

RAND CAPITAL CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF PORTFOLIO INVESTMENTS
June 30, 2018
(Unaudited)

| Company, Geographic Location, Business Description, (Industry) and Website | (a) Type of Investment | (b) Date Acquired | (c) Equity | Cost | (d)(f) Fair Value | Percent of Net Assets |
|---|---|-------------------------|---------------|--|----------------------------------|-----------------------------|
| Non-Control/Non-Affiliate Investments – 47.8% of net assets: (j) | | | | | | |
| ACV Auctions, Inc. (e)(g) Buffalo, NY. Live mobile wholesale auctions for new and used car dealers. (Software) www.acvauctions.com | 1,181,160 Series A Preferred shares. | 8/12/16 | <1% | \$163,000 | \$282,356 | 0.9% |
| Centivo Corporation (e)(g) New York, NY. Tech-enabled health solutions company that helps self-insured employers and their employees save money and have a better experience. (Health Care) www.centivo.com | 190,967 Series A-1 Preferred shares. 337,808 Series A-2 Preferred shares. | 7/5/17 | <1% | 200,000 | 200,000 | 1.0% |
| | Total Centivo | | | <u>101,342</u> <u>301,342</u> | <u>101,342</u> <u>301,342</u> | |
| eHealth Global Technologies, Inc. (g) Henrietta, NY. eHealth Connect® improves health care delivery through intelligently aggregated clinical record and images for patient referrals. (Health Care) www.ehealthtechnologies.com | \$3,500,000 Term Notes at 10% due September 2, 2019. | 6/28/16 | 0% | 3,500,000 | 3,500,000 | 11.4% |
| Empire Genomics, LLC (h)(g) Buffalo, NY. Molecular diagnostics company that offers a comprehensive menu of assay services for diagnosing and guiding patient therapeutic treatments. (Health Care) www.empiregenomics.com | \$1,101,489 Senior Secured Convertible Term Notes at 10% due April 30, 2018. \$250,000 Promissory Note at 12% due December 31, 2019. | 6/13/14 | 0% | 1,101,489 | 450,000 | 2.2% |
| | Total Empire | | | <u>228,334</u> <u>1,329,823</u> | <u>228,334</u> <u>678,334</u> | |
| GoNoodle, Inc. (g)(m) (Formerly HealthTeacher, Inc.) Nashville, TN. Student engagement education software providing core aligned physical activity breaks. (Software) www.gonoodle.com | \$1,000,000 Secured Note at 12% due January 31, 2020, (1% Payment in Kind (PIK)). Warrant for 47,324 Series C Preferred shares. | 2/6/15 | <1% | 1,034,484 | 1,034,484 | 3.3% |
| | Total GoNoodle | | | <u>25</u> <u>1,034,509</u> | <u>25</u> <u>1,034,509</u> | |
| Mercantile Adjustment Bureau, LLC (g) Williamsville, NY. Full service accounts receivable management and collections company. (Contact Center) www.mercantilesolutions.com | \$1,199,039 Subordinated Secured Note at 13% (3% for the calendar year 2018) due January 31, 2019. (e) \$150,000 Subordinated Debenture at 8% due June 30, 2018. Warrant for 3.29% Membership Interests. Option for 1.5% Membership Interests. (i) Interest receivable \$53,069. | 10/22/12 | 4% | 1,199,040 | 949,040 | 3.1% |
| | Total Mercantile | | | 150,000 <u>97,625</u> <u>1,446,665</u> | - <u>-</u> <u>949,040</u> | |
| Outmatch Holdings, LLC (e)(g) (Chequed Holdings, LLC) Dallas, TX. Web based predictive employee selection and reference checking. (Software) www.outmatch.com | 2,693,224 Class P1 Units. 109,788 Class C1 Units. | 11/18/10 | 4% | 2,140,007 | 2,140,007 | 7.0% |
| | Total Outmatch | | | <u>5,489</u> <u>2,145,496</u> | <u>5,489</u> <u>2,145,496</u> | |
| PostProcess Technologies LLC (e)(g) Buffalo, NY. Provides innovative solutions for the post-processing of additive manufactured 3D parts. (Manufacturing) www.postprocess.com | \$300,000 Convertible Promissory Note at 5% due July 28, 2018. | 7/25/16 | 0% | 300,000 | 300,000 | 1.0% |

