

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): August 23, 2006

DATARAM CORPORATION

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(Exact name of registrant as specified in charter)

New Jersey                      1-8266                      22-1831409

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

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

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(Address of principal executive offices)              (Zip Code)

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

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(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 August 23, 2006 Dataram Corporation announced the results of operations for the first 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. This dial-in conference call was publicly announced on August 16, 2006, 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>.

Section 8 - Other Events.

Item 8.01. Other Events.

The Company announced on August 23, 2006 that a \$0.06 cash dividend has been declared by the Company's board of directors which is payable on September 20, 2006 to shareholders of record as of September 6, 2006. See Exhibit 99.

Section 9 - Financial Statements and Exhibits.

Item 9.01. Exhibits.

99. Press Release dated August 23, 2006 announcing 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: August 23, 2006

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Mark Maddocks, Vice President-Finance  
and Chief Financial Officer

DATARAM           Dataram Contact:           Investor Contact:  
Mark Maddocks           Joe Zappulla  
Vice President-Finance, CFO   Wall Street Consultants Corp.  
PRESS RELEASE   609-799-0071           212-681-4100  
info@dataram.com           JZappulla@WallStreetIR.com

DATARAM REPORTS FISCAL 2007 FIRST QUARTER  
FINANCIAL RESULTS

Company's Order Rate Continues To Improve  
Board of Directors Declares Regular Quarterly \$0.06 Per Share Dividend

PRINCETON, N.J. August 23, 2006 Dataram Corporation (NASDAQ: DRAM) today reported its financial results for its fiscal first quarter ended July 31, 2006. Revenues for the quarter increased to \$9.3 million from \$8.8 million in the fourth quarter of fiscal year 2006 and compares to \$13.9 million for the first quarter of the prior fiscal year. The company reported a net loss for the first quarter of \$70,000, which includes stock option expenses of \$134,000. Excluding stock option expenses, the Company generated net earnings of approximately \$17,000 compared to net earnings of \$83,000 or \$0.01 per diluted share in the prior quarter and net earnings of \$931,000 or \$0.11 per diluted share for the first quarter of the previous fiscal year.

Dataram's first quarter highlights:

First quarter revenue increases 6 percent sequentially

First quarter order rate improves to \$9.7 million

Backlog increases to \$1.4 million

Board of Directors approve regular quarterly dividend of \$0.06 per share

Robert V. Tarantino, Dataram's chairman and CEO commented, "We are making progress with our strategy to expand our customer base of large corporate end-users and value-added resellers. Revenues from both the compatible memory and OEM business increased over the prior three month period. More importantly, our order rate in the first quarter increased by approximately 6% from the prior quarter and by approximately 7% from the preceding two quarters. As we enter the second quarter, we are continuing to experience sequential improvement in our order rate. The Company's backlog increased \$418,000 to \$1.4 million at the end of the first quarter from \$964,000 at the end of the prior period."

Gross margin during the first quarter averaged 26 percent, down from the prior quarter level of 28 percent. The current quarter gross margin is within what the Company considers its normal range of 22 to 28 percent. Selling, general and administrative costs and engineering and development costs for the first quarter were \$2.6 million, slightly higher than the prior quarter level of \$2.5 million and lower by \$145,000 than the fiscal 2006 first quarter costs of \$2.8 million.

Mr. Tarantino concluded, "Our financial condition is strong and we are highly liquid. Today, the Company's Board of Directors declared a quarterly dividend of \$0.06 per common share. The dividend will be payable on September 20, 2006, to shareholders of record as of September 6, 2006."

As announced in a previously issued press release, Dataram will conduct a conference call today at 4:30 p.m. (EDT) to present its first quarter financial results and to respond to investor questions. Interested shareholders may participate in the call by dialing 877-690-6787, providing the following reservation number: 21301937. 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.

## ABOUT DATARAM CORPORATION

Dataram is a worldwide leader in the design and manufacture of high capacity, reliable and innovative memory solutions. With over 39 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, 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 CONSOLIDATED STATEMENTS OF OPERATIONS (In thousands, except per share amounts) (Unaudited)

	First Quarter Ended July 31,	
	2006	2005
Revenues	\$ 9,305	\$ 13,944
Costs and expenses:		
Cost of sales	6,900	9,746
Engineering and development		307 266
Selling, general and administrative	2,307	2,493
Stock option expense	134	-
	<u>9,648</u>	<u>12,505</u>
Earnings (loss) from operations	(343)	1,439
Other income	236	50
Earnings (loss) before income taxes	(107)	1,489
Income tax provision (benefit)	(37)	558
Net earnings (loss)	<u>\$ (70)</u>	<u>\$ 931</u>
Net earnings (loss) per share		
Basic	<u>\$ (0.01)</u>	<u>\$ 0.11</u>
Diluted	<u>\$ (0.01)</u>	<u>\$ 0.11</u>
Average number of shares outstanding:		
Basic	<u>8,490</u>	<u>8,381</u>
Diluted	<u>8,805</u>	<u>8,755</u>

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

July 31, 2006    April 30, 2006

ASSETS

Current assets

Cash and cash equivalents	\$ 12,880	\$ 14,044
Trade receivables, net	4,670	4,893
Inventories	3,537	2,189
Deferred income taxes	1,441	1,365
Note receivable	1,537	1,537
Other current assets	371	80

Total current assets	24,436	24,108
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Deferred income taxes	1,126	1,176
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Property and equipment, net	860	847
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Other assets	105	105
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Total assets	\$ 26,527	\$ 26,236
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable	\$ 2,814	\$ 2,057
Accrued liabilities	618	653

Total current liabilities	3,432	2,710
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Stockholders' equity	23,095	23,526
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Total liabilities and stockholders' equity	\$ 26,527	\$ 26,236
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