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IDEA

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SpaceX | North America

Rockets on the Bayou: SpaceX's $100bn Louisiana Launch Complex

SpaceX announced a new $100bn Starbase in the marshes of S. Louisiana. We do not believe investors appreciate the scale of what SpaceX is planning with Starship. In our view, SPCX is attractively valued, trading at 10x sales (70% growth) and 25x EBIT (113% growth) on our FY28 forecasts.

SpaceX announced Starbase, LA alongside Governor Jeff Landry - a future $100bn facility with up to 10 launch pads. Construction to begin in 2027, first launches targeted for 2029. The site sits on former Exxon property in Vermilion Parish and is set to become SpaceX's fourth and likely largest launch facility, expected to support thousands of launches per year and play a central role in scaling up Starship missions. In addition to 5x launch complexes (2 pads each, 10 total), the campus will feature a propellant production facility, power plant, vehicle processing facilities, and housing for employees and their families - creating an expected 3,000 direct new jobs.

The bigger arc of competition and the US space economy… we see scope for many hundreds of thousands of skilled/high-wage jobs in the US space economy over the next 5 to 10 years as the United States rebuilds its scientific and commercial space capabilities to maintain its lead over geopolitical rivals such as China which is rapidly narrowing the gap.

Why does it matter?

- **Implies potentially far more aggressive levels of launch cadence beyond even our 2040 ests.** Today, SpaceX operates Falcon 9 launches out of 3 pads enabling a launch every ~2 days. SpaceX is slated to have at least 3 Starship pads operational by end of 2027 (2 in TX, 1+ in FL), each specifically designed for multiple launches in a matter of *hours*. In our launch forecasts, we conservatively assume each pad can only do 2 launches per day, which means our 2040 forecast of ~5.8k Starship launches per year requires just 8 pads. *Point is, we do not need a fully operational Starbase, LA to get to even our 2040 forecasts (where SpaceX has $3.5tr in revenue).*
  - *We can identify a total of 15 pads currently planned by SpaceX:* The 10 in Vermilion Parish, LA; Pad 1 & Pad 2 in Starbase, TX; LC-39A at Kennedy Space Center, FL; SLC 37A & SLC-37B in Cape Canaveral, FL.
- **Spotlights orbital compute ambitions.** Orbital compute represents >80% of our launch forecasts beginning in 2032. We would think the global connectivity market would likely become heavily saturated well before SpaceX could fully utilize a 10 pad Starbase, LA. The State of Louisiana also

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SpaceX (SPCX.O, SPCX US)

Space Technology | United States of America

Stock Rating	**Overweight**
Industry View	**Attractive**
Price target	**$300.00**
Shr price, close (Aug 25, 2026)	$137.95
52-Week Range	$225.64-104.83

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS ($)**	(1.69)	0.54	2.45	6.36
Prior EPS ($)**	-	-	-	-
P/E	NM	255.2	56.4	21.7
EPS ($)§	-	0.03	1.75	4.84
Div yld (%)	-	0.0	0.0	0.0

framework
** = Based on consensus methodology
§ = Consensus data is provided by Refinitiv Estimates

QUARTERLY EPS ($)

Quarter	2025	2026e Prior	2026e Current	2027e Prior	2027e Current
Q1	(0.18)	-	(0.84)a	-	0.59
Q2	(0.34)	-	(0.09)a	-	0.56
Q3	(0.36)	-	0.21	-	0.62
Q4	(0.80)	-	0.55	-	0.67

sits in a unique position for southward launches over the Gulf that would be challenging from FL, TX, or CA without passing directly over populated areas, thereby allowing SpaceX to expand launch access to dawn-dusk sun-synchronous polar orbits directly relevant for orbital compute.

- **Brings attention to a key investor debate: how are they funding this?** The $100bn figure is cumulative, spread over 10 years per the announcement's language, and equivalent to essentially all of our modeled Space capex for 2026-2035, but just 2% of total capex over that horizon given the scale of AI spending, funded in part by roughly $80bn per year in average net debt issuance. *These are extraordinary numbers, but a chicken-and-egg problem.* Large capex numbers are easy to announce on paper, but the growth needs to materialize for SpaceX and the debt markets to continue to justify it.

Why build in the bayou?

