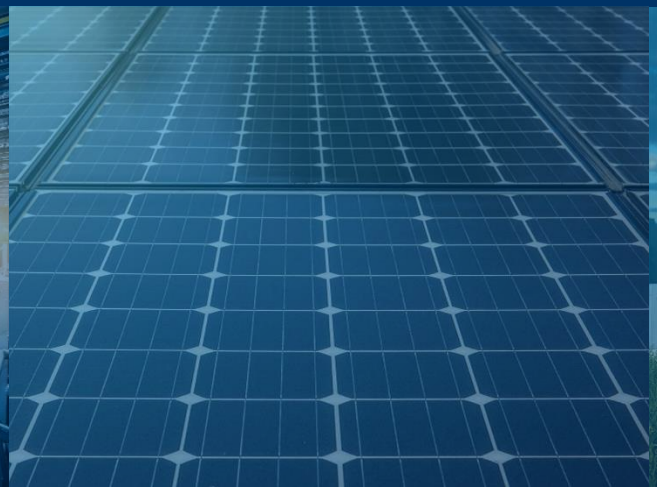
HANNON ARMSTRONG

CORPORATE PROFILE

November 2020

INVESTING IN
CLIMATE CHANGE
SOLUTIONS



FORWARD LOOKING STATEMENTS

Some of the information contained herein are forward-looking statements 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 herein, 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 our Form 10-K for the year ended December 31, 2019 (the "Form 10-K"), which was filed with the U.S. Securities and Exchange Commission (SEC), as well as in other reports that we file with the SEC.

One of the most significant factor is the ongoing impact of the current outbreak of the novel coronavirus (COVID-19), on the U.S., regional and global economies, the U.S. sustainable infrastructure market and the broader financial markets. The current outbreak of COVID-19 has also impacted, and is likely to continue to impact, directly or indirectly, many of the other important factors below and the risks described in the Form 10-K and in our subsequent filings under the Securities Exchange Act of 1934, as amended. Other factors besides those listed could also adversely affect us. Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. New factors emerge from time to time, and it is not possible for us to predict which factors will arise. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. In particular, it is difficult to fully assess the impact of COVID-19 at this time due to, among other factors, uncertainty regarding the severity and duration of the outbreak domestically and internationally, uncertainty regarding the effectiveness of federal, state and local governments' efforts to contain the spread of COVID-19 and respond to its direct and indirect impact on the U.S. economy and economic activity.

Forward-looking statements are based on beliefs, assumptions and expectations as of September 30, 2020. This guidance reflects the Company's estimates of (i) yield on its existing Portfolio; (ii) yield on incremental Portfolio investments, inclusive of the Company's existing pipeline; (iii) the volume and profitability of securitization transactions; (iv) amount, timing, and costs of debt and equity capital to fund new investments; (v) changes in costs and expenses reflective of the Company's forecasted operations, (vi) the ongoing impact of the current outbreak of the COVID-19 and (vii) the general interest rate and market environment. All guidance is based on current expectations of the future impact of COVID-19 and the economic conditions, the regulatory environment, the dynamics of the markets in which we operate and the judgment of the Company's management team. The Company has not provided GAAP guidance as discussed in the Supplemental Financial Data slide of this presentation. We disclaim 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 presentation.

This presentation refers to certain financial measures that were not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Reconciliations of those non-GAAP financial measures to the most directly comparable GAAP financial measures can be found in the Appendix herein.

Estimated carbon savings are calculated using the estimated kilowatt hours, gallons of fuel oil, million British thermal units of natural gas and gallons of water saved as appropriate, for each project. The energy savings are converted into an estimate of metric tons of CO2 equivalent emissions based upon the project's location and the corresponding emissions factor data from the U.S. Government and International Energy Agency. Portfolios of projects are represented on an aggregate basis. The carbon and water savings information included in this presentation is based on data from a third-party source that we believe to be reliable. We have not independently verified such data, which involves risks and uncertainties and is subject to change based on various factors.

Past performance is not indicative nor a guarantee of future returns.

WHO WE ARE

HASI
LISTED
NYSE

First U.S. public company solely dedicated to investments in climate change solutions

Climate-Positive Investor

~$1 Billion
Invested Annually

>$6 Billion
Managed Assets

Markets & Asset Classes

Behind-The-Meter

Energy Efficiency

Distributed Solar

Storage

Grid-Connected

Onshore Wind

Solar Land

Sustainable Infrastructure

Stormwater Remediation

Ecological Restoration

Resiliency

PROGRAMMATIC ORIGINATION PLATFORM

Long-Term, Established Customer Base of Leading Energy and Infrastructure Companies[1]

ENGIE, Invenergy, S-POWER, AMERESCO, vivint.Solar, Schneider Electric, ecp renewables, SIEMENS, TRANE TECHNOLOGIES, SUNPOWER, Honeywell, Johnson Controls, Clearway, sunrun, NORESCO, RWE

~$1.0b
Annual Programmatic Origination

Public Investors[1]

WELLINGTON MANAGEMENT, Vanguard, VanEck, BLACKROCK, T.Rowe Price, Neumeier Poma, STATE STREET, Foresight group, Swedbank

Private Investors[1]

MassMutual, John Hancock, BLACKROCK, TIAA, Manulife, MetLife, BARINGS, AllianceBernstein, NEW YORK LIFE

Strategic Principles

Organic growth driven by programmatic transactions that address climate change

- Customized investment solutions drives repeat scalable business with long-term customer relationships

Execute transactions effectively and profitably with core execution team

- Operating leverage and competitive positioning driven through repeat transactions with the same counterparties and consistent documentation

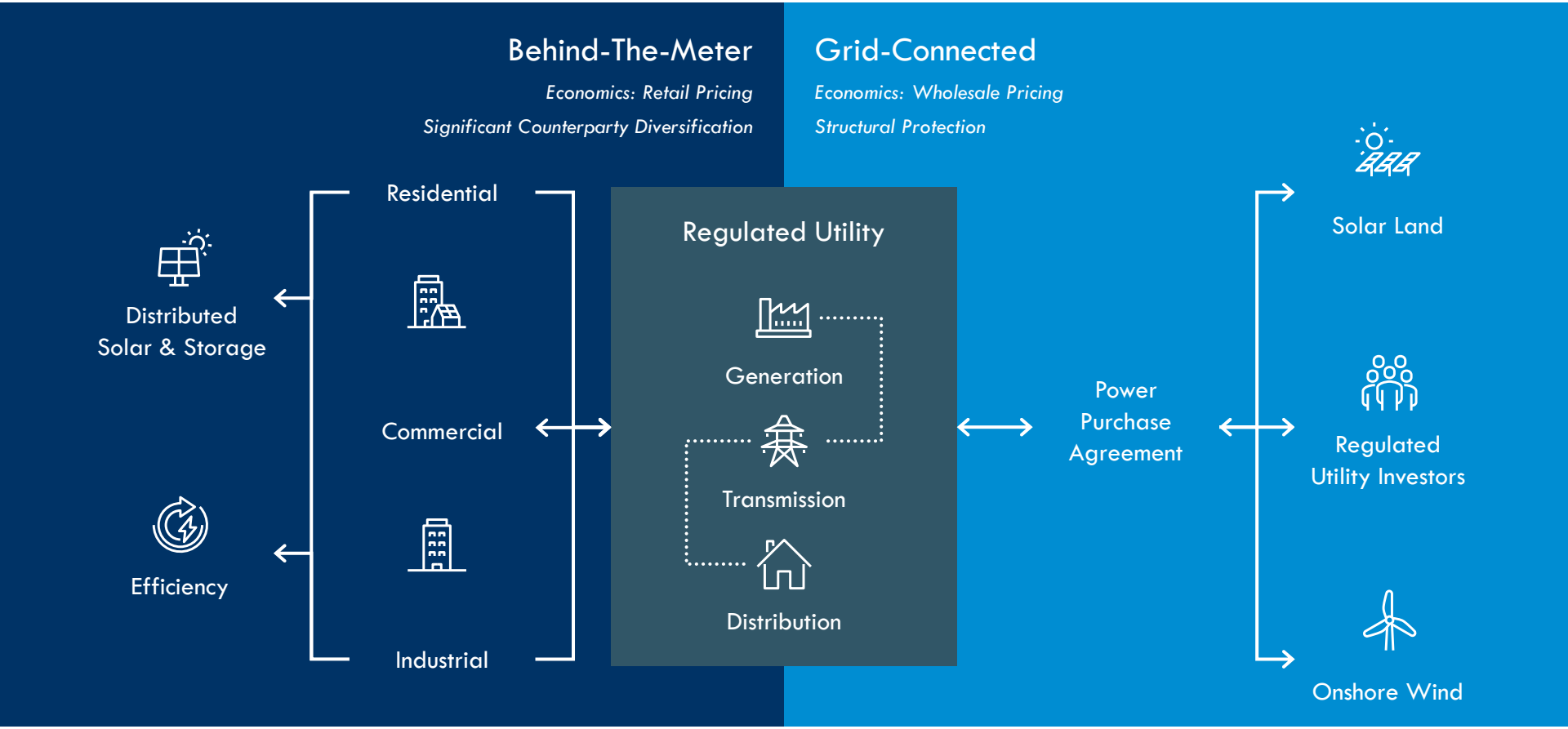
Lower cost of capital by appealing to broad range of investors

- ESG-focused public equity, debt, and private institutional investors

1) Inexhaustive list of 9/30/20

WHERE WE INVEST

We invest strategically in both behind-the-meter and grid-connected assets to generate superior risk-adjusted returns



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ILLUSTRATIVE INVESTMENTS

BEHIND-THE-METER

Public-Private Partnership

>$100 million

Preferred equity investment in a P3 with the University of Iowa to operate, maintain, and upgrade university energy and water utilities in support of low carbon campus sustainability objectives

Clients: Public entities; publicly traded energy service companies

BEHIND-THE-METER

C&I Solar

<$50 million

Equity investment in a distributed portfolio of ~200 C&I projects, including high credit quality corporates such as FedEx and Target

