UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

(Mark One) FORM 10-K

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended April 30, 2007.

[ ] 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 of Incorporation)	(I.R.S. Employer Identification No.)

P.O. Box 7528, Princeton, New Jersey	08543-7528
(Address of principal executive offices)	(Zip Code)

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

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Name of exchange on which registered
Common Stock, $1.00 Par Value	NASDAQ Stock Market

Securities registered pursuant to section 12(g) of the Act: NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

NOTE - Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Exchange Act from their obligations under those Sections.

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in the definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.
Yes [X] No [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [X]

Indicate by check mark whether the registrant is a shell-company (as defined in Rule 12b-2 of the Act). Yes [ ] No [X]

The aggregate market value of the Common Stock held by non-affiliates of the registrant calculated on the basis of the closing price as of the last business day of the registrant's most recently completed second quarter, October 31, 2006, was $35,699,100.

The number of shares of Common Stock outstanding on July 16, 2007 was 8,753,133 shares.

DOCUMENTS INCORPORATED BY REFERENCE:

(1) Definitive Proxy Statement for Annual Meeting of Shareholders to be held on September 27, 2007 (the "Definitive Proxy Statement") to be filed within 120 days of the end of the fiscal year.

(2) 2007 Annual Report to Security Holders

DATARAM CORPORATION
INDEX

PART I

Item 1. BUSINESS

(a) General development of business.

Dataram Corporation (the "Company") 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 computers manufactured by Hewlett-Packard Company ("HP"), Sun Microsystems, Inc. ("Sun"), International Business Machines Corporation ("IBM"), Silicon Graphics, Inc. ("SGI"), and Dell Corporation ("Dell"). The Company also manufactures a line of memory products for Intel and AMD motherboard based servers for sale to OEMs and channel assemblers.

The Company's memory products are sold worldwide to OEMs, 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 competes with several other large independent memory manufacturers as well as the OEMs mentioned above. The primary raw material used in producing memory boards is dynamic random access memory chips ("DRAMs"). The purchase cost of DRAMs 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 DRAMs.

The Company's revenues for fiscal 2007 were \$38.4 million compared to \$41.8 million in fiscal 2006. The decline in revenue came primarily from reduced sales to one OEM customer, that had been experiencing financial difficulties. Revenues derived from sales to this customer were $7,000 in fiscal 2007 compared to $3.0 million in fiscal 2006. Fiscal 2007 sales to this customer occurred primarily in the Company's first fiscal quarter ended July 31, 2006. Revenues were also adversely impacted by a decline in average selling prices. The Company's average selling price per gigabyte declined by approximately 25% in fiscal 2007 compared to the prior year. However, the decrease in average selling price was offset by higher volume, measured as gigabytes shipped.

The Company's gross margins in fiscal 2007 were 23 percent of revenue. This gross margin level is considered by management to be normal. Management expects that cost of sales as a percentage 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 period are not unusual and can result from many factors, some of which are a rapid change in the price of DRAMs, a change in product mix possibly resulting from a large order or series of orders for a particular product or a change in customer mix.

The Company was incorporated in New Jersey in 1967 and made its initial public offering in 1968. Its common stock, $1 par value (the "Common Stock") was listed for trading on the American Stock Exchange in 1981. In 2000 the Company changed its listing to the NASDAQ National Market (now the NASDAQ Stock Market) where its stock trades under the symbol "DRAM." The Company's principal executive office is located at 186 Princeton Road (Route 571), West Windsor, New Jersey 08550, its telephone number is (609) 799-0071, its fax is (609) 799-6734 and its website is located at http://www.dataram.com. Proxy Statements, Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K and all amendments thereto are available on this website free of charge.

(b) Financial information about segments.

The Company operates in one industry segment.

(c) Narrative description of business.

Industry Background

The market for the Company's memory products is principally the buyers and owners of workstations and network servers and the OEMs that manufacture workstations, servers and other products that use embedded computers. These systems have been important to the growth of the Internet.

A workstation, like a PC, is designed to provide computer resources to individual users. A workstation differs from a PC by providing substantially greater computational performance, input/output capability and graphic display. Workstations are nearly always networked. As a result of this networking capability of both workstations and PCs, the network server has grown in importance.

Network servers are computer systems on a network which provide dedicated functions accessible by all workstations and other systems on the same network. Examples of different types of servers in use today are: file servers, communication servers, computation servers, database servers, print servers and storage servers.

The Company designs, produces and markets memory products for workstations and computer servers sold by Sun, HP, IBM, SGI and Dell. Additionally, the Company produces and markets memory for Intel and AMD processor based motherboards for use by OEMs and channel assemblers.

The "open system" philosophy espoused by most of the general computer industry has played a part in enlarging the market for third party vendors. Under the "open system" philosophy, manufacturers adhere to industry design standards, enabling users to "mix and match" hardware and software products from a variety of vendors so that a system can be configured for the user's application in the most economical manner with reduced concern for compatibility and support. Memory products for workstations and servers have become commodities with substantial competition from OEMs and a number of independent memory manufacture suppliers.