- **Unique Launch Trajectories.** As highlighted above, Louisiana expands access to polar orbits useful for orbital compute.
- **Gas.** The state of Louisiana has the 3rd highest natural gas production in the US (behind TX and CA) and SpaceX requires >1,000 tons of liquid methane (LNG) per Starship launch.
- **Political Hedging.** As recently spotlighted by ongoing bipartisan pushback against datacenters and AI in general (including in TX), it is in SpaceX's favor to have multiple launch facilities across different jurisdictions even if it believes it has a strong relationship with the TX and FL governments. It may also help with negotiations for potential future projects.
- **Government Incentives.** Louisiana has assembled a large package of incentives over the past year, directly targeting SpaceX. We highlight a few:
  - **Aerospace Facilities and Activities Rebate (Act 190):** State and local sales tax rebate for large aerospace facilities >$1bn.
  - **Expanded Industrial Tax Exemption Program (Act 102):** Expanded Louisiana's Industrial Tax Exemption Program to aerospace manufacturing and infrastructure.
  - **Liability protections (Act 343):** Provides aerospace entities facing certain lawsuits a special procedure to seek early dismissal and recover legal costs.
  - **State-Facilitated Land Transfer:** The site itself was cleared for sale after a long-running federal coastal damages lawsuit filed by Vermilion Parish and the state against ExxonMobil was dismissed.

What to do with the stock?

- ***We think investors have a unique opportunity to 'revisit' SPCX stock right on top of the IPO price with arguably even greater momentum in fundamentals across Space, Connectivity and Enterprise AI, a decidedly more bullish outlook following 2Q results and greater 'information discovery' that the share unlocks have (to date) not weighed on the stock as feared.***
- ***At $137, the implied multiple of the Enterprise AI business is in the very***

low single-digits with essentially $0 embedded for the orbital AI call-option.

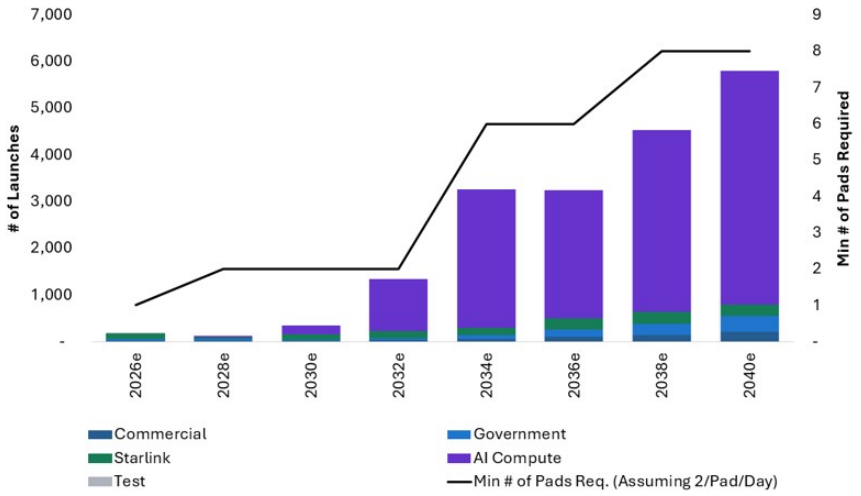
- ***For sensitivity sake… each incremental 1GW of nameplate compute draw (at $50/watt, assuming 70% incremental margin), capitalized at 10x EBITDA would add $27 to the stock, roughly 20% of the current share price. Our year-end FY27 estimate of AI compute is 4.9GW vs. the company's target of closer to 10GW.***

SpaceX separately announced today that it had completed its final Falcon 9 Starlink launch out of Florida. In a post on X, Kiko Dontchev (SpaceX VP Launch) announced that today's Starlink mission was the last planned Starlink mission on Falcon 9 from Florida with all future Starlink missions from Florida to happen on Starship. The company is clearly putting pressure on its launch teams to transition to Starship. While it may appear aggressive, it would likely only take SpaceX a handful of launches to backfill reduced Starlink launch cadence on Falcon 9 since each Starship launch can carry up to 25x the downlink capacity of a Falcon 9.