Clients: Solar sponsors

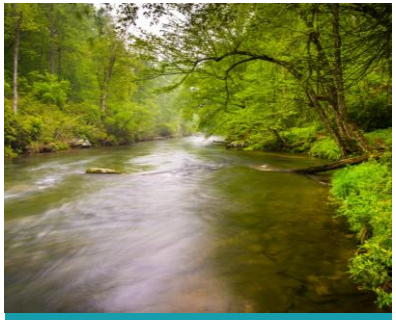
GRID-CONNECTED

Utility-Scale Wind & Solar

>$500 million

Equity investment (with preferred cash flow position) in a 2.3 GW portfolio, including high credit quality corporate and utility off-takers such as Amazon, Walmart, and Xcel Energy

Clients: Wind and solar sponsors



SUSTAINABLE INFRASTRUCTURE

Stormwater Remediation

<$10 million

Four separate projects to slow pollution runoff into downstream waterways across the Chesapeake Bay region

Clients: Environmental development firms

ILLUSTRATIVE INVESTMENTS

BEHIND-THE-METER

Residential Solar

<$30 million

Portfolio of high credit quality residential leases diversified across geographic and power markets

Clients: Residential solar providers

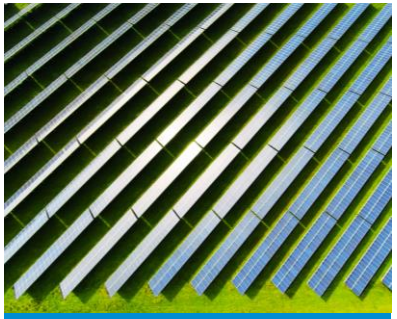
BEHIND-THE-METER

Green Real Estate

<$20 million

Joint venture to acquire securitized housing loans that incentivize energy and water efficiency investments

Clients: Government-sponsored enterprises



GRID-CONNECTED

Utility-Scale Solar Land

>$100 million

Acquisition of 4,000 acres of land and lease streams underlying dozens of utility-scale solar projects with a capacity of nearly 700 MW

Clients: Utilities; solar sponsors

SUSTAINABLE INFRASTRUCTURE

Ecological Restoration

<$20 million

Investments in mitigation credits for wetland and stream restoration projects across four states

Clients: Environmental development firms

BUSINESS MODEL

Our profitability is driven by:

Investment Income

- On Balance Sheet
- Predictable
- Diversified
- Uncorrelated

Fee Income

- Securitizations
- Advisory
- Programmatic
- Deep investor base

Illustrative Summary[1]

	% of assets
Assumed Gross Asset Yield[2]	**8.0%**
Less Assumed Interest	(4.0%)
Net Investment Margin	**4.0%**
Less Assumed SG&A	(1.5%)
Fees	**1.5%**
Net Asset Return	4.0%
Assets/Equity	2.5x
Illustrative ROE	**10%**

On a quarterly basis, the mix of our income driven by investments and gain-on-sale will vary based on originated client projects

1) This information is hypothetical and for illustrative purposes only and is not based on actual operations nor is it a prediction or projection of future results. The amounts are based on various assumptions and estimates based on the Company's model. Assumptions and estimates may prove to be inaccurate and actual results may prove materially different and will vary between periods based on market conditions and other factors. Investors should note that the illustrative model does not represent management's estimates or projections and should not be relied upon for any investment decision.
2) Gross Asset Yield represents assumed forward looking unlevered estimated return on assets (core) yield.

EVOLUTION AS A PUBLIC COMPANY

2013

IPO ($167m) at $12.50 per share

First Sustainable Yield® Bond (SYB) issued for efficiency assets

2014

First sustainability report card published

Significant utility-scale wind and solar land investments

2015

Launch of CarbonCount® scoring tool

Significant wind preferred equity investments

2016

>$1b Market Cap

Significant microgrid investment (Parris Island Marine Base)

2017

$150M public convertible bonds issued

Established Equity ATM program

First U.S. company to commit to Task Force on Climate-related Financial Disclosures (TCFD)

2018

Refinanced and extended $450m credit facility and expanded to 6 lenders

First Commercial Property Assessed Clean Energy (C-PACE) investments

2019

Received inaugural corporate debt rating of BB+ from S&P and Fitch

Issued $500m in inaugural unsecured green bonds

First investments in energy management-as-a-service and community solar asset classes

>$2b Market Cap

2020

Issued >$900m in corporate unsecured and convertible green bonds

Since our IPO in 2013, we have raised >$8b in debt and equity to invest in climate change solutions

RECENT RESULTS

HANNON ARMSTRONG

INVESTING IN CLIMATE CHANGE SOLUTIONS

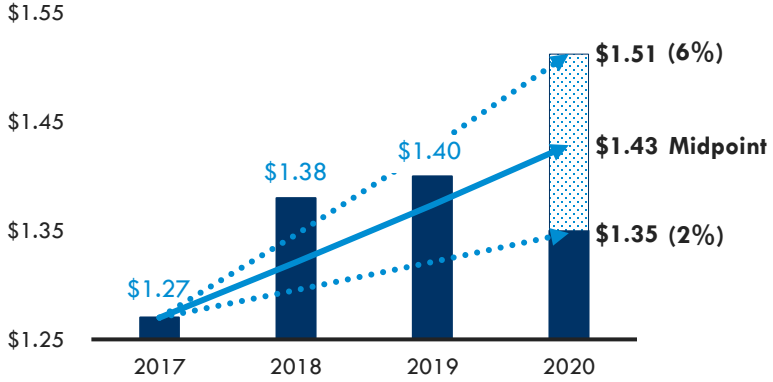
Recent Highlights[1]

- Grew YOY YTD GAAP EPS 44% to $0.78 and Core EPS (Pre-CECL Provision) 18% to $1.19
- Closed $716m transactions in 3Q20 and $1.1b YTD
- Lowered weighted-average cost of debt and extended maturity through issuance of $375m of green bonds and $144m of convertible green bonds
- Reported YOY YTD GAAP NII of $24.6m and increased Core NII 16% to $67.2m
- Joined the Partnership for Carbon Accounting Financials
- Declared dividend of $0.34 per share

Unchanged Guidance

- Expect 2020 Core EPS (Pre-CECL Provision) to exceed guidance midpoint of $1.43[2]

Compounded 3-Year Annual Core EPS (Pre-CECL Provision) Growth Guidance



Key Performance Indicators		3Q20	3Q19
EPS	GAAP	$0.28	$0.13
	Core (Pre-CECL Provision)[1]	$0.36	$0.38
	Core[1]	$0.33	N/A
NII	GAAP	$3.9m	$9.2m
	Core[1]	$17.9m	$19.7m
Portfolio Yield[1]		7.7%	7.7%
Balance Sheet Portfolio		$2.2b	$1.9b
Debt to Equity Ratio		2.0x	1.5x
Core ROE (Pre-CECL Provision)[3]		10.2%	11.4%
Core ROE[3]		9.3%	N/A
Transactions Closed		$716m	$287m
CarbonCount®[4]		1.67	0.35
Incremental Annual Reduction in Carbon Emissions		~1.2m MT	~96k MT
WaterCount™[5]		492	94
Incremental Annual Water Savings		~350k MG	~26k MG

1) See Appendix for an explanation of Core Earnings, Core Net Investment Income, and Portfolio Yield, including reconciliations to the relevant GAAP measures, where applicable. Note that we are including the Core EPS (Pre-CECL provision) for comparability purposes to 2019.
2) Excludes impact of new credit loss standard (Current Expected Credit Losses or "CECL" or Topic 326)
3) Core ROE is calculated using core earnings for the period (annualized) and the average of the ending equity balances as of September and June in 2020 and 2019.
4) CarbonCount® is a scoring tool that evaluates investments in U.S.-based energy efficiency and renewable energy projects to estimate the expected CO_2 emission reduction per $1,000 of investment.
5) WaterCount™ is a scoring tool that evaluates investments in U.S.-based projects to estimate the expected water consumption reduction per $1,000 of investment.

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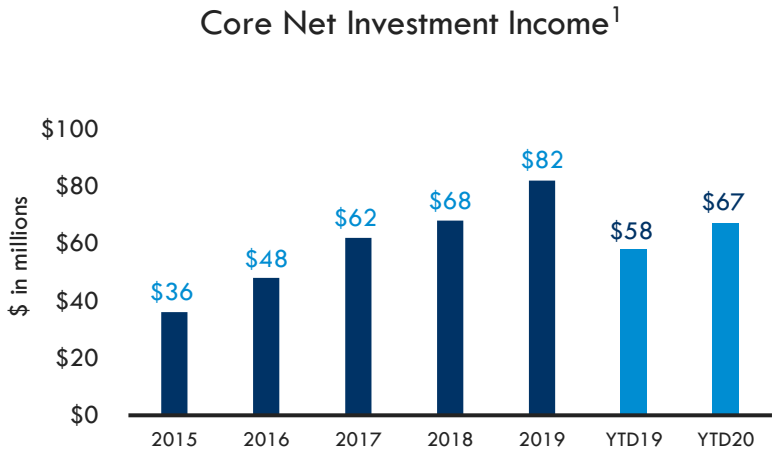
3Q20 RESULTS

