

September 10, 2019



Hannon Armstrong Announces Add-On Offering of \$100 Million of Senior Unsecured Notes

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, subject to market conditions, a private offering of \$100 million in aggregate principal amount of 5.25% senior unsecured notes due 2024 (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"). The Notes will be additional notes and form part of the same series as the Company's existing 5.25% senior unsecured notes due 2024. At issuance, the Notes will be guaranteed by the Company, Hannon Armstrong Sustainable Infrastructure, L.P., and Hannon Armstrong Capital, LLC.

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.

The Notes and the related guarantees will be 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) focuses on making investments in climate change solutions by providing capital to the leading companies in the energy efficiency, renewable energy and other sustainable infrastructure markets. Our goal is to generate attractive returns for our stockholders by investing in a diversified portfolio of investments that generate long-term, recurring and predictable cash flows from proven commercial technologies. Based in Annapolis, Maryland, Hannon Armstrong is proud to be the first U.S. public company solely dedicated to investments that reduce carbon emissions or increase resilience to climate change.

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, 2018, which was filed with the U.S. Securities and Exchange Commission (“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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