

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 (Date of earliest event reported):
February 2, 2006

RAND CAPITAL CORPORATION
(Exact Name of registrant as specified in its charter)

New York 001-08205 16-0961359
(State or other jurisdiction (Commission File (IRS Employer
of incorporation) Number) Identification Number)

2200 Rand Building
Buffalo, New York 14203
(Address of principal executive offices and zip code)

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

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 (see General Instruction A.2.):

- Written communications pursuant to Rule 425 under the Securities
Act (17CFR 230.425)
- Soliciting materials 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 7.01: Regulation FD Disclosure

In accordance with interim guidance of the Securities and Exchange
Commission, this disclosure pursuant to Item 2.02 of Form 8-K is
made under Item 7.01.

On February 2, 2006, Rand Capital Corporation issued a press release
announcing its net asset value for the quarter ended December 31,
2005. The text of the press release is included as an exhibit to
this Form 8-K. Pursuant to the rules and regulations of the
Securities and Exchange Commission, such exhibit and the information
set forth therein and herein is deemed to be furnished and shall not
be deemed to be filed.

Item 9.01: Financial Statements and Exhibits

- (a) Not Applicable
- (b) Not Applicable
- (c) Not Applicable
- (d) Exhibits

Exhibit No. Description

99.1 Press release dated February 2, 2006

SIGNATURES

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.

Date: February 2, 2006

Rand Capital Corporation

By: /s/ Daniel P. Penberthy

Daniel P. Penberthy
Executive Vice President/
Chief Financial Officer

EXHIBIT INDEX

Exhibit No. Description

99.1 Press release dated February 2, 2006

RAND CAPITAL CORPORATION NEWS RELEASE

FOR IMMEDIATE RELEASE

February 2, 2006

CONTACT: Allen F. Grum

716-853-0802

RAND CAPITAL ANNOUNCES FOURTH QUARTER RESULTS
AND TWO NEW INVESTMENTS

BUFFALO, NY, Rand Capital Corporation (www.randcapital.com) [NASDAQ: RAND] announced that its net asset value for the quarter ended December 31, 2005 is \$1.51 per share.

Rand increased its valuation of Carolina Skiff, LLC (Waycross, GA) (www.carolinaskiff.com) and Topps Meat Company, LLC (Elizabeth, NJ) (www.toppsmeat.com) by \$370,000 due to their strong operating results.

Also during the quarter Rand reduced four portfolio values by a total of \$695,000 in accordance with its valuation policies. These write-downs included a \$237,000 valuation change for Minrad International, Inc. (Buffalo, NY) (www.minrad.com), to \$1.65 per share, based on the year-end trading range for this publicly held security. The remaining companies were revalued to reflect current business conditions in their respective markets. If these business conditions were to improve, their valuations will be reviewed.

New investments during the quarter included \$500,000 into EmergingMed.com, Inc. (New York, NY) (www.emergingmed.com), as part of a \$3 million Senior Subordinated Note financing with Advantage Capital (New York, NY), The Spring Bay Companies (Ponte Vedra Beach, Florida) and Florida Gulfshore Capital (Naples, Florida). EmergingMed has created an unparalleled matching technology that allows people with serious illnesses, their caregivers and physicians to compare a short personal profile to the enrollment criteria of thousands of clinical trials. EmergingMed has partnered with numerous organizations to offer its services through private-label collaborations. These partners include the American Cancer Society, the Lance Armstrong Foundation, Pfizer Oncology, Dana-Farber/Harvard Cancer Center and the State of Florida. Their clinical trial matching and referral services also helps pharmacy companies' speed up the development and testing of new drugs.

Also during the quarter, Rand purchased shares of Preferred Series A Stock, \$204,000, in Rocket Broadband Networks, Inc. (Rochester, NY and Amherst, NY) (www.rocketbroadband.com), as part of a \$2.5 million equity financing. Co-investors included High Peaks Venture Partners (Troy, NY), Trillium Group (through its University Seed Fund) (Pittsford, NY), and Onondaga Venture Capital Fund (Syracuse, NY). Rocket Broadband is a service provider of "Triple Play" communications services, including satellite TV, high speed/broadband internet access and digital telephone services to multiple dwelling unit (MDU) apartment and condominium properties. Rocket is the only MDU focused System Operator for DirecTV in Upstate New York. Its customers include MDU complexes throughout Western New York. Rocket's products enable property owners to offer unique amenities, help to attract new tenants, realizing an increase both occupancy rates and revenue per unit. Rocket was founded in Amherst, NY, and will maintain its technical operations there. As part of the financing, a new CEO was hired, Phil Yaman, co-founder of Choice One Communications, a Rochester, New York based competitive local exchange carrier (CLEC). Rocket and Mr. Yaman will be headquartered in Rochester, NY.

During the quarter, Rand did not repurchase any shares under its previously issued stock buy back program.

This release may contain forward-looking statements and reports the consolidated operations of Rand Capital Corporation and Rand Capital SBIC, L.P; all statements are pursuant to the Safe Harbor Provisions of the 1995 Private Securities Litigation Reform Act; and are subject to uncertainties in predicting future results. These statements reflect the Corporation's current beliefs, and many factors could cause actual results to differ materially from this release. See Rand's Form 10-Q's filed with the Securities and Exchange Commission for a detailed discussion of the risks associated with the Corporation's business, including but not limited to, risks associated with venture capital investing

and other factors that could affect actual results. Except as required by Federal securities laws, Rand Capital Corporation and Rand Capital SBIC, L.P. undertakes no obligation to update or revise forward-looking statements for new events and uncertainties.

Rand Capital Corporation is a publicly held venture capital company, headquartered in Buffalo, New York, registered on the NASDAQ Small Cap Market under the symbol "RAND". Rand's investment strategy is to provide venture capital and expansion capital to emerging businesses, primarily in Upstate New York and the Northeast, through Rand, and its SBIC subsidiary.