Generally, growth in the memory market closely follows both the growth in unit shipments of system vendors and the growth of memory requirements per system. Management estimates that long-term growth trends measured by revenue in the market for its products is increasing.

Management also estimates that in the compatibles market, sales by system vendors constitute 80% of the memory market. To successfully compete with system vendors, the Company must continue to respond to customers' needs in a short time frame. To support customers' needs, the Company has a dedicated and highly automated manufacturing facility that is designed to produce and ship customer orders within twenty-four hours or less.

The OEM market is also an important part of the Company's business. Management believes that increasingly cost conscious OEMs are looking to independent memory suppliers such as the Company for the low-cost supply of memory modules.

Products

The Company's principal business is the development, manufacture and marketing of memory modules which can be added to various enterprise servers and workstations to upgrade or expand the capabilities of such systems. When vendors produce computer systems adhering to open system industry standards, the development effort for the Company and other independent memory manufacturers is straightforward and allows for the use of many standard components.

Distribution

The Company sells its memory products to OEM's, distributors, value-added resellers and larger end-users. The Company has sales offices in New Jersey, Denmark, France, the United Kingdom, Germany and Japan.

Product Warranty and Service

Management believes that the Company's reputation for the reliability of its memory products and the confidence of prospective purchasers in the Company's ability to provide service over the life of the product are important factors in making sales. As a consequence, the Company adopted many years ago a Lifetime Warranty program for its memory products. The economic useful life of the computer systems to which the Company's memory modules are attached is almost always substantially less than the physical useful life of the Company's memory products. Thus, memory products are unlikely to "wear out." The Company's experience is that less than 1% of all the products it sells are returned under the Lifetime Warranty.

Working Capital Requirements

The memory product business is heavily dependent upon the price of DRAMs. Producers of DRAM are required to invest substantial capital resources to produce their end product. Their marginal cost is low as a percentage of the total cost of the product. As a result, the world-wide market for DRAMs has swung in the past from period to period from oversupply to shortage. During periods of substantial oversupply, the Company has seen falling prices for DRAMs and wide availability of DRAMs allowing the Company to have minimum inventories to meet the needs of customers. During periods of shortage, DRAMs are allocated and the Company must invest heavily in inventory in order to continue to be assured of the supply of DRAMs from vendors. Thus, the Company must maintain large cash reserves. At the present time, the market for DRAMs is one of oversupply. At April 30, 2007, the Company had cash and cash equivalents of $14.1 million and had no debt.

Memory Product Complexity

DRAM memory products for workstations and enterprise servers had, for many years, been undergoing a process of simplification with a corresponding decline in profit margins as competitors' entry into the market became easier. However, recent trends in the market have seen the development by OEMs of more complex memory designs. This has enabled the Company to increase its margins somewhat.

Engineering and Development

The Company's ability to compete successfully depends upon its ability to identify new memory needs of its customers. To achieve this goal, the Company's engineering group continually monitors computer system vendors' new product developments, and the Company evaluates and tests major components as

they become available. The Company designs prototype memory modules and subjects them to reliability testing procedures. During its fiscal year ended April 30, 2007, the Company incurred costs of $1,243,000 for engineering and product development, $1,136,000 in fiscal 2006 and $1,300,000 in fiscal 2005.

Raw Materials

The Company purchases standard DRAMs. The cost of such chips is approximately 75% of the total cost of memory products. Fluctuations in the availability or prices of DRAMs can have a significant impact on the Company's profit.

The Company has created close relationships with a number of primary suppliers while qualifying and developing alternate sources as a back up. The qualification program consists of extensive evaluation of process capabilities, on-time delivery performance and financial stability of each supplier. Alternative sources are qualified to normally assure supply in the event of a problem with the primary source or to handle surges in demand.

Manufacturing

The Company assembles its memory boards at its manufacturing facility in Bucks County, Pennsylvania.

Backlog

The Company expects that all backlog on hand will be filled during the current fiscal year and most in a matter of days. The Company's backlog at April 30, 2007 was $579,000, at April 30, 2006 it was $964,000, and at April 30, 2005 it was $3,735,000.

Seasonality

The Company's business can be seasonal with December and January being the slowest months.

Competition

The intensely competitive computer industry is characterized by rapid technological change and constant pricing pressures. These characteristics are equally applicable to the third party memory market, where pricing is a major consideration in the buying decision. The Company competes with HP, Sun, IBM, SGI, and Dell, as well as with a number of third party memory suppliers, including Kingston Technology.

Although many of the Company's competitors possess significantly greater financial, marketing and technological resources, the Company competes favorably based on the buying criteria of price/performance, time-to-market, product quality, reliability, service/support, breadth of product line and compatibility with computer system vendors' technology. The Company's objective is to continue to remain strong in all of these areas with particular focus on price/performance and time-to-market, which management believes are two of the more important criteria in the selection of third party memory product suppliers. Market research and analysis capability by the Company is necessary to ensure timely information on new products and technologies coming from the computer system vendors and from the overall memory market. The Company must continue low cost, high volume production while remaining flexible to satisfy the time-to-market requirement.