Exhibit 1: Concept Image of Starbase, LA

Source: SpaceX

Exhibit 2: MS Estimated # of Starship Launches and Minimum Number of Pads Required at 2 Launches per Pad per Day



For Further Reading:

- SpaceX: 20 Topics in 20 Minutes (20 Aug 2026)
- SpaceX: LandSpace Lands a Rocket... from Space... 2 China Recoveries in 6 Weeks. (19 Aug 2026)
- SpaceX: Cursor Deep Dive: Can SpaceX Leap to the AI Frontier? (10 Aug 2026)
- SpaceX: AI's Final Frontier; Initiate at Overweight, PT $300 (7 Jul 2026)
- SpaceX: Strong Beat/Outlook vs. Higher Capex: Reiterate $300 PT (5 Aug 2026)
- SpaceX: Starship Flight 13 Report Card: A Clear Positive in a Tide of Cautious Sentiment (27 Jul 2026)
- Space Exploration Technologies Corp.: Grokin' Out: SpaceX Catalyst Path (9 Jul 2026)
- Space Exploration Technologies Corp.: China Catches Long March; Don't Discount China (10 Jul 2026)
- Space Exploration Technologies Corp.: A 'Heavenly' Hedge to DC NIMBYism? (16 Jul 2026)
- SpaceX: Stefan-Boltzmann: Das ist super cool (21 Jul 2026)
- Space Exploration Technologies Corp.: SpaceX Model Walkthrough (19 Jul 2026)
- SpaceX: Anomalies and Rapid Unscheduled Disassemblies (22 Jul 2026)

Starship is the Ultimate Enabler of SpaceX Scale

This is an excerpt from our SpaceX Initiation, available here: **SpaceX: AI's Final Frontier; Initiate at Overweight, PT $300 (7 Jul 2026)**

Will Starship Achieve a Step Change in Economics?

Our View: Yes, although it will take time to cut costs all the way to the <$200/kg that SpaceX targets. By 2030, we expect Starship to cut launch costs/kg to ~$500. By 2035, we see launch costs <$200/kg in-line with SpaceX's long-term target. Falling cost per launch is one of the single greatest enablers of scale across the full business.

Reusable rockets (a pre-AI achievement) are elevators to space. We think of the reusable rocket like an elevator. Just as the elevator transformed architecture in lower Manhattan, the elevator to space enables new architectures in orbit, on the Moon and beyond. Starship, with 5x+ the max payload of Falcon 9 and full-reusability (both first and second stage reused) vs. Falcon 9's partial (only first stage reused), has a realistic opportunity to significantly cut launch costs by an additional factor of almost 10x, and potentially more. According to NASA, the first version of Falcon 9 in 2010 (pre-reusability) reduced costs 85% from $18.5k historically to $2.7k. We estimate that in 2025, variable launch costs in Falcon 9 declined to ~$1,000/kg (represents internal costs for SpaceX, not price paid by customers). With Starship, the company plans to reduce costs by 99%+ vs. the historical average of $18.5k, or to <$200.

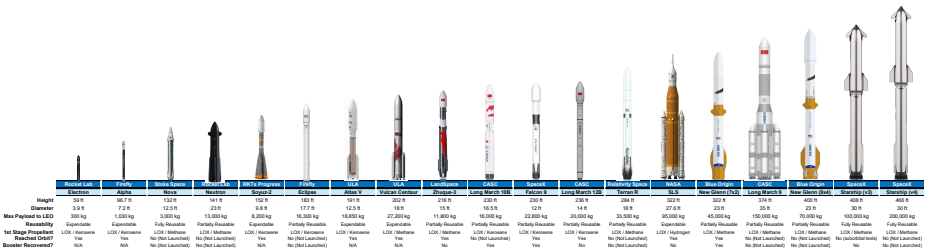
Will SpaceX achieve launch costs in the hundreds of dollars per kg? *We believe it's much more a question of "when" than "if".*

- Thus far, SpaceX has caught the Starship Super Heavy booster three times and reused it twice. The next obvious milestone is the physical recovery of the Ship. SpaceX has already demonstrated controlled ocean landings of the Ship during test flights, and we expect the company to achieve Ship recovery sometime before year-end, potentially as soon as Flight 14.
- While Ship recovery would be a major symbolic milestone, we would encourage investors to focus less on the literal landing itself and more on the actual turnaround time required for Ship reuse. In our view, turnaround cadence will be the more important indicator of SpaceX's near-term ability to reduce launch costs with Starship.
- *For historical context, Falcon 9 reusability has benefited from a decade of gradual improvement and continues to iterate.* SpaceX landed the first Falcon 9 booster in December 2015 and reused the first booster 15 months later in March 2017. Starlink enabled SpaceX to gradually increase the number of achieved reuses with boosters: 10 flights in May 2021, 15 in December 2022, 20 in April 2024, 30 in August 2025, and recently 35 in June 2026. Note that these are max flights on a single booster and the actual avg figure per operational booster is generally materially lower.
- Ship reusability will likely require meaningful engineering time and flight-by-flight

