousing sector. In addition, 55% of e-commerce spending comes from Greater Jakarta.

FIGURE 1: ANNUAL ECONOMIC GROWTH (YOY)



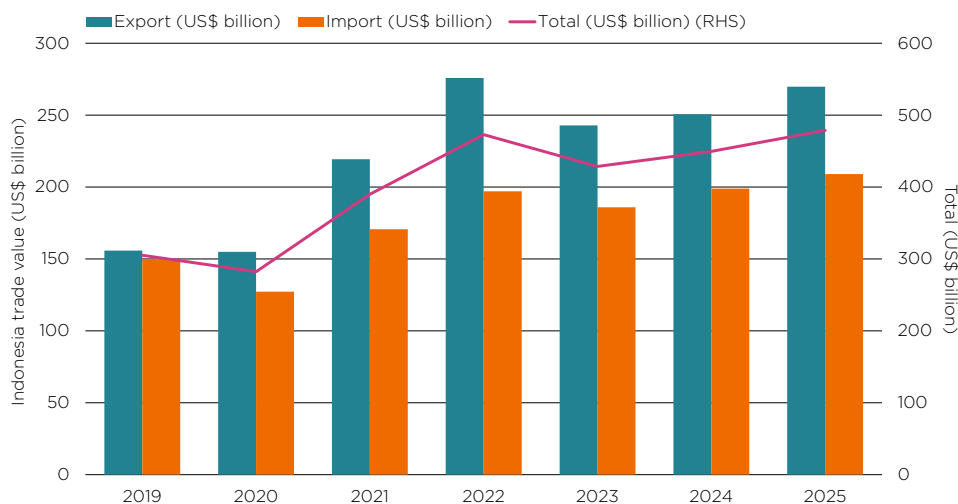
Source: Statistics Indonesia, Savills Research & Consultancy, Sep 2026

FIGURE 2: E-COMMERCE MARKET PROJECTED TO DOUBLE BY 2030



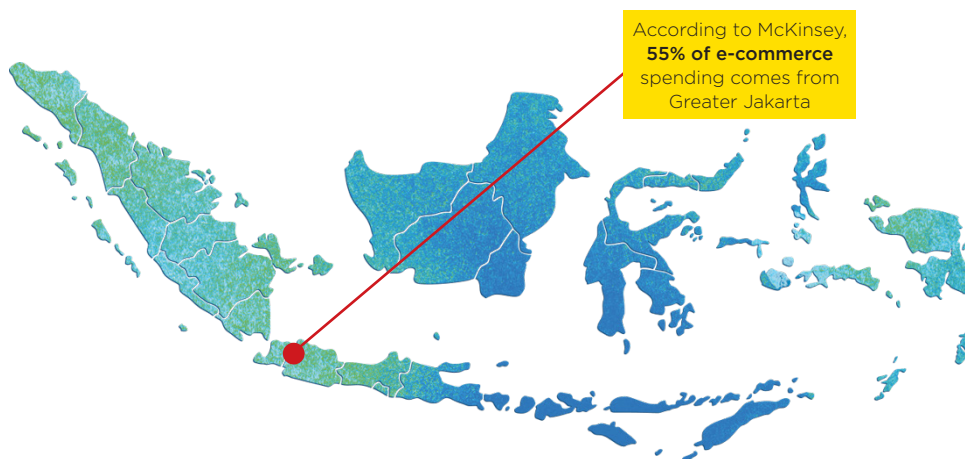
Source: Statistics Indonesia, Savills Research & Consultancy, Sep 2026

