SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

/ X / Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the quarterly period ended 7/31/05 or

/ / Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

For the transition period from to

Commission file number 1-8266

DATARAM CORPORATION

(Exact name of registrant as specified in its charter)

New Jersey 22-1831409

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

P.O. Box 7528, Princeton, NJ 08543

(Address of principal executive offices) (Zip Code)

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

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark whether the registrant is an accelerated filer.

Yes No X

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the last practicable date. Common Stock ($1.00 par value): As of August 31, 2005, there were 8,416,946 shares outstanding.

PART I: FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Dataram Corporation and Subsidiaries
Consolidated Balance Sheets
July 31, 2005 and April 30, 2005
(Unaudited)

	July 31, 2005	April 30, 2005
Assets		
Current Assets:		
Cash and cash equivalents	$ 10,457,523	$ 9,281,520
Trade receivables, less allowance for doubtful accounts and sales returns of $325,000	6,878,729	8,396,757
Inventories	2,303,277	2,368,733
Deferred income taxes	3,258,865	3,257,865
Other current assets	372,160	130,212
Total current assets	23,270,554	23,435,087
Deferred income taxes	188,000	630,000
Property and equipment, at cost:		
Land (held for sale)	875,000	875,000
Machinery and equipment	12,321,546	12,205,586
	13,196,546	13,080,586
Less: accumulated depreciation and amortization	11,262,145	11,052,145
Net property and equipment	1,934,401	2,028,441
Other assets	60,131	53,815
	$ 25,453,086	$ 26,147,343
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,629,506	$ 2,527,594
Accrued liabilities	1,104,270	1,438,101
Total current liabilities	2,733,776	3,965,695
Stockholders' Equity:		
Common stock, par value $1.00 per share. Authorized 54,000,000 shares; issued and outstanding 8,412,671 at July 31, 2005 and 8,361,500 at April 30, 2005	8,412,671	8,361,500
Additional paid in capital	4,660,820	4,566,188
Retained earnings	9,645,819	9,253,960
Total stockholders' equity	22,719,310	22,181,648
	$ 25,453,086	$ 26,147,343

See accompanying notes to consolidated financial statements.

Dataram Corporation and Subsidiaries
Consolidated Statements of Earnings
Three Months Ended July 31, 2005 and 2004
(Unaudited)

	2005	2004
Revenues	$ 13,944,150	$ 15,791,432
Costs and expenses:		
Cost of sales	9,745,866	11,740,902
Engineering and development	266,490	318,773

Selling, general and administrative	2,492,905	2,548,503
	12,505,261	14,608,178
Earnings from operations	1,438,889	1,183,254
Other income (expense)		
Interest income, net	65,771	15,010
Currency loss	(40,458)	(258)
Other income	25,000	50,000
Total other income	50,313	64,752
Earnings before income taxes	1,489,202	1,248,006
Income tax expense	558,000	81,000
Net earnings	$ 931,202	$ 1,167,006
Net earnings per share of common stock		
Basic	$ .11	$ .14
Diluted	$ .11	$ .13
Dividends per common share	$ .05	$ .00

See accompanying notes to consolidated financial statements.

Dataram Corporation and Subsidiaries
Consolidated Statements of Cash Flows
Three Months Ended July 31, 2005 and 2004
(Unaudited)

	2005	2004
Cash flows from operating activities:		
Net income	$ 931,202	$ 1,167,006
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	210,000	289,000
Bad debt expense	5,317	16,452
Deferred income tax expense	441,000	0
Changes in assets and liabilities:		
Decrease in trade receivables	1,512,711	1,001,929
Decrease (increase) in inventories	65,456	(1,974,531)
Increase in other current assets	(241,948)	(214,428)
Increase in other assets	(6,316)	(3,804)
Decrease in accounts payable	(898,088)	(766,022)
Decrease in accrued liabilities	(333,831)	(880,948)
Net cash provided by (used in) operating operating activities	1,685,503	(1,365,346)
Cash flows used in investing activities:		
Additions to property and equipment	(115,960)	(123,947)
Proceeds from sale of property and equipment	0	12,841
Net cash used in investing activities	(115,960)	(111,106)
Cash flows from financing activities:		
Proceeds from sale of common shares under stock option plan	256,128	271,473
Purchase and subsequent cancellation of		

Shares of common stock	(229,859)	0
Cash dividends	(419,809)	0
Net cash provided by (used in) financing activities	(393,540)	271,473
Net increase(decrease)in cash and cash equivalents	1,176,003	(1,204,979)
Cash and cash equivalents at beginning of period	9,281,520	6,805,957
Cash and cash equivalents at end of period	$ 10,457,523	$ 5,600,978

Supplemental disclosures of cash flow information:
Cash paid during the period for:

Interest	$ 13,859	$ 0
Income taxes	$ 55,000	$ 180,500

See accompanying notes to consolidated financial statements.