The Company believes that its 40-year reputation for providing quality products is an important factor to its customers when making a purchase decision. To strengthen this reputation, the Company has a comprehensive lifetime warranty program which provides customers with added confidence in buying from the Company. See "Business-Product Warranty and Service."

Patents, Trademarks and Licenses

The Company believes that its success depends primarily upon the price and performance of its products rather than on ownership of copyrights or patents.

Sale of memory products for systems that use proprietary memory design can from time to time give rise to claims of copyright or patent infringement. In most such instances the Company has either obtained the opinion of patent counsel that its products do not violate such patents or copyrights or obtained a license from the original equipment manufacturer.

To the best of the Company's knowledge and belief, no Company product infringes any valid copyright or patent. However, because of rapid technological development in the computer industry with concurrent extensive patent coverage and the rapid rate of issuance of new patents, questions of infringement may continue to arise in the future. If such patents or copyrights are perfected in the future, the Company believes, based upon industry practice, that any necessary licenses would be obtainable upon the payment of reasonable royalties.

Employees

As of April 30, 2007, the Company had 95 full-time employees. The Company believes it has satisfactory relationships with its employees. None of the Company's employees are covered by a collective bargaining agreement.

Environmental

Compliance with federal, state and local provisions which have been enacted or adopted to regulate the protection of the environment does not have a material effect upon the capital expenditures, earnings and competitive position of the Company. The Company does not expect to make any material expenditures for environmental control facilities in either the current fiscal year (fiscal 2008) or the succeeding fiscal year (fiscal 2009).

(d) Financial information about geographic area sales.

REVENUES (000's)
Export

Fiscal	U.S.	Europe	Other*	Consolidated
2007	$27,583	6,484	4,337	$38,404
2006	$29,321	9,151	3,323	$41,795
2005	$50,210	8,716	6,758	$65,684

PERCENTAGES

Fiscal	U.S.	Export Europe	Other*	Consolidated
2007	71.8%	16.9%	11.3%	100.0%
2006	70.1%	21.9%	8.0%	100.0%
2005	76.4%	13.3%	10.3%	100.0%

*Principally Asia Pacific Region

Item 1A. RISK FACTORS

WE MAY HAVE TO SUBSTANTIALLY INCREASE OUR WORKING CAPITAL REQUIREMENTS IN THE EVENT OF DRAM ALLOCATIONS. Over the past 20 years, availability of DRAMs has swung back and forth from oversupply to shortage. In times of shortage, we have been forced to invest substantial working capital resources in building and maintaining inventory. At such times we have bought DRAMs in excess of our customers' needs in order to ensure future allocations from DRAM manufacturers. We believe that the market for DRAMs is presently out of balance and there is an oversupply of DRAMs, but there can be no assurance that conditions of shortage may not prevail in the future. In the event of a shortage, we may not be able to obtain sufficient DRAMs to meet customers' needs in the short term, and we may have to invest substantial working capital resources in order to meet long term customer needs.

WE COULD SUFFER LOSSES IF DRAM PRICES DECLINE SUBSTANTIALLY. We are at times required to maintain substantial inventories during periods of shortage and allocation. Thereafter, during periods of increasing availability of DRAMs and rapidly declining prices, we have been forced to write down inventory. At the present time, the market is one of oversupply, and we seek to maintain a minimum inventory while meeting the needs of customers. But there can be no assurance that we will not suffer losses in the future based upon high inventories and declining DRAM prices.

OUR MEMORY PRODUCTS MAY VIOLATE OTHERS' PATENTS. Certain of our memory products are designed to be used with proprietary computer systems built by various OEM manufacturers. We often have to comply with the OEM's proprietary memory designs which may be patented, now or at some time in the future. OEMs have, at times, claimed that we have violated their patent rights by adapting our computer memory products to meet the requirements of their systems. It is our policy to, in unclear cases, either obtain an opinion of patent counsel prior to marketing, or obtain a license from the patent holder. We are presently licensed by Sun Microsystems and Silicon Graphics to sell memory products for certain of their products. However, there can be no assurance that memory designs will not be created in the future which will, in fact, be patented and which patent holders will require the payment of substantial royalties as a condition for our continued

presence in the segment of the market covered by the patent or they may not give us a license. Nor can there be any assurance that our existing products do not violate one or more existing patents.

WE MAY LOSE AN IMPORTANT CUSTOMER. During fiscal 2007, the largest ten customers accounted for approximately 41% of the Company's revenues, with no one customer accounting for 10% or more of the Company's revenues. There can be no assurance that one or more of these customers will cease or materially decrease their business with the Company in the future and that our financial performance will not be adversely affected thereby.

