

SpaceX (SPCX) Q3 2026 Earnings

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Executive Summary | October 20, 2026 | SEC Form 8-K, Accession 0001628280-26-066482¹

IGNORE THE NOISE. FOLLOW THE DATA.

- **LOCK-UP UNLOCK THIS WEEK:** up to 1.3 billion shares become sellable Thursday, Oct 22, plus 328.4M more on Oct 24 and up to 797.6M on Dec 8.³
- The stock is +6.87% after hours at \$157.94, right at the \$158-160 resistance zone. After Q2, it fell -13.6% the next day.⁴
- Cash burn is huge: Q4 capex guided to \$35-40B; 9-month free cash flow was about -\$35B; consensus FY2027 FCF is about -\$97B.^{1,4,5}
- Q3 net income (\$4.4B) was helped by \$1.9B of interest/other income and a \$0.4B tax benefit; operating income was \$2.8B.¹
- Management expects Q4 gross margin to fall back toward Q2 levels; Q3 included one-time benefits.⁵
- Valuation is extreme: about 90x FY2027 consensus EPS at the after-hours price.⁴
- This report is analysis, not personalized financial advice. Entry levels are scenarios, not guarantees.

\$14.58B	\$8.81B	\$0.35	\$33-37B	\$157.94
Q3 revenue (+161% YoY)	Adj. EBITDA (60.4% margin)	Diluted EPS (vs. \$0.11 consensus)	Q1 2027 revenue guidance	After-hours price (+6.87%)

Bottom Line

SpaceX delivered a blowout quarter: revenue of \$14.58B beat consensus by 13%, nearly doubled from Q2, and the company turned profitable at the operating line. The SI (superintelligence / AI compute) segment tripled sequentially to \$7.56B, and management guided Q1 2027 revenue to \$33-37B, more than double Q3. The tradeoff is enormous spending: capex more than doubles to \$35-40B in Q4. Stockpedia's view: **the fundamentals are accelerating, but supply from the lock-up release this week and next can overwhelm good news.** The best risk/reward is likely a **\$143-149 retest after the Oct 22-26 unlock window**, not the after-hours spike.^{1,3,5}

Q3 2026 vs. Q2 2026 (Last Report)

Metric (\$)	Q2 2026	Q3 2026	Change
Total revenue	7.81B (+92% YoY)	14.58B (+161% YoY)	+86.5% QoQ (+78.7% ex-Cursor)
Space	0.96B	1.77B	+84%
Connectivity (Starlink)	4.29B	5.25B	+22%
SI (AI / compute)	2.56B	7.56B	+195% (Cursor added 0.61B)
Income from operations	-0.14B	2.79B (19.1% margin)	Turned positive
Net income	-0.54B	4.40B	Helped by non-operating items
Adjusted EBITDA	3.54B (45.3% margin)	8.81B (60.4% margin)	+149% QoQ
Diluted EPS	-0.09 (vs. -0.26 est.)	0.35 (vs. 0.11 est.)	Beat both quarters
Capex	18.37B	19.59B	+6.7%
Cash + marketable securities	~100B	89.9B	-10B (capex funding)
Backlog	47.5B	63B	+33%
Starlink subs / ARPU; compute	12.0M / \$66; 1.4 GW	13.6M / \$69; 1.7 GW	+1.6M / +5%; +0.3 GW

Sources: Q3 and Q2 2026 earnings releases (SEC Exhibit 99.1); Q3 earnings call. Ex-Cursor growth and margins are Stockpedia calculations.^{1,2,5}

Outlook and Guidance

Guidance item	Given in Q2 (Aug 2026)	Updated in Q3 (Oct 2026)	Direction
Quarterly capex	~\$18B per quarter (Q3 and Q4)	Q3 actual \$19.6B; Q4 \$35-40B	Sharply higher
Year-end 2026 compute	More than 2 GW	~2.2 GW by end of Oct; 2.5-3 GW by year-end	Raised
End-2027 compute	Closer to 10 GW than 5 GW	At least 13 GW; small chance of 20+ GW	Raised
December 2026 ARR	\$100B+	On track for \$100B	Reaffirmed
Q1 2027 revenue	Not given	\$33-37B	New
Q4 2026 gross margin	Not given	Back toward Q2 levels	Lower vs. Q3
Backlog recognized in next 12 months	n/a	~\$42B of \$63B	New