iteration. SpaceX has deep experience reusing first stages through Falcon 9, and we would not expect the company to require a full decade to reach Falcon 9-like 30+ reuse levels with Starship boosters. That said, the Ship faces a materially different challenge: unlike the booster, which separates on a suborbital trajectory, the Ship must withstand intense thermal and mechanical stress during atmospheric re-entry. This is why SpaceX has devoted significant engineering effort to Starship's silica-based ceramic Thermal Protection System (i.e. heatshield) which is designed to be reused between launches, but may still be required to be periodically replaced even if the ship is reused.

- On the positive side, the Ship is likely a minority of total Starship system cost, given its six Raptor engines versus 33 on the Super Heavy booster. In our model, we estimate the Ship represents roughly one-third of the overall vehicle cost. In addition, Starship's sheer scale relative to Falcon 9 should be sufficient to materially reduce launch costs even before meaningful Ship reuse is achieved.
- **Even in a scenario where the Ship cannot initially be reused, we would still expect SpaceX to begin launching Starship as a partially reusable vehicle for internal payloads (Starlink) in late 2026/2027.**

Exhibit 3: Notable Orbital-Class Rockets In Use or Under Development



	Rocket Lab	FireFly	Stoke Space	ArcticaM	ENG's Pinguino	Firefly	ULA	ULA	LandSpace	CASC	SpaceX	CASC	CASC	NASA	Blue Origin	CASC	Blue Origin	SpaceX	SpaceX
	Electron	Alpha	Nova	Neutron	Seguo-2	Eclipse	Atlas V	Vulcan Centaur	Zhuque-3	Long March 10B	Falcon 9	Long March 10A	Tianlian III	SLS	New Glenn (Tx2)	Long March 9	New Glenn (Ext)	Starship (v3)	Starship (v4)
Height	59 ft	96.7 ft	132 ft	141 ft	152 ft	183 ft	191 ft	202 ft	216 ft	230 ft	230 ft	236 ft	284 ft	322 ft	322 ft	374 ft	400 ft	408 ft	466 ft
Diameter	3.9 ft	7.2 ft	12.5 ft	23 ft	8.8 ft	17.7 ft	12.5 ft	16 ft	15 ft	16.5 ft	12 ft	14 ft	16 ft	27.6 ft	23 ft	33 ft	23 ft	30 ft	30 ft
Max Payload to LEO	300 kg	1,030 kg	3,000 kg	13,000 kg	6,200 kg	16,300 kg	18,850 kg	27,200 kg	11,800 kg	16,000 kg	22,800 kg	20,000 kg	33,500 kg	95,000 kg	45,000 kg	150,000 kg	70,000 kg	100,000 kg	200,000 kg
Reusability	Expendable	Expendable	Fully Reusable	Partially Reusable	Expendable	Partially Reusable	Expendable	Expendable	Partially Reusable	Partially Reusable	Partially Reusable	Partially Reusable	Partially Reusable	Expendable	Partially Reusable	Partially Reusable	Partially Reusable	Fully Reusable	Fully Reusable
1st Stage Propellant	LOX / Kerosene	LOX / Kerosene	LOX / Methane	LOX / Methane	LOX / Kerosene	LOX / Kerosene	LOX / Kerosene	LOX / Methane	LOX / Methane	LOX / Kerosene	LOX / Kerosene	LOX / Kerosene	LOX / Methane	LOX / Hydrogen	LOX / Methane	LOX / Methane	LOX / Methane	LOX / Methane	LOX / Methane
Reached Orbit?	Yes	Yes	No (Not Launched)	No (Not Launched)	Yes	No (Not Launched)	Yes	Yes	Yes	No (Not Launched)	Yes	No	No (Not Launched)	Yes	Yes	No (Not Launched)	No (Not Launched)	No (suborbital tests)	No (Not Launched)
Booster Recovered?	N/A	N/A	N/A	No (Not Launched)	N/A	No (Not Launched)	N/A	N/A	No	Yes	Yes	No	No (Not Launched)	No	Yes	No (Not Launched)	No (Not Launched)	No	No (Not Launched)

Exhibit 4: Reusable Rockets are Elevators to Space

Estimated Launch Cost & Cadence

We model Starship launch costs per kilogram declining to approximately $500 by 2030 on 341 launches, below $200 by 2035 on roughly 2,600 launches, and below $150 by 2040 on approximately 6,000 launches.

