Space Exploration Technologies Corp. (Nasdaq: SPCX) - Q2 FY2026 Results, IPO Recap & Valuation

Fiscal second quarter ended June 30, 2026, for the newly public, Elon Musk-controlled company that combines rocket launch (Falcon and Starship), satellite connectivity (Starlink) and, following an H1 2026 merger with xAI, an AI segment (Grok, X, cloud compute). SpaceX IPO'd on June 12, 2026. Reported results, capital structure, and standard valuation multiples follow.

A factual snapshot built from the company's public filings (Q2 2026 release, Form 10-Q) and third-party consensus. It contains no Blackspear forecast, price target, or recommendation. Figures reflect the combined SpaceX and xAI entity.

REVENUE (Q2'26)	ADJ. EBITDA (Q2'26)	STARLINK SUBSCRIBERS	CAPEX (Q2'26)
$7.8B	**$3.5B**	**12.0M**	**$18.4B**
▲ **92%** vs $4.1B in Q2'25 all three segments grew	▲ **191%** vs $1.2B net loss $(541)M	▲ **100%** YoY subs; ARPU $66 ▼ from $85 (mix shift)	of which AI compute $15.8B (86%)

SEGMENT RESULTS - Q2 FY2026 ($ MILLIONS)

SEGMENT	REVENUE	YOY	ADJ. EBITDA	CAPEX
Space (launch: Falcon, Starship)	$962	**+29%**	$(205)	$1,174
Connectivity (Starlink, Starshield)	$4,291	**+66%**	$2,597	$1,367
AI (Grok, X, cloud compute)	$2,561	**+247%**	$1,146	$15,828
Total	**$7,814**	**+92%**	**$3,538**	**$18,369**

Connectivity (Starlink) is the largest positive segment-EBITDA contributor (~$2.6B, +64% YoY vs +66% revenue growth; segment EBITDA excludes corporate costs, D&A and SBC). AI is the fastest-growing line (+247%) but consumes ~86% of capex as SpaceX builds out compute (Colossus II); Space runs at a loss as it funds Starship development. Company target: reach a ~$100B annualized revenue run-rate (ARR) exiting December 2026.

OPERATIONAL HIGHLIGHTS - Q2 / H1 FY2026

Total launches (H1 2026)	78
Mass to orbit (H1, metric tons)	1,041
Starship V3 test flights (to date)	Flights 12 & 13
Starlink satellites in orbit	~10,200
Countries with Starlink service	167
AI nameplate compute	1.4 GW
Backlog	**$47.5B**

AI compute grew from 0.4 GW a year ago; the company targets over 2 GW by year-end. Grok 4.5 shipped in July; a $60B acquisition of Cursor is pending (expected Q3 2026 close).

HOW TO READ THE NUMBERS

- The "AI" segment is the former xAI (Grok, X/advertising, cloud), merged into SpaceX in H1 2026; prior-year figures are restated to include it.
- Adjusted EBITDA excludes D&A, share-based comp, restructuring, impairments, interest and taxes. The company still posts a GAAP net loss ($(541)M in Q2; $(4.8)B for H1).
- Capex is enormous and front-loaded ($28.5B in H1, mostly AI compute), far exceeding operating cash flow ($3.5B H1); the gap is funded by the IPO and bond proceeds.
- "ARR" and the $100B year-end target are company figures based on an expected December run-rate, not GAAP revenue.

CAPITAL STRUCTURE & LIQUIDITY - AS OF JUNE 30, 2026

BALANCE SHEET TRANSFORMED BY THE JUNE 2026 IPO AND INAUGURAL BOND

CASH + SECURITIES	TOTAL DEBT	IPO (JUNE 12, 2026)	INAUGURAL BOND
~$100.0B	**~$39.4B**	**~$85.7B**	**$25.0B**
liquidity after IPO and bond issuance	incl. ~$13.3B related-party (Musk)	net proceeds; ~639M Class A shares	IG notes, 5.855% avg, ~11.7-yr avg maturity

