

Tax Status of Dividends and Distributions for 2018

The tax character of dividends and distributions paid by CM Finance Inc (the “Company”) during 2018 is set forth below. For tax purposes, the Company is a regulated investment company and is designating the tax character of dividends and distributions you receive as a stockholder for calendar 2018 in accordance with Subchapter M of the Internal Revenue Code (“IRC”) of 1986, as amended.

The amounts shown in the table below represent the final accounting of the Company’s 2018 distributions. This information supersedes any estimated information you may have received previously. Calendar year 2018 dividends and distribution were classified as follows:

Record Date	Payment Date	Distribution Per Share ⁽¹⁾	% Ordinary Dividends ⁽²⁾	% Long Term Capital Gains
March 16, 2018	April 5, 2018	\$0.2500	100.00%	0.00%
June 15, 2018	July 5, 2018	\$0.2500	100.00%	0.00%
September 18, 2018	October 5, 2018	\$0.2500	100.00%	0.00%
December 14, 2018	January 3, 2019	\$0.2500	100.00%	0.00%

(1) The Company declared a distribution of \$0.2500 per share to stockholders of record as of December 14, 2018, which was paid on January 3, 2019. In accordance with IRC Section 852(b)(7), \$0.2500 per share is treated as 2018 distributions.

(2) The Company hereby notes that 43.16% of its dividend represents an amount eligible for treatment as qualified dividend income in accordance with IRC Section 854(b). Further, the Company notes that no portion of the dividend is eligible for the dividends received deduction that is available to certain U.S. domestic corporations.

Dividends and distributions that were reinvested through the Company’s Dividend Reinvestment Plan are treated, for tax purposes, as if they had been paid in cash. Therefore, stockholders who participate in the Dividend Reinvestment Plan should also refer to the above table.

This notice is not intended to constitute tax, legal, investment or other professional advice. Stockholders should be aware that tax treatment is subject to change by law in the future or retroactively. This is general information and should not be relied upon without consulting your tax advisor.

If you have any questions about the tax character of your dividends and distributions, please contact American Stock Transfer and Trust Company at 800-937-5449. You may also contact CM Finance's Investor Relations Department directly at 212-257-5199.