

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): May 31, 2005

DATARAM CORPORATION

---

(Exact name of registrant as specified in charter)

New Jersey                      1-8266                      22-1831409

---

(State or other juris-      (Commission                      (IRS Employer  
diction of incorporation)      File Number)                      Identification No.)

Route 571, P.O. Box 7528, Princeton, NJ                      08543-7528

---

(Address of principal executive offices)                      (Zip Code)

Registrant's telephone number, including area code: (609) 799-0071

---

(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 (17CFR 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))

## Section 2 - Financial Information

### Item 2.02. Results of Operations and Financial Condition.

On May 31, 2005 Dataram Corporation announced the results of operations for the fourth fiscal quarter and full fiscal year. A copy of this public announcement is furnished as an exhibit. An associated dial-in conference call will occur on the date of the announcement's release, which was itself publicly announced and will be broadly accessible to the public. Further information about the Company is available at <http://www.dataram.com>.

The information provided that press in this report and in that conference call may include forward-looking statements relating to future events, such as the development of new products, the commencement of production, or the future financial performance of the Company. Actual results may differ from such projections and are subject to certain risks

including, without limitation, risks arising from: changes in the price of memory chips, changes in the demand for memory systems, increased competition in the memory systems industry, order cancellations, delays in developing and commercializing new products and other factors described in the Company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission, which can be reviewed at <http://www.sec.gov> and at <http://www.dataram.com>.

Section 8 - Other Events.

Item 8.01. Other Events.

The Company announced on May 31, 2005 a \$0.05 cash dividend has been declared by the Company's board of directors which is payable on June 29, 2005 to shareholders of records as of June 15, 2005. See Exhibit 99.1.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Exhibits.

99.1 Press Release dated May 31, 2005 announcing fourth quarter and full year results of operation and a cash dividend. (Furnished not filed)

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.

DATARAM CORPORATION

By: MARK MADDOCKS

Date: May 31, 2005

\_\_\_\_\_  
Mark Maddocks, Vice President-Finance  
and Chief Financial Officer

Press Release

DATARAM REPORTS FOURTH QUARTER AND 2005 FISCAL YEAR  
FINANCIAL RESULTS

Tuesday May 31, 6:30 am ET

PRINCETON, N.J. -- (BUSINESS WIRE) -- May 31, 2005 - Dataram Corporation

- o Annual Revenues Grow 6% and Pretax Earnings Grow 63%
- o Fiscal 2005 EPS reaches \$0.74 (including one-time tax benefit)
- o Board of Directors Initiates \$0.05 Per Share Quarterly Dividend

Dataram Corporation (NASDAQ: DRAM - News) today reported its financial results for its fiscal fourth quarter and full year ended April 30, 2005. Revenues for the quarter were \$15.1 million, which compares to \$19.9 million for the fourth quarter of fiscal year 2004 and \$14.4 million for the third quarter of fiscal 2005. Net earnings for the quarter were \$3.9 million or \$0.44 per diluted share, which includes an income tax benefit of approximately \$2.9 million related to a reversal of Company's valuation allowance for its net operating loss carryforwards and \$460,000 off pretax severance charges related to staff reductions. Excluding these items, the Company's net earnings were \$1.4 million or \$0.16 per diluted share. This compares with net earnings of \$1.5 million or \$0.17 per diluted share for the comparable quarter in the previous fiscal year and \$147,000 or \$0.02 per diluted share in this year's third quarter.

For the fiscal year ended April 30, 2005, the Company's revenues were \$65.7 million compared to revenues of \$62.0 million for the prior year. Net earnings for fiscal 2005 were \$6.7 million or \$0.74 per diluted share, which includes the income tax benefit and severance charges noted above. Excluding these items, the Company's net earnings were \$4.3 million or \$0.47 per diluted share, which compares to net earnings of \$2.3 million or \$0.25 per diluted share for fiscal year 2004.