Is that level of launch cadence achievable? We believe it is. A 2040 cadence of ~6,000 launches would imply approximately 16 launches per day across four pad complexes and 8 launch towers, assuming two towers per complex and up to two launches per tower per day. These sites would likely be geographically distributed to diversify weather, operational, and regulatory risk.

In this scenario, we assume each Ship is reused roughly 40 times and each booster roughly 130 times. Including a 20% hardware buffer, this would imply a fleet of approximately 160 Ships and 60 boosters in active use. The primary expendables would be propellant (liquid methane, broadly comparable to LNG, and liquid oxygen) and potentially a portion of the ceramic heat shield tiles.

As previously mentioned, the bigger question is the path to ~1,000 or more launches a year as a number of engineering challenges remain. Having a line of sight to thousands of launches a year is incredibly critical for the AI story, in particular, as each launch is likely to only deploy single-digit MW's worth of compute, meaning that for investors to justify the sizable upfront investment to deploy multi-GW of orbital compute the company would need to show at least line-of sight of getting to 1,000s of launches per year. *For orbital compute, we think this is the much more important debate as opposed to cost parity vs. terrestrial compute.* In our opinion, scalability/time-to-power is the bigger constraint vs. pure cost as recently evidenced by the two SpaceX neocloud deals which charged a significant premium compared to industry averages likely due to the scarcity factor of high-end, large-scale GPU clusters which can be accessed relatively immediately. In other words, even if orbital compute isn't at cost parity with terrestrial compute, the company may still be able to charge a material premium if SpaceX is the most scalable AI infrastructure player available; this is somewhat similar to SpaceX today with its launch business which regularly raises prices despite steadily declining costs.

Exhibit 5: Projected SpaceX Launch Costs/Kg Over Time (MSe)

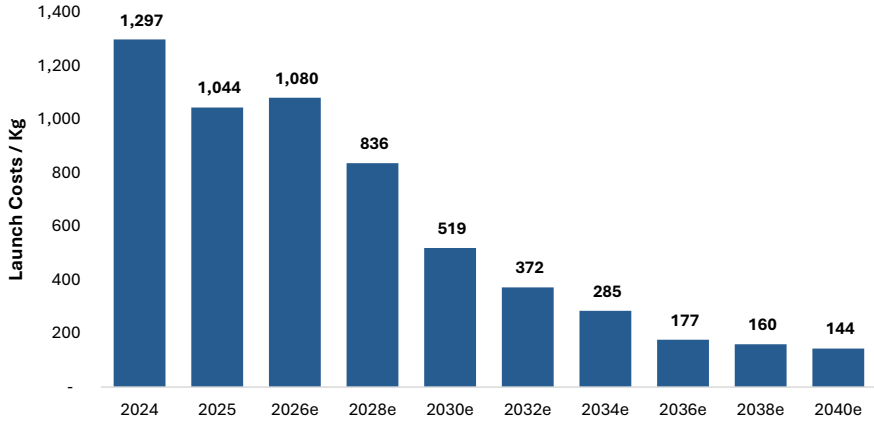


Exhibit 6: Space Revenue By Vehicle

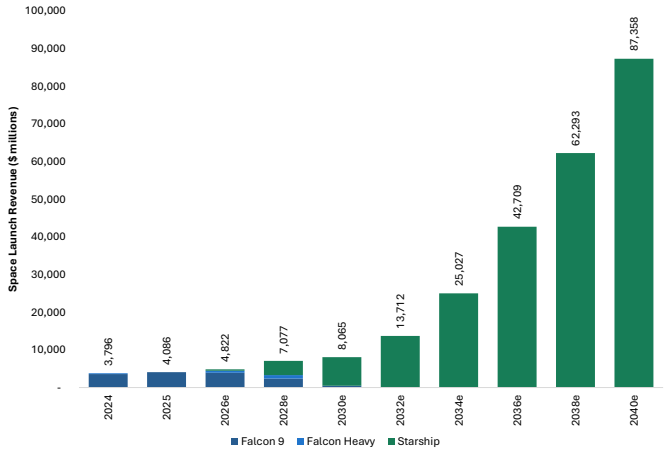


Exhibit 7: $/kg to Orbit (Variable Costs in Cost of Revenue): Falcon 9 vs. Starship

