

HANNON ARMSTRONG

Hannon Armstrong Completes \$100.5 million, A-Rated, 19 Year Term, 4.28% Sustainable Yield Bonds™ Offering With CarbonCount™ Score of 0.39 MT/\$1000

- *Hannon's first publicly-rated asset-backed securitization*
- *First green bond to receive ASE CarbonCount certification*

ANNAPOLIS, Md., Sept. 30, 2015 /PRNewswire/ -- Hannon Armstrong Sustainable Infrastructure Capital, Inc. ("Hannon Armstrong," "we", "our" or the "Company;") (NYSE: HASI), a leading provider of debt and equity financing to the energy efficiency and renewable energy markets, today completed an offering of A-rated (Kroll) Sustainable Yield Bonds issued by its indirect subsidiary and secured by a portion of its utility scale solar and wind real estate related assets. The transaction was certified by the Alliance to Save Energy's *CarbonCount*, with a score of 0.39 metric tons of greenhouse gas emissions reduced annually per \$1,000 of investment.

"The 19 year tenor allows us to lock-in historically low interest rates in accordance with our plan to move to 50% to 70% fixed rate debt," said Jeffrey Eckel, President & CEO. "This is our second debt transaction to disclose the estimated annual reduction of greenhouse gas emissions and the first to receive a *CarbonCount* score, which allows investors to easily measure a green bond's carbon impact, just as they can evaluate interest rate and credit quality," continued Eckel.

The bonds consist of a senior class of bonds (the "Class A Bonds") in an aggregate principal amount of \$100,500,000 with an interest rate of 4.28%. The junior class of bonds (the "Class B Bonds") consists of \$18,112,000 aggregate principal amount with an interest rate of 5.00% and was retained by the Company. Both classes of notes have an anticipated repayment date in October 2034. Hannon Armstrong Capital, LLC, the operating subsidiary of the Company, will act as servicer for the securitization.

The Class A Bonds received an investment grade rating of A and the Class B Bonds received a rating of BBB from the Kroll Bond Rating Agency, Inc. The Company believes that the rating reflects the predictability and quality of the cash flows of the underlying assets, with strong, experienced publicly rated project sponsors and off-takers. This is a new asset class in the asset-backed securities market and the first Hannon Armstrong issuance to achieve a public investment grade rating. Bank of America Merrill Lynch acted as structuring agent for the offering.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy these securities, and there shall not be any offer or sale of these securities in any state in which such offer, solicitation or sale would be unlawful.

About Hannon Armstrong

Hannon Armstrong (NYSE: HASI) provides debt and equity financing to the energy efficiency and renewable energy markets. We focus on providing preferred or senior level capital to established sponsors and high credit quality obligors for assets that generate long-term, recurring and predictable cash flows. We are based in Annapolis, Maryland, and we elected and qualified to be taxed as a real estate investment trust (REIT) for federal income-tax purposes, beginning with our taxable year ended December 31, 2013.

The *CarbonCount* score included in this press release was obtained from a third party source that the Company believes to be reliable. The Company has not independently verified such data, which involves risks and uncertainties and is subject to change based on various factors.

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Forward-Looking Statements

Some of the information contained in this press release are 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, the words such as "believe," "expect," "anticipate," "estimate," "plan," "continue," "intend," "should," "may," 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 report on Form 10-K that was filed with the 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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