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MAA PRESS STATEMENT

Malaysian Automotive Industry Records Second Consecutive Year of Over 800,000 Vehicle Sales in 2025

The Malaysian automotive industry recorded another historic milestone in 2025, achieving back-to-back record-breaking Total Industry Volume (TIV) for the second consecutive year. A total of **820,752 vehicles** were sold in 2025, representing a marginal **0.5% increase** from 816,747 units recorded in 2024.

A) 2025 Automotive Industry Performance: Key Highlights

i) Record-Breaking Sales Performance

The Malaysian automotive market continued its strong momentum in 2025, surpassing the **800,000-unit threshold for the second year in a row**. In addition to the record annual TIV, the industry achieved:

- **Highest monthly TIV on record:** 90,716 units in December 2025
- **Highest quarterly TIV on record:** 241,416 units in the fourth quarter of 2025

Several key factors contributed to the sustained strength of the automotive market in 2025:

- **Robust economic growth**, with Malaysia's GDP expanding by **4.7% in the first three quarters of 2025**, supported by strong domestic demand and recovering exports.

- **Favourable financing conditions**, following the reduction of the Overnight Policy Rate (OPR) to **2.75% since July 2025**, which improved vehicle loan affordability.
- **Stable socio-political environment**, providing business confidence and employment stability.
- **Positive labour market conditions**, with the unemployment rate reaching an **11-year low of 2.9%**.
- **Strong order backlogs, particularly in the A-segment**, contributed to a **0.4 percentage point increase in National Makes' market share to 62.3% of TIV**.
- **Successful launches of new BEV models**, including offerings from National Makes. BEV sales rose by **78%**.
- **Aggressive promotion campaigns** by OEMs / Distributors particularly in Q4 2025.

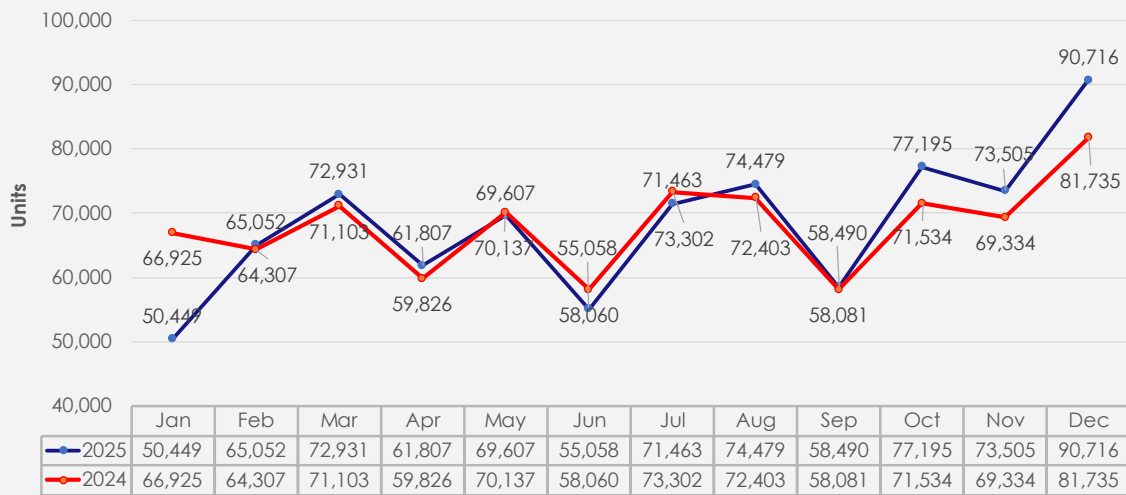
Table 1: Total Industry Volume (TIV)

VEHICLE CATEGORY	2025	2024	VARIANCE	
			UNITS	%
PASSENGER VEHICLES	759,098	747,180	11,918	1.6
COMMERCIAL VEHICLES	61,654	69,567	(7,913)	(11.4)
TOTAL VEHICLES	820,752	816,747	4,005	0.5

Passenger Vehicles growth mainly driven by higher demand for SUV which grew by 13% to 228,572 units in 2025 compared to 201,565 units in 2024.

