

Commercial

# Sierra Space raises \$290 million

by Jeff Foust

September 26, 2023



Sierra Space Dream Chaser and Large Integrated Flexible Environment, an inflatable habitat. Credit: Sierra Space

WASHINGTON — Sierra Space has raised \$290 million in a round led by Japanese investors, providing the company with additional funding to accelerate work on its Dream Chaser vehicle and commercial space stations.

The company announced the Series B round Sept. 26, led by three Japanese investors: MUFG, Japan's largest bank; trading company Kanematsu Corporation; and Tokio Marine & Nichido, the

country's largest property and casualty insurer. Existing investors also participated in the round, which values Sierra Space at \$5.3 billion.

Sierra Space **raised \$1.4 billion in a Series A round in November 2021**. The combined Series A and B rounds is the largest for a commercial space company, Sierra Space stated in its announcement of the new round.

“As we transition our revolutionary Dream Chaser spaceplane into operations for NASA cargo resupply missions to the International Space Station, we focus our capital deployment to the development and operations of the first commercial space station — the next step in our in-space infrastructure — the growth of our national security offering and scaling our space systems components business,” Tom Vice, chief executive of Sierra Space, said in a statement.

Sierra Space is best known for its Dream Chaser vehicle, an initial cargo version of which is slated to launch next year on the second flight of United Launch Alliance's Vulcan Centaur. The company has plans for a crewed version of the vehicle as well as one for unspecified national security applications.

Sierra Space is also partnered with Blue Origin and other companies on the Orbital Reef commercial space station, offering Dream Chaser as well as an inflatable habitat module called Large Integrated Flexible Environment (LIFE). The company **recently completed a successful burst test of a subscale model of LIFE**, allowing the company to proceed to tests of a full-scale version.

Junichi Hanzawa, president and chief executive of MUFG, said in a statement that his bank was interested in Sierra Space's commercial space station efforts. “MUFG has decided to invest in low Earth orbit to support commercialization, the creation of new industries, and the resolution of social issues,” he said.

Sierra Space plans to work with its new investors to expand its presence in the Japanese market. That includes participation in an ongoing study by the Japanese space agency JAXA on low Earth orbit commercialization as JAXA prepares for the end of the International Space Station at the end of the decade. Sierra Space has also been examining the feasibility of using Japan's Oita Airport as a Dream Chaser landing site.

Privately held Sierra Space has offered few details about its financials. At an investor conference in June, **Vice said the company had about \$260 million in revenue in 2022** and a backlog of \$3 billion. That backlog is now \$3.4 billion, according the company statement about the Series B round.

Vice said then that Sierra Space is a “revenue-generating, profit-generating company,” but did not disclose how much profit it made in 2022. The company, he argued, has “a very strong balance sheet and long-term investors that give us the capital that allows us to invest in being a category winner.”

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**Jeff Foust**

Jeff Foust writes about space policy, commercial space, and related topics for SpaceNews. He earned a Ph.D. in planetary sciences from the Massachusetts Institute of Technology and a bachelor’s degree with honors in geophysics and planetary science...

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**Ball Peen Hammer** ✓verified

2 years ago

It seems CNBC has "inside sources" pointing to a falling out within team Orbital Reef...

It's hard to imagine Sierra not wanting insider dibs on a major space station. They need somewhere for crewed Dreamchaser to take people that they have an inside track to be able to compete against Crew Dragon's cost advantage.

<https://www.cnbc.com/amp/20...>

0 0 Reply

B

**Brian\_Brodrick** → Ball Peen Hammer ✓verified

2 years ago

Is this like that alleged falling out that was supposed to have happened between Blue and ULA several years ago and was going to lead to the end of their partnership? Or is this like ULA going up for sale rumor earlier this year which has yet to have been verified or shown any sign of being real?

0 0 Reply



**Christopher ....**

2 years ago

I would hope that some of the nearly \$300 million would be going towards their LIFE module project. As well trying to figure out a way to get said things in LEO besides SLS. Which is on thin ice as it is.