Sources: Q2 and Q3 2026 earnings calls; Q3 earnings release.^{1,5}

Positive outlook drivers

- AI compute deals pay back in under a year; pricing is slightly above the high end of the \$30-50 per watt range.⁵
- First revenue-generating Starship flight (~10x a Falcon 9's Starlink capacity); weekly flights targeted in 1H 2027.^{1,5}
- Starlink V3/Mobile V2 ramp in 2027; enterprise and government Connectivity revenue +91% YoY.^{1,5}

Key risks to the outlook

- Lock-up releases on Oct 22, Oct 24 and Dec 8; more follow through June 2027, when Musk's shares unlock.³
- Capex is far above operating cash flow; the cash pile fell from ~\$100B to \$89.9B in one quarter.^{1,2}
- \$23.4B of Cursor-related stock compensation will be expensed over about three years.¹
- Execution risk: the AI build-out, Starship cadence and the 13 GW goal all depend on power and equipment supply.⁵
- Controlled company: Elon Musk holds majority voting power.³

Entry Strategy (6-12 Month Horizon)

Scenario	Price zone	Trigger / rationale	Upside to \$218.50 median target
Do not chase	\$155-160 (after hours)	At resistance, right before the Oct 22 unlock; Q2 had a sell-the-news drop	+38% from \$157.94
Breakout entry	Above \$160	Only on a daily close above \$160 with strong volume after the unlock clears; next targets \$167 and \$176	+37% or less
Preferred	\$143-149	Retest of the pre-earnings base and 50-day average (~\$148.6) after Oct 22-26	+47% to +53%
Deep value	\$130-135	IPO price (\$135) and August lows (~\$130)	+62% to +68%
Invalidation	Below ~\$128	Daily close below the August lows, or a cut to ARR or Q1 2027 guidance	Exit / reassess

Execution: buy in thirds (one at \$147-149, one at \$143, one at \$135) during and after the unlock window, instead of buying the after-hours spike. A daily close above \$160 after Oct 26 would signal that the unlock supply has been absorbed.⁴

Analyst context: 14 analysts, 78.6% bullish; average target \$215.21, median \$218.50, range \$140-\$280. Most targets predate today's Q1 2027 guidance.⁴

Valuation (Stockpedia calculation): about 90x FY2027 consensus EPS (\$1.75) at \$157.94; Q1 2027 guidance midpoint annualizes to ~\$140B of revenue.

Sources

1. SpaceX Q3 2026 earnings release, SEC Form 8-K Ex. 99.1 (filed Oct 20, 2026): <https://www.sec.gov/Archives/edgar/data/1181412/000162828026066482/spaceexplorationtechnologi.htm>
2. SpaceX Q2 2026 earnings release, SEC Form 8-K Ex. 99.1 (filed Aug 4, 2026): <https://www.sec.gov/Archives/edgar/data/1181412/000162828026052515/earningsreleaseq22608042.htm>
3. SpaceX IPO prospectus, Form 424B4 (Jun 12, 2026), "Shares Eligible for Future Sale" lock-up schedule: <https://www.sec.gov/Archives/edgar/data/1181412/000162828026042639/spaceexplorationtechnologi.htm>
4. Perplexity Finance market data: SPCX quote (after hours as of 6:11 PM ET, Oct 20, 2026), daily price history, earnings history, analyst consensus and estimates: <https://www.perplexity.ai/finance/SPCX>
5. SpaceX Q3 2026 and Q2 2026 earnings call transcripts (Perplexity Finance); webcast replay at ir.spacex.com.

Disclaimer: For informational purposes only; not investment advice. Price levels are scenario estimates; past patterns do not guarantee future results.