Commercial Vehicles on the contrary, continue to decline for the second year in a row since the removal of diesel subsidy in June 2024. In 2025, Commercial Vehicles sales reduced by 11% compared to 14% drop in 2024.

Chart 1: Total Industry Volume Monthly Trend 2025 vs 2024



The highest monthly TIV in the history was recorded in December 2025 at 90,716 units. This was the second time in history the monthly TIV surpassed 80K mark. Previous record was in December 2024 at 81,735 units.

“Malaysia’s automotive industry recorded another milestone year in 2025, with total industry volume surpassing 800,000 units for the second consecutive year and achieving record monthly and quarterly sales. This performance was supported by resilient consumer demand, favourable financing conditions, and growing acceptance of electrified vehicles, reflecting the industry’s continued strength and transition towards more advanced and sustainable mobility.” said Mr Mohd Shamsor Mohd Zain, MAA President.

ii) National Makes Continue to Strengthen their Market Share

Table 2: TIV by National and Non-National Makes (2025 vs 2024)

	2025		2024		VARIANCE	
	Units	Market share	Units	Market share	Units	%
National Makes	511,468	62.3%	505,689	61.9%	5,779	1.1
Non-National Makes	309,284	37.7%	311,058	38.1%	(1,774)	(0.6%)
Total Vehicles	820,752	100%	816,747	100%	4,005	0.5%

The combined market share of the two national makes improved by **0.4% to 62.3% or 511,468 units**, albeit a lower growth of 1.1%.

Meanwhile, the non-national makes registered a **lower sales volume of 309,258 units or 0.6% decline in 2025** compared to a year ago, mainly attributed to the lower contribution from the Commercial Vehicles segment.

The further decline in Commercial Vehicles sales, **reduced its contribution to 8% in 2025** from 9% a year ago.

iii) Total Industry Production subdued in 2025

Total Industry Production (TIP) in 2025 amounted to **747,780 units**, representing a **5% decline** compared to 790,347 units produced in 2024.

Decline in production despite record TIV reflects the higher CBU BEV vehicles were registered in 2025. The impact of the expiry of CBU BEV incentives on 31 December 2025 further accelerated the sales and demand for BEV.

Table 3: Total Industry Production (TIP)

CATEGORY	2025	2024	VARIANCE	
			Units	%
1. PASSENGER VEHICLES	704,603	744,604	(40,001)	(5.4)
2. COMMERCIAL VEHICLES	43,177	45,743	(2,566)	(5.6)
TOTAL VEHICLES	747,780	790,347	(42,567)	(5.4)

B) Outlook for the Automotive Market in 2026

MAA has taken the following economic and policy factors into account in the forecast of the Total Industry Volume in 2026:

i) Downside Risks

There are several potential downside risks that could affect the automotive market in 2026:

- **Moderating economic growth**, with Malaysia's GDP expected to grow between **4.0% to 4.5%** in 2026.
- **Global trade uncertainties**, including "flip-flop" US trade policies and ongoing geopolitical tensions.
- **Inflationary pressures**, increasing manufacturing, component, and operational costs.
- **Expiry of EV-related tax incentives** for imported EVs, and potential changes to excise duty and pricing calculations, which could change vehicle prices.

- Despite growing interest, **EVs remain at its infancy stage**, and more emphasis and development are necessary for local assembly.
- **Subsidised fuel prices** may slow the transition and affect the demand for EVs.
- On a broader economic sense, **disposable income constraints due to rising cost of living**, could weaken the overall consumer purchasing power for cars.

ii) Upside Factors

Despite these challenges, several positive factors could support market resilience in 2026:

- **Continued low unemployment**, supporting income stability and consumer confidence.
- **Strong demand for affordable and fuel-efficient vehicles**, particularly National Makes.
- **EV ecosystem development**, will enhance foreign EV makers support for investment, technology transfer and future growth.
- **Introduction of new brands and models** is expected to excite the market.
- **Attractive promotional strategies and value-added services** providing better options to customers.

iii) TIV Forecast for 2026

Based on the above-mentioned risks and positive factors, MAA's forecast for TIV 2026 area is as follows:

