

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): November 16, 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 November 16, 2005 Dataram Corporation announced the results of operations for the second fiscal quarter. 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 on November 9, 2005, and will be broadly accessible to the public. Further information about the Company is available at <http://www.dataram.com>.

The information provided in that press release, 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 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, 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 November 16, 2005 a \$0.05 cash dividend has been declared by the Company's board of directors which is payable on December 14, 2005 to shareholders of record as of November 30, 2005. See Exhibit 99.1.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Exhibits.

99.1 Press Release dated November 16, 2005 announcing first quarter results of operations 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: November 16, 2005

Mark Maddocks, Vice President-Finance
and Chief Financial Officer

DATARAM Dataram Contact: Investor Contact:
 Mark Maddocks, Joe Zappulla
 Vice President-Finance, CFO Wall Street Investor
 Relations
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DATARAM REPORTS SECOND QUARTER
 FISCAL 2006 FINANCIAL RESULTS

Board of Directors Declares Regular Quarterly \$0.05 Per Share Dividend

PRINCETON, N.J. November 16, 2005 -- Dataram Corporation (NASDAQ: DRAM) today reported its financial results for its fiscal second quarter ended October 31, 2005. Revenues for the second quarter of the current fiscal year were \$9.9 million, which compares to \$20.3 million for the second quarter of the prior fiscal year and \$13.9 million in this year's first quarter. Last year's fiscal second quarter and this year's first quarter included approximately \$8.4 million and \$3.2 million, respectively of revenues from shipments to a single OEM customer. In the second quarter of this fiscal year, the Company derived no revenues from shipments to that customer. Revenues for the first six months of the current fiscal year were \$23.8 million versus \$36.1 million for the comparable prior year period. Prior year revenues included approximately \$14.1 million in revenue derived from shipments to the same customer. This customer has been undergoing a restructuring of their business including reducing their procurement costs for goods and services. Consequently, the Company only competes for their business on a selective basis making it uncertain whether the Company will be receiving or accepting new orders from this customer in the near future.

Earnings before income taxes were \$565,000 compared to \$1.5 million for the first quarter of the current fiscal year and \$1.6 million for the second quarter of the previous fiscal year. Net earnings for the second quarter were \$352,000 or \$0.04 per diluted share. This compares to net earnings of \$931,000 or \$0.11 per diluted share for the first quarter of the current fiscal year and \$1.5 million or \$0.17 per diluted share for last year's second quarter. Earnings in the second quarter of last fiscal year were taxed at an effective rate of 6.5%, while the Company's effective tax rate for financial reporting purposes in fiscal 2006 is approximately 37.5%. For the first six months of the current fiscal year, the Company's net earnings totaled \$1.3 million or \$0.15 per diluted share compared to net earnings of \$2.7 million or \$0.29 per diluted share for the comparable prior year period.

The Company has net operating loss (NOL) carryforwards totaling approximately \$10.8 million and 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 NOL carryforwards. Utilizing the Company's current effective tax rate of 37.5%, comparable diluted earnings per share were \$0.11 and \$0.19, respectively for the second quarter and six months of last fiscal year. A reconciliation of GAAP to comparable net earnings and comparable diluted earnings per share for the second quarter and six months of last fiscal year is presented in the following table:

(In 000s except per share amounts)

	Quarter Ended			Six Months Ended	
	Oct. 31	Oct. 31	July 31	Oct. 31	Oct. 31
	2005	2004	2005	2005	2004
Earnings before income taxes	\$ 565	\$ 1,632	\$ 1,489	\$ 2,055	\$ 2,880
Income tax expense as reported	213	106	558	771	187

Adjustment to income tax expense(1)	0	506	0	0	893
Comparable income tax expense(1)	213	612	558	771	1,080
Comparable net earnings(1)	\$ 352	\$ 1,020	\$ 931	\$ 1,284	\$ 1,800
Comparable diluted EPS(1)	\$ 0.04	\$ 0.11	\$ 0.11	\$ 0.15	\$ 0.19

(1)Assumes comparable effective tax rate of 37.5%.

Gross margins during the second quarter were approximately 30 percent, which compares to approximately 30 percent in the first quarter and compares to approximately 22 percent for the second quarter of the prior fiscal year. Margins have been higher than the Company's historical norm and reflect a higher than normal shipment percentage of larger capacity memory, which typically command higher margins. The Company considers 25 percent gross margins with quarterly fluctuations of as much as 3 percent to be normal. The Company's backlog at the end of the second quarter was \$770,000 compared to \$1.5 million at the end of the previous quarter.

During the second quarter, the Company paid approximately \$421,000 in cash dividends. Nevertheless, the Company's cash and cash equivalents has increased to \$12.7 million from \$10.5 million at the end of the first quarter and \$9.3 million at the beginning of the fiscal year. As of October 31, 2005, there were 8,465,146 common shares outstanding.

Robert V. Tarantino, Dataram's chairman and CEO commented, "Our business model and current cost structure allow us to operate profitably, even in a down quarter. We generated significant cash flow from operating activities in the second quarter and expect our quarterly operating results to improve as we move forward. Today, the Company's board of directors approved a \$0.05 per share regular quarterly dividend. The dividend will be payable on December 14, 2005, to shareholders of record as of November 30, 2005."

As announced in a press release dated November 9, 2005, Dataram will conduct a conference call today at 4:30 p.m. (EST) to present its second quarter financial results and to respond to investor questions. Interested shareholders may participate in the call by dialing 800-263-9160 and providing the following reservation number: 21268898. 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. 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

The information provided in this press release 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, 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>.

***** Financial Tables Follow *****

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

	Second Quarter Ended October 31,		Six Months October 31,	
	2005	2004	2005	2004
Revenues	\$ 9,858	\$ 20,322	\$ 23,802	\$ 36,114
Costs and expenses:				
Cost of sales	6,886	15,816	16,632	27,557
Engineering and development	293	312	559	631
Selling, general and administrative	2,282	2,575	4,775	5,123
	9,461	18,703	21,966	33,311
Earnings from operations	397	1,619	1,836	2,803
Other income	168	13	219	77
Earnings before income taxes	565	1,632	2,055	2,880
Income tax provision	213	106	771	187
Net earnings	\$ 352	\$ 1,526	\$ 1,284	\$ 2,693
Net earnings per share:				
Basic	\$ 0.04	\$ 0.18	\$ 0.15	\$ 0.31
Diluted	\$ 0.04	\$ 0.17	\$ 0.15	\$ 0.29
Weighted average number of shares outstanding:				
Basic	8,441	8,599	8,411	8,581
Diluted	8,941	9,216	8,829	8,265

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

	October 31, 2005	April 30, 2005
ASSETS		
Current assets		
Cash and cash equivalents	\$ 12,710	\$ 9,281

Trade receivables, net	5,052	8,397
Inventories	1,980	2,369
Deferred income taxes	2,191	3,258
Other current assets	330	130

Total current assets	<u>22,263</u>	<u>23,435</u>
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Deferred income taxes (non-current)	1,130	630
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Property and equipment, net	1,784	2,028
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Other assets	60	54
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Total assets	<u>\$ 25,237</u>	<u>\$ 26,147</u>
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable	\$ 1,404	\$ 2,528
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Accrued liabilities	933	1,438
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Total current liabilities	<u>2,337</u>	<u>3,966</u>
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Stockholders' equity	<u>22,900</u>	<u>22,181</u>
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Total liabilities and stockholders' equity	<u>\$ 25,237</u>	<u>\$ 26,147</u>
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