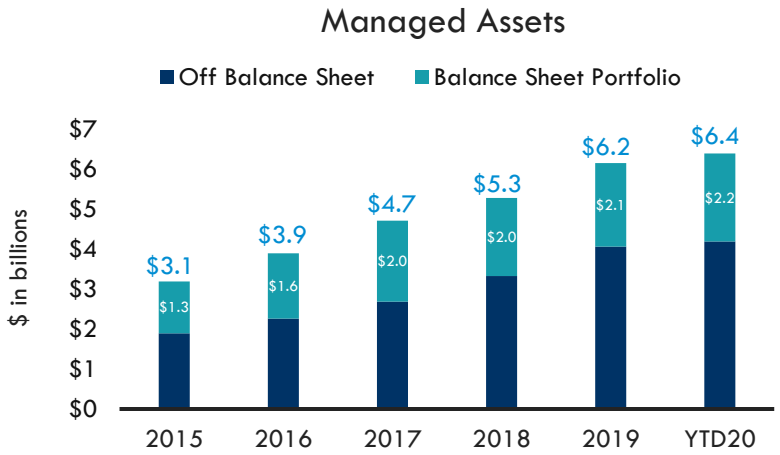
Results, Unaudited[1] ($ in millions, except per share figures)	3Q20	3Q19	YTD20	YTD19	Commentary
GAAP Earnings	$21.2	$9.1	$57.5	$35.5	Higher investment and gain on sale revenue partially offset by interest expense from recent green bond issuances to fund anticipated growth
GAAP Diluted EPS	$0.28	$0.13	$0.78	$0.54	
Core Earnings	$25.3	N/A	$82.5	N/A	
Core EPS	$0.33	N/A	$1.12	N/A	
Core Earnings (Pre-CECL Provision)	$27.7	$25.2	$88.2	$66.0	
Core EPS (Pre-CECL Provision)	$0.36	$0.38	$1.19	$1.01	
GAAP Net Investment Income[2]	$3.9	$9.2	$24.6	$26.8	
Core Earnings from Equity Method Investments[3]	13.3	9.7	40.4	28.9	
Core Adjustment for Intangible Amortization	0.7	0.8	2.2	2.3	
Core Net Investment Income	$17.9	$19.7	$67.2	$58.0	16% YOY growth YTD in 2020 despite negative carry in 2Q and 3Q
GAAP Gain on Sale and Fees	$18.6	$13.1	$47.6	$29.6	Access to private market remains strong

Equity Method Summary[1,3]	YTD20	YTD19
GAAP Earnings	$33	$18
Core Adjustment	7	11
Core Earnings	$40	$29
Return of Investment	95	46
Cash Collected	$135	$75

1) See Appendix for an explanation of Core Earnings, Core Net Investment Income, and Portfolio Yield, including reconciliations to the relevant GAAP measures, where applicable. Note that we are including the Core EPS (Pre-CECL provision) for comparability purposes to 2019.
2) GAAP Net Investment Income includes Interest Income, and Rental Income, less Interest Expense as reported within our financial statements prepared in accordance with US GAAP.
3) Represents Core Earnings from our Equity Method Investments when allocating cash distributions between a return on and return of invested capital. Refer to the Appendix for additional discussion.

GROWTH IN RECURRING CORE NII AND MANAGED ASSETS CONTINUES





Continue to drive growth in NII from balance sheet portfolio due to:

- Portfolio growth
- Maintenance of an attractive Portfolio Yield of 7.7%[1]
- Prudent leverage position

1) See Appendix for an explanation of Core Net Investment Income and Portfolio Yield, including reconciliations to the relevant GAAP measures, where applicable. Subtotals may not sum due to rounding. 2015 to 2019 represent full year or year-end balance as applicable.

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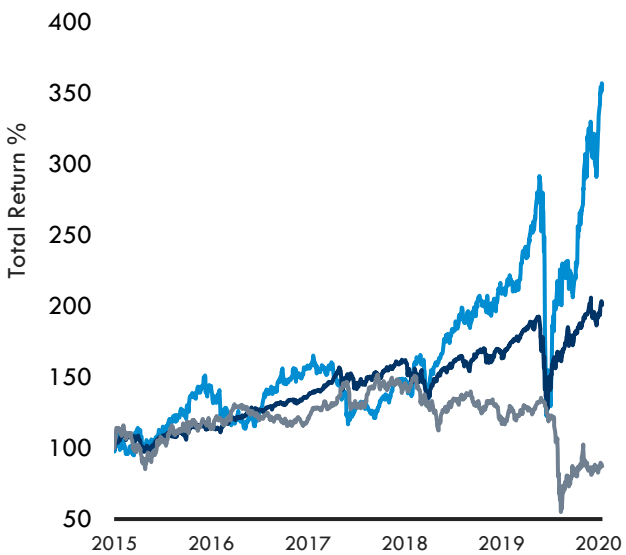
CLIMATE-POSITIVE INVESTING PROVING RESILIENT[1]

Cumulative Total Shareholder Return[2] (5yr)



Annual Average (2015 - 2020)

HASI	27%
S&P 500	14%
Fossil Fuel Index[3]	(6)%

Unsecured Bond Yields

S&P US High Yield Corporate Bond Energy Index	>8%
HASI	<4%

We have continued to significantly outperform the fossil fuel industry and the S&P 500

1) All figures as of 9/30/20
2) Assumes that all dividends were reinvested without the payment of any commissions
3) Reflects S&P Global 1200 Energy Index

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PROGRAMMATIC ORIGINATION PLATFORM

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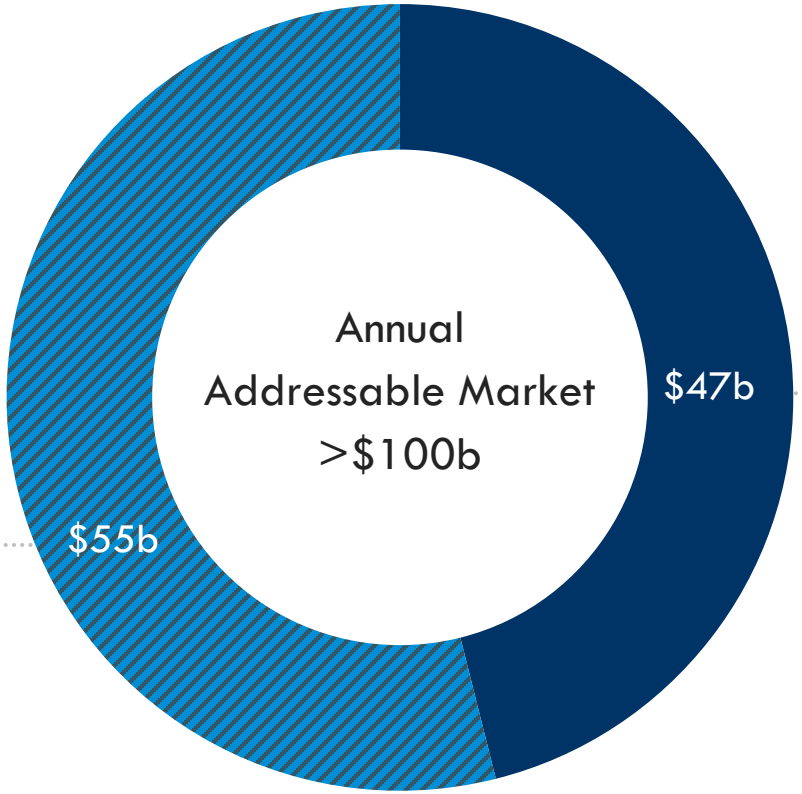
OPPORTUNITY SET

Our target >$100b[1] annual addressable market is expected to continue to grow rapidly over the next decade



Energy Efficiency

Behind-the-Meter

Renewables

Behind-the-Meter and Grid-Connected

1) Sum of BNEF (for U.S. renewables) and IEA (for North American Energy Efficiency) 2019 investment estimates

PIPELINE REMAINS ROBUST

Markets

Behind-the-Meter

Weighted toward energy efficiency

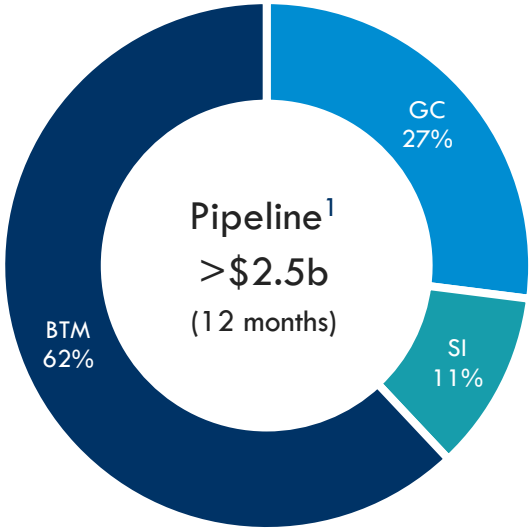
Solar (residential, C&I, community) remain strong with increasing storage attachment

Grid-Connected

Well-balanced between onshore wind, solar land, and utility-scale solar, including select projects paired with storage

Sustainable Infrastructure

Typically smaller transactions across multiple niche markets driven in part by climate change impacts



With steady market growth in many asset classes, pipeline remains robust at >$2.5b

1) As of 9/30/2020; markets include Behind-the-Meter (BTM), Grid-Connected (GC), and Sustainable Infrastructure (SI)

POWER OF PROGRAMMATIC RELATIONSHIPS

1
Sponsor

4
Distinct Transactions

>$700m
Committed Investment

Initiate Client Partnership with ENGIE

2018

- $50m investment in a C&I solar portfolio located across multiple states

Zippered relationship coupled with access to flexible capital enable the development of solutions embedded across client business units

2020

- $115m preferred equity investment in a P3[1] with the University of Iowa to operate and upgrade multiple campus utilities in support of university sustainability objectives
- $540m preferred equity investment in a 2.3 GW portfolio of grid-connected wind and solar projects with high credit quality offtakers
- $13m securitized debt investment in a U.S. Veterans Administration energy efficiency project through the use of a Master Purchase Agreement

1) Public-private partnership

DIVERSIFIED HIGH-QUALITY PORTFOLIO

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PORTFOLIO DIVERSIFIES FURTHER