VALUATION SNAPSHOT

Share price (7 Aug 2026 close)	**$133.11**	FY2026E revenue (consensus)	**~$40.8B**
Shares outstanding (Class A + B)	**~13.18B**	FY2026E norm. EPS (consensus)	**~$0.20**
Market capitalization	**~$1.75T**	EV / FY2026E revenue	**~41x**
Net cash (cash+sec. less debt)	**~$60.6B**	EV / targeted year-end ARR (~$100B)	**~17x**
Enterprise value	**~$1.69T**	Fwd P/E (norm.) / GAAP	**~665x / n/m (loss)**
Range since 6/12 IPO	**$104.83-$225.64**	IPO-implied market cap ($135/sh)	**~$1.78T**

The share price is the August 7, 2026 close ($133.11, up ~16% after the August 4 results); SPCX is a newly public stock that has traded a wide $104.83-$225.64 range since its June 12, 2026 IPO, so multiples move sharply and should be refreshed. FY2026 consensus (S&P Global) is ~$40.8B revenue and a barely-positive ~$0.20 normalized (non-GAAP) EPS, so the forward P/E is ~665x while GAAP is still loss-making (trailing P/E n/m). On an enterprise basis the stock trades at roughly 41x forward revenue, or ~17x the company's targeted ~$100B year-end ARR, a valuation that prices in years of execution. Voting control rests with Elon Musk via super-voting Class B stock (see risks, page 2).

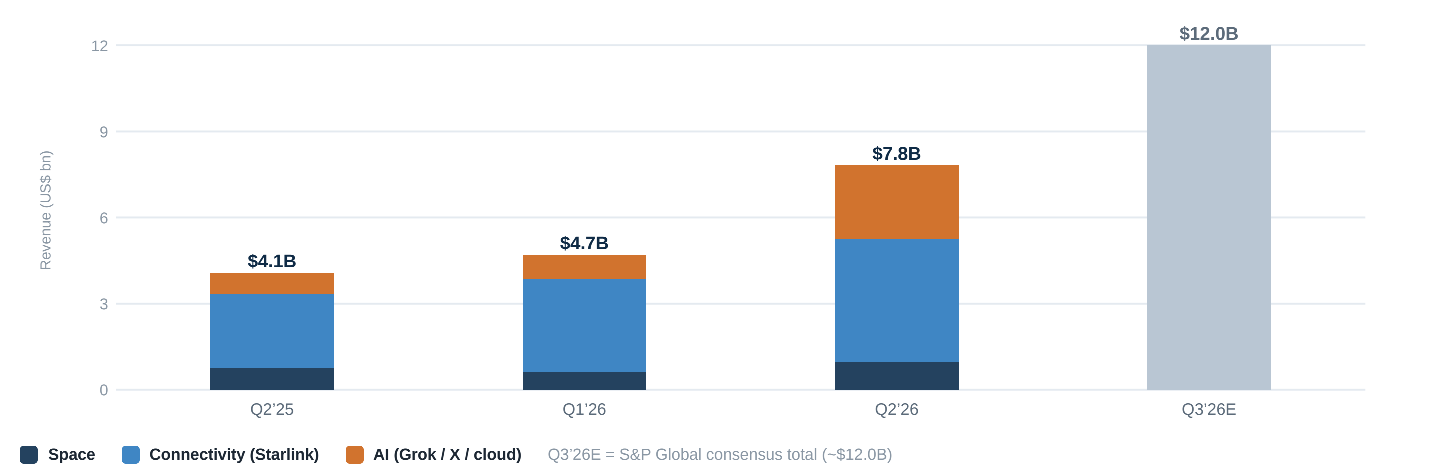
Full Excel model - linked tabs (segment build, capex/cash-burn bridge, IPO and debt schedule, valuation, source tie-outs) - available on request. Email **info@blackspearllc.com** for a copy.

Space Exploration Technologies Corp. (Nasdaq: SPCX) - Growth, Valuation & Key Risks

Revenue is compounding fast across all three segments, led by an AI business that is scaling from a standing start. The debate is whether growth and eventual margins justify a ~$1.7 trillion valuation carried on GAAP losses and heavy cash burn.