Dataram Corporation and Subsidiaries
Notes to Consolidated Financial Statements
July 31, 2005 and 2004
(Unaudited)

(1) Basis of Presentation

The information for the three months ended July 31, 2005 and 2004, is unaudited but includes all adjustments (consisting only of normal recurring adjustments) which, in the opinion of management, are necessary to state fairly the financial information set forth therein in accordance with accounting principles generally accepted in the United States of America. The interim results are not necessarily indicative of results to be expected for the full fiscal year. These financial statements should be read in conjunction with the audited financial statements for the year ended April 30, 2005 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

Net Earnings Per Share

Net earnings per share is presented in accordance with Statement of Financial Accounting Standards (SFAS) No. 128, "Earnings Per Share". Basic net earnings per share is computed by dividing the net earnings by the weighted average number of shares of common stock issued and outstanding during the period. For purposes of calculating diluted earnings per share for the three months ended July 31, 2005, and July 31 2004, the denominator includes both the weighted average number of shares of common stock issued and outstanding and also includes the dilutive effect of stock options outstanding (using the treasury stock method).

The following presents a reconciliation of the numerator and denominator used in computing Basic and Diluted net earnings per share for fiscal 2005 and 2004.

	Three Months ended July 31, 2005		
	Earnings (numerator)	Shares (denominator)	Per share amount
Basic net earnings per share - -net earnings and weighted average common shares outstanding	$ 931,202	8,381,277	$ .11
Effect of dilutive securities - -stock options	-	373,954	-

	Earnings (numerator)	Shares (denominator)	Per share amount
Diluted net earnings per share - -net earnings, weighted average common shares outstanding and effect of stock options	$ 931,202	8,755,231	$ .11

	Three Months ended July 31, 2004		
	Earnings (numerator)	Shares (denominator)	Per share amount
Basic net earnings per share - -net earnings and weighted average common shares outstanding	$1,167,006	8,562,391	$ .14
Effect of dilutive securities - -stock options	-	740,402	-
Diluted net earnings per share - -net earnings, weighted average common shares outstanding and effect of stock options	$1,167,006	9,302,793	$ .13

Diluted net earnings per share does not include the effect of options to purchase 455,700 shares of common stock for the three months ended July 31, 2005 because they are anti-dilutive.

Diluted net earnings per share does not include the effect of options to purchase 138,100 shares of common stock for the three months ended July 31, 2004 because they are anti-dilutive.

Dividends

On May 31, 2005 the Company's Board of Directors approved the initiation of a common stock quarterly cash dividend program and declared a $0.05 per share cash dividend, paid on June 29, 2005 to shareholders of record as of June 15, 2005. Cash dividends paid in the three months ended July 31, 2005 were $419,809. No cash dividends were paid during the three months ended July 31, 2004.

Common Stock Repurchases

During the three months ended July 31, 2005 the Company repurchased 51,450 shares of common stock at a cost of $229,859. These shares were purchased pursuant to a repurchase plan announced on December 4, 2002 pursuant to which the Company was authorized to repurchase a total of 500,000 shares of its common stock. As of July 31, 2005, 172,196 shares remain available for repurchase under the plan. This repurchase program does not have an expiration date.

Stock Based Compensation

As permitted by SFAS No. 123, "Accounting for Stock Based Compensation", the Company accounts for stock-based compensation arrangements in accordance with provisions of Accounting Principles Board (APB) Opinion No. 25 "Accounting for Stock Issued to Employees" and related interpretations. Compensation expense for stock options issued to employees is based on the difference on the date of grant, between the fair value of the Company's stock and the exercise price of the option. No stock-based employee compensation cost is reflected in net earnings, as all options granted under those plans had exercise prices equal to the market value of the underlying common stock at the date of grant.