(In 000's,  
except per  
share amounts)

	Third		Full Year		
	Fourth Quarter	Quarter	Full Year		
	FY 2005(1)	FY 2004	FY 2005	FY 2005(1)	FY 2004
Net earnings as reported	\$3,875	\$1,530	\$147	\$6,715	\$2,271
Provision for severances	\$460	\$0	\$0	\$460	\$0
Tax valuation allowance reversal	\$(2,895)	\$0	\$0	\$(2,895)	\$0
Comparable net earnings	\$1,440	\$1,530	\$147	\$4,280	\$2,271
Diluted EPS as reported	\$0.44	\$0.17	\$0.02	\$0.74	\$0.25
Comparable diluted EPS	\$0.16	\$0.17	\$0.02	\$0.47	\$0.25

(1) Assumes comparable effective tax rate of 6.5%.

During the fourth quarter, the Company repurchased 311,504 shares of its common stock at a total price of approximately \$1.5 million. Nevertheless, the Company's cash increased to \$9.3 million from \$6.8 million at the end of last year and \$8.2 million at the end of the third quarter of this year. At year-end, there were 8,361,500 common shares outstanding.

"Year-over-year, Dataram's revenues grew 6%, while selling, general and administrative costs declined by approximately \$1.3 million or 11%," said Robert V. Tarantino, Dataram's chairman and CEO. In fiscal 2006, the Company's expenses are expected to continue to decline. In the fourth quarter, we implemented a limited staff reduction. We expect our expenses in fiscal 2006 to be reduced by approximately \$1.0 million from fiscal 2005 levels. We believe that our present infrastructure is more than sufficient to support continued profitable growth."

Mark Maddocks, Dataram's vice president of finance and CFO, added, "Gross margins during the fourth quarter were 28.4 percent compared to the third quarter level of 21.0 percent and 25.1 percent for the fourth quarter of the previous fiscal year. For fiscal 2005, gross margin were 24.2 percent versus 25.3 percent in the previous fiscal year. The Company considers 25% gross margins with quarterly fluctuations of as much as 3% to be normal. The Company's backlog at the end of the fiscal year was \$3.7 million compared to \$4.7 million at April 30, 2004 and \$1.7 million at the end of this year's third quarter."

Mr. Maddocks continued, "After six successive quarters of profitability, management has concluded that it is more likely than not that the Company will utilize all of its net operating loss carryforwards and has reversed the valuation allowance previously placed on them. As a result, the Company's effective tax rate for financial reporting purposes in fiscal 2006 will be approximately 37%. However, the Company will continue to make cash payments for income taxes at an approximate rate of 6.5% of pretax earnings until it utilizes all of its deferred tax assets."

Mr. Tarantino concluded, "Today, the Company's board of directors approved a \$0.05 per share quarterly dividend. As we looked at our cash management choices and given our confidence in our ability to increase earnings, the Company's directors concluded that our priority should be to provide a return to our shareholders in the form of a regular cash payment. The Directors intention is that this is the first in a series of regular quarterly \$0.05 per share dividends. The dividend will be payable on June 29, 2005, to shareholders of record as of June 15, 2005."

Dataram will conduct a conference call today at 4:30 p.m. (EDT) to present its fourth quarter financial results and to respond to investor questions. Interested shareholders may participate in the call by dialing 800-732-8470 providing the following reservation number: 21248121. It is recommended that participants call 10 minutes before the conference call is scheduled to begin. The conference call can also be accessed over the Internet through Vcall at [www.vcall.com](http://www.vcall.com). A replay of the call will be available approximately one hour after the completion of the conference call through Vcall and for 24 hours by dialing 800-633-8284 or 402-977-9140 and entering the reservation number listed above.

#### USE OF NON-GAAP MEASURES

Management believes that "comparable" net earnings and "comparable" diluted earnings per share, which are non-GAAP measurements, are meaningful to investors because they provide a view of the Company with respect to ongoing operating results. These results exclude significant charges or credits which are important to an understanding of the Company's overall operating results in the period presented. Such non-GAAP measurements are not recognized in accordance with generally accepted accounting principles (GAAP) and should not be viewed as an alternative to GAAP measures of performance. A reconciliation of GAAP measurements to non- GAAP has been presented in this press release.

