

Rand Capital Invests \$600 Thousand in Information Technology and Network Construction Company

- ***Tilson Technology Management Inc. growing at five-year compound annual growth rate of 28.5%***
- ***Tilson's solutions address the growth in demand for cellular network expansion and electric utilities smart grids***

BUFFALO, N.Y., Feb. 18, 2015 (GLOBE NEWSWIRE) -- Rand Capital Corporation (Nasdaq:RAND) ("Rand"), a business development company that makes venture capital investments in companies with emerging product, service or technology concepts, announced that it has recently invested \$600,000 as part of a \$2.2 million equity capital infusion in Tilson Technology Management Inc. ("Tilson"). Tilson is an information technology ("IT") professional services and network construction company. Rand's primary co-investor is CEI Ventures, Inc., a venture capital fund focused on socially responsible businesses demonstrating rapid growth.

Tilson, a veteran-owned business, operates in two fast growing, and service capacity constrained markets: 1) telecommunications facilities development for cellular, smart grid and government; and 2) consulting, software development and information systems deployment specializing in construction applications. Recognized for its sustained high growth and profitability, Tilson has been on the prestigious "*Inc. 5000*" list of fastest-growing private U.S. companies for four consecutive years from 2011 through 2014.

Daniel P. Penberthy, Rand's Executive Vice President, commented, "Rand was attracted to this investment because of Tilson's unique expertise and position in their marketplace, strong execution skills and further growth potential. Since its origin in 1997, the business has developed a niche position in the IT and construction market which supports the explosive growth in mobile data consumption. Tilson's proficiency and agility makes them uniquely qualified to service some of the world's largest telecommunications companies. Also, Tilson has become one of the largest service providers in upstate New York from their Syracuse office and we like to support upstate businesses."

Joshua Broder, Chief Executive Officer and majority owner of Tilson, added, "This infusion of capital will allow us to continue our growth trajectory. We're making inroads in new markets organically and also see opportunities to grow through acquisitions of adjacent businesses. We welcome Rand's expertise as we take Tilson to the next level." This is a follow-on investment for CEI.

Nathaniel V. Henshaw, Managing Director of CEI Ventures, concluded, "CEI has been a long-time supporter and investor in Tilson. We have been impressed with the management team led by Josh Broder, who is guiding this company through its dynamic growth."

Rand has had a co-investment partnership with CEI Ventures since 2004 in two other New England portfolio companies.

ABOUT TILSON TECHNOLOGY MANAGEMENT INC.

Established in 1997, Tilson is headquartered in Portland, ME, the business has offices in four additional markets, including Syracuse, NY, Hillsborough, NJ, Foley, AL and Denver, CO. Its mission is to serve its customers by providing full service solutions for the development and installation of technology software and hardware that enables information and power management and distribution. Tilson builds, integrates, and maintains the information technology and communications infrastructure that enables great organizations to innovate and deliver.

ABOUT CEI VENTURES

CEI Ventures manages socially responsible venture capital funds. The company was founded in 1994 to mobilize private capital markets while advancing social goals. CEI invests in innovative companies exhibiting rapid growth, dynamic transformation or emergence. CEI builds partnerships with passionate entrepreneurs and quality management teams with relevant experience, visionary leadership and deep commitment.

ABOUT RAND CAPITAL

Rand Capital (Nasdaq:RAND) provides investors the opportunity to participate in venture capital opportunities through an investment in the Company's stock. Rand is a Business Development Company (BDC), and its wholly-owned subsidiary is licensed by the U.S. Small Business Administration (SBA) as a Small Business Investment Company (SBIC). Rand focuses its investments in early or expansion stage companies with strong leadership that are bringing to market new or unique products, technologies or services that have a high potential for growth. Additional information can be found at the Company's website where it regularly posts information: www.randcapital.com.

Safe Harbor Statement

This news release contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements concerning future revenue and earnings, involve known and unknown risks, uncertainties and other factors that could cause the actual results of the Corporation to differ materially from the results expressed or implied by such statements, including general economic and business conditions, conditions affecting the valuation of the Corporation's portfolio, the timing and opportunity for investments or divestitures as well as conditions affecting the portfolio companies' markets, competitor responses, and market acceptance of their products and services and other factors disclosed in the Corporation's periodic reports filed with the Securities and Exchange Commission. Consequently, such forward looking statements should be regarded as the Corporation's current plans, estimates and beliefs. The Corporation assumes no obligation to update the forward-looking information contained in this release.

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