Segment revenue is as reported; the forward bar and full-year figures are third-party consensus (S&P Global). Multiples are Blackspear calculations. Nothing here is a Blackspear price target or recommendation.

QUARTERLY REVENUE BY SEGMENT - THE RAMP ($ BILLIONS)



EV / FY26E REVENUE	EV / YEAR-END ARR	REVENUE GROWTH	ADJ. EBITDA
~41x	**~17x**	**+92%**	**$3.5B**
on ~$40.8B consensus	on ~$100B target	Q2 YoY; AI +247%	+191% YoY; net loss YTD

VALUATION & GROWTH

Market cap / EV	**~$1.75T / ~$1.69T**
EV / FY2026E revenue (~$40.8B)	**~41x**
EV / year-end ARR target (~$100B)	**~17x**
Revenue: Q2'25 → Q2'26	**$4.1B → $7.8B**
AI revenue: Q2'25 → Q2'26	**$0.7B → $2.6B**
H1 net loss / H1 capex	**$(4.8)B / $28.5B**
Cash + securities / backlog	**$100B / $47.5B**
Dividend	**None**

WHAT ARE YOU PAYING FOR?

PRICED FOR A MULTI-FRONTIER WINNER

Real growth, a huge valuation, real losses

At ~$1.7T and ~41x forward revenue (or ~17x a not-yet-earned ~$100B ARR target) with GAAP losses and ~$28.5B of H1 capex, SPCX is priced as if it will win launch, connectivity and AI compute at once. The growth is genuine: revenue +92%, AI +247%, Starlink subscribers doubling, and Connectivity already throws off ~$2.6B of quarterly segment EBITDA. The question is whether the AI build pays off and whether execution justifies a valuation that leaves little margin for error. This frames both sides; it is not a Blackspear view.

TOP RISK FACTORS - SUMMARIZED FROM THE COMPANY'S FILINGS

- **Founder control / key person.** Elon Musk controls the company through super-voting Class B stock (Class B elects 51% of the board); public Class A holders have limited influence, and the business depends heavily on Musk. Roughly $13.3B of debt is owed to Musk-affiliated entities.
- **AI build-out & dependencies.** Monetizing $14.1B of cloud agreements and the Colossus II compute build depends on securing power, GPUs (exclusively NVIDIA) and data-center capacity, integrating xAI and the pending $60B Cursor deal, amid intense competition.
- **Regulatory, spectrum & licensing.** The business relies on FCC and other licenses and spectrum (including the EchoStar transfer), launch and environmental approvals, export controls, foreign-market access, and concentrated government and national-security contracts.
- **Large losses & heavy cash burn.** A GAAP net loss of $(4.8)B in H1 and ~$28.5B of H1 capex far exceed operating cash flow, so the company depends on capital markets to fund the AI and Starship build-out.
- **Starship is unproven at scale.** Full, rapid reusability and the targeted cost reductions remain in flight-test; anomalies and impairments occur, and Starlink's next-generation capacity depends on Starship deploying V3 satellites.
- **Rich valuation & new-issue volatility.** At ~41x forward revenue with losses, the price embeds years of execution; as a newly public issue the stock has swung widely ($104.83-$225.64); the IPO floated only ~639M of ~13.2B shares, so most stock remains locked and faces future lock-up expirations.

On the numbers. Segment revenue, losses, capex, subscribers, launches and balance-sheet items are from the company's Q2 2026 release and Form 10-Q. FY2026 and Q3 2026 consensus (revenue ~$40.8B and ~$12.0B; normalized non-GAAP EPS ~$0.20 and ~$0.14, barely positive while GAAP stays loss-making) are S&P Global Market Intelligence. The ~$100B year-end ARR is a company target. Valuation multiples are Blackspear calculations using the $133.11 August 7, 2026 close and ~13.18B shares; they are mechanical, not estimates, price targets, or recommendations, and are highly sensitive to the share price.