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|--|--|------------------------------|-----------------------|---------------------|------------------------------|------------------------------|
| Rheonix, Inc. (e) Ithaca, NY. Developer of fully automated microfluidic based molecular assay and diagnostic testing devices. (Health Care) www.rheonix.com | 9,676 Common shares. | 10/29/09 | 4% | - | 11,000 | 9.6% |
| | (g) 1,839,422 Series A preferred shares. | | | 2,099,999 | 2,165,999 | |
| | (g) 50,593 Common shares. | | | - | 59,000 | |
| | (g) 589,420 Series B Preferred shares. | | | <u>702,732</u> | <u>702,732</u> | |
| | Total Rheonix | | | <u>2,802,731</u> | <u>2,938,731</u> | |
| SocialFlow, Inc. (e)(g) New York, NY. Provides instant analysis of social networks using a proprietary, predictive analytic algorithm to optimize advertising and publishing. (Software) www.socialflow.com | 1,049,538 Series B Preferred shares. | 4/5/13 | 4% | 500,000 | 731,431 | 6.7% |
| | 1,204,819 Series B-1 Preferred shares. | | | 750,000 | 839,648 | |
| | 717,772 Series C Preferred shares. | | | <u>500,000</u> | <u>500,221</u> | |
| | Total Social Flow | | | <u>1,750,000</u> | <u>2,071,300</u> | |
| | | | | | | |
| Somerset Gas Transmission Company, LLC (e) Columbus, OH. Natural gas transportation. (Oil and Gas) www.somersetgas.com | 26.5337 Units. | 7/10/02 | 3% | 719,097 | 500,000 | 1.6% |
| Other Non-Control/Non-Affiliate Investments: | | | | | | |
| DataView, LLC (Software) (e) | Membership Interest. | - | - | 310,357 | - | 0.0% |
| UStec/Wi3 (Manufacturing) (e) | Common stock. | - | - | 100,500 | - | 0.0% |
| Subtotal Non-Control/Non-Affiliate Investments | | | | <u>\$15,903,520</u> | <u>\$14,701,108</u> | |
| Affiliate Investments – 57.0% of net assets (k) | | | | | | |
| BeetNPath, LLC (Grainful) (e)(g) Ithaca, NY. Frozen entrées and packaged dry side dishes made from 100% whole grain steel cut oats under Grainful brand name. (Consumer Product) www.grainful.com | 1,119,024 Series A-2 Preferred Membership Units. | 10/20/14 | 9% | \$359,000 | \$359,000 | 2.1% |
| | 1,032,918 Series B Preferred Membership Units. | | | <u>261,277</u> | <u>291,000</u> | |
| | Total BeetNPath | | | <u>620,277</u> | <u>650,000</u> | |
| | | | | | | |
| | | | | | | |
| Carolina Skiff LLC (g) Waycross, GA. Manufacturer of fresh water, ocean fishing and pleasure boats. (Manufacturing) www.carolinaskiff.com | 6.0825% Class A Common Membership Interest. | 1/30/04 | 7% | 15,000 | 1,750,000 | 5.7% |
| ClearView Social, Inc. (e)(g) Buffalo, NY. Social media publishing tool for law, CPA and professional firms. (Software) www.clearviewsocial.com | 312,500 Series Seed Plus Preferred shares. | 1/4/16 | 6% | 200,000 | 200,000 | 0.7% |
| First Wave Products Group, LLC (e)(g) Batavia, NY. Sells First Crush automated pill crusher that crushes and grinds medical pills for nursing homes and medical institutions. (Health Care) www.firstwaveproducts.com | \$500,000 Senior Term Notes at 10% due July 31, 2017. | 4/19/12 | 7% | 661,563 | - | 0.0% |
| | \$280,000 Junior Term Notes at 10% due July 31, 2017. | | | 316,469 | - | |
| | Warrant for 41,619 Capital Securities. | | | <u>22,000</u> | - | |
| | Total First Wave | | | <u>1,000,032</u> | - | |
| | | | | | | |
| Genicon, Inc. (g) (m) Winter Park, FL. Designs, produces and distributes patented surgical instrumentation. (Health Care) www.geniconendo.com | 1,586,902 Series B Preferred shares. | 4/10/15 | 6% | 1,000,000 | 1,000,000 | 13.3% |
| | \$3,000,000 Promissory Notes at 10% due May 1, 2020, (8% Payment in Kind (PIK)). | | | 2,984,127 | 2,984,127 | |