Markets

Behind-the-Meter

Yield: 8.1%

- Energy Efficiency
- Distributed Solar
- Storage

Grid-Connected

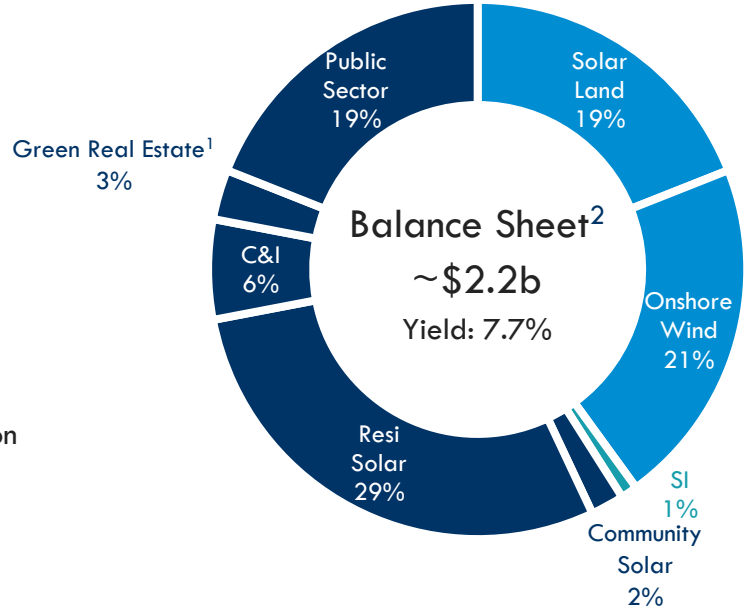
Yield: 7.1%

- Onshore Wind
- Solar Land

Sustainable Infrastructure[3]

Yield: 7.0%

- Stormwater Remediation
- Ecological Restoration
- Resiliency



Diversified and Long-Dated Cashflows[2]

208	$11m	16 years
Total Investments[4]	Average Investment	Weighted Average Life

1) Includes Freddie Mac and C-PACE investments
2) As of 9/30/2020, which does not include the impact of the remaining unfunded portion of the ENGIE investment announced in July 2020
3) Includes all other asset classes that are not specifically designated as BTM or GC
4) Individual investments with outstanding balances > $1m

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PORTFOLIO PERFORMANCE AND COUNTERPARTY CREDIT

Recent Portfolio Performance

Rating	Description	Balance Sheet Portfolio (%) 3Q20 $2.2b
1	Performing[1]	**99%**
2	Slightly below metrics[2]	**1%**
3	Significantly below metrics[3]	**~0%**

Counterparty Credit

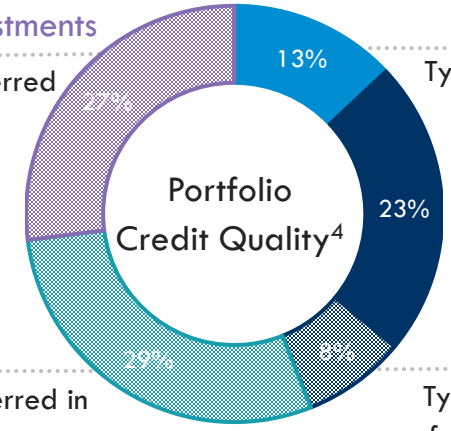
Other Equity Method Investments

Typically preferred in structure

Government

Typically senior in structure

IG: 100%



Consumer

Typically preferred in structure

>158k obligors across 22 states with an average FICO rating of "Very Good"[5]

Commercial

Typically senior or preferred in structure

IG: 23%; Non-IG: 8%

Outstanding credit history with de minimis (~20 bps) cumulative credit losses since 2013

1) This category includes our assets where based on our credit criteria and performance to date we believe that our risk of not receiving our invested capital remains low.
2) This category includes our assets where based on our credit criteria and performance to date we believe there is a moderate level of risk to not receiving some or all of our invested capital.
3) This category includes our assets where based on our credit criteria and performance to date, we believe there is substantial doubt regarding our ability to recover some or all of our invested capital. Included in this category are two commercial receivables with a combined total carrying value of approximately $8 million as of September 30, 2020 which we consider impaired and have held on non-accrual status since 2017. We recorded an allowance for the entire asset amounts as described in our 2019 Form 10-K. We expect to continue to pursue our legal claims with regards to these assets.
4) Refer to Explanatory Notes on the Appendix. As of 9/30/20.
5) 22 states includes the District of Columbia; qualitative FICO Rating corresponds to average FICO Score range for consumer obligors (as of lease origination dates).

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DURABLE CAPITAL STRUCTURE

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DURABLE CAPITAL STRUCTURE

Demonstrated access to diversified funding sources

- Raised $1.1b in debt and equity YTD, including:
  - $775m in unsecured green bonds (including $375m maturing in 2030 at a 3.75% coupon)
  - $144m in convertible green bonds (maturing in 2023 at a 0% coupon)
  - $189m in equity

Conservative leverage profile

- 2.0x debt to equity[1]
- Rating of BB+ by S&P and Fitch reaffirmed in 3Q20

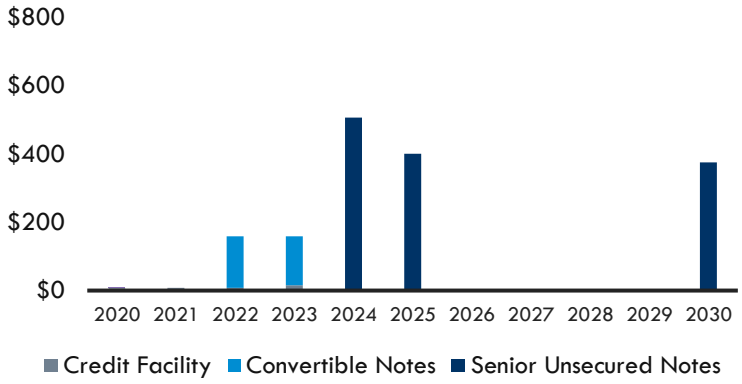
Minimal refinance and interest rate risk

- 99% of debt is fixed rate
- Laddered recourse debt maturities with no material maturity until 3Q22[2]
- Nonrecourse debt largely amortizes within contracted term of assets

Recent Debt Issuance Summary

Term	HY Notes	Convertible Notes
Issue	$375m	$144m
Maturity	2030	2023
Coupon	3.75%	0%
Conversion Price	-	$48.36
Ratings	S&P: BB+ Fitch: BB+	S&P: BB+ Fitch: BB+

Recourse Debt Maturities ($m)



1) Below previously communicated limit of 2.5x
2) Our convertible notes, which mature in 2022 and 2023, may be settled in shares, so this does not necessarily reflect a cash need.

BALANCE SHEET UPDATE

Expanded Liquidity

- Increased cash liquidity to $881m after raising >$500m in green unsecured high yield and convertible bonds

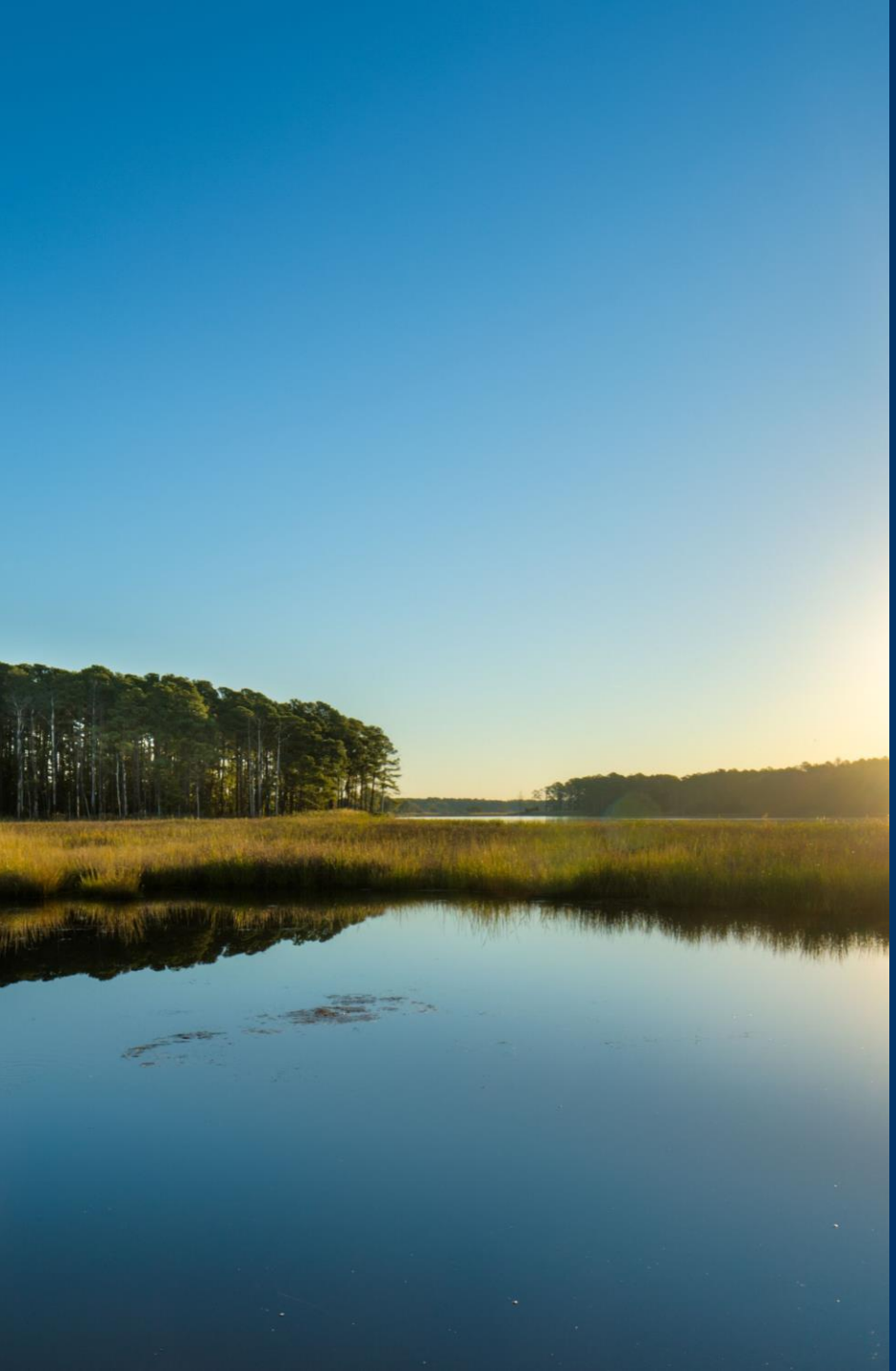
Strengthened Long-Term Position

- Grew Portfolio 8% QOQ
- Small voluntary prepayment of higher rate debt

Line Item	($ in millions)[1]
Beginning Portfolio (6/30/20)	$2,062
Funding of this quarter's originations	184
Funding of prior originations	23
Principal collections	(62)
Syndications and Securitizations[2]	-
Other	24
Ending Portfolio (9/30/20)	$2,231