WE MAY DISCONTINUE PAYING DIVIDENDS. In the most recent quarter we paid a dividend of $0.06 a share and it is our present intention to continue to pay that dividend each quarter into the future. However, our ability to continue paying dividends in this or any other amount is dependent upon our continued ability to generate profits and positive cash flow. While a failure to produce profits and positive cash flow in any particular quarter may not result in the Company discontinuing paying dividends, a succession of small quarterly earnings and cash flows could result in the Board of Directors taking that step. Our statement of intention that we will continue to pay dividends each quarter is not a guarantee.

SALES DIRECTLY TO OEM'S CAN MAKE OUR REVENUES, EARNINGS, BACKLOG AND INVENTORY LEVELS UNEVEN. Revenue and earnings from OEM sales may become uneven as order sizes are typically large and often a completed order cannot be shipped until released by the OEM, e.g., to meet a "just in time" inventory requirement. This may occur at or near the end of an accounting period. In such case, revenues and earnings could decline for the period and inventory and backlog could increase.

WE FACE COMPETITION FROM OEMs. In the compatibles market we sell our products at a lower price than OEMs. Customers will often pay some premium for the "name brand" product when buying additional memory and OEMs seek to exploit this tendency by having a high profit margin on memory products. However, individual OEMs can change their policy and price memory products competitively. While we believe that with our manufacturing efficiency and low overhead we still would be able to compete favorably with OEMs, in such an event profit margins and earnings would be adversely affected. Also, OEMs can choose to use "free memory" as a promotional device in which case our ability to compete is severely impaired.

WE FACE COMPETITION FROM DRAM MANUFACTURERS. DRAM manufacturers not only sell their product as discreet devices, but also as finished memory modules. They primarily sell these modules directly to OEMs and large distributors and as such compete with us. There can be no assurance that DRAM manufacturers will not expand their market and customer base, and our profit margins and earnings could be adversely affected.

THE MARKET FOR OUR PRODUCTS MAY NARROW OVER TIME. The principal market for our memory products is the manufacturers, buyers and owners of workstations and enterprise servers, classes of machines lying between large mainframe computers and personal computers. Personal computers are increasing in their power and sophistication and, as a result, are now filling some of the computational needs traditionally filled by workstations. The competition for the supply of after-market memory products in the PC industry is very competitive and to the extent we compete in this market we can be expected to have lower profit margins. There can be no assurance that this trend will not continue in the future, and that our financial performance will not be adversely affected.

A PORTION OF OUR OPERATIONS ARE DESIGNED TO MEET THE NEEDS OF THE VERY COMPETITIVE INTEL AND AMD PROCESSOR-BASED MOTHERBOARD MARKET. In addition to selling server memory systems, we develop, manufacturer and market a variety of memory products for motherboards that are Intel or AMD processor based. Many of these products are sold to OEMs and incorporated into computers and other equipment. This is an intensely competitive market with high volumes but lower margins.

WE MAY MAKE UNPROFITABLE ACQUISITIONS. While we are not currently engaged in discussions which could lead to an acquisition, the possibility exists that an acquisition will be made at some time in the future. Uncertainty surrounds all acquisitions and it is possible that a particular acquisition may not result in a benefit to shareholders, particularly in the short term.

WE MAY BE ADVERSELY AFFECTED BY EXCHANGE RATE FLUCTUATIONS. A portion of our accounts receivable and a portion of our expenses are denominated in foreign currencies. These proportions change over time. As a result, the Company's revenues and expenses may be adversely affected, from time to time, by changes in the relationship of the dollar to various foreign currencies on foreign exchange markets. The Company does not currently hedge its foreign currency risks.

OUR STOCK HAS LIMITED LIQUIDITY. Although our stock is publicly traded, it has been observed that this market is "thin." As a result, the Common Stock may trade at a discount to what would be its value if the stock enjoyed greater liquidity.

WE ARE SUBJECT TO THE NEW JERSEY SHAREHOLDERS PROTECTION ACT. This statute has the effect of prohibiting any "business combination" - a very broadly defined term - with any "interested shareholder" unless the transaction is approved by the Board of Directors at a time before the interested shareholder had acquired a 10% ownership interest. This prohibition of "business combinations" is for five years after the shareholder became an "interested shareholder" and continues after that time period subject to certain exceptions. A practical consequence of this statute is that a hostile acquisition of our company is unlikely to occur and hostile transactions which might be of benefit to our shareholders are unlikely to occur.

Item 1B. UNRESOLVED STAFF COMMENTS

Not applicable.

Item 2. PROPERTIES

The Company occupies 15,200 square feet of space for administrative, sales, research and development and manufacturing support in West Windsor Township, New Jersey under a lease expiring on June 30, 2011.

The Company leases 32,000 square feet of assembly plant and office space in Bucks County, Pennsylvania. The lease expires on January 31, 2011. In the event the Lessor enters into a bona fide agreement for sale of the premises, the Lessor can terminate this lease on two (2) years notice.