| | Warrant for 250,000 Common shares. | | | 80,000 | 80,000 | |
| | Warrant for 125,000 Common shares. | | | <u>40,000</u> | <u>40,000</u> | |
| | Total Genicon | | | <u>4,104,127</u> | <u>4,104,127</u> | |

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|--|--|----------------------------------|-----------------------|---|---|--------------------------------------|
| GiveGab, Inc. (e)(g) Ithaca, NY. Online fundraising, day of giving supporter engagement software for non-profit organizations. (Software) www.givegab.com | 5,084,329 Series Seed Preferred shares. | 3/13/13 | 6% | 616,221 | 616,221 | 2.0% |
| G-TEC Natural Gas Systems (e) Buffalo, NY. Manufactures and distributes systems that allow natural gas to be used as an alternative fuel to gases. (Manufacturing) www.gas-tec.com | 16.639% Class A Membership Interest. 8% cumulative dividend. | 8/31/99 | 17% | 400,000 | 100,000 | 0.3% |
| Intrinsicq Materials, Inc. (e)(g) Rochester, NY. Produces printable electronics utilizing a unique process of nanomaterial based ink in a room-temperature environment. (Manufacturing) www.intrinsicqmaterials.com | 4,161,747 Series A Preferred shares. | 9/19/13 | 12% | 1,125,673 | 400,000 | 1.3% |
| Knoa Software, Inc. (h)(g) New York, NY. End user experience management and performance (EMP) solutions utilizing enterprise applications. (Software) www.knoa.com | 973,533 Series A-1 Convertible Preferred shares. 1,876,922 Series B Preferred shares. Total Knoa | 11/20/12 | 7% | 750,000 <u>479,155</u> <u>1,229,155</u> | 750,000 <u>479,155</u> <u>1,229,155</u> | 4.0% |
| KnowledgeVision Systems, Inc. (g) Lincoln, MA. Online presentation and training software. (Software) www.knowledgevision.com | 200,000 Series A-1 Preferred shares. 214,285 Series A-2 Preferred shares. 129,033 Series A-3 Preferred shares. Warrant for 46,743 Series A-3 shares. \$75,000 Subordinated Promissory Notes at 8% payable on demand of majority of holders after August 31, 2019.(e) \$750,000 Replacement Term Note at 11% due April 30, 2021. Total KnowledgeVision | 11/13/13 | 7% | 250,000 300,000 165,001 35,000 75,000 <u>750,000</u> <u>1,575,001</u> | - 300,000 165,001 35,000 75,000 <u>750,000</u> <u>1,325,001</u> | 4.3% |
| Mezmeriz, Inc. (e)(g) Ithaca, NY. Micro-electronic mechanical systems (MEMS) developer of carbon fiber MEMS mirror modules for gesture recognition and 3D scanning. (Electronics Developer) www.mezmeriz.com | 1,554,565 Series Seed Preferred shares. | 1/9/08 | 14% | 742,850 | 351,477 | 1.1% |
| Microcision LLC (g)(m) Pennsauken Township, NJ. Manufacturer of precision machined medical implants, components and assemblies. (Manufacturing) www.microcision.com | \$1,500,000 Subordinated Promissory Note at 12% (1% PIK) due December 31, 2024. 15% Class A Common Membership Interest. Total Microcision | 9/24/09 | 15% | 1,923,722 <u>-</u> <u>1,923,722</u> | 1,923,722 <u>-</u> <u>1,923,722</u> | 6.3% |
| New Monarch Machine Tool, Inc. (g) Cortland, NY. Manufactures and services vertical/horizontal machining centers. (Manufacturing) www.monarchmt.com | 22.84 Common shares. | 9/24/03 | 15% | 22,841 | 22,841 | 0.1% |

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|--|---|----------------------------------|-----------------------|---------------------|----------------------------------|--------------------------------------|
| OnCore Golf Technology, Inc. (e)(g) Buffalo, NY. Maker of patented golf balls. (Consumer Product) www.oncoregolf.com | 150,000 Series AA Preferred shares. | 12/31/14 | 9% | 375,000 | - | 1.0% |