0 0 Reply 



**PhillyJimi**

2 years ago

I have a wild prediction. I am just not sure SX's Starship will ever landing reliably enough for humans to return from space. For fuel tanker and cargo missions, if 1 out of 500 crash it will be no big deal. Even if they get that up to 1 out of 1000 or 2000, as long as no human lives are lost that seems to be acceptable.

To return humans from space, on a Starship that late flip move to land and especially trying to catch the SS with the chop sticks, just seems to have way too much that can go wrong. I have always loved the glider approach of as the safest for returning humans. That just seems like a much safer way to return humans. Dragon works but with a water landing and parachutes, in the long run over time would be much more expensive over a glider landing on land like with Dream Chaser.

Launching a Dream Chaser or say 4 of them on a single Starship also wouldn't be a big deal. .Even with a launch abort, since the engines can be cut on a Starship the Dream Chasers could detach and glide back to land with the crew.

Maybe Sierra could be a potential SX acquisition in the future? Sure SX could develop their own version but buying a system that is 95% of what they need already sounds very Musk like.

0 1 Reply 



**Lee**

→ PhillyJimi

2 years ago

Not sure Dream Chasers have enough thrust to get away from an exploding SS before it engulfs them.

0 0 Reply 



**JYJERRY**

2 years ago

GO AXIOM SPACE!!

0 0 Reply 



**lopan**

2 years ago

Nice. I really hope they have a scaling plan though. This has already taken them so long to develop, and it's still just the cargo variant.

3 0 Reply 



**Bob**

2 years ago

How can this compete with StarShip? Won't SpaceX be leasing out entire ship systems allowing the user complete control of the ship at some point which would be vastly less expensive than trying to

own and operate your own or even sell the system outright to qualified buyers?

0 0 Reply

D

**David** - Bob

2 years ago

It's a transfer vehicle, it's not intended to compete with Starship.

I'd love to see SpaceX sell a Starship to Bezos and Branson.

Bezos wouldn't be able to figure out make it work, kinda like his alleged rocket company and Branson would drive his into the ground just like he did with most of his other business ventures.

2 1 Reply



**Mark Davis** Bob

2 years ago

"How can this compete with StarShip?" If you draw an analogy to airplanes, just because the Boeing 747 or Airbus A380 exist doesn't mean the Cessna 172 stopped existing. Just because mass transit busses exist doesn't mean that people stopped driving four seat sedans.

8 0 Reply

T

**TomDPerkins #Omelas** Bob

2 years ago

Not necessarily, no. Starship has a lot of expensive dedicated hardware only suitable for non-station use -- and it is far from clear the cost of outfitting say two Starships as a station (in which build the Starship is only good for that, and you need two with transfers to keep one at least in orbit) is lower that having one cargo Starship lift a dedicated station that with inflatables is even larger than Starship and is used for years.

6 0 Reply

N

**Nate** TomDPerkins #Omelas

2 years ago

having one cargo Starship lift a dedicated station that with inflatables is even larger than Starship and is used for years.

That's something I've occasionally gotten pushback for: people go on and on about how Starship will be low cost and have plenty of space, but why would we ever want to limit ourselves to the volume of Starship if we don't have to?

2 0 Reply

P

**publiusr** Nate

2 years ago

A one off hub that is hammerheaded in place of Starship...a Starkicker

type deal.

I would want hypergolics though in this instance.

Conventional Starships would have curved ring station segments perhaps?

0 0 Reply 

N

**Nate**  publiusr

— 

2 years ago

A one off hub that is hammerheaded in place of Starship...a Starkicker type deal.

There's no real good reason to do the non-recurring engineering for a one-off unless SpaceX is extremely well paid. If at some point there's a demand for extremely large diameter structures, spacecraft, etc.; then it would be fiscally prudent.

I would want hypergolics though in this instance.

Why?

0 0 Reply 

P

**publiusr**  Nate

— 

2 years ago

I want something that can last years.

I can see a compact ring station--built strongly--shoved to Mars as a cycler and/or Mars telepresence platform.

Big stages would shove the ringships out...but it not need be manned.

Starship for cargos, wet-stage surface habs.

As a cycler a Falcon Heavy taxi can be it's Progress re-supply craft even

