



Rand Capital Invests \$500 Thousand in City Dining Cards

City Dining Cards is a Buffalo-Based, Innovative Customer-Loyalty Technology Company Operating in 20 Markets Across the US and Canada

BUFFALO, N.Y., Sept. 17, 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 its initial investment of \$500,000 in City Dining Cards (<http://www.citydiningcards.com/>). City Dining Cards is an innovative customer-loyalty technology company founded in 2011 by Patrick Finan and Marilyn Roach. In addition to Rand's funding, the company received \$1.5 million in capital from a group of other investors, including SCP Buffalo Incubator Innovate NY Fund LP (Buffalo, NY) (<http://www.z80labs.com/>), Buffalo's first internet-focused technology incubator.

While the company is Buffalo-based, City Dining Cards operates its platform in 20 different markets throughout the US and Canada. It helps consumers discover the best locally-owned restaurants and other businesses in their neighborhood, save money and earn rewards. From the merchant's perspective, the product helps small, locally-owned businesses reach new customers and keep them coming back. For membership enterprises who subscribe to the program, it adds value to their membership offering and puts their brands at the center of their member's day-to-day lives.

Daniel P. Penberthy, Rand's Executive Vice President, commented, "We invest in emerging concept opportunities and technology applications which are led by talented founders and management teams; this is what initially attracted us to City Dining Cards. Since its establishment in 2011, the company has grown to operate in 20 different markets and advanced from a hard-copy card-based program to an internet-based program. We believe City Dining offers tremendous growth potential, led by a young and energetic management team with an aggressive and plausible strategy, as well as a demonstrated ability to execute."

Patrick Finan, co-founder and Chief Executive Officer of City Dining Cards, added, "We are thrilled with Rand's expression of confidence in us by their participation in this latest round of funding. Our plans are extensive and include: 1) expanding the merchant network to new markets across the US and Canada; 2) investing in our technology platform; 3) rolling out new features in the City Dining Cards app; and 4) pursuing additional enterprise opportunities. We believe that continued investment in these areas will drive our growth, taking City Dining Cards to a new level."

ABOUT CITY DINING CARDS

City Dining Cards, formed in 2011, is a Buffalo-based, innovative customer-loyalty technology company operating in 20 markets across the US and Canada. City Dining Cards helps consumers discover the best locally-owned restaurants and businesses in their neighborhood, save money and earn rewards. The City Dining Cards app is available to download and use for free from the App Store. More information can be found at: <http://www.citydiningcards.com/>.

ABOUT Z80 LABS and SCP Buffalo Incubator Innovate NY Fund LP

Z80 Labs, launched in summer 2012, is Buffalo's first internet-focused technology incubator, providing entrepreneurs the ability to build new and innovative tech companies in Buffalo, New York. Startups invited to locate in Z80 Labs are given a wide array of services including office space, education programs, mentorship, amenities and infrastructure from local sponsors, as well as expert advice from renowned industry advisors. Additional information can be found at: <http://www.z80labs.com/>.

SCP Buffalo Incubator Innovate NY Fund LP, the venture fund managed and deployed by Z80 Labs, is one of a handful of investment entities participating in the Innovate NY Fund. The Innovate NY Fund, a \$45 million joint venture launched by Governor Andrew M. Cuomo to spur innovation, job creation and entrepreneurship across New York State, providing capital to seven leading investment entities -- each with a regional and/or industry focus -- which will invest funds across New York State.

ABOUT RAND CAPITAL

Rand Capital (NASDAQ:RAND) provides investors the ability 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 net asset value growth, investment returns and opportunities. These statements 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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