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Press Release

August 7, 2026
ispace, inc.

ispace Announces Q1 Financial Results for the Fiscal Year Ending March 2027

With expanding business opportunities in lunar infrastructure development, ispace is working to secure contracts for its next lunar mission and advance the development of its Cislunar business

TOKYO—August 7, 2026—ispace, inc. (ispace) (TOKYO: 9348), a global lunar exploration company, today announced its financial results for the first quarter of the fiscal year ending March 2026.

The year 2026 is proving to be a major turning point in lunar development. With NASA indicating a substantial increase in transportation demand for the construction of its Moon base, and the Japanese government establishing a 5.6 trillion-yen public-private investment framework for lunar exploration and low-Earth orbit technologies, the lunar transportation market is undergoing a structural shift from “one-off” exploration missions to sustained infrastructure demand with new market opportunities emerging in Japan, the U.S., and Europe. ispace aims to expand its business with “lunar infrastructure development” and “national security” as its two core growth pillars.

Against the backdrop of these changes in the business landscape, ispace is actively pursuing new contracts for Mission 5 in 2029, in addition to steady development of Mission 2.5, scheduled to deploy a lunar satellite, and lunar landing missions in Mission 3 and Mission 4, scheduled for 2028 and 2029, respectively. During the quarter, ispace launched a new lunar transport service utilizing SpaceX’s Starship and the in-house developed Mobile Cargo System, with global sales beginning upon its announcement.

A summary of the income statement appears below. Based on contracts already secured and grants received, the company will recognize at least 46 billion yen in project revenue over the next four years. Specifically, for the current fiscal year, project revenue of 9 billion yen is anticipated, an increase of more than 50 percent year-over-year, driven by a Small Business Innovation Research (SBIR) grant for Mission 3 and the Space Strategy Fund grant for Mission 4.

Statement of Jumpei Nozaki, CFO & Executive Business Director of ispace
“We recognize that many shareholders and investors may be surprised by the numerous updates we’ve made during the quarter. This is evidence of the current global shifts in the lunar industry. While the termination of CP-12 is a negative, we view the major business opportunities we are now focusing on as extremely positive. As lunar development transitions from one-off exploration missions to a phase of ongoing infrastructure development, we will continue to drive the steady development of our lunar satellite, scheduled for launch as early as 2027 as part of Mission 2.5, as well as our lunar landing missions, Mission 3 and Mission 4, scheduled for launch in 2028 and 2029, respectively,” said Jumpei Nozaki, CFO & Executive Business Director, ispace, inc.

For details, please refer to the first quarter results for the Fiscal Year Ending March 2027 [Japanese GAAP] (Consolidated) document released today on ispace's IR site. Additionally, the financial results presentation materials, recorded financial results briefing, and transcript of the financial results briefing will be available on the site.

IR site: https://ir.ispace-inc.com/jpn/news/

Overview

1. First Quarter Results for the Fiscal Year Ending March 2027

Income Statement

- Project Revenue: 168 million yen

Although not yet recorded in the profit and loss statement, the company received a subsidy of approximately 480 million yen in July, which is included in Q1, equivalent to approximately 640 million yen in project revenue for accounting purposes.

- Revenue: 168 million yen

Revenue decreased compared to the same period last year. While revenue from Mission 2 and the former Mission 5 (CP-12) was recognized in the previous period, revenue for the current period is expected to be recognized sequentially based on customer acquisition for Mission 3 and development progress for Mission 4; the current period represents a "transition phase."

- Gross profit/loss: (4,627) million yen

Profit decreased year-over-year, primarily due to the recognition in Q1 of an impairment loss (approximately 3.7 billion yen) in cost of sales related to the integration of the lander models and engine changes in the U.S., as announced in March 2026. No additional impairment losses are currently anticipated, and progress is generally on track with the full-year forecast for this fiscal year.