The Company also leases marketing facilities in the United Kingdom, Denmark, Germany, and Japan.

Item 3. LEGAL PROCEEDINGS

None.

Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted to a vote of Security Holders in the fourth quarter of the fiscal year covered by this report.

PART II

Item 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Incorporated by reference herein is the information set forth in the Company's 2007 Annual Report to Security Holders under the caption "Common Stock Information" at page 5 and the information from the Definitive Proxy Statement under the caption "Equity Plan Compensation Information." No shares were sold other than pursuant to a registered offering during fiscal 2007. In the fourth quarter of fiscal 2007, the Company purchased no shares of its common stock.

Item 6. SELECTED FINANCIAL DATA

Incorporated by reference herein is the information set forth in the 2007 Annual Report to Security Holders under the caption "Selected Financial Data" at page 20.

Item 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND

RESULTS OF OPERATION

Incorporated by reference herein is the information set forth in the 2007 Annual Report to Security Holders under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operation" at page 2 through page 5.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Incorporated by reference herein is the information set forth in the 2007 Annual Report to Security Holders under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operation" at page 5.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

Index to Consolidated Financial Statements and Schedule Page in Annual Report*

All other schedules are omitted as the required information is not applicable or because the required information is included in the consolidated financial statements or notes thereto.

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*Incorporated herein by reference.

<TABLE>
Schedule II

DATARAM CORPORATION AND SUBSIDIARIES
Valuation and Qualifying Accounts
Years ended April 30, 2007, 2006 and 2005

Description	Balance at beginning of period	Additions charged to costs and expenses	Deductions from reserves	Balance at close of period
<S>	<C>	<C>	<C>	<C>
Year ended April 30, 2007:				
Allowance for doubtful accounts	$ 60,000	40,000	30,000*	70,000
Allowance for sales returns	$ 240,000	393,000	403,000	230,000
Year ended April 30, 2006:				
Allowance for doubtful accounts	$ 75,000	(92,000)	(77,000)*	60,000
Allowance for sales returns	$ 250,000	678,000	688,000	240,000
Year ended April 30, 2005:				
Allowance for doubtful accounts	$ 100,000	8,000	33,000*	75,000
Allowance for sales returns	$ 220,000	843,000	813,000	250,000

*Represents write-offs and recoveries of accounts receivable.
</TABLE>

REPORTS OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

The Board of Directors and Stockholders
Dataram Corporation:

Under date of July 3, 2007, we reported on the consolidated balance sheets of
Dataram Corporation and Subsidiaries as of April 30, 2007 and 2006, and the

related consolidated statements of earnings, stockholders' equity and cash flows for the years then ended, as contained in the April 30, 2007 Annual Report to Security Holders. These consolidated financial statements and our report thereon are incorporated by reference in the annual report on Form 10-K for the year ended April 30, 2007. In connection with our audits of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedule as listed in the accompanying Index at Item 8. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement schedule based on our audits.

In our opinion, such consolidated financial statement schedule referred to above, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ J.H. COHN LLP
J.H. Cohn LLP
Lawrenceville, New Jersey
July 3, 2007

The Board of Directors and Stockholders
Dataram Corporation:

Under date of July 8, 2005, we reported on the consolidated statements of earnings, stockholders' equity and cash flows of Dataram Corporation and subsidiaries for the year ended April 30, 2005, as contained in the April 30, 2007 Annual Report to Security Holders. These consolidated financial statements and our report thereon are incorporated by reference in the annual report on Form 10-K for the year ended April 30, 2007. In connection with our audit of the aforementioned consolidated financial statements, we also audited the related consolidated financial statement schedule for the year ended April 30, 2005 as listed in the accompanying index. This financial statement schedule is the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statement schedule based on our audit.

In our opinion, such consolidated financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, presents fairly, in all material respects, the information set forth therein.

/s/ KPMG LLP

Short Hills, New Jersey
July 8, 2005

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

On October 6, 2005, Dataram Corporation ("the Company") engaged J.H. Cohn LLP as its independent registered public accounting firm to perform the Company's annual audit for its fiscal year ending April 30, 2006, and review of the Company's interim quarterly financial statements. The Company had previously engaged KPMG LLP as its principal accountants. On October 6, 2005 the Company dismissed KPMG LLP as its principal accountants. The decision to dismiss KPMG LLP and engage J.H. Cohn LLP was made by the Audit Committee of the Board of Directors.

In connection with the audits of the two fiscal years ended April 30, 2005 and 2004, and the subsequent interim period through October 6, 2005, there were no: (1)disagreements with KPMG LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements if not resolved to their satisfaction would have caused them to make reference in connection with their opinion to the subject matter of the disagreement or (2) reportable events as described by Item 304(a)(1)(v) of Regulation S-K.

The audit reports of KPMG LLP on the consolidated financial statements of the Company and subsidiaries as of and for the years ended April 30, 2005 and 2004 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope or accounting principles.