Table 4: TIV Forecast 2026

MARKET SEGMENT	2026 (FORECAST)	%	2025 (ACTUAL)	%	VARIANCE	
					UNITS	%
Passenger Vehicles	730,000	92.4	759,098	92.5	(29,098)	(3.8)
Commercial Vehicles	60,000	7.6	61,654	7.5	(1,654)	(2.7)
TOTAL VEHICLES	790,000	100	820,752	100	(30,752)	(3.8)

NOTE:

xEV sales forecast 100,000 uts (12.7% of TIV). Hybrid 51,000 uts (6.5% of TIV) & BEV 49,000 uts (6.2% of TIV)

APPENDIX

Chart 4: TIV Market Share by PV and CV (2025 vs 2024)

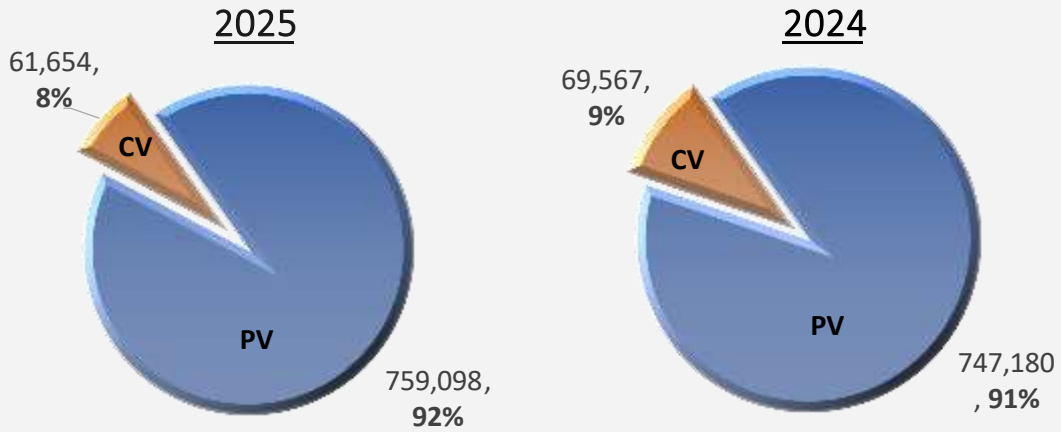


Table 4: TIV Passenger Vehicles by sub-Segment (2025 vs 2024)

SUB-SEGMENT	2025	2024	VARIANCE	
			Units	%
1. Passenger Cars	458,556	475,250	(16,694)	(3.5)
2. Window Vans	2,131	1,128	1,003	88.9
3. Multi-Purpose Vehicles	69,839	69,237	602	0.9
4. Four Wheel Drive/Sports Utility Vehicles	228,572	201,565	27,007	13.4
TOTAL PASSENGER VEHICLES	759,098	747,180	11,918	1.6

**Table 5: TIV Commercial Vehicles by sub-Segment
(2025 vs 2024)**

SUB-SEGMENT	2025	2024	VARIANCE	
			Units	%
1. Pick-up	45,448	49,003	(3,555)	(16.3)
2. Truck	11,598	14,213	(2,615)	(7.3)
3. Panel van	3,331	3,948	(617)	(15.6)
4. Prime mover	1,104	2,081	(977)	(46.9)
5. Bus	173	322	(149)	(46.3)
TOTAL COMMERCIAL VEHICLES	61,654	69,567	(7,913)	(11.4)

Table 6: Sales of xEV (HEV & BEV) in Malaysia

YEAR	HEV (units)	BEV (units)	Total xEV (units)	% Growth
2021	7,875 (n.a.)	278 (n.a.)	8,153	n.a.
2022	19,988 (+154%)	2,631 (+846%)	22,619	177%
2023	28,055 (+40%)	10,159 (+286%)	38,214	69%
2024	30,796 (+10%)	14,766 (+45%)	45,562	19%
2025	38,515 (+25%)	30,848 (+109%)	69,363	52%

Note: Sales data from MAA members only. Exclude non-members.

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