FIGURE 3: RISING TRADE ACTIVITY DRIVES GOODS MOVEMENT



Source: Statistics Indonesia, Savills Research & Consultancy, Sep 2026

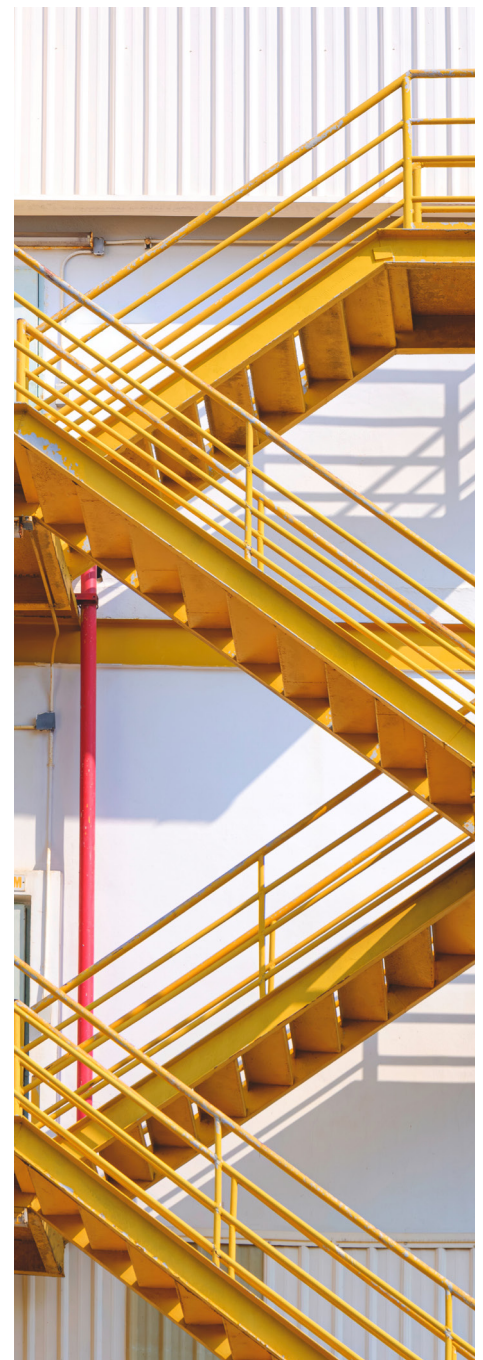
MAP 1: INDONESIA'S CONSUMPTION CONCENTRATED IN GREATER JAKARTA



Source: McKinsey, Savills Research & Consultancy, Sep 2026

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Expanding trade, e-commerce, and household consumption continue to strengthen warehousing fundamentals.



MODERN WAREHOUSE - EASTERN CORRIDOR DOMINATES

Modern warehouse market remains concentrated around the Eastern corridor, where industrial estates, manufacturing facilities, and toll road infrastructure are integrated within the ecosystem.

The clustering of future projects within the established Eastern corridor suggests developers remain disciplined in site selection. Capital continues to flow into locations with proven occupier demand, established infrastructure and strong leasing fundamentals.

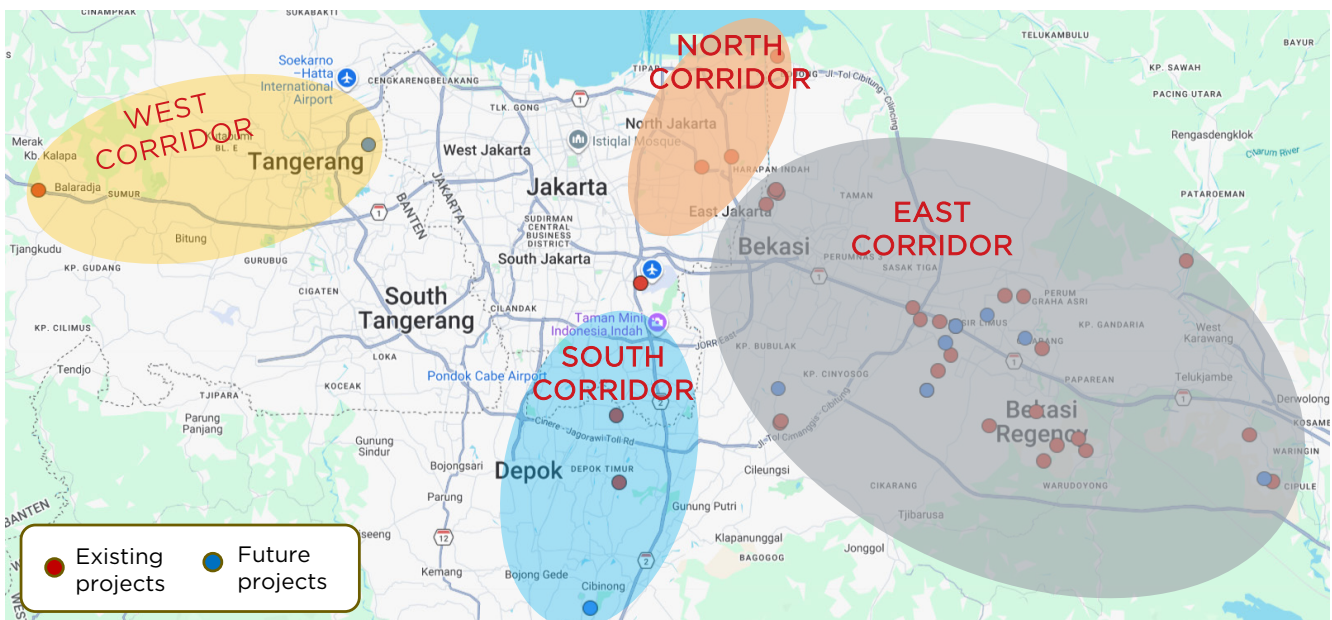
Strong occupier demand has favoured large developers. MMP, JD Property, ESR and CML collectively control nearly 1.5 million sq m of warehouse space, equivalent to more than a half of modern warehouse stock.