Item 9A. CONTROLS AND PROCEDURES

The Company's management acting under the supervision of the Audit Committee is responsible for establishing and maintaining adequate internal controls and procedures to permit accurate financial reporting. Under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(e) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective.

There were no changes in our internal control over financial reporting during the quarter ended April 30, 2007 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. This annual report does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the Company's registered public accounting firm due to a transition period established by the Securities and Exchange Commission for non-accelerated filers.

Item 9A(T). Controls and Procedures

Not Applicable.

Item 9B. OTHER INFORMATION

None.

PART III

Item 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Incorporated by reference herein is the information set forth in the Definitive Proxy Statement under the captions "Executive Officers of the Company", "Nominees for Director" and "Section 16 Compliance." The Company's "Code of Ethics", within the meaning of Item 406 of Registered S-K, is posted on the Company's web site at www.dataram.com

Item 11. EXECUTIVE COMPENSATION

Incorporated by reference herein is the information set forth in the Definitive Proxy Statement under the caption "Executive Compensation."

Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

Incorporated by reference herein is the information set forth in the Definitive Proxy Statement under the captions "Security Ownership of Certain Beneficial Owners and Management" and "Equity Plan Compensation Information."

Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Incorporated by reference herein is the information set forth in the Definitive Proxy Statement under the captions "Executive Compensation" and "Board of Directors."

Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Incorporated by reference herein is the information set forth in the Definitive Proxy Statement under the caption "Principal Accountant Fees and Services."

PART IV

Item 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this report:

1. Financial Statements incorporated by reference into Part II of this Report.

2. Financial Statement Schedule included in Part II of this Report.

3. The documents identified in the Exhibit Index which appears on page 19.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DATARAM CORPORATION
(Registrant)

Date: July 23, 2007 By: ROBERT V. TARANTINO

Robert V. Tarantino, President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the Company and in the capacities and on the dates indicated.

Date: July 23, 2007 By: ROBERT V. TARANTINO

Robert V. Tarantino, President
Chief Executive Officer and
Chairman of the Board of Directors
(Principal Executive Officer)

Date: July 23, 2007 By: THOMAS A. MAJEWSKI

Thomas A. Majewski,
Director

Date: July 23, 2007 By: BERNARD L. RILEY

Bernard L. Riley, Director

Date: July 23, 2007 By: ROGER C. CADY

Roger C. Cady, Director

Date: July 23, 2007 By: ROSE ANN GIORDANO

Rose Ann Giordano, Director

Date: July 23, 2007 By: JOHN H. FREEMAN

John H. Freeman, Director

Date: July 23, 2007 By: MARK E. MADDOCKS

Mark E. Maddocks

Vice President, Finance
(Principal Financial & Accounting Officer)

EXHIBIT INDEX

3(a) Restated Certificate of Incorporation. Incorporated by reference from Exhibits to a Quarterly Report on Form 10-Q for the quarter ended July 31, 2000 and filed on September 13, 2000.

3(b) By-Laws. Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2003 and filed on July 26, 2003.

4(a) Loan Agreement dated as of June 21, 2004. Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2004 and filed on July 28, 2004.

4(b) Committed Line of Credit Note dated as of June 21, 2005. Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2004 and filed on July 28, 2004.

4(c) Amendment to Loan Documents Dated as of April 4, 2005. Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2005 and filed on July 28, 2005.

4(d) Amendment to Loan Agreement dated as of June 20, 2006. Incorporated by reference from Exhibits to an Annual Report on Form 8-K filed on July 7, 2006.

10(a) 2001 Stock Option Plan.* Incorporated by reference from Exhibits to a Definitive Proxy Statement for an Annual Meeting of Shareholders held on September 12, 2001 and filed on July 26, 2001.

10(b) Savings and Investment Retirement Plan, January 1, 2001 Restatement.* Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2003 and filed on July 26, 2003.

10(c) West Windsor, New Jersey Lease dated September 19, 2000. Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2001 and filed on July 26, 2001.

10(d) Addendum "D" to West Windsor, New Jersey Lease dated February 13, 2006. Incorporated by reference from Exhibits to a Current Report on Form 8-K filed on February 14, 2006.

10(e) Bucks County, Pennsylvania Lease dated January 11, 2006. Incorporated by reference from Exhibits to a Current Report on Form 8-K filed on January 26, 2006.

10(f) Employment Agreement of Robert V. Tarantino dated as of February 1, 2005.* Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2005 and filed on July 28, 2005.

10(g) Employment Agreement of Jeffrey H. Duncan dated as of February 1, 2005.* Incorporated by reference from Exhibits to an Annual Report on Form 10-K for the year ended April 30, 2005 and filed on July 28, 2005.

10(h) Employment Agreement of Mark E. Maddocks dated as of February 1, 2005.* Incorporated by reference from Exhibits to an Annual Report on

Form 10-K for the year ended April 30, 2005 and filed July 28, 2005.