The following table illustrates the pro forma effect on net earnings and earnings per share if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock based compensation:

	Three Months Ended July 31, 2005	Three Months Ended July 31, 2004
Net earnings as reported	$ 931,202	$ 1,167,006
Deduct: Total stock-based employee compensation expense determined under fair value based method for all awards, net of related tax effects	(171,940)	(145,568)
Pro forma net earnings....	$ 759,262	$ 1,021,438
Earnings per share:		
Basic - as reported	$ 0.11	$ 0.14
Basic - pro forma	$ 0.09	$ 0.12
Diluted - as reported	$ 0.11	$ 0.13
Diluted - pro forma	$ 0.09	$ 0.11

(2) Cash and cash equivalents

Cash and cash equivalents consist of unrestricted cash, money market funds and commercial paper with original maturities of three months or less.

Inventory valuation

Inventories are valued at the lower of cost or market, with costs determined by the first-in, first-out method. Inventories at July 31, 2005 and April 30, 2005 consist of the following categories:

	July 31, 2005	April 30, 2005
Raw materials	$ 1,304,000	$ 1,136,000
Work in process	58,000	77,000
Finished goods	941,000	1,156,000
	$ 2,303,000	$ 2,369,000

(3) Financial information by geographic location

The Company operates in one business segment and develops, manufactures and markets a variety of memory systems for use with network servers and workstations which are manufactured by various companies. Revenues for the three months ended July 31, 2005 and 2004 by geographic region is as follows:

	Three months ended July 31, 2005	Three months ended July 31, 2004
United States	$ 10,726,000	$ 12,313,000
Europe	2,631,000	2,109,000
Other (principally Asia Pacific Region)	587,000	1,369,000
Consolidated	$ 13,944,000	$ 15,791,000

Long-lived assets consist of property and equipment. Long-lived assets and total assets by geographic region as of July 31, 2005 is as follows:

	July 31, 2005 Long-lived assets	Total assets
United States	$ 1,934,000	$ 25,081,000
Europe	0	352,000
Other	0	20,000
Consolidated	$ 1,934,000	$ 25,453,000

(4) Significant New Accounting Pronouncements

In December, 2004, the Financial Accounting Standards Board (FASB) issued SFAS No. 123 (revised 2004), "Share-Based Payment" (SFAS 123R). SFAS 123R addresses the accounting for transactions in which an enterprise receives employee services in exchange for (a) equity instruments of the enterprise or (b) liabilities that are based on the fair value of the enterprise's equity instruments or that may be settled by the issuance of such equity instruments. SFAS 123R supersedes APB No. 25 and requires that such transactions be accounted for using a fair-value based method. SFAS 123R requires companies to recognize an expense for compensation cost related to share-based payment arrangements, including stock options and employee stock purchase plans. The Company is required to implement the proposed standard no later than May 1, 2006. The Company is currently evaluating option valuation methodologies and assumptions related to its stock compensation plans.

In November 2004, the FASB issued SFAS No. 151, "Inventory Costs, an amendment of Accounting Research Bulletin (ARB) No. 43, Chapter 4". SFAS 151, amends ARB 43, Chapter 4, to clarify that abnormal amounts of idle facility expense, freight, handling costs, and wasted material (spoilage) should be recognized as current-period charges. In addition, this statement requires that allocation of fixed production overheads to the cost of conversion be based on the normal capacity of the production facilities. The provisions of this statement are effective for the Company beginning May 1, 2006. The Company does not believe that this statement will have a material effect on the Company's consolidated financial statements.

(5) Concentration of credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents. The Company maintains its cash and cash equivalents in financial institutions and brokerage accounts. To the extent that such deposits exceed the maximum insurance levels, they are uninsured. The Company performs ongoing evaluations of its customers' financial condition, as well as general economic conditions and, generally, requires no collateral from its customers. In the first quarter of fiscal 2006, sales to one customer accounted for approximately 23% of revenues and 43% of accounts receivable at July 31, 2005.

(6) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations contains forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities and Exchange Act of 1934, as amended. The information provided in this interim report may include forward-looking statements relating to future events, such as the development of new products, pricing and availability of raw materials 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 for workstations and servers, increased competition in the memory systems industry, 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.

Executive Overview

Dataram Corporation is a developer, manufacturer and marketer of large capacity memory products primarily used in high performance network servers and workstations. The Company provides customized memory solutions for original equipment manufacturers (OEMs) and compatible memory for leading brands including Dell, Hewlett-Packard, IBM, Silicon Graphics and Sun Microsystems. The Company also manufactures a line of memory products for AMD and Intel motherboard based servers for sale to OEMs and channel assemblers.