Assets	9/30/20 ($ in millions)[1]
Cash	$881
Equity method investments	719
Government receivables	251
Commercial receivables	849
Real estate	360
Investments	52
Securitization assets	147
Other	86
Total Assets	$3,345
Liabilities and Equity	
Credit facility	$23
Non-recourse debt	600
Convertible notes	289
Senior unsecured notes	1,279
Other	56
Total Liabilities	$2,247
Total Equity	$1,098
Total Liabilities and Equity	$3,345

1) Subtotals may not sum due to rounding
2) Includes only securitizations of assets previously on the balance sheet as of the end of the previous quarter (6/30/20)



INDUSTRY LEADING ESG

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INDUSTRY-LEADING ESG

E	Environmental	Joined Partnership for Carbon Accounting Financials (PCAF) Raised >$500m in green bonds
S	Social	Significant donation to organizations addressing racial injustice and supporting voting rights Hired DEIJ[1] consultant to inform a multi-year plan
G	Governance	MSCI rating upgraded two notches to A Awarded Best Sustainable Investment Strategy (USA) by Capital Finance International

Recent Donations

LDF NAACP LEGAL DEFENSE AND EDUCATIONAL FUND, INC.

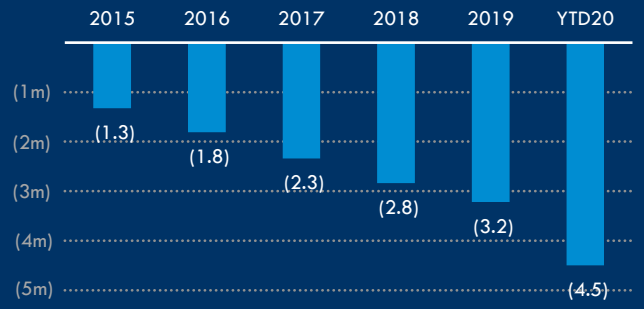
CAMPAIGN ZERO

BALT BALTIMORE ACTION LEGAL TEAM

Carbon Emissions[2]

Carbon Count® 3Q20: 1.67

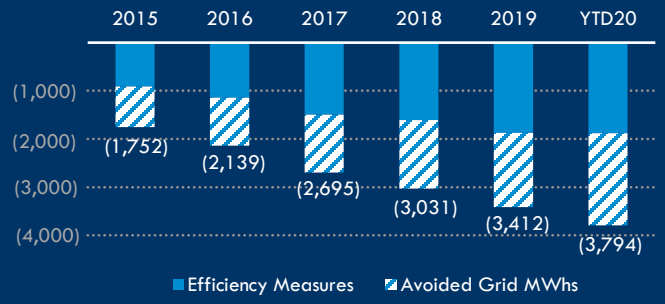
Cumulative Metric Tons of CO_2 Avoided Annually



Water Savings[3]

Water Count™ 3Q20: 492

Cumulative Gallons of Water Saved Annually (million gallons)



1) Refers to diversity, equity, inclusion, and justice
2) CarbonCount® is a scoring tool that evaluates investments in U.S.-based energy efficiency and renewable energy projects to estimate the expected CO_2 emission reduction per $1,000 of investment.
3) WaterCount™ is a scoring tool that evaluates investments in U.S.-based projects to estimate the expected water consumption reduction per $1,000 of investment.

HANNON ARMSTRONG

GREEN DEBT ISSUANCES

Sustainable Yield Bonds Off Balance Sheet

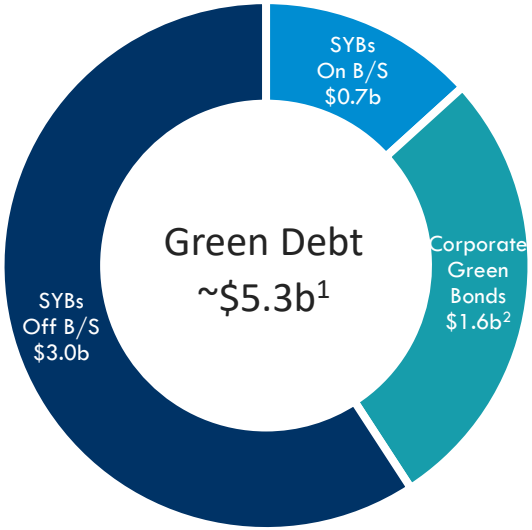
Securitizations typically of public sector receivables and managed off balance sheet

Sustainable Yield Bonds On Balance Sheet

Non-recourse, asset-backed debt managed on balance sheet

Corporate Green Bonds

Senior unsecured or convertible bonds issued as corporate obligations



Since 2013, we have raised ~$5.3b of green debt, including securitizations and non-recourse and corporate issuances

1) From 2013 IPO through 8/31/20
2) ICMA's Green Bond Principles applicable to corporate unsecured green bonds and convertible green bonds due 2023 but not necessarily to convertible green bonds due 2022

CARBONCOUNT®: TRANSPARENT, COMPARABLE, ACCOUNTABLE

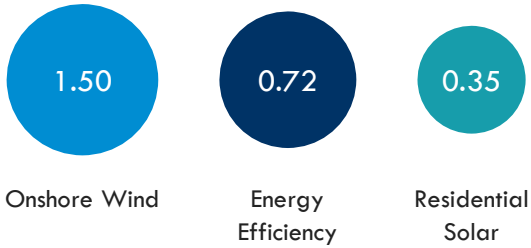
CarbonCount® is a proprietary scoring tool for evaluating investments in U.S. based renewable energy, energy efficiency, and climate resilience projects to determine the efficiency by which each dollar of invested capital reduces annual carbon dioxide equivalent (CO2e) emissions

$$\frac{\text{Annual Hourly MWh Generation Avoided by Underlying Renewable Energy and/or Efficiency Project(s)} \times \text{Location Specific Hourly Grid Emissions Factor Metric Tons of } CO_2 \text{ / MWh}}{\text{Total Capital Cost of the Projects}} = \text{carbon}CO_2\text{unt®}$$

Metric Tons of CO_2 Offset Annually per $1,000 invested

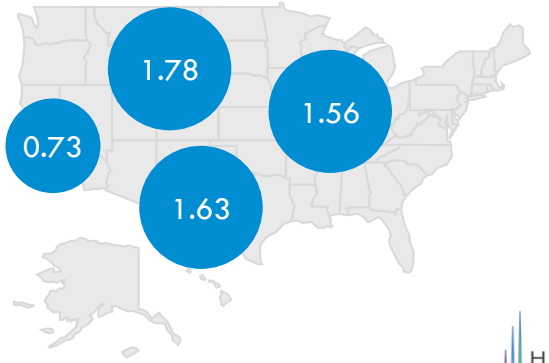
Indicative CarbonCount® by Technology Type

Impact of capacity factor and cost per MW



Indicative CarbonCount® for an Identical Sample Wind Project in Different Regions

Impact of grid fuel mix



HANNON ARMSTRONG

STRONG COMPETITIVE POSITIONING

HANNON ARMSTRONG

COMPETITIVE POSITIONING

HASI's diverse portfolio provides competitive dividend protection with a total return growth track record that exceeds that of other yield sectors

	Hannon Armstrong	Utilities[1]	REITs[2]	YieldCos[3]
Cashflow Seniority	Typically senior	Rate-based recovery	Typically levered	Typically levered
Portfolio Diversification	>200 projects diversified by geography, technology, and offtaker	Moderate	Typically exposed to single asset class	Typically less than 50 projects
Asset Liability Management	Primarily long-term, fixed-rate assets funded by long-term, fixed-rate debt	Primarily long-term, fixed-rate assets funded by long-term, fixed-rate debt	Often cyclical assets funded by short-term borrowing	Primarily long-term, fixed-rate assets funded by long-term, fixed-rate debt
ESG Impact	Industry-Leading	Varies	Varies	Varies
Total Average Annual Shareholder Return[4]	27%	10%	(1)%	24%

Dividend Yield[5]