13(a) 2007 Annual Report to Shareholders

14(a) Code of Ethics. Incorporated by reference from Exhibits to a Current Report on Form 8-K filed on June 30, 2005.

23(a) Consent of KPMG LLP, Independent Registered Public Accounting Firm.

23(b) Consent of J.H. Cohn LLP, Independent Registered Public Accounting Firm.

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)

*Management Contract or Compensatory Plan or Arrangement

[DATARAM LOGO]

DATARAM CORPORATION

2007 ANNUAL REPORT

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[PICTURE OF ROBERT TARANTINO]

Chairman's Letter

To Our Shareholders:

The last fiscal year has been a challenging year for the Company. While we generated net earnings of $770,000 or $0.09 per share, our revenue and earnings expectations were not met. Revenues for fiscal 2007 totaled $38.4 million versus $41.8 million for the prior fiscal year. The overall decline in revenue came primarily from reduced sales to one OEM customer, with which the Company no longer transacts business. Revenues derived from sales to this customer were $3.0 million in fiscal 2006, substantially all of which was in the first quarter of that fiscal year. More importantly, our revenues were adversely impacted by a decline in average selling prices. The Company's average selling price per gigabyte declined by approximately 25% in fiscal 2007 compared to the prior year. This decline in selling prices was especially severe in our fourth quarter, as our average selling prices were lower by approximately 13 percent from third quarter levels primarily due to the well-publicized decline in the price of DRAM chips. DRAM chips account for approximately 75% of our product cost.

In order to better align our expenses with our revenues, we initiated a reduction in our cost structure in the fourth quarter. We reduced our workforce by approximately 14 percent, which resulted in a pretax charge of $320,000 in the fourth quarter that consisted primarily of a provision for severance payments. The operational efficiencies achieved by this action are expected to generate approximately $900,000 in annual cost savings.

Slightly more than a year ago, we expanded our sales team and focused our sales and marketing resources back on the underlying principles that built our compatible memory business, which comprises 77% of our total business. Our strategy is to expand our customer base by focusing on creating demand at the source with value added resellers and end-users. This strategy is working. In spite of the precipitous decline in selling prices, our revenues for our compatible memory offerings increased by 1% from the prior fiscal year. We are confident that we will achieve further success with this model in the upcoming year. It is more difficult to expand our OEM business because of the long selling cycle involved. However, we are actively working new opportunities and look for progress in this area of the business as well.

Despite the significant challenges, we operated profitably and our already strong financial condition continued to improve. For fiscal 2007, we achieved:

* Net earnings of $770,000.

* Cash flow generated from operating activities of $1.7 million.

* Dividends paid totaling $2.1 million.

* A current ratio of 9.3, with cash and equivalents increasing to $14.1 million.

As we enter the new fiscal year, we are optimistic that we will see improved financial performance in fiscal 2008. We believe we have made the changes necessary to be operationally profitable. Our selling prices remain under pressure. However, our fiscal 2008 operating margin to date is running ahead of our plan. Our financial condition is strong and we remain highly liquid.

Our Board of Directors is committed to increasing shareholder value. In May, 2005, the Company's Board of Directors initiated a regular quarterly cash dividend. Subsequently, the Board of Directors approved a 20% increase to the quarterly dividend, which now stands at $0.06 per common share. On May 30, 2007, the Board of Directors declared the latest $0.06 per share quarterly dividend.

On behalf of the Company's Board of Directors and management team, I would like to thank our shareholders for their continued support and our employees for their hard work and dedication.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Overview

Dataram 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, HP, IBM, Silicon Graphics and Sun Microsystems. The Company also manufactures a line of memory products for Intel and AMD motherboard based servers.

The Company's memory products are sold worldwide to OEMs, 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 OEMs 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.

Results of Operations

The following table sets forth consolidated operating data expressed as a percentage of revenues for the periods indicated.

Years Ended April 30,	2007	2006	2005
Revenues	100.0%	100.0%	100.0%
Cost of sales	76.6	70.5	75.8
Gross profit	23.4	29.5	24.2
Engineering and development	3.2	2.7	2.0
Selling, general and administrative	25.0	22.0	16.2
Earnings (loss) from operations	(4.8)	4.8	6.0
Other income, net	8.0	5.8	0.3
Earnings before income tax expense (benefit)	3.2	10.6	6.3
Income tax expense (benefit)	1.2	4.0	(3.9)
Net earnings	2.0	6.6	10.2

Fiscal 2007 Compared With Fiscal 2006

Revenues for fiscal 2007 were $38.4 million compared to $41.8 million in fiscal 2006. The decline in revenues came primarily from reduced sales to one OEM customer, with which the Company no longer transacts business. Revenues derived from sales to this customer were $3.0 million in fiscal 2006, substantially all of which was in the first quarter of the fiscal year. Revenues were also adversely impacted by a decline in average selling prices. The Company's average selling price per gigabyte declined by approximately 25% in fiscal 2007 compared to the prior year. However, the decrease in average selling price was offset by higher volume, measured as gigabytes shipped.

