

April 15, 2020



Hannon Armstrong Upsizes and Prices Private Offering of \$400 Million of 6.00% Green Bonds

ANNAPOLIS, Md.--(BUSINESS WIRE)-- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong" or the "Company") (NYSE: HASI), a leading investor in climate change solutions, today announced it has upsized and priced its private offering of \$400 million in aggregate principal amount of 6.00% senior unsecured notes due 2025 (the "Notes") by its indirect subsidiaries, HAT Holdings I LLC ("HAT I") and HAT Holdings II LLC ("HAT II," and together with HAT I, the "Issuers"). At issuance, the Notes will be guaranteed by the Company, Hannon Armstrong Sustainable Infrastructure, L.P., and Hannon Armstrong Capital, LLC. The offering was upsized from the previously announced \$350 million in aggregate principal amount. The settlement of the Notes is expected to occur on April 21, 2020, subject to customary closing conditions. The Notes have been rated BB+ by Standard & Poor's Rating Services and Fitch Ratings.

The Company also provided an update on certain recent developments, including a preliminary estimate of certain results for the quarter ended March 31, 2020, in the Company's Current Report on Form 8-K which was filed with the U.S. Securities and Exchange Commission ("SEC") on April 15, 2020.

The Company believes the Notes meet the environmental eligibility criteria for green bonds as defined by the International Capital Market Association's Green Bond Principles. The Company intends to utilize the net proceeds of this offering to acquire or refinance, in whole or in part, eligible green projects, which include assets that are neutral to negative on incremental carbon emissions. In addition, these projects may include projects with disbursements made during the twelve months preceding the issue date of the bonds and those with disbursements to be made following the issue date. Prior to the full investment of such net proceeds, the Company intends to apply the proceeds to repay a portion of the outstanding revolving borrowings under the Company's two senior secured credit facilities. For any net proceeds from the offering not used to repay these credit facilities, the Company intends to invest such net proceeds in interest-bearing accounts and short-term, interest-bearing securities which are consistent with the Company's intention to continue to qualify for taxation as a REIT. Proceeds used to repay these credit facilities may be re-borrowed.

The Notes and the related guarantees are being offered only to persons reasonably believed to be qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and non-U.S. persons outside the United States pursuant to Regulation S under the Securities Act. The Notes and the related guarantees will not be

registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent an effective registration statement or an applicable exemption from the registration requirements of the Securities Act or any state securities laws.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, these securities, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About Hannon Armstrong

Hannon Armstrong (NYSE: HASI) is the first U.S. public company solely dedicated to investments in climate change solutions, providing capital to leading companies in energy efficiency, renewable energy, and other sustainable infrastructure markets. With more than \$6 billion in managed assets as of December 31, 2019, Hannon Armstrong's core purpose is to make climate-positive investments with superior risk-adjusted returns.

Forward-Looking Statements

Some of the information in this press release contains forward-looking statements and within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this press release, words such as "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," "target," or similar expressions, are intended to identify such forward-looking statements. Forward-looking statements are subject to significant risks and uncertainties. Investors are cautioned against placing undue reliance on such statements. Actual results may differ materially from those set forth in the forward-looking statements. Factors that could cause actual results to differ materially from those described in the forward-looking statements include those discussed under the caption "Risk Factors" included in the Company's Annual Report on Form 10-K for the Company's fiscal year ended December 31, 2019, which was filed with the SEC, as well as in other reports that the Company files with the SEC.

Forward-looking statements are based on beliefs, assumptions and expectations as of the date of this press release. The Company disclaims any obligation to publicly release the results of any revisions to these forward-looking statements reflecting new estimates, events or circumstances after the date of this press release.

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