

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report: March 01, 2013
(Date of earliest event reported)

Rand Capital Corporation
(Exact name of registrant as specified in its charter)

NY
(State or other jurisdiction
of incorporation)

811-1825
(Commission File
Number)

16-0961359
(IRS Employer
Identification Number)

2200 Rand Building, Buffalo, NY
(Address of principal executive offices)

14203
(Zip Code)

716-853-0802
(Registrant's telephone number, including area code)

Not Applicable
(Former Name or Former Address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 9.01. Financial Statements and Exhibits

(d) Exhibits

99.1 [Press Release of Rand Capital Corporation dated March 01, 2013](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: March 01, 2013

RAND CAPITAL CORPORATION

By: /s/ Daniel P. Penberthy
Daniel P. Penberthy

<u>Exhibit No.</u>	Exhibit Index	<u>Description</u>
99.1		Press Release of Rand Capital Corporation dated March 01, 2013

Rand Capital Announces Continued Growth of Net Asset Value per Share to \$3.90 at December 31, 2012, and \$2.6 Million in New Investments During the 4th Quarter of 2012

BUFFALO, NY -- (Marketwire - March 01, 2013) - Rand Capital Corporation ("Rand") (NASDAQ: RAND)

- **Net Asset Value is \$3.90 per share, \$.32 or 9% over the prior year and a \$.06 increase from the prior quarter**
- **Notable investments during the quarter included \$1.75 million in new investments in Knoa Software, Inc. and Mercantile Adjustment Bureau, LLC, and \$900,000 in follow-on investments in three portfolio companies**
- **\$6 million of investments made during 2012**
- **Increase in Gemcor and Ultra-Scan valuations**
- **Total assets of \$34.2 million**

Rand Capital Corporation ("Rand") (NASDAQ: RAND) announced it has invested \$6 million in portfolio companies during 2012 and ended the year with \$29.8 million in portfolio investments, including \$11.3 million in net unrealized appreciation.

The December 31, 2012 net asset value of \$25.8 million, or \$3.90 per share, represents a \$.06 per share increase from September 30, 2012, and a \$.32 per share increase from December 31, 2011.

Portfolio activity during the fourth quarter of 2012 included:

- **Knoa Software, Inc.** (New York, NY) (www.knoa.com) - Preferred equity investment of \$750,000. **Knoa** software monitors, measures and manages how end-users are utilizing enterprise software applications, improving software performance and its users' experiences.
- **Mercantile Adjustment Bureau, LLC** (Williamsville, NY) (www.mercantilesolutions.com) - Rand invested \$1,000,000 in a Subordinated Note. **Mercantile** is a full service accounts receivable management and collections company.
- **BinOptics Corporation** (Ithaca, NY) (www.binoptics.com) - Follow-on investment in additional shares of Series 2 stock. **BinOptics** designs and manufactures semiconductor Fabry-Perot (FP) lasers and Distributed Feedback (DFB) lasers.
- **First Wave Products Group, LLC** (Batavia, NY) (www.firstwaveproducts.com) - Follow-on investment in a Term Note. **First Wave** develops medical devices including First Crush, a dual action device that crushes and grinds medical pills.
- **QuaDPharma, LLC** (Clarence, NY) (www.quadpharmainc.com) - Follow-on investment in debt and equity. **QuaDPharma** is a small scale pre-commercial and commercial manufacturer for the pharmaceutical industry.
- **Synacor, Inc.** (Buffalo, NY) (www.synacor.com) - Rand holds 680,843 shares, valued at \$3.5 million (\$5.20 per share) at December 31, 2012.
- **Gemcor II LLC** (West Seneca, NY) (www.gemcor.com) and **Ultra-Scan Corporation**, (Amherst, NY) (www.ultra-scan.com) have seen an improvement in their business and Rand has adjusted its valuations to reflect the continued consumer acceptance for their goods and services.
- Rand wrote off its Investment in **Mid America Brick** (Mexico, MO) during the quarter. The company has filed for bankruptcy reorganization in 2013.
- Rand's treasury stock repurchase continued during the quarter with 147,756 shares repurchased. Rand now holds 252,798 shares, leaving 6,610,236 common shares outstanding.

For the calendar year 2012, Rand's \$6 million of new and follow-on investments represents the single largest investment period in Rand's 40+ year history. Rand now holds 20 companies in its portfolio, across a diverse range of industries.

Subsequent to December 31, 2012, Rand sold 227,200 shares of **Synacor** (NASDAQ: SYNC) at an average price of \$5.57 per share and currently holds 453,643 shares with an average cost basis of \$1.42 per share. **Synacor** has traded between \$6.51 and \$2.72 per share in 2013.

Allen F. Grum, President of Rand Capital, stated, "2012 was the busiest year in the history of Rand Capital with \$6 million invested in 10 businesses. Additionally, we grew our net assets by 9% from 2011. Our portfolio companies continue to show robust operating results which should bode well for continued growth in net asset value and shareholder value."

Safe Harbor Statement

Information contained in this release, other than historical information, should be considered forward-looking, and may be subject to inherent uncertainties in predicting future results and conditions. These statements reflect the Corporation's current beliefs and are subject to a number of risk-factors, including: general economic conditions which affect Rand and our portfolio companies' operations; valuation and illiquid nature of the portfolio investments; high degree of risk from investing in private companies; the regulated environment in which we operate; the amount of debt resulting from borrowing funds from the SBA; dependency upon key management for investment decisions; and the competitive market for investment opportunities and fluctuations in quarterly results. Please see the Corporation's Form 10-Q, Item 1A, previously filed with the Securities and Exchange Commission for a detailed discussion of the risks and uncertainties associated with the Corporation's business. Except as otherwise required by Federal securities laws, Rand Capital Corporation and Rand Capital SBIC, Inc. undertakes no obligation to update or revise forward-looking statements for new events and uncertainties.

ABOUT RAND CAPITAL

Rand Capital is a publicly held Business Development Company (BDC), and its wholly owned subsidiary is licensed by the Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Rand and its subsidiary provide capital and managerial expertise to small and medium sized private companies primarily located in the Northeast U.S. Rand is traded on the NASDAQ under the symbol "RAND" and is headquartered in Buffalo, NY. www.randcapital.com

Investor Contact:

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