This concentration indicates the market is shifting from fragmented standalone facilities toward institutional developers with strong capital access, operational capabilities and international networks.



Development remains focused on proven logistics corridors with strong occupier demand.

MAP 2: MODERN WAREHOUSE DISTRIBUTION IN GREATER JAKARTA



Source: Savills Research & Consultancy, Sep 2026

FIGURE 4: KEY PLAYERS IN MODERN WAREHOUSE MARKET BY GROSS FLOOR AREA (SQ M)

 PT Mega Manunggal Property ■ Most projects located in Eastern corridor ■ 11 warehouses with a total area of ~503,600 sq m	 JD Property ■ Most projects located in Eastern corridor ■ 14 warehouses with a total area of ~394,000 sq m
 ESR ■ Most projects located in Eastern corridor ■ 3 warehouses with a total area of ~377,600 sq m	 CML ■ Presence across Eastern and Southern corridor ■ 3 warehouses with a total area of ~205,700 sq m

Source: Savills Research & Consultancy, Sep 2026

MODERN WAREHOUSE - SUPPLY MEETS DEMAND



Warehouses turn dual-purpose, capturing wider demand beyond conventional storage use.

Modern warehouse supply in Greater Jakarta has expanded to approximately 2.8 million sq m, with the eastern corridor accounting for the largest share due to strong demand from logistics, 3PL, and manufacturing occupiers.

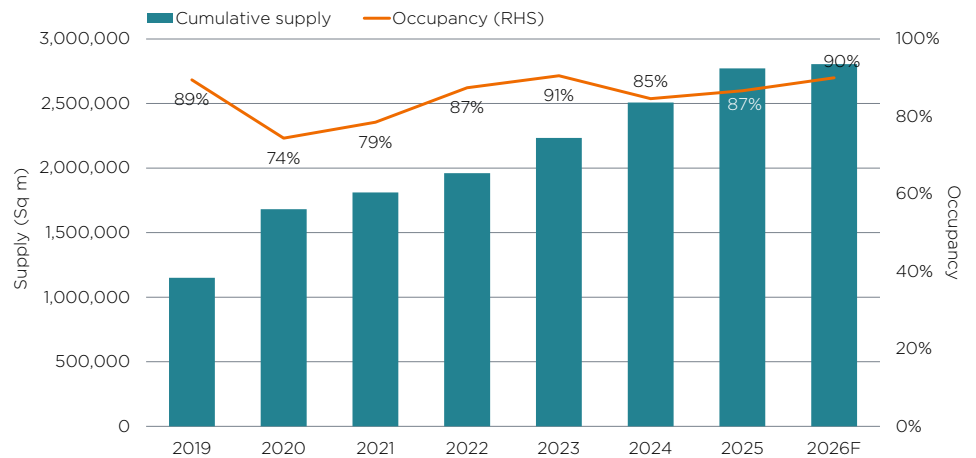
Further, approximately 372,000 sq m of new warehouse space is scheduled for completion by 2028. With demand from 3PL, e-commerce, FMCG expected to remain active, occupancy levels are anticipated to stay within the 90% range despite the additional supply.