The Company's memory products are sold worldwide to original equipment manufacturers, distributors, value-added resellers and end users. The Company has a manufacturing facility in the United States with sales offices in the United States, Europe and Japan.

The Company is an independent memory manufacturer specializing in high capacity memory and competes with several other large independent memory manufacturers as well as the original equipment manufacturers mentioned above. The primary raw material used in producing memory boards is dynamic random access memory (DRAM) chips. The purchase cost of DRAM chips typically represents approximately 75% of the total cost of a finished memory board. Consequently, average selling prices for computer memory boards are significantly dependent on the pricing and availability of DRAM chips.

Liquidity and Capital Resources

The Company's cash and working capital position remain strong. As of July 31, 2005, cash and equivalents amounted to $10.5 million and working capital amounted to $20.5 million, reflecting a current ratio of 8.5, compared to cash and equivalents of $9.3 million and working capital of $19.5 million and a current ratio of 5.9 as of April 30, 2005.

During the fiscal quarter ended July 31, 2005, net cash provided by operating activities totaled approximately $1.7 million. Trade receivables decreased by approximately $1.5 million from year-end levels, primarily resulting from reduced sequential quarterly revenues. A decrease in deferred income tax of $441,000 also contributed to the cash provided by operations. This decrease was because the Company's first quarter federal income tax expense is offset by federal net operating loss (NOL) carryforwards. The cash provided by these sources was partially offset by a decline in accounts payable of approximately $898,000 primarily as result of a reduction of material related purchases.

Net cash used in investing activities of approximately $116,000 for the three months ended July 31, 2005, consists of capital expenditures substantially related to the acquisition of production testing equipment.

Net cash used in financing activities of approximately $394,000 for the three months ended July 31, 2005, consists of approximately $420,000 cash dividend payments and open market purchases of the Company's common stock totaling approximately $230,000, offset by approximately $256,000 of cash received from stock option exercises.

On December 4, 2002, the Company announced an open market repurchase plan providing for the repurchase of up to 500,000 shares of the Company's common stock. As of July 31, 2005, the total number of remaining shares authorized for purchase under the program is 172,196 shares. The Company purchased 51,450 shares during the first quarter at a total cost of approximately $230,000.

On June 21, 2004, the Company entered into a credit facility with a bank, which provides for up to a $5 million revolving credit line. Advances under the facility are limited to 75% of eligible receivables, as defined in the agreement. The agreement provides for LIBOR rate loans and base rate loans at an interest rate no higher than the bank's base commercial lending rate. The Company is required to pay a commitment fee equal to one quarter of one percent per annum on the unused commitment. The agreement contains certain restrictive covenants, specifically a trailing twelve month profitability requirement, a current asset to current liabilities ratio, a total liabilities to tangible net worth ratio and certain other covenants, as defined in the agreement. The agreement was amended on April 4, 2005. The effect of the amendment was to increase the limit of the Company's combined open market stock repurchases and dividend payments to $2.5 million per year from $1.0 million per year without prior waiver. The Company is in compliance with all covenants of the agreement and there have been no borrowings against the credit line through July 31, 2005. The agreement expires on June 21, 2006. The Company intends to renew the agreement prior to the expiration date.

Management believes that the Company's cash flows generated from operations will be sufficient to meet short term liquidity needs as the Company does not expect any unforeseen demands beyond general operating requirements for cash. Management further believes that its working capital together with internally generated funds from its operations and its bank line of credit are adequate to finance the Company's long term operating needs and future capital requirements.

On July 29, 2002, the Company entered into an agreement to sell its undeveloped land for a price of $3.0 million. The agreement was amended on October 20, 2004. The amendment extended the term of the agreement to September 29, 2005. The agreement, as amended, provides for closing to occur no later than September 29, 2005. Additionally, the agreement is subject to certain contingencies and as such may be terminated prior to closing. The land is carried at cost on the Company's balance sheet at a value of $875,000 and is shown as an asset held for sale. The resulting gain on the sale will be recorded upon consummation of the transaction and when all contingencies have been satisfied.

Future minimum lease payments under noncancellable operating leases (with initial or remaining lease terms in excess of one year) as of April 30, 2005 are as follows:

	Operating leases
Year ending April 30:	
2006	$ 465,000
2007	48,000
2008 and thereafter	0
Total minimum lease payments	$ 513,000

The Company has no other material commitments.

