

Tax Status of Dividends and Distributions for 2014

The tax character of dividends and distributions paid by CM Finance Inc (the “Company”) during 2014 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 2014 in accordance with Subchapter M of the Internal Revenue Code of 1986, as amended (“IRC”).

The amounts shown in the table below represent the final accounting of the Company’s 2014 distributions. This information supersedes any estimated information you may have received previously. Calendar year 2014 dividends and distribution were classified as follows:

Record Date	Payment Date	Distribution Per Share ⁽¹⁾	% Ordinary Dividends ⁽²⁾	% Long Term Capital Gains
March 24, 2014	March 31, 2014	\$0.1812	100.0%	0.0%
June 16, 2014	July 1, 2014	\$0.3375	100.0%	0.0%
September 18, 2014	October 1, 2014	\$0.3375	100.0%	0.0%
December 18, 2014	January 5, 2015	\$0.3375	100.0%	0.0%

(1) The Company declared a distribution of \$0.3375 per share to stockholders of record as of December 18, 2013, which was paid on January 5, 2015. In accordance with IRC Section 852(b)(7), \$0. 3375 per share is treated as 2014 distributions.

(2) The Company hereby notes that no portion of its dividend represents amounts eligible for treatment as qualified dividend income in accordance with IRC Section 854(b), nor is any portion of the dividend eligible for the dividends received deduction 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.