Selected new warehouse developments within the industrial estates now accommodate light manufacturing and assembly activities alongside conventional warehousing. Chinese companies are the key source of demand, particularly under China+1 strategy.

In terms of rental, The East Corridor commands premium pricing due to its concentration of Grade A warehouses, deep industrial ecosystem, strategic toll-road and port access, and proximity to consumer base.

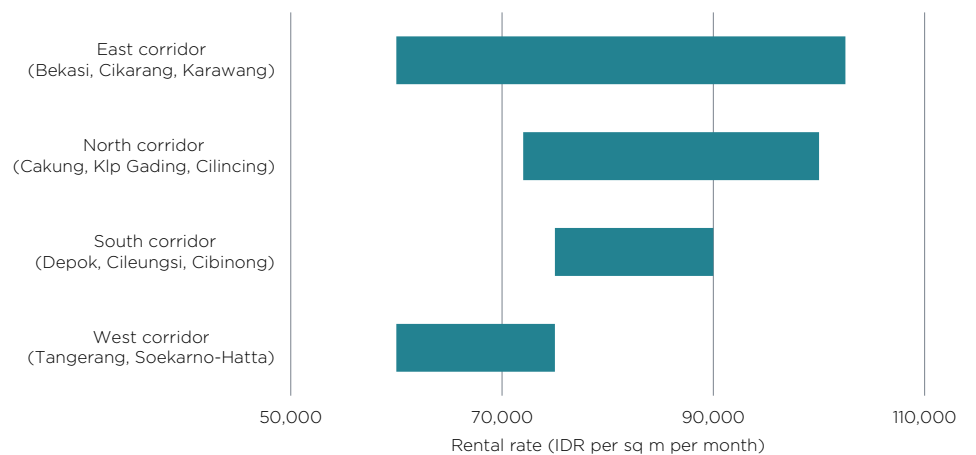


FIGURE 5: TOTAL STOCK AND OCCUPANCY RATE, 2026F



Source: Savills Research & Consultancy, Sep 2026

FIGURE 6: RENTAL RATE

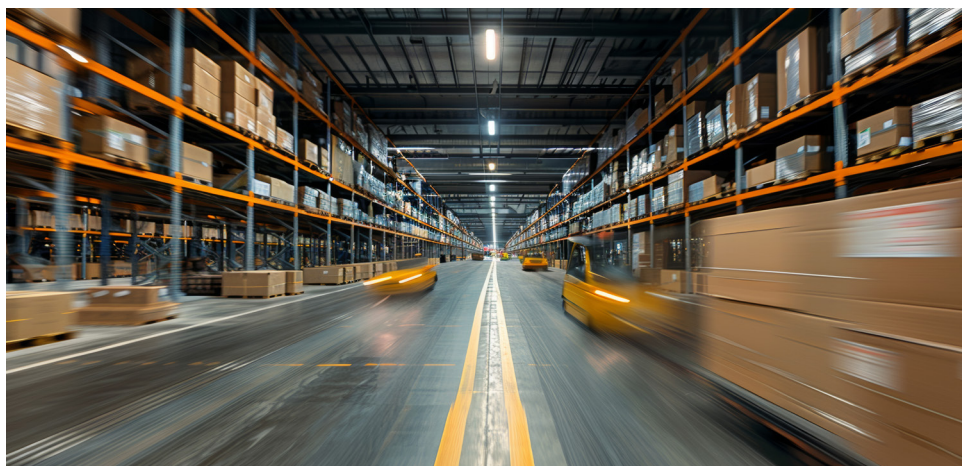


Source: Savills Research & Consultancy, Sep 2026

TABLE 1: FUTURE SUPPLY UP TO 2028

PROJECT	DEVELOPER	YEAR OF COMPLETION	SIZE (SQ M)
MMP Warehouse XIV	MMP	2026	18,000
SPIL Urban Hub	SPIL	2027	-72,000
Eza Hill Cikarang WH 2&3	Eza Hill	2027	52,000
Cikarang Logistics and Industrial Hub	Mitsubishi Corp	2027	42,000
Karawang Logistics and Industrial Hub	Mitsubishi Corp	2027	60,000
ESR Cikarang Logistics Park 4 and Cibitung Distribution Hub	ESR	2027	TBA
Cibinong Logistics Hub	Astra Property	2028	77,000
Eza Hill Cikarang WH 4	Eza Hill	2028	51,262