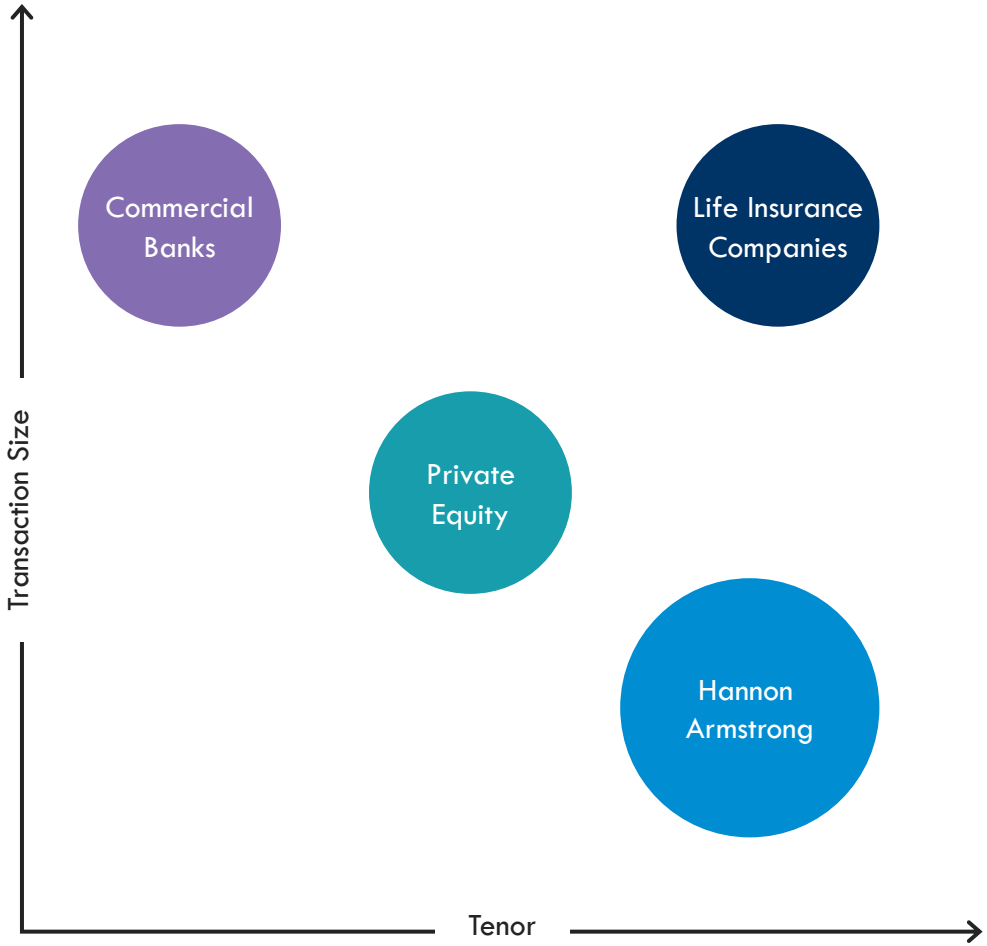
1) Vanguard Utilities Index
2) MSCI US REIT Index
3) YieldCos reflect a simple average of AY, BEP, CWEN, and NEP.
4) From 9/30/15 through 9/30/20
5) As of 10/23/20

HANNON ARMSTRONG

OUR MARKET NICHE

HASI fills a unique market void that others struggle to compete in

- Programmatic client relationships
- Permanent capital provider
- Relatively smaller, long duration transactions
- Flexible capital solutions



HANNON ARMSTRONG

HANNON ARMSTRONG'S PROVEN BUSINESS MODEL

1 Proven Resilience

- Raised $1.1b and committed to invest $1.0b despite global pandemic and economic crisis
- Portfolio has performed as expected in large part due to the fact that virtually all assets save obligors money

2 Poised for Growth

- Robust pipeline from leading energy and infrastructure clients
- Strategic investments in people and systems to support increasing scale

3 Industry-Leading ESG

- Driving the industry to report on carbon intensity and avoidance of investment portfolios
- Increasing ratings and ramping up the "S"

APPENDIX

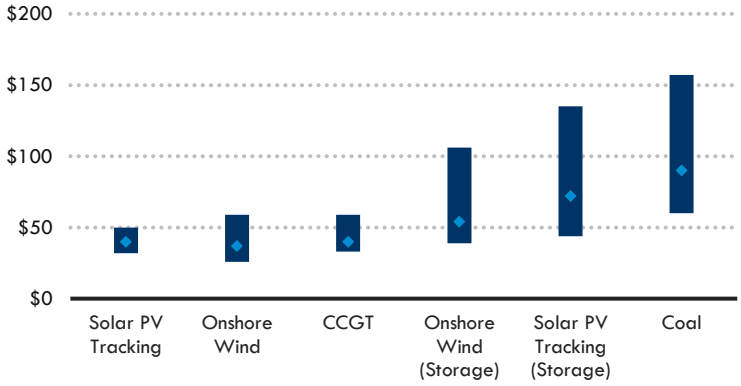
HANNON ARMSTRONG

POLICY RESILIENCE

U.S. renewables already competitively priced and poised for continued growth

- Significant cost reductions have resulted in an unsubsidized LCOE[1] today that place renewables on par with or cheaper than alternatives
- From 2021 through 2025, 134 GW of new build renewables are projected to come online in the U.S. (even with scheduled phase out of tax credits)[1]

Unsubsidized U.S. LCOE ranges ($/MWh)[2]



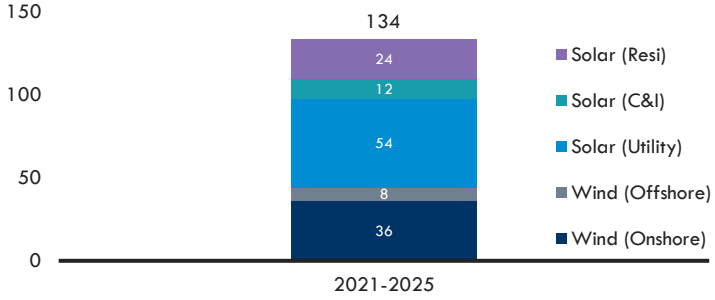
Minimal impact on HASI from scheduled tax credit phase out or potential extension

- HASI not a monetizer of tax credits

Continue to prefer carbon pricing

- Expected to drive investment to most efficient technologies and business models, which are more likely to reduce climate change impacts and accelerate movement toward low carbon economy

Projected U.S. Renewable New Build (GW)[2]



1) Levelized Cost of Electricity (LCOE) is a measure of the average net present cost of electricity generation for a generating plant over its lifetime.
2) Bloomberg New Energy Finance as of 2Q20

RESIDENTIAL SOLAR PORTFOLIO: POSITIVE CREDIT ATTRIBUTES

Customer

- **Priority Payment:** Monthly electricity bill savings typically range from 5% and 30%[1]
- **Affordable:** Average monthly payments typically less than $150 and paid via ACH[2]
- **Creditworthy:** Higher than average FICO scores
- **Transferrable:** UCC fixture filing typically results in lease transfers or buyouts as part of home sale

FICO Score	HASI Portfolio[3]	United States[4]
Average	747	703
>720	64%	45%
>660	96%	80%

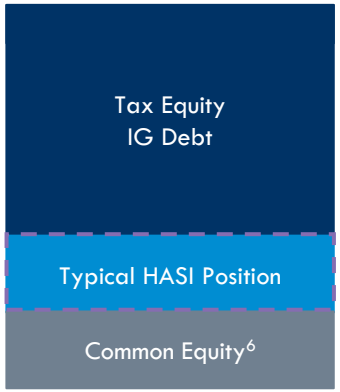
Portfolio

- **Diversity:** >158k consumers across 22 states[5] originated by reputable publicly traded providers

Capital Structure

- **Preferred Position:** Structured mezzanine or preferred equity investments
  - Subordinated to investment grade debt and tax equity
  - Senior to first-loss common equity held by providers who are motivated to hit target returns
- **Multiple Sophisticated Investors:** Large institutional investors also underwrite these portfolios
  - Along with rating agencies, require bankruptcy remote entities and backup servicing and transition plans

Illustrative Capital Stack



Internal Rigorous Underwriting and Management

- **Advance Rates:** Reflects expected portfolio default rates based on rating agency analysis and internal stress tests
- **Portfolio Management:** Sophisticated internal capabilities and detailed monthly review

1) Relative to comparable utility rates as of each investment's financial close date
2) Automated clearing house ("ACH)"
3) Consists of a total of >158k leases, which represent the funded amounts of Portfolio as of 9/30/20. FICO scores for the unfunded portion are not yet determined but are required to meet a certain threshold.
4) For United States, "Average" represents 2019 average for all U.S. consumers as reported by Experian (Jan 2020) while ">720" and ">660" represents cumulative U.S. homeowners as reported by Experian (April 2020).
5) Includes the District of Columbia
6) In our SunStrong Joint Venture with SunPower, we also hold a stake in the Common Equity tranche.

HANNON ARMSTRONG

RESIDENTIAL SOLAR PORTFOLIO: COLLECTIONS

Collections Overview

- Each solar provider we work with has a defined process for collections, similar to the process outlined in the chart

Typical Past Due Collection Process

30 days past due	• Call customer and send an automated dunning letter
60 days past due	• Send collection letter with balance due and reminder of potential system de-activation, repossession or acceleration of remaining contract payments
75 days past due	• If no payment has been received, or arrangements made, may issue a de-activation letter and initiate the system de-activation process
Additional potential escalations	• Site visit to assess system condition • Default letter • System shut off • System removal • Collection agency • Legal action
Customer Transfer/Assignability	• If a customer is no longer in possession of their home, either through a normal sale, short sale, foreclosure, death or divorce, the Service Transfer Team will facilitate the transfer of the related Customer Agreement to the new homeowner through a predetermined process
Customer default remedies	• Customer is typically required to make whole by prepaying the remaining contracted payment at a predetermined "Make-Whole" payment rate; If the customer fails to pay the Make-Whole, provider may disconnect and remove the system • Lender typically makes a UCC fixture filing, which strengthens legal remedies

ILLUSTRATIVE CECL ACCOUNTING EXAMPLE

Term	Value
Investment	$100m
Closing	3/31/20
Maturity	3-year bullet
Interest Rate	8%
Allowance Factor	1%

Post Implementation of CECL Accounting

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	Total
Interest Income	$0	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$24
Provision	$(1)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$1	$0
Income Contribution	$(1)	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$3	$24

Before Implementation of CECL Accounting

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	Total
Interest Income	$0	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$24
Provision	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Income Contribution	$0	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$2	$24

GREEN BOND FRAMEWORK

In alignment with ICMA's Green Bond Principles (2018)[1]

1 Definition of "Eligible Green Projects"

"Eligible Green Projects" means projects intended to reduce carbon emissions or provide other environmental benefits in the following categories:

1. *Behind-The-Meter ("BTM")*: Distributed building or facility projects that reduce energy usage or cost through the use of solar generation and energy storage or energy efficient improvements, including heating, ventilation and air conditioning systems ("HVAC"), lighting, energy controls, roofs, windows, building shells, and/or combined heat and power systems
2. *Grid Connected ("GC")*: Projects that deploy cleaner energy sources, such as solar and wind to generate power where the off-taker or counterparty is part of the wholesale electric power grid; and
3. *Sustainable Infrastructure*: Upgraded transmission or distribution systems, water and storm water infrastructure, seismic retrofits and other projects, that improve water or energy efficiency, increase resiliency, positively impact the environment or more efficiently use natural resources.