- Net profit/loss: (6,336) million yen

Net loss for the period decreased year-over-year, primarily due to the impairment loss mentioned above, despite the impact of foreign exchange gains. Note that the portion of SBIR grant revenue related to Mission 3 and the Space Strategy Fund grant related to Mission 4 scheduled to be received this fiscal year is expected to be recognized in a lump sum as non-operating income in Q4.

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(Unit: million yen)	FY2027/3	FY2026/3 (Previous Fiscal Year)		FY2027/3 (Forecast)	
	Q1 Results	Q1 Results	Change (%)	Full-Year Forecast	vs Plan (%)
Project Revenue[1]	**168***	**-**	**-**	**9,000**	**-**
Revenue	**168**	**1,165**	**Δ85.5%**	**3,300**	**5.1%**
Gross Profit/Loss	**Δ4,627**	**231**	**-**	**△6,000**	**-**
Gross Profit Margin	**-**	**19.8%**	**-**	**-**	**-**
Selling, General, and Administrative Expenses	**1,770**	**2,475**	**Δ28.5%**	**11,700**	**15.1%**
Operating Income/Loss	**△6,397**	**Δ2,243**	**-**	**△17,700**	**-**
Ordinary Income/Loss	**△6,335**	**Δ2,878**	**-**	**△13,000**	**-**
Net Income/Loss	**△6,336**	**Δ2,879**	**-**	**△13,000**	**-**

Q1 Financial Results for the Fiscal Year Ending March 2027

2. Balance Sheet

- Cash and Deposits: 25,703 million yen

As in the previous year, the company currently maintains sufficient liquidity on hand.

- Advance Payments: 6,369 million yen

This figured decreased compared to the end of the previous fiscal year due to an impairment charge (approximately 3.7 billion yen) resulting from the integration of lander models and an engine change in the U.S.

- Interest Bearing Debt: 29758 million yen

Regarding short-term borrowings within interest-bearing debt, the company secured a 1 billion yen loan from Asahi Shinkin Bank in April 2026, resulting in an increase compared to the end of the previous fiscal period.

- Net assets: 8,663 million yen

Net assets decreased, partly due to the impairment loss (approximately 3.7 billion yen) recorded by the U.S. entity in this first quarter. The company plans to continue prudent financial management to strengthen its financial stability.

	FY2027/3	FY2026/3	
(Unit: million yen)	Q1 Results	Q4 Results	Change（%）
Current Asset Total	**28,262**	34,384	Δ17.8%
Cash and Deposit	**25,703**	29,690	△13.4%
Short Term Advances	**1,782**	3,991	Δ55.3%
Non-Current Assets Total	**12,639**	13,320	△5.1%
Property and Equipment	**7,449**	7,218	3.2%
Long Term Advances	**4,587**	5,515	Δ16.8%
(Total Advance Payment)	**6,369**	9,506	△33.0%
Total Assets Total	**40,901**	47,704	△14.3%
Current Liabilities Total	**7,256**	5,696	27.4%
Advances Received(1)	**760**	754	0.8%
Short Term Debt	**5,266**	3,089	70.5%
Long Term Liabilities Total	**24,981**	26,834	△6.9%
Long Term Debt	**24,492**	26,353	△7.1%
(Interest-Bearing Debt)	**29,758**	29,443	1.1%
Liabilities Total	**32,238**	32,531	Δ0.9%
Net Assets Total	**8,663**	15,173	△42.9%
Liabilities&Net Assets Total	**40,901**	47,704	Δ14.3%

Q1 Financial Results for the Fiscal Year Ending March 2027

For the cash flow statement and other financial statements for the fiscal year ending March 2026, please refer to the full-year financial results materials.

About ispace, inc. (https://ispace-inc.com)
ispace, a global lunar resource development company with the vision, "Expand our planet. Expand our future.", specializes in designing and building lunar landers and rovers. ispace aims to extend the sphere of human life into space and create a sustainable world by providing high-frequency, low-cost transportation services to the Moon. The company has business entities in Japan, Luxembourg, and the United States with more than 300 employees worldwide. For more information, visit: www.ispace-inc.com and follow us on X: @ispace_inc.