| | \$300,000 Subordinated Convertible Promissory Notes at 6% due January 24, 2018. | | | | | |
| | (i) Interest receivable \$50,342. | | | <u>300,000</u> | <u>300,000</u> | |
| | Total OnCore | | | <u>675,000</u> | <u>300,000</u> | |
| SciAps, Inc. (e)(g) Woburn, MA. Instrumentation company producing portable analytical devices using XRF, LIBS and RAMAN spectroscopy to identify compounds, minerals, and elements. (Manufacturing) www.sciaps.com | 187,500 Series A Preferred shares. | 7/12/13 | 6% | 1,500,000 | 700,000 | 6.6% |
| | 274,299 Series A-1 Convertible Preferred shares. | | | 504,710 | 250,000 | |
| | 117,371 Series B Convertible Preferred shares. | | | 250,000 | 250,000 | |
| | 113,636 Series C Convertible Preferred shares. | | | 175,000 | 175,000 | |
| | 369,698 Series C-1 Convertible Preferred shares. | | | 399,274 | 399,274 | |
| | 147,059 Series D Convertible Preferred shares. | | | <u>250,000</u> | <u>250,000</u> | |
| | Total SciAps | | | <u>3,078,984</u> | <u>2,024,274</u> | |
| SOMS Technologies, LLC (e)(g) Valhalla, NY. Produces and markets the microGreen Extended Performance Oil Filter. (Consumer Products) www.microgreenfilter.com | 5,959,490 Series B Membership Interests. | 12/2/08 | 9% | 472,632 | 30,000 | 0.1% |
| Teleservices Solutions Holdings, LLC (e)(g)(m) Montvale, NJ. Customer contact center specializing in customer acquisition and retention for selected industries. (Contact Center) www.ipacesetters.com | 250,000 Class B Preferred Units. | 5/30/14 | 6% | 250,000 | - | 0.0% |
| | 1,000,000 Class C Preferred Units. | | | 1,190,680 | - | |
| | 80,000 Class D Preferred Units. | | | 91,200 | - | |
| | 104,198 Class E Preferred Units. | | | <u>104,198</u> | - | |
| | PIK dividend for Series C and D at 12% and 14%, respectively. | | | | | |
| | Total Teleservices | | | <u>1,636,078</u> | - | |
| Tilson Technology Management, Inc. (g) Portland, ME. Cellular, fiber optic and wireless information systems, construction, and management. (Professional Services) www.tilsontech.com | 120,000 Series B Preferred shares. | 1/20/15 | 11% | 600,000 | 600,000 | 8.1% |
| | 21,391 Series C Convertible Preferred shares. | | | 200,000 | 200,000 | |
| | \$200,000 Subordinated Promissory Note at 8% due September 28, 2021. | | | 200,000 | 200,000 | |
| | 65,790 Series D Preferred shares. | | | 750,000 | 750,000 | |
| | \$750,000 Subordinated Promissory Note at 8% due December 1, 2022. | | | <u>750,000</u> | <u>750,000</u> | |
| | | Total Tilson | | | <u>2,500,000</u> | <u>2,500,000</u> |
| Subtotal Affiliate Investments | | | | <u>\$21,937,593</u> | <u>\$17,526,818</u> | |
| Control Investments – 0.3% of net assets (l) | | | | | | |
| Advantage 24/7 LLC (e)(g) Williamsville, NY. Marketing program for wine and spirits dealers. (Marketing Company) www.advantage24-7.com | 45% Membership Interest. | 12/30/10 | 45% | \$99,500 | \$99,500 | 0.3% |
| | | | | | | |
| Subtotal Control Investments | | | | <u>\$99,500</u> | <u>\$99,500</u> | |
| TOTAL INVESTMENTS – 105.1% | | | | <u>\$37,940,613</u> | <u>\$32,327,426</u> | |
| OTHER ASSETS IN EXCESS OF LIABILITIES – (5.1%) | | | | | <u>(1,560,448)</u> | |
| NET ASSETS – 100% | | | | | <u>\$30,766,978</u> | |

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June 30, 2018 (Continued)
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Notes to the Consolidated Schedule of Portfolio Investments

- (a) At June 30, 2018, restricted securities represented 100% of the fair value of the investment portfolio. Restricted securities are subject to one or more restrictions on resale and are not freely marketable.