2 Process for Project Evaluation and Selection

As part of our investment process, we intend to calculate the ratio of the estimated first year of metric tons of carbon emissions avoided (or that will be avoided) by the investment divided by the capital to be invested to understand the impact the investment is expected to have on climate change.

3 Management of Proceeds of the Notes

We intend to utilize the net proceeds of this offering to acquire or refinance, in whole or in part, Eligible Green Projects. Eligible Green Projects may include projects with disbursements made during the twelve months preceding the issue date of the Notes and projects with disbursements to be made following the issue date. Prior to the full investment of such net proceeds, we intend to invest such net proceeds in interest-bearing accounts and short-term, interest-bearing securities which are consistent with our intention to qualify for taxation as a REIT

4 Reporting

During the term of the Notes, until such time as the net proceeds from this offering have been fully allocated to Eligible Green Projects, we will publish annual updates on our website detailing, at a minimum, the allocation of the net proceeds from this offering to specific Eligible Green Projects along with the associated CarbonCount®.

1) ICMA's Green Bond Principles applicable to corporate unsecured green bonds and convertible green bonds due 2023 but not necessarily to convertible green bonds due 2022

SUPPLEMENTAL FINANCIAL DATA

Explanatory Notes

Core Earnings and Earnings on Equity Method Investments

We calculate core earnings as GAAP net income (loss) excluding non-cash equity compensation expense, certain provisions for loss on receivables, amortization of intangibles, any one-time acquisition related costs or non-cash tax charges and the earnings attributable to our non-controlling interest of our Operating Partnership. We also make an adjustment to our equity method investments in the renewable energy projects as described below. In the future, core earnings may also exclude one-time events pursuant to changes in GAAP and certain other non-cash charges as approved by a majority of our independent directors.

Certain of our equity method investments in renewable energy and energy efficiency projects are structured using typical partnership "flip" structures where the investors with cash distribution preferences receive a pre-negotiated return consisting of priority distributions from the project cash flows, in many cases, along with tax attributes. Once this preferred return is achieved, the partnership "flips" and the common equity investor, often the operator or sponsor of the project, receives more of the cash flows through its equity interests while the previously preferred investors retain an ongoing residual interest. We have made investments in both the preferred and common equity of these structures. Regardless of the nature of our equity interest, we typically negotiate the purchase prices of our equity investments, which have a finite expected life, based on our assessment of the expected cash flows we will receive from these projects discounted back to the net present value, based on a target investment rate, with the expected cash flows to be received in the future reflecting both a return on the capital (at the investment rate) and a return of the capital we have committed to the project. We use a similar approach in the underwriting of our receivables.

Under GAAP, we account for these equity method investments utilizing the HLBV method. Under this method, we recognize income or loss based on the change in the amount each partner would receive, typically based on the negotiated profit and loss allocation, if the assets were liquidated at book value, after adjusting for any distributions or contributions made during such quarter. The HLBV allocations of income or loss may be impacted by the receipt of tax attributes, as tax equity investors are allocated losses in proportion to the tax benefits received, while the sponsors of the project are allocated gains of a similar amount. In addition, the agreed upon allocations of the project's cash flows may differ materially from the profit and loss allocation used for the HLBV calculations.

The cash distributions for our equity method investments are segregated into a return on and return of capital on our cash flow statement based on the cumulative income (loss) that has been allocated using the HLBV method. However, as a result of the application of the HLBV method, including the impact of tax allocations, the high levels of depreciation and other non-cash expenses that are common to renewable energy projects and the differences between the agreed upon profit and loss and the cash flow allocations, the distributions and thus the economic returns (i.e. return on capital) achieved from the investment are often significantly different from the income or loss that is allocated to us under the HLBV method. Thus, in calculating core earnings, for certain of these investments where there are the characteristics described above, we further adjust GAAP net income (loss) to take into account our calculation of the return on capital (based upon the investment rate) from our renewable energy equity method investments, as adjusted to reflect the performance of the project and the cash distributed. We believe this core equity method investment adjustment to our GAAP net income (loss) in calculating our core earnings measure is an important supplement to the HLBV income allocations determined under GAAP for an investor to understand the economic performance of these investments where HLBV income can differ substantially from the economic returns.

We believe that core earnings provides an additional measure of our core operating performance by eliminating the impact of certain non-cash expenses and facilitating a comparison of our financial results to those of other comparable companies with fewer or no non-cash charges and comparison of our own operating results from period to period. Our management uses core earnings in this way. We believe that our investors also use core earnings, or a comparable supplemental performance measure, to evaluate and compare our performance to that of our peers, and as such, we believe that the disclosure of core earnings is useful to our investors.

However, core earnings does not represent cash generated from operating activities in accordance with GAAP and should not be considered as an alternative to net income (determined in accordance with GAAP), or an indication of our cash flow from operating activities (determined in accordance with GAAP), or a measure of our liquidity, or an indication of funds available to fund our cash needs, including our ability to make cash distributions. In addition, our methodology for calculating core earnings may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported core earnings may not be comparable to similar metrics reported by other companies.

We adopted CECL during the three months ended March 31, 2020 which requires us to recognize a provision for loss on receivables expected over the life of the receivable rather than probable incurred losses. Our core earnings includes the CECL provision. To provide comparable metrics to periods prior to the adoption CECL, we have also provided core earnings which adds back the CECL provision for loss on receivables.

Explanatory Notes

Managed Assets

As we both consolidate assets on our balance sheet and securitize assets off-balance sheet, certain of our receivables and other assets are not reflected on our balance sheet where we may have a residual interest in the performance of the investment, such as servicing rights or a retained interest in cash flows. Thus, we present our investments on a non-GAAP "Managed Assets" basis, which assumes that securitized receivables are not sold. We believe that our Managed Asset information is useful to investors because it portrays the amount of both on- and off-balance sheet receivables that we manage, which enables investors to understand and evaluate the credit performance associated with our portfolio of receivables, investments and residual assets in off-balance sheet securitized receivables. Our non-GAAP Managed Assets measure may not be comparable to similarly titled measures used by other companies.

Core Net Investment Income

Core Net Investment Income is calculated as GAAP Net Investment Income (Interest Income and Rental Income less Interest Expense) as reported within our financial statements prepared in accordance with US GAAP plus Core Earnings from our Equity Method Investments when allocating cash distributions between a return on and return of invested capital plus amortization of real estate intangibles. We utilize this measure in operating our business and believe it is useful information for our investors for the reasons discussed in our core earnings measure.

Portfolio Yield

We calculate portfolio yield as the weighted average underwritten yield of the investments in our Portfolio as of the end of the period. Underwritten yield is the rate at which we discount the expected cash flows from the assets in our portfolio to determine our purchase price. In calculating underwritten yield, we make certain assumptions, including the timing and amounts of cash flows generated by our investments, which may differ from actual results, and may update this yield to reflect our most current estimates of project performance. We believe that portfolio yield provides an additional metric to understand certain characteristics of our Portfolio as of a point in time. Our management uses portfolio yield this way and we believe that our investors use it in a similar fashion to evaluate certain characteristics of our portfolio compared to our peers, and as such, we believe that the disclosure of portfolio yield is useful to our investors.

Guidance

The Company expects that annual core earnings per share (pre-CECL provision) in 2020 will exceed the previously communicated guidance midpoint of $1.43 (excluding any potential impact from the adoption of the credit loss standard starting on January 1, 2020), reflecting 2018 to 2020 annual Core EPS growth above the midpoint of the 2% to 6% from the 2017 baseline. This guidance reflects the Company's estimates of (i) yield on its existing Portfolio; (ii) yield on incremental Portfolio investments, inclusive of the Company's existing pipeline; (iii) the volume and profitability of securitization transactions; (iv) amount, timing, and costs of debt and equity capital to fund new investments; (v) changes in costs and expenses reflective of the Company's forecasted operations, (vi) the ongoing impact of the current outbreak of the COVID-19 and (vii) the general interest rate and market environment. All guidance is based on current expectations of the future impact of COVID-19 and the economic conditions, the regulatory environment, the dynamics of the markets in which we operate and the judgment of the Company's management team. The Company has not provided GAAP guidance as discussed in the Forward-Looking Statements section of this press release.

SUPPLEMENTAL FINANCIAL DATA

Explanatory Notes

Portfolio/Credit Quality Footnotes

"Other Equity Method Investments"	Equity investments in various renewable energy and energy efficiency projects. These investments are typically owned in holding companies where our equity interests are typically senior or preferred to the common equity holder. Note that this excludes category excludes equity investments in residential solar assets.
"Government"	Transactions where the ultimate obligor is the U.S. federal government or state or local governments where the obligors are rated investment grade (either by an independent rating agency or based upon our internal credit analysis). Transactions may have guaranties of energy savings from third party service providers, which typically are entities rated investment grade by an independent rating agency.
"Consumer"	This category of assets includes mezzanine loans made on a non-recourse basis to special purpose subsidiaries of residential solar companies. These loans are secured by residential solar assets and we rely on certain limited indemnities, warranties, and other obligations of the residential solar companies or their other subsidiaries. This category also includes equity investments in residential solar projects. These investments are typically owned in holding companies where our equity interests are typically senior or preferred to the common equity holder.
"Commercial"	Transactions where the projects or the ultimate obligors are commercial entities that are rated either investment or non-investment grade (either by an independent rating agency or using our internal credit analysis).