Results of Operations

Revenues for the three-month period ending July 31, 2005 were $13,944,000 compared to revenues of $15,791,000 for the comparable prior year period and $15,140,000 for the fourth quarter of fiscal 2005. The decrease in revenues was the result of lower average selling prices resulting from a decline in the price of DRAM chips, the primary raw material used in the Company's products. Average selling price per gigabyte shipped declined by approximately 13 percent from the forth quarter of last fiscal year. However, volume measured by gigabytes shipped increased by approximately 7 percent. Revenues for the three-month periods ended July 31, 2005 and 2004 by geographic region were:

	Three months ended July 31, 2005	Three months ended July 31, 2004
United States	$ 10,726,000	$ 12,313,000
Europe	2,631,000	2,109,000
Other (principally Asia Pacific Region)	587,000	1,369,000

Consolidated	$ 13,944,000	$ 15,791,000
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Cost of sales for the first quarter fiscal 2006 were 70% of revenues, versus 75% for the same prior year period. This quarter's cost of sales were lower than the Company's historical norm and reflect a higher than normal shipment rate of larger capacity memory, which typically command higher margins. Cost of sales as a percent of revenue will generally be approximately 75%, which is in line with its historical norm. Fluctuations either up or down of 3% or less in any given quarter are not unusual and can result from many factors, some of which are a rapid change in the price of DRAMs, or a change in product mix possible resulting from a large order or series of orders for a particular product or a change in customer mix.

Engineering and development costs in fiscal 2006's first quarter were $266,000, versus $319,000 for the same prior year period. The decline is primarily related to limited staff reductions implemented in the fourth quarter of the fiscal year ended April 30, 2005. The Company intends to maintain its commitment to the timely introduction of new memory products as new computers are introduced.

Selling, general and administrative costs in fiscal 2006's first quarter decreased by $56,000 from the comparable prior year period. The reduction of total expenses is primarily the result of reduced depreciation and amortization expense.

Other income (expense), net for the first quarter fiscal 2006 totaled $50,000 income, versus $65,000 income for the same prior year period. Other income in fiscal 2006's first quarter consisted primarily of $66,000 of net interest income (expense) received in the current quarter. Additionally, $25,000 of other income was received for a scheduled non-refundable payment released from escrow related to the pending sale of the Company's land. Offsetting the current quarter other income was $41,000 of foreign currency loss, primarily as a result of the US dollar strengthening relative to the EURO. Fiscal 2005's first quarter other income, net of $65,000 consisted primarily of $50,000 other income received for a scheduled non-refundable payment released from escrow related to the pending sale of the Company's land. The Company also had interest income of $15,000 during last year's fiscal first quarter.

Income tax expense for the first quarter of fiscal 2006 was $558,000 compared to $81,000 for the same prior year period. The Company's effective tax rate for financial reporting purposes in fiscal 2006 is approximately 37.5%. However, the Company has federal NOL carryforwards totaling approximately $10.8 million and therefore 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 NOL carryforwards. During last fiscal year's first quarter the Company accrued 6.5% for state income taxes only as it had, at that time, a valuation allowance on its deferred income taxes. The Company reversed the valuation allowance in the fourth quarter of fiscal 2005.

Critical Accounting Policies

During December 2001, the Securities and Exchange Commission (SEC) published a Commission Statement in the form of Financial Reporting Release No. 60 which encouraged that all registrants discuss their most "critical accounting policies" in management's discussion and analysis of financial condition and results of operations. The SEC has defined critical accounting policies as those that are both important to the portrayal of a company's financial condition and results, and that require management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. While the Company's significant accounting policies are summarized in Note 1 to the consolidated financial statements included in the Company's Form 10-K for the fiscal year ended April 30, 2005, the Company believes the following accounting policies to be critical:

Revenue Recognition- Revenue is recognized when title passes upon shipment of goods to customers. The Company's revenue earning activities involve delivering or producing goods. The following criteria are met before revenue is recognized: persuasive evidence of an arrangement exists, shipment has occurred, selling price is fixed or determinable and collection is reasonably assured. The Company does experience a minimal level of sales returns and allowances for which the Company accrues a reserve at the time of sale in accordance with SFAS No. 48, "Revenue Recognition When Right of Return Exists". Estimated warranty costs are accrued by management upon product shipment based on an estimate of future warranty claims.

