HA Sustainable Infrastructure Capital (HASI)

Updated August 19th, 2026, by Nikolaos Sismanis

Key Metrics

Current Price:	$42	**5 Year Annual Expected Total Return:**	8.3%	**Market Cap:**	$5.35 B
Fair Value Price:	$34	**5 Year Growth Estimate:**	9.0%	**Ex-Dividend Date:**	10/02/2026
% Fair Value:	124%	**5 Year Valuation Multiple Estimate:**	-4.2%	**Dividend Payment Date:**	10/16/2026
Dividend Yield:	4.0%	**5 Year Price Target**	$52	**Years Of Dividend Growth:**	8
Dividend Risk Score:	C	**Sector:**	Financials	**Rating:**	Hold

Overview & Current Events

HA Sustainable Infrastructure Capital is a U.S. public company focused on climate change solutions, investing in energy efficiency, renewable energy, and sustainable infrastructure. HASI had $17.6 billion in managed assets at quarter-end, including an $8.2 billion portfolio concentrated in Residential Solar & Storage (35%), Grid-Connected Solar & Storage (16%), Onshore Wind (16%), and RNG (15%). The remainder comprised Community Solar (7%), C&I (5%), Transportation (3%), Public Sector (2%), and Other (1%), providing broad diversification across distributed, utility-scale, and other sustainable infrastructure assets. In December 2023, Hannon Armstrong's Board approved a plan to revoke its Real Estate REIT election and become a taxable C-Corporation, effective January 1st, 2024.

On August 6th, 2026, HASI reported its Q2 results for the period ended June 30th, 2026. For the quarter, total revenues reached $120.8 million, compared with $85.7 million in Q2 2025. Adjusted EPS increased 25% to $0.75 from $0.60 in the prior-year period, while GAAP diluted EPS rose to $0.92 from $0.74. Driving performance was adjusted recurring net investment income of $107 million, up 26% from $85 million in Q2 2025, reflecting a larger portfolio and higher asset yields. Adjusted earnings rose to $99 million from $75 million a year earlier.

Gain-on-sale revenue doubled to $16 million from $8 million, while origination fee and other income increased to $8 million from $1 million. HASI remained active on the investment front, closing about $1.1 billion of transactions in Q2 2026, including $975 million held on its balance sheet or through co-investment structures, with new portfolio investments underwritten at yields above 11%.

Managed assets increased 20% year-over-year to $17.6 billion, while the portfolio reached $8.2 billion and generated a 9.2% yield. Shortly after quarter-end, HASI also completed its first water infrastructure investment through the Pasco Resource Recovery Center, which is supported by a 30-year wastewater treatment agreement.

On the outlook front, management raised its 2028 adjusted EPS target to $3.55–$3.65 from $3.50–$3.60, while maintaining its adjusted ROE target of at least 17%. HASI still aims to lower its payout ratio below 50% by 2028 and below 40% by 2030. The company also issued $1 billion of unsecured notes at an effective cost of about 5.6%, expanded its revolving credit facility to $2.25 billion in July, and issued no shares through its ATM program during the first half.

Growth on a Per-Share Basis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
AEPS[1]	$0.32	$0.57	$0.75	$1.40	$1.55	$1.88	$2.08	$2.23	$2.45	$2.70	***$3.60***	***$5.54***
DPS	$1.23	$1.32	$1.32	$1.34	$1.36	$1.40	$1.50	$1.58	$1.66	$1.68	***$1.70***	***$2.38***
Shares[2]	40.3	50.4	52.8	63.9	72.4	80.0	87.5	101.8	115.5	123.0	***142.9***	***160.0***

From 2016 to 2025, HASI grew adjusted EPS from $0.32 to $2.70 (26.7% CAGR) by shifting from a transactional lender to a scaled, recurring-income platform. Managed assets expanded to $16.1 billion, with a focus on Recurring Net Investment Income reducing reliance on gain-on-sale timing. Returns on new investments rose above 10.5%, outpacing

[1] Adjusted (formerly distributable) earnings per share

[2] Share count is in millions.

Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

higher debt costs. We have applied an AEPS growth rate of 9% through 2031, slightly below management's AEPS growth guidance to be somewhat prudent. We retain our dividend growth estimate of 7%, which reflects management's intention to maintain the payout ratio below 50% by 2028.

Valuation Analysis

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	Now	2031
Avg. P/AEPS	65.6	42.1	24.6	20.0	15.9	29.2	16.3	12.0	11.2	10.0	***11.8***	***9.5***
Avg. Yld.	5.7%	6.0%	6.6%	4.6%	4.6%	2.6%	4.4%	5.9%	6.1%	6.2%	***4.0%***	***4.5%***

HASI's historical P/E ratio reflects the market's expectations for the company's rapid AEPS growth, hence the prolonged premium. We have set our fair P/AEPS multiple at 9.5, which reflects both the higher equity risk premium investors ought to require from a YieldCo in the current environment and the company's growth prospects. Thus, at a P/AEPS of 11.8, we believe that HASI is somewhat overvalued. The stock features a yield of 4.0%, which income investors are likely to appreciate, considering the bold dividend growth guidance.