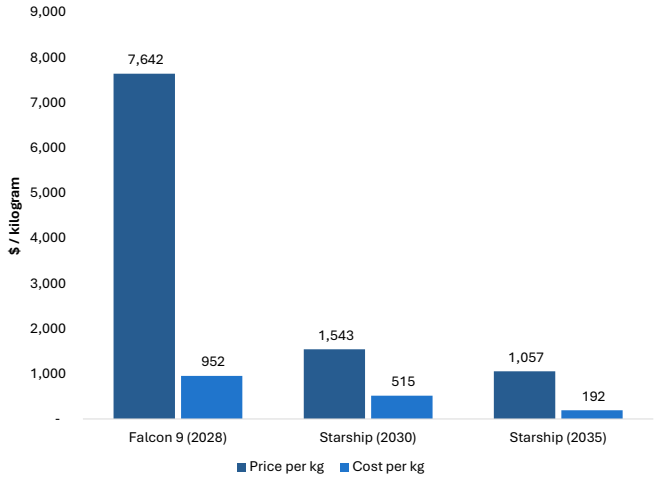


Exhibit 8: # Launches by Launch Vehicle

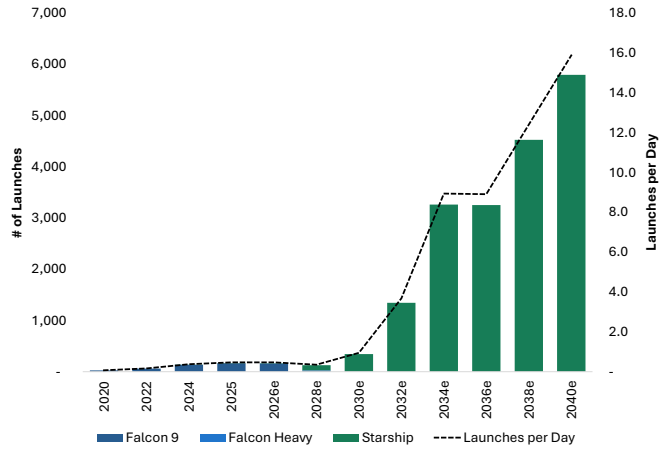
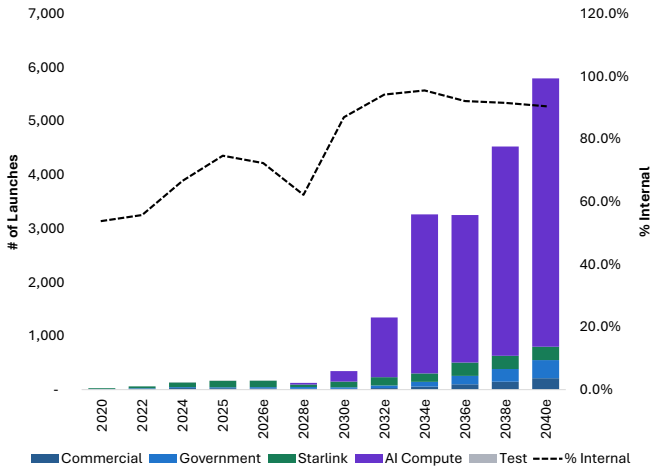


Exhibit 9: # Launches by Use Case



Detailed Launch Cost Justification

We constructed a bottom-up launch cost for Starship build to support our estimates.