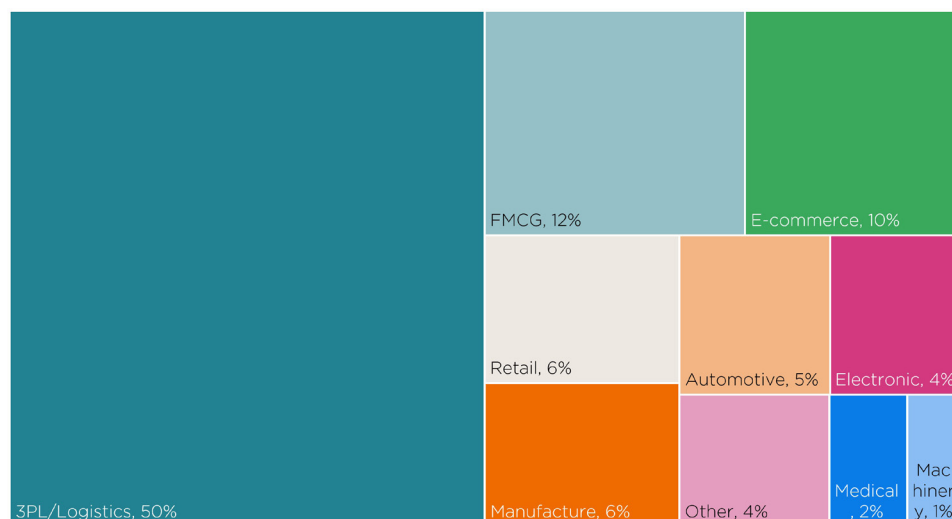
Source: Savills Research & Consultancy, Sep 2026



Growing participation from FMCG, e-commerce and manufacturing continue to support warehouse absorption.

TENANCY MIX - DIVERSE OCCUPIER BASE

FIGURE 7: EXISTING TENANCY MIX OF MODERN WAREHOUSE



Source: Savills Research & Consultancy, Sep 2026

TABLE 2: LEASING ACTIVITIES BY SECTOR

OCCUPIER	EXAMPLE	REMARKS
 3PL	J&T, Sicepat, DHL, Shipper, Linc Group	Outsourcing by manufacturers and retailers. Close to major production facilities and supported by direct access toll road network.
 FMCG	Unilever, Wings, Mayora, Kimberly Clark	Concentrated in Cikarang, Karawang benefitting from proximity to main production plant and toll road for efficient distribution.
 E-commerce	Shopee Express, Lazada, Tokopedia, BliBli	Strong demand for last-mile delivery across Greater Jakarta, including Depok, Bekasi and West Jakarta.
 Retail	Matahari, Mr DIY	This type of tenant favours toll and port access (e.g. Marunda, Cikarang) to supply small suburban stores and support regional expansion.

Source: Savills Research & Consultancy, Sep 2026

3PLs serve as a driver for modern warehouse demand as more manufacturers outsource their distribution channels to gain efficiency.

3PL leasing activity stems from freight forwarders and domestic/international parcel delivery firms. These firms favour strategic locations with strong infrastructure to support efficient distribution and supply chain operations.

The growing e-commerce also brings more business for logistics, especially last-mile logistics. E-commerce has seen significant growth as more consumers choose to shop online.

FMCG sector growth remained positive, with growth of 5% YoY in Q2/2026, according to Worldpanel by Numerator.

Strong tenant fundamentals and stable cash flows from diverse occupiers are now attracting institutional capital into the sector.

EVOLUTION TOWARDS INSTITUTIONAL CLASS WAREHOUSE

Growing institutional participation is shifting Indonesia's warehouse market from a local developer-led model toward one anchored by sovereign capital, global logistics platforms, and strategic investors seeking long-term exposure to Indonesia's logistics and consumption growth.

The market is currently in an early institutionalisation phase. While several transactions have taken place, portfolio transactions are still relatively infrequent. Recent transactions indicate the emergence of a capital recycling mechanism. EZA Hill's acquisition of former LOGOS assets from ESR marked one of the first instances of logistics assets changing hands between institutional owners.