Income Taxes- The Company utilizes the asset and liability method of accounting for income taxes in accordance with the provisions of SFAS No. 109, "Accounting for Income Taxes". Under the asset and liability method of SFAS No. 109, deferred tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is provided when it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company considers certain tax planning strategies in its assessment as to the recoverability of its tax assets. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. Under SFAS No. 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in earnings in the period that the tax rate changes.

Use of Estimates- The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including deferred tax asset valuation allowances and certain other reserves and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are reviewed periodically and the effects of revisions are reflected in the consolidated financial statements in the period they are determined to be necessary. Some of the more significant estimates made by management include the allowance for doubtful accounts and sales returns, the deferred tax asset valuation allowance and other operating allowances and accruals. Actual results could differ from those estimates.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

The Company does not invest in market risk sensitive instruments. The Company's investments consist of overnight deposits with banks and commercial paper which matures within ninety days. The Company's rate of return on its investment portfolio changes with short-term interest rates, although such changes will not affect the value of its portfolio. The Company's objective in connection with its investment strategy is to maintain the security of its cash reserves without taking market risk with principal.

The Company purchases and sells primarily in U.S. dollars. The Company sells in foreign currency (primarily Euros) to a limited number of customers and as such incurs some foreign currency risk. At any given time, approximately 5 to 10 percent of the Company's accounts receivable are denominated in currencies other than U.S. dollars. At present, the Company does not purchase forward contracts as hedging instruments, but could do so as circumstances warrant.

ITEM 4. CONTROLS AND PROCEDURES

During the period covered by this interim report, the Company's chief executive officer and its chief financial officer have evaluated the effectiveness of the Company's disclosure controls and procedures and have determined that they are adequate to insure a fair presentation, in all material respects, of the financial position, results of operations and statements of cash flows of the Company and there have been no material changes to such controls and procedures.

PART II: OTHER INFORMATION

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

In the first quarter of fiscal 2006, the Company repurchased the following shares of Common Stock:

ISSUER PURCHASES OF EQUITY SECURITIES

Period	(a) Total Number of Shares Purchased(1)	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	(d) Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs(1)
May	51,450	$4.47	51,450	172,196
June	19,129	$6.53	0	172,196
July	0	-	0	172,196
Total	70,579	$5.03	51,450	172,196

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(1) All of the above shares were purchased pursuant to a repurchase plan announced on December 4, 2002 pursuant to which the Company was authorized to repurchase a total of 500,000 shares of its common stock and as of July 31, 2005, 172,196 shares remain available for repurchase. This repurchase program does not have an expiration date.

ITEM 6. EXHIBITS

A. Exhibits

31(a) Rule 13a-14(a) Certification of Robert V. Tarantino.

31(b) Rule 13a-14(a) Certification of Mark E. Maddocks

32(a) Section 1350 Certification of Robert V. Tarantino (furnished not filed)

32(b) Section 1350 Certification of Mark E. Maddocks (furnished not filed)

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 thereunto duly authorized.

DATARAM CORPORATION

MARK E. MADDOCKS

Date: September 8, 2005 By:_________________________

Mark E. Maddocks

Vice President, Finance

(Principal Financial Officer)

Exhibit 31(a)

CERTIFICATION

I, Robert V. Tarantino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dataram Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

ROBERT V. TARANTINO

Date: September 8, 2005 ______________________________

Robert V. Tarantino, President
and Chief Executive Officer

Exhibit 31(b)

CERTIFICATION

I, Mark E. Maddocks, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Dataram Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

MARK E. MADDOCKS
Date: September 8, 2005 ______________________________
Mark E. Maddocks
Vice President, Finance and
Chief Financial Officer

Exhibit 32(a)

Section 1350 Certification
of
Robert V. Tarantino

I certify that the Quarterly Report of Dataram Corporation with which this Certification is furnished fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and that the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of Dataram Corporation.

September 8, 2005 ROBERT V. TARANTINO

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Robert V. Tarantino
President and
Chief Executive Officer

Exhibit 32(b)

Section 1350 Certification
of
Mark E. Maddocks

I certify that the Quarterly Report of Dataram Corporation with which this Certification is furnished fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and that the information contained in the periodic report fairly presents, in all material respects, the financial condition and results of operations of Dataram Corporation.

September 8, 2005 MARK E. MADDOCKS

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Mark E. Maddocks
Vice President, Finance and
Chief Financial Officer