- We Model 3 Starship Versions. We assume Starship V3 (current version undergoing testing) has an effective mass to orbit of 80 Tons and operates between 2027-2029. We assume Starship V4 operates between 2030-2034 with an effective mass to orbit of 120 tons and Starship V5 operates thereafter through 2040 with an effective mass to orbit of 160 tons.
- We divide launch cost into propellant costs (LOX at $0.15/kg and Liquid Methane at $0.30/kg), refurbishment, launch operations & mission assurance, and other variable cash costs. The difference between the overall cost per launch and the sum of the cash costs equals the implied depreciation expense per flight. We assume the initial build costs for Starship V3/V4/V5 are $125mn/$155mn/$175mn, respectively (Yes, there is a real scenario where costs steadily decline even across successive versions - we are being conservative). We also assume that the booster (which uses 33 Raptor engines vs. the ship's 6 on V3) is ⅔ of the overall cost, but can be reused ~3x that of the ship on average given the much lower thermal and mechanical stress placed on the structure following separation (always suborbital unlike the ship).
- We are assuming limited ship reusability for first ~5 years. In 2027-2029, we are assuming a ship useful life of <2 flights (1 reuse), followed by a useful life of 3 flights in 2030 and 4 in 2031. In 2035, we assume 17 flights per ship and 43 in 2040.
- As for the booster, we are being intentionally conservative as well, taking into account the multiple years of iteration and engineering time SpaceX needed to reach 30+ reuses on Falcon 9. Our model assumes SpaceX requires 8 years to get to 30+ reuses (in 2034), which is not materially different than the historical reuse cadence with Falcon 9.
- *For complete assumptions, please see the Space tab of our SpaceX model.*

Exhibit 10: Bottom-Up Launch Costs Justification: Costs by Category & Year, Implied Ship & Booster Reuses (Included in our SpaceX Model with detailed rationale for each line)