#### ABOUT DATARAM CORPORATION

Dataram is a worldwide leader in the design and manufacture of high capacity, reliable and innovative memory solutions. With over 38 years of experience, Dataram provides customized memory solutions for OEMs and compatible memory for leading brands including HP, Dell, IBM, SGI, Sun Microsystems and Intel. For more information about Dataram, visit [www.dataram.com](http://www.dataram.com)

The information provided in this press release may include forward-looking statements relating to future events, such as the development of new products, the commencement of production, or the future financial performance of the Company. Actual results may differ from such projections and are subject to certain risks including, without limitation, risks arising from:

changes in the price of memory chips, changes in the demand for memory systems, increased competition in the memory systems industry, order cancellations, delays in developing and commercializing new products and other factors described in the Company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission, which can be reviewed at <http://www.sec.gov>.

DATARAM CORPORATION AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF EARNINGS  
(In thousands, except per share amounts)  
(Unaudited)

	Fourth Quarter Ended April 30,		Twelve Months Ended April 30,	
	2005	2004	2005	2004
Revenues	\$15,140	\$19,948	\$65,684	\$61,984
Costs and expenses:				
Cost of sales	10,839	14,938	49,816	46,311
Engineering and development	352	321	1,300	1,284
Selling, general and administrative	2,894	2,947	10,653	11,985
	-----	-----	-----	-----
	14,085	18,206	61,769	59,580
Earnings from operations	1,055	1,742	3,915	2,404
Other income (expense)	25	(33)	202	119
	-----	-----	-----	-----
Earnings before income taxes	1,080	1,709	4,117	2,523
Income tax provision (benefit)	(2,795)	179	(2,598)	252
	-----	-----	-----	-----
Net earnings	\$3,875	\$1,530	\$6,715	\$2,271
	=====	=====	=====	=====
Net earnings per share:				
Basic	\$0.46	\$0.18	\$0.78	\$0.27
	=====	=====	=====	=====
Diluted	\$0.44	\$0.17	\$0.74	\$0.25
	=====	=====	=====	=====
Average number of shares outstanding:				
Basic	8,500	8,518	8,571	8,502
	=====	=====	=====	=====
Diluted	8,877	9,194	9,112	8,907
	=====	=====	=====	=====

DATARAM CORPORATION AND SUBSIDIARIES  
CONDENSED CONSOLIDATED BALANCE SHEETS  
(In thousands)  
(Unaudited)

April 30, 2005      April 30, 2004

ASSETS

Current assets

Cash and cash equivalents	\$9,281	\$6,806
Trade receivables, net	8,397	8,846
Inventories	2,369	2,537
Deferred income taxes	3,258	723

Other current assets	130	92
	-----	-----
Total current assets	23,435	19,004
Deferred income taxes (non-current)	630	0
Property and equipment, net	2,028	2,858
Other assets	54	50
	-----	-----
Total assets	<u>\$26,147</u>	<u>\$21,912</u>

#### LIABILITIES AND STOCKHOLDERS' EQUITY

##### Current liabilities

Accounts payable	\$2,528	\$3,862
Accrued liabilities	1,438	1,646
	-----	-----
Total current liabilities	3,966	5,508

Stockholders' equity	22,181	16,404
	-----	-----

##### Total liabilities and stockholders' equity

	<u>\$26,147</u>	<u>\$21,912</u>
--	-----------------	-----------------

---

#### Contact:

Dataram Corporation  
Mark Maddocks, 609-799-0071  
[info@dataram.com](mailto:info@dataram.com)

or  
Investors:  
Wall Street Consultants Corp.  
Joe Zappulla, 212-681-4100  
[JZapulla@WallStreetIR.com](mailto:JZapulla@WallStreetIR.com)