INCOME STATEMENT

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2020	2019	2020	2019
Revenue				
Interest income	$ 23,508	$ 19,322	$ 71,046	$ 54,270
Rental income	6,469	6,469	19,408	19,415
Gain on sale of receivables and investments	13,628	7,713	34,449	16,718
Fee income	4,984	5,338	13,115	12,850
Total revenue	**48,589**	**38,842**	**138,018**	**103,253**
Expenses				
Interest expense	26,085	16,561	65,884	46,861
Provision for loss on receivables	2,458	8,027	5,629	8,027
Compensation and benefits	9,012	7,193	27,223	21,281
General and administrative	3,918	3,737	11,181	10,818
Total expenses	**41,473**	**35,518**	**109,917**	**86,987**
Income before equity method investments	**7,116**	**3,324**	**28,101**	**16,266**
Income (loss) from equity method investments	16,506	5,984	32,505	18,114
Income (loss) before income taxes	**23,622**	**9,308**	**60,606**	**34,380**
Income tax (expense) benefit	(2,345)	(132)	(2,860)	1,298
Net income (loss)	**$ 21,277**	**$ 9,176**	**$ 57,746**	**$ 35,678**
Net income (loss) attributable to non-controlling interest holders	102	74	255	191
Net income (loss) attributable to controlling stockholders	**$ 21,175**	**$ 9,102**	**$ 57,491**	**$ 35,487**
Basic earnings (loss) per common share	$ 0.28	$ 0.14	$ 0.80	$ 0.55
Diluted earnings (loss) per common share	$ 0.28	$ 0.13	$ 0.78	$ 0.54
Weighted average common shares outstanding—basic	74,012,788	64,922,325	71,376,004	63,492,884
Weighted average common shares outstanding—diluted	76,131,252	65,630,711	72,644,626	64,147,835

HANNON ARMSTRONG

BALANCE SHEET

HANNON ARMSTRONG SUSTAINABLE INFRASTRUCTURE CAPITAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA)

	September 30, 2020	December 31, 2019
Assets		
Cash and cash equivalents	$ 881,487	$ 6,208
Equity method investments	718,793	498,631
Government receivables	250,914	263,175
Commercial receivables, net of allowance of $31 million and $8 million, respectively	848,520	896,432
Real estate	359,948	362,265
Investments	51,638	74,530
Securitization assets	146,549	123,979
Other assets	86,649	162,054
Total Assets	**$3,344,498**	**$ 2,387,274**
Liabilities and Stockholders' Equity		
Liabilities:		
Accounts payable, accrued expenses and other	$ 56,843	$ 54,351
Credit facilities	22,565	31,199
Non-recourse debt (secured by assets of $724 million and $921 million, respectively)	599,958	700,225
Senior unsecured notes	1,278,844	512,153
Convertible notes	288,551	149,434
Total Liabilities	2,246,761	1,447,362
Stockholders' Equity:		
Preferred stock, par value $0.01 per share, 50,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, par value $0.01 per share, 450,000,000 shares authorized, 74,252,973 and 66,338,120 shares issued and outstanding, respectively	743	663
Additional paid in capital	1,282,744	1,102,303
Accumulated deficit	(202,914)	(169,786)
Accumulated other comprehensive income (loss)	11,474	3,300
Non-controlling interest	5,690	3,432
Total Stockholders' Equity	1,097,737	939,912
Total Liabilities and Stockholders' Equity	**$3,344,498**	**$ 2,387,274**

RECONCILIATION OF GAAP NET INCOME TO CORE EARNINGS

	For the three months ended September 30, 2020		For the three months ended September 30, 2019	
	(dollars in thousands, except per share amounts)			
	$	*per share*	*$*	*per share*
Net income attributable to controlling stockholders [1]	$ 21,175	$ 0.28	$ 9,102	$ 0.13
Core earnings adjustments:				
Reverse GAAP (income) loss from equity method investments	(16,506)		(5,984)	
Add back core equity method investments earnings [2]	13,258		9,715	
Non-cash equity-based compensation charges [3]	4,091		3,395	
Non-cash provision for loss on receivables before the adoption of ASC 326 [4]	—		8,027	
Other core adjustments [5]	3,270		1,029	
Core earnings (including Topic 326 provision) [6]	**$ 25,288**	**$ 0.33**	**$ 25,284**	**$ 0.38**
Add back provision for loss on receivables under Topic 326 [7]	2,458		—	
Core earnings (pre-Topic 326 provision) [6]	**$ 27,746**	**$ 0.36**	**$ 25,284**	**$ 0.38**

(1) Represents GAAP diluted earnings per share and is the most comparable GAAP measure to our core earnings per share.

(2) Reflects adjustment for equity method investments described above.

(3) Reflects adjustment for non-cash equity-based compensation.

(4) Reflects provision related to receivables, which had been on non-accrual status since the second quarter of 2017.

(5) See detail below.

(6) Core earnings per share for the three months ended September 30, 2020 and 2019, are based on 77,041,509 shares and 66,785,779 shares outstanding, respectively, which represents the weighted average number of fully-diluted shares outstanding including our restricted stock awards and restricted stock units and the long-term incentive plan units and non-controlling interest in our Operating Partnership. We include any potential common stock issuance in this calculation related to our convertible notes using the treasury stock method and any potential common stock issuances related to share based compensation units in the amount we believe is reasonably certain to vest. We believe the use of the treasury stock method is an appropriate representation of the potential dilution when considering the economic behaviors of the holders of the instrument.

(7) As discussed above, to provide a comparable metric to prior year metrics we are adding back the provision for loss on receivables recognized under Topic 326.

RECONCILIATION OF GAAP NET INCOME TO CORE EARNINGS

	For the nine months ended September 30, 2020		For the nine months ended September 30, 2019	
	(dollars in thousands, except per share amounts)			
	$	*per share*	*$*	*per share*
Net income attributable to controlling stockholders [1]	$ 57,491	$ 0.78	$ 35,487	$ 0.54
Core earnings adjustments:				
Reverse GAAP (income) loss from equity method investments	(32,505)		(18,114)	
Add back core equity method investments earnings [2]	40,361		28,857	
Non-cash equity-based compensation charges [3]	11,615		10,384	
Non-cash provision for loss on receivables before the adoption of ASC 326 [4]	—		8,027	
Other core adjustments [5]	5,584		1,349	
Core earnings (including Topic 326 provision) [6]	**$ 82,546**	**$ 1.12**	**$ 65,990**	**$ 1.01**
Add back provision for loss on receivables under Topic 326 [7]	5,629		—	
Core earnings (pre-Topic 326 provision) [6]	**$ 88,175**	**$ 1.19**	**$ 65,990**	**$ 1.01**

(1) Represents GAAP diluted earnings per share and is the most comparable GAAP measure to our core earnings per share.

(2) Reflects adjustment for equity method investments described above.

(3) Reflects adjustment for non-cash equity-based compensation.

(4) Reflects provision related to receivables, which had been on non-accrual status since the second quarter of 2017.

(5) See detail below.

(6) Core earnings per share for the nine months ended September 30, 2020 and 2019, are based on 73,819,517 shares and 65,425,114 shares outstanding, respectively, which represents the weighted average number of fully-diluted shares outstanding including our restricted stock awards and restricted stock units and the long-term incentive plan units and non-controlling interest in our Operating Partnership. We include any potential common stock issuance in this calculation related to our convertible notes using the treasury stock method and any potential common stock issuances related to share based compensation units in the amount we believe is reasonably certain to vest. We believe the use of the treasury stock method is an appropriate representation of the potential dilution when considering the economic behaviors of the holders of the instrument.

(7) As discussed above, to provide a comparable metric to prior year metrics we are adding back the provision for loss on receivables recognized under Topic 326.

ADDITIONAL GAAP TO CORE RECONCILIATIONS

The table below provides a reconciliation of the Other core adjustments:

	For the Three Months Ended September 30, 2020	For the Three Months Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
	(in thousands)		*(in thousands)*	
Other core adjustments				
Amortization of intangibles [1]	$ 823	$ 823	$ 2,469	$ 2,462
Non-cash provision (benefit) for income taxes	2,345	132	2,860	(1,304)
Net income attributable to non-controlling interest	102	74	255	191
Other core adjustments	$ 3,270	$ 1,029	$ 5,584	$ 1,349

(1) Adds back non-cash amortization of lease and pre-IPO intangibles.

The table below provides a reconciliation of GAAP SG&A expenses to Core SG&A expenses:

	For the Three Months Ended September 30, 2020	For the Three Months Ended September 30, 2019	For the Nine Months Ended September 30, 2020	For the Nine Months Ended September 30, 2019
	(in thousands)		*(in thousands)*	
GAAP SG&A expenses				
Compensation and benefits	$ 9,012	$ 7,193	$ 27,223	$ 21,281
General and administrative	3,918	3,737	11,181	10,818
Total SG&A expenses (GAAP)	$ 12,930	$ 10,930	$ 38,404	$ 32,099
Core SG&A expenses adjustments:				
Non-cash equity-based compensation charge [1]	$ (4,091)	$ (3,395)	$ (11,615)	$ (10,384)
Amortization of intangibles [2]	(51)	(51)	(152)	(152)
Core SG&A expenses adjustments	(4,142)	(3,446)	(11,767)	(10,536)
Core SG&A expenses	$ 8,788	$ 7,484	$ 26,637	$ 21,563

(1) Reflects add back of non-cash amortization of equity-based compensation. Outstanding grants related to equity-based compensation are included in the core earnings per share calculation.

(2) Adds back non-cash amortization of pre-IPO intangibles.

ADDITIONAL GAAP TO CORE RECONCILIATIONS

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2020	2019	2020	2019
	(in thousands)			
Interest income	$ 23,508	$ 19,322	$ 71,046	$ 54,270
Rental income	6,469	6,469	19,408	19,415
GAAP investment revenue	29,977	25,791	90,454	73,685
Interest expense	26,085	16,561	65,884	46,861
GAAP net investment income	3,892	9,230	24,570	26,824
Core equity method earnings adjustment (1)	13,258	9,715	40,361	28,857
Amortization of real estate intangibles (2)	772	772	2,317	2,310
Core net investment income	$ 17,922	$ 19,717	$ 67,248	$ 57,991

(1) Reflects adjustment for equity method investments described above.

(2) Adds back non-cash amortization related to acquired real estate leases.

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