5) Starship Cost/kg Support	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	2039e	2040e
	Starship V3			Starship V4					Starship V5					
5a) Key Model Assumptions														
Starship Cost Per Launch ($mn)	70	67	72	62	53	45	38	34	31	28	27	26	24	23
Starship Payload Per Launch (Metric Tons)	80	80	80	120	120	120	120	120	160	160	160	160	160	160
Model Implied Cost per kg ($/kg)	875	840	899	515	438	372	316	285	192	177	168	160	152	144
Total Starship Launches (#)	42	98	185	341	859	1,345	2,116	3,264	2,601	3,252	3,965	4,528	5,153	5,796
5b) Bottom-Up Cost Per Launch Support														
Propellant Cost Build														
Liquid Oxygen ($/kg)	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15	0.15
% Liquid Oxygen	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%	80%
Liquid Methane ($/kg)	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
% Liquid Methane	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%	20%
Implied Propellant Cost ($/kg)	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.18
Propellant Load per Launch (Metric Tons)	5,250	5,250	5,250	6,350	6,350	6,350	6,350	6,350	6,827	6,827	6,827	6,827	6,827	6,827
Propellant Cost per Launch ($mn)	**0.9**	**0.9**	**0.9**	**1.1**	**1.1**	**1.1**	**1.1**	**1.1**	**1.2**	**1.2**	**1.2**	**1.2**	**1.2**	**1.2**
Total Cash Costs ($mn)														
Propellant Cost ($mn)	0.9	0.9	0.9	1.1	1.1	1.1	1.1	1.1	1.2	1.2	1.2	1.2	1.2	1.2
% of Variable Launch Cost	*1.4%*	*1.4%*	*1.3%*	*1.8%*	*2.2%*	*2.6%*	*3.0%*	*3.3%*	*4.0%*	*4.3%*	*4.6%*	*4.8%*	*5.1%*	*5.3%*
Refurbishment & Turnaround Cost ($mn)	20.0	20.0	20.0	21.7	21.3	20.3	19.2	18.1	15.8	14.5	13.9	13.3	12.5	11.7
% of Variable Launch Cost	*28.6%*	*29.8%*	*27.8%*	*35.1%*	*40.5%*	*45.3%*	*50.7%*	*53.0%*	*51.2%*	*51.1%*	*51.6%*	*52.0%*	*51.7%*	*50.9%*
% of Build Cost	*16.0%*	*16.3%*	*16.5%*	*14.0%*	*14.0%*	*13.5%*	*13.0%*	*12.5%*	*9.0%*	*8.5%*	*8.3%*	*8.0%*	*7.6%*	*7.2%*
Launch Ops / Range / Mission Assurance ($mn)	2.0	2.0	2.0	2.5	2.5	2.5	2.5	2.5	3.0	3.0	3.0	3.0	3.0	3.0
% of Variable Launch Cost	*2.9%*	*3.0%*	*2.8%*	*4.0%*	*4.8%*	*5.6%*	*6.6%*	*7.3%*	*9.8%*	*10.6%*	*11.2%*	*11.7%*	*12.4%*	*13.0%*
Other Variable / Reserves / Spares ($mn)	7.0	7.0	7.0	6.0	6.0	6.0	6.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0
% of Variable Launch Cost	*10.0%*	*10.4%*	*9.7%*	*9.7%*	*11.4%*	*13.4%*	*15.8%*	*17.6%*	*16.3%*	*17.7%*	*18.6%*	*19.6%*	*20.6%*	*21.7%*
Total Cash Costs ($mn)	**29.9**	**29.9**	**29.9**	**31.3**	**30.9**	**29.9**	**28.9**	**27.8**	**25.0**	**23.7**	**23.1**	**22.5**	**21.8**	**21.0**
Total Variable Cost Per Launch ($mn)	70.0	67.2	71.9	61.8	52.6	44.7	38.0	34.2	30.8	28.3	26.9	25.5	24.3	23.1
Implied Depreciation Expense per Flight ($mn)	**40.1**	**37.3**	**42.0**	**30.5**	**21.6**	**14.8**	**9.1**	**6.4**	**5.8**	**4.6**	**3.8**	**3.0**	**2.5**	**2.1**
5c) Flight Hardware Depreciation & Implied Reuses														
Assumed Starship Build Cost ($mn)														
# of Raptor Engines	39	39	39	42	42	42	42	42	45	45	45	45	45	45
Cost per Raptor ($mn)	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Assumed Raptor Costs ($mn)	39	39	39	42	42	42	42	42	45	45	45	45	45	45
Assumed Remaining Structure Cost ($mn)	86	84	82	113	110	108	106	103	130	125	123	121	120	118
Assumed Starship Build Cost ($mn)	**125**	**123**	**121**	**155**	**152**	**150**	**148**	**145**	**175**	**170**	**168**	**166**	**165**	**163**
Ship Build Cost ($mn)	41.3	40.6	39.9	51.2	50.2	49.5	48.8	47.9	57.8	56.1	55.4	54.8	54.5	53.8
Ship % of Total Build Cost	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*	*33.0%*
Booster Build Cost ($mn)	83.8	82.4	81.1	103.9	101.8	100.5	99.2	97.2	117.3	113.9	112.6	111.2	110.6	109.2
Booster % of Total Build Cost	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*	*67.0%*
Booster Reuse Multiple vs. Ship	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x	3.0x
Ship Implied Useful Life / Reuses (#)	**1.7x**	**1.8x**	**1.6x**	**3x**	**4x**	**6x**	**9x**	**13x**	**17x**	**20x**	**24x**	**30x**	**37x**	**43x**
Booster Implied Useful Life / Reuses (#)	**5x**	**5x**	**5x**	**8x**	**12x**	**17x**	**27x**	**38x**	**50x**	**61x**	**73x**	**91x**	**110x**	**130x**
Implied Depreciation Ship vs. Booster														
Ship Depreciation / Flight ($mn)	23.9	22.2	25.0	18.2	12.9	8.8	5.4	3.8	3.4	2.8	2.3	1.8	1.5	1.2
Booster Depreciation / Flight ($mn)	16.2	15.0	16.9	12.3	8.7	6.0	3.7	2.6	2.3	1.9	1.5	1.2	1.0	0.8
Check vs. Implied Depreciation ($mn)	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Valuation Methodology and Risks

SpaceX (SPCX.O)

Sum-of-the-Parts by Segment: Space, Connectivity, AI (Divided into X & Grok and Enterprise AI)

- $300 Price Target = sum of Space ($8), Connectivity ($118), X & Grok ($8), Enterprise AI ($165)

2040 ending forecast period

6/30/2027 valuation date

11.1% WACC; 11.9% Cost of Equity.

50% Enterprise AI valuation discount for execution risk

TGR of: 4.0% Space, 4.5% connectivity, 3.0% X & Grok, 5.0% Enterprise AI

Equates to 0.46 EV/EBIT/Growth

Risks to Upside

- Faster Starship reuse progress
- Faster Starlink capacity growth
- Stronger DTC / enterprise adoption
- More neocloud wins
- Cursor ARR acceleration
- Lower AI infrastructure time to power and cost

Risks to Downside

- Slower Starship reuse cadence
- Slower Starlink subscriber growth
- Weaker enterprise AI monetization
- Higher capex / cost per watt of compute
- Longer time-to-power
- Greater funding needs / dilution
- Regulatory delays