Safety, Quality, Competitive Advantage, & Recession Resiliency

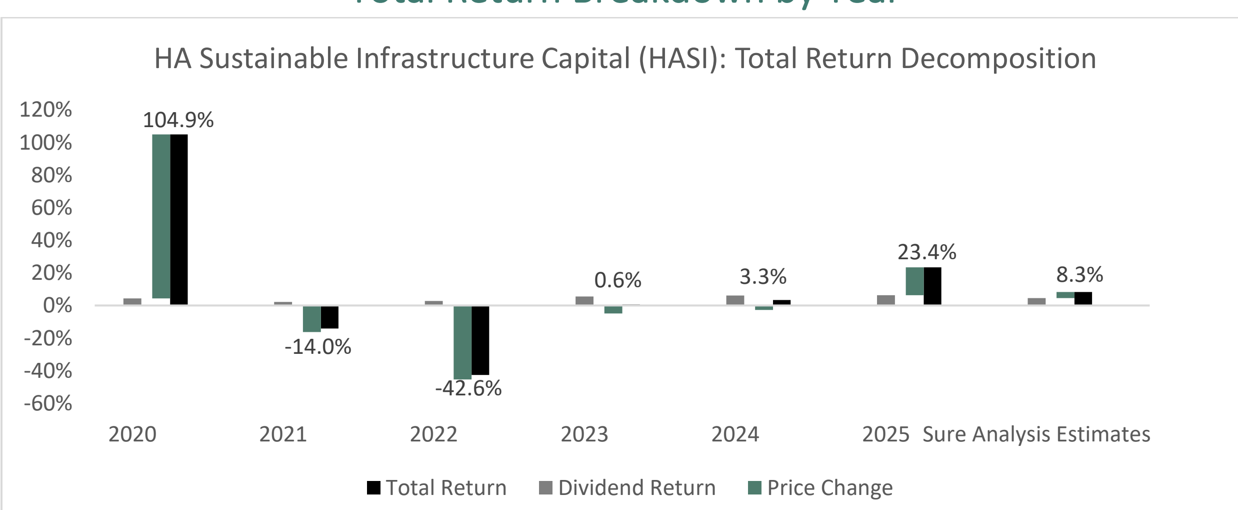
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2031
Payout	384%	232%	176%	96%	88%	74%	72%	71%	68%	62%	***47%***	***43%***

HASI maintains a solid footing by focusing on long-term, contract-based investments in renewable energy and energy efficiency projects, often backed by creditworthy counterparties. These contractual agreements create relatively predictable cash flows, helping to insulate HASI from broader market volatility. Although rising interest rates can affect financing costs, the company's diversified portfolio and active risk management have historically supported a stable dividend. The environmental, social, and governance (ESG) theme has lost traction globally lately. Still, HASI's emphasis on climate solutions remains quite relevant, in line with its notable opportunity backlog. We believe the dividend is set to remain well-covered, especially given management's forward-looking guidance.

Final Thoughts & Recommendation

Despite its small market cap, HASI is one of the leading diversified renewable energy asset operators. Management has proven its skills in rapidly growing HASI's infrastructure portfolio while its backlog stands at an all-time high. We now forecast annualized returns of 8.3% through 2031, powered by the stock's 4.0% yield and our adjusted EPS and DPS growth estimates, offset by the possibility of a valuation headwind. Shares earn a hold rating.

Total Return Breakdown by Year



Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.

HA Sustainable Infrastructure Capital (HASI)

Updated August 19th, 2026, by Nikolaos Sismanis

Income Statement Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenue	42.1	62.8	84.7	141.5	142.7	218	155.5	290	389	401
SG&A Exp.	8.3	11.2	15.1	14.7	14.9	20	30	31	33	---
D&A Exp.	7.7	3.6	4.5	3.6	3.6	3.8	4	3	1	1
Net Profit	14.7	30.9	41.6	81.6	82.4	127	41.5	149	200	186
Net Margin	34.8%	49.1%	49.1%	57.6%	57.7%	58.3%	26.7%	51.4%	51.4%	46.4%
Free Cash Flow	56.9	11.7	58.8	29.5	72.3	13.3	0.2	100	5.9	227
Income Tax	0.1	0.9	2.1	8.1	-2.8	17.2	7.4	32	70	85

Balance Sheet Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Assets	42.1	62.8	84.7	141.5	3459	4148	4760	6552	7080	8,188
Cash & Equivalents	8.3	11.2	15.1	14.7	286.3	226	156	63	130	145
Total Liab.	7.7	3.6	4.5	3.6	2249	2582	3095	4411	4,675	5,530
Accounts Payable	14.7	30.9	41.6	81.6	59.9	---	---	---	276	---
Long-Term Debt	911	975	1428	1242	1393	2189	2493	4247	4400	5,076
Total Equity	56.9	11.7	58.8	29.5	1203	1545	1629	2092	1883	2,575
LTD/E Ratio	0.1	0.9	2.1	8.1	1.8	1.61	1.83	2030	1.88	1.97

Profitability & Per Share Metrics

Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Return on Assets	0.9%	1.5%	1.9%	3.6%	2.8%	3.3%	0.9%	2.6%	2.9%	2.4%
Return on Equity	2.9%	5.1%	5.8%	9.4%	7.7%	9.2%	2.6%	7.8%	8.8%	7.4%
ROIC	1.0%	1.7%	2.0%	3.7%	2.9%	3.4%	1.0%	2.7%	3.0%	2.6%
Shares Out.	40.3	50.4	52.8	64.8	74.4	87.7	90.6	109.5	130.5	138.2
Revenue/Share	1.04	1.25	1.60	2.18	1.92	2.49	1.72	2.65	2.98	2.90
FCF/Share	1.41	0.23	1.11	0.46	0.99	0.15	0.00	0.91	0.04	1.64

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.