- (b) The Date Acquired column indicates the date in which the Corporation first acquired an investment in the company or a predecessor company.
- (c) Each equity percentage estimates the Corporation's ownership interest in the applicable portfolio investment. The estimated ownership is calculated based on the percent of outstanding voting securities held by the Corporation or the potential percentage of voting securities held by the Corporation upon exercise of warrants or conversion of debentures, or other available data. If applicable, the symbol "<1%" indicates that the Corporation holds an equity interest of less than one percent.
- (d) The Corporation's investments are carried at fair value in accordance with Accounting Standards Codification (ASC) 820 "Fair Value Measurements and Disclosures," which defines fair value and establishes guidelines for measuring fair value. At June 30, 2018, ASC 820 designates 100% of the Corporation's investments as "Level 3" assets. Under the valuation policy of the Corporation, unrestricted publicly held securities are valued at the average closing bid price for these securities for the last three trading days of the reporting period. Restricted securities are subject to restrictions on resale, and are valued at fair value as determined by the management of the Corporation and submitted to the Board of Directors for approval. Fair value is considered to be the amount that the Corporation may reasonably expect to receive for portfolio securities when sold on the valuation date. Valuations as of any particular date, however, are not necessarily indicative of amounts which may ultimately be realized as a result of future sales or other dispositions of securities and these favorable or unfavorable differences could be material. Among the factors considered in determining the fair value of restricted securities are the financial condition and operating results, projected operations, and other analytical data relating to the investment. Also considered are the market prices for unrestricted securities of the same class (if applicable) and other matters which may have an impact on the value of the portfolio company (see Note 3 "Investments" to the Consolidated Financial Statements).
- (e) These investments are non-income producing. All other investments are income producing. Non-income producing investments have not generated cash payments of interest or dividends including LLC tax-related distributions within the last twelve months, or are not expected to do so going forward.
- (f) As of June 30, 2018 the total cost of investment securities was approximately \$37.9 million. Net unrealized depreciation was approximately (\$5.6) million, which was comprised of \$1.9 million of unrealized appreciation of investment securities and (\$7.5) million of unrealized depreciation of investment securities. At June 30, 2018, the aggregate gross unrealized gain for federal income tax purposes was \$2.5 million and the aggregate gross unrealized loss for federal income tax purposes was (\$7.0) million. The net unrealized loss for federal income tax purposes was (\$4.5) million based on a tax cost of \$36.8 million.
- (g) Rand Capital SBIC, Inc. investment.
- (h) Reduction in cost and value from previously reported balances reflects current principal repayment.
- (i) Represents interest due (amounts over \$50,000) from investments included as interest receivable on the Corporation's Statement of Financial Position.
- (j) Non-Control/Non-Affiliate Investments are investments that are neither Control Investments nor Affiliate Investments.
- (k) Affiliate Investments are defined by the Investment Company Act of 1940, as amended ("1940 Act"), as those Non-Control investments in companies in which between 5% and 25% of the voting securities are owned by the Corporation.
- (l) Control Investments are defined by the 1940 Act as investments in companies in which more than 25% of the voting securities are owned by the Corporation or where greater than 50% of the board representation is maintained.
- (m) Payment in kind (PIK) represents earned interest that is added to the cost basis of the investment.