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Sustained leasing activity and healthy occupancy levels are beginning to draw institutional participation into the sector.

TABLE 3: MODERN WAREHOUSE DISTRIBUTION IN GREATER JAKARTA

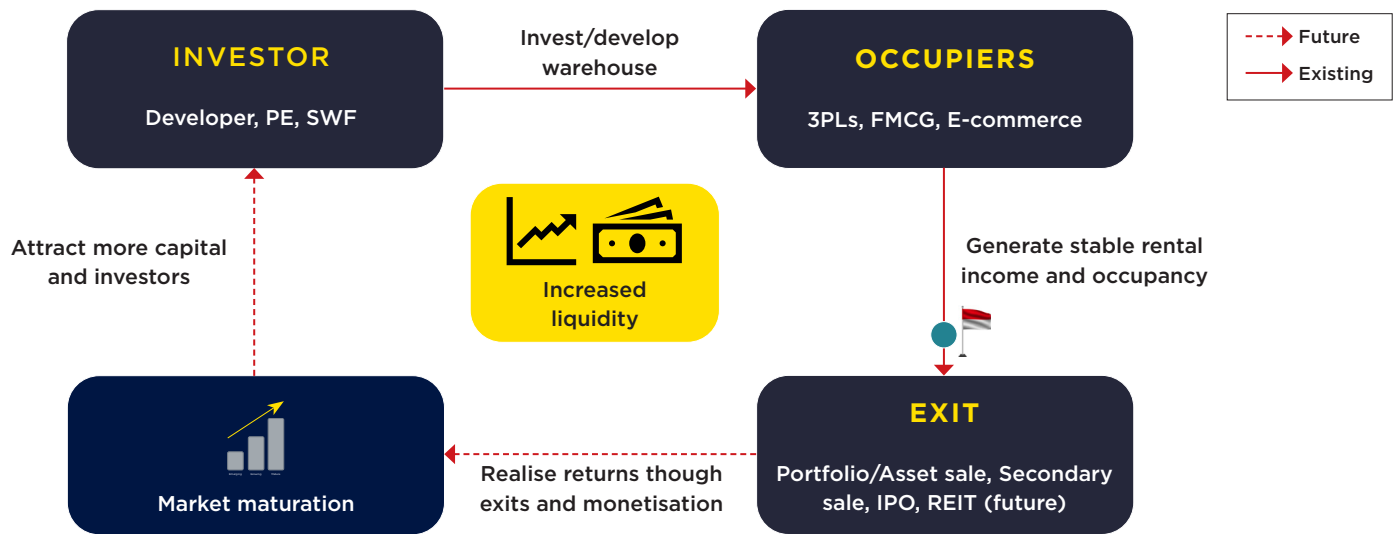
	Before 2010	2015	2017-2022	2023-2026	> 2026
Phase	Developer & owner-occupier era	Listed platform pioneer	Institutional platforms enter	Institutional capital arrives	Towards institutional asset class Year > 2026
			 2017 LOGOS expands in Indonesia 2022 ESR acquires LOGOS	 	
Remarks	■ Dominated by local developer and companies building warehouses for their own operational needs ■ Limited supply of modern warehouse facilities	■ PT Mega Manunggal Property IPO on the Indonesia Stock Exchange ■ First listed logistics/warehouse player in Indonesia ■ Set a benchmark for the sector	■ Well-known global logistics real estates platform brings scale, expertise and capital ■ Higher standard of quality and institutional-grade of warehouse developed ■ Indonesia enters the radar of global institutional investors	■ INA's first real estate investment ■ Strategic partnership with global and regional player ■ Institutional capital validates warehouse investment potential ■ EZA Hill acquires former LOGOS assets in 2025 → asset recycling	■ More institutional investors and funds active in the market ■ Growth of portfolio transaction ■ Greater liquidity and stronger transparency ■ Warehouse asset is becoming core investable asset class

Source: Savills Research & Consultancy, Sep 2026



CAPITAL RECYCLING - DRIVING MARKET LIQUIDITY

FIGURE 8: CAPITAL RECYCLING AND LIQUIDITY CREATION IN LOGISTICS PROPERTY



Source: Savills Research & Consultancy, Sep 2026

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Indonesia's warehouse sector remains in the early stages of its long-term growth cycle.



TABLE 4: INDONESIA LOGISTICS MARKET GAP RELATIVE TO MATURE MARKETS

KEY ASPECT	INDONESIA MARKET	MATURE BENCHMARK (SINGAPORE/JAPAN/AUSTRALIA)
Institutional Depth	Limited direct ownership; dominated by private developers; early-stage PE and JV partners	Deep capital pool with continuous institutional asset rotation
Exit Option	Relies mostly on single-asset or private portfolio sales	Highly liquid public REIT
REIT Ecosystem	No dedicated listed logistics REIT platform currently active	Robust listed REIT markets, e.g. Mapletree Logistics Trust, Dexus Industrial REIT, GLP J-REIT
Valuation & Data	Still developing valuation benchmark and evolving transaction transparency	Clear yield discovery, high transparency and standardised cap rate

Source: Savills Research & Consultancy, Sep 2026

CAPITAL RECYCLING ON WAREHOUSE MARKET

Growing capital recycling activity reflects increasing investor appetite for stabilised warehouse asset.

TABLE 5: SELECTED CAPITAL RECYCLING TRANSACTIONS IN INDONESIA

YEAR	SELLER	BUYER/INVESTOR	TOTAL NLA	REMARKS
2022	LOGOS	ESR	-405,850 sq m	Part of ESR global takeover of ARA Asset Management, not a specific deal for Indonesia.
2024	LOGOS	EZA HILL	-137,000 sq m	Maiden market entry with US\$148 million acquisition and -274k sq m landbank for future development.
2025	MMP GIC Provident	ASTRA Property Elevating Life	-546,000 sq m	Largest warehouse platform deal in Indonesia to date (US\$220 million, 83.67% stake).
2026	CELLA MANAGEMENT LOGISTIK	I SQUARED	-231,000 sq m	US-based PE firm enters Indonesia logistics market.

Source: Savills Research & Consultancy, Sep 2026

Institutional investors are increasingly acquiring stabilised warehouse assets, enabling developers to recycle capital into new projects and supporting the maturation of Indonesia's warehouse market.

FUTURE WAREHOUSE THEMES

The future of the warehouse market is expected to be shaped by the continuing realignment of global supply chains and by technological advances that are steadily enhancing logistics efficiency, operational flexibility and sustainability.

As occupier requirements continue to evolve in response to these changes, operators and developers will need to place greater emphasis on automation, digitalisation and sustainable construction to remain competitive. Properties capable of meeting changing occupier needs while conforming to institutional standards are expected to be better placed to attract long-term capital as the market matures.

KEY HIGHLIGHTS

01

Astra-MMP is the largest warehouse platform deal in Indonesia to date.

02

Growing entry of global institutional capital and logistics platform (ESR, Eza Hill, I Squared Capital).

03

Total size of recycled asset across major deals -1.32 million sq m

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Shaping the future of warehousing through resilience, technology, and sustainability.

1. Supply Chain Resilience



Frequent supply shocks are driving higher inventory buffers and more resilient distribution network.

2. Automation



Warehouse automation combines software, hardware and process redesign, including WMS, RFID, and ASRS system.

3. Data Analysis & AI



AI adoption keeps warehouse agile through predictive analytics and adaptive learning, while delays risk efficiency and service standards.

4. Sustainability



Green features and energy efficiency are shifting from optional to baseline expectations for occupiers and investors.

Source: Savills Research & Consultancy, Sep 2026



Indonesia's warehouse market remains supported by strong consumption and e-commerce fundamentals, while growing institutional participation signals the early stages of a more mature market.

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CONCLUSION

Indonesia's warehouse market continues to be driven by resilient fundamentals, sustained domestic consumption, e-commerce growth, and heightened emphasis on supply chain resilience. While the market remains predominantly owner-operator based, with institutional participation still limited relative to more mature Asia Pacific markets, recent investment involving global logistics platforms and sovereign-backed capital indicates a gradual shift towards a more institutional ownership structure.

Looking ahead, occupier requirements are extending beyond location and storage capacity to encompass automation, digital integration, and sustainability performance. This shift is strengthening the competitive positioning of modern warehouse facilities.





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