Revenues for the fiscal years ended April 30, 2007 and 2006 by geographic region were:

	Year ended April 30, 2007	Year ended April 30, 2006
United States	$ 27,583,000	$ 29,321,000
Europe	6,484,000	9,151,000
Other(principally Asia Pacific Region)	4,337,000	3,323,000
Consolidated	$ 38,404,000	$ 41,795,000

During the fourth quarter of fiscal 2007, the Company initiated a reduction of its cost structure. As part of the cost reduction initiative, the Company reduced its workforce by approximately 14 percent, which resulted in a pretax severance charge of $320,000. Of this amount $55,000 has been charged to cost of sales and $265,000 has been charged to selling, general and administrative expense.

Cost of sales was $29.4 million in fiscal 2007 or 76.6 percent of revenues compared to $29.5 million or 70.5 percent of revenues in fiscal 2006. Fiscal 2006 cost of sales as a percentage of revenues is considered by management to be lower than normal and primarily results from higher than expected sales of certain large capacity memory products, which typically command higher margins. Management expects that cost of sales as a percentage of revenues 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 period are not unusual and can result from many factors, some of which are a rapid change in the price of DRAMs, a change in product mix possibly resulting from a large order or series of orders for a particular product or a change in customer mix. Fiscal 2007 cost of sales included royalty expense of approximately $119,000, or 0.3% of revenues compared to $173,000, or 0.4% of revenues in fiscal 2006. Management believes it is reasonable to assume that future royalty expense will be generally in line with fiscal year 2007 royalty expense as a percentage of revenues.

Engineering and development costs amounted to $1.2 million in fiscal 2007 and $1.1 million in fiscal 2006. Management believes levels of expenditures in both fiscal years are within a normal range and expects that fiscal 2008 expenditures will remain within the same range. The Company maintains its commitment to the timely introduction of new memory products.

Selling, general and administrative costs were $9.6 million in fiscal 2007 versus $9.2 million in fiscal 2006. This increase in expense is primarily the result of stock based compensation expense of $440,000 recorded in fiscal 2007 versus nil in fiscal 2006. Additionally, a $265,000 provision for severance related to the aforementioned reduction in workforce was recorded.

Other income, net for fiscal year 2007 totaled $3.1 million versus $2.4 million in fiscal 2006. Other income in fiscal 2007 included $2.3 million received from a DRAM manufacturer related to a settlement agreement that the Company entered into in the second quarter. In fiscal 2007 the Company also received $712,000 of net interest income and realized approximately $97,000 of foreign currency transaction gains. Fiscal 2006 other income included approximately $1.9 million of gain from the sale of the Company's undeveloped land, $455,000 of net interest income and $65,000 of foreign currency transaction losses.

Income tax expense for fiscal 2007 was $450,000 versus $1.7 million in fiscal 2006. As of April 30, 2007, the Company has a net operating loss ("NOL") carryforward of approximately $5.1 million, which can be used to offset future taxable income. In April 2007, after review of its operating results and operating plans, management concluded that it remains more likely than not that the Company will utilize all of its NOL carryforwards.

Fiscal 2006 Compared With Fiscal 2005

Revenues for fiscal 2006 were $41.8 million compared to $65.7 million in fiscal 2005. The decline in revenues came primarily from reduced sales to one OEM customer that was experiencing financial difficulties. Revenues derived from sales to this customer were $3.0 million in fiscal 2006 compared to $21.9 million in fiscal 2005. Fiscal 2006 sales to this customer occurred in the Company's first fiscal quarter ended July 31, 2005. Revenues were also adversely impacted by a decline in average selling prices. The Company's average selling price per gigabyte declined by approximately 22% in fiscal 2006 compared to the prior year. This was primarily related to lower average prices of DRAM chips. The Company's average price paid per DRAM was approximately 35% lower in fiscal 2006 than fiscal 2005.

Cost of sales was $29.5 million in fiscal 2006 or 70.5 percent of revenues compared to $49.8 million or 75.8 percent of revenues in fiscal 2005. Fiscal 2006 cost of sales as a percentage of revenues is considered by management to be lower than normal and primarily resulted from higher than expected sales of certain large capacity memory products, which typically command higher margins. Fiscal 2006 cost of sales included royalty expense of approximately $173,000, or 0.4% of revenues compared to $469,000, or 0.7% of revenues in fiscal 2005.

Engineering and development costs amounted to $1.1 million in fiscal 2006 and $1.3 million in fiscal 2005.

Selling, general and administrative costs were $9.2 million in fiscal 2006 versus $10.7 million in fiscal 2005. This reduction in expense was primarily the result of reduced salary and employee related costs due to reduced workforce. Approximately $257,000 of the expense reduction was from reduced levels of depreciation and amortization expenses of certain assets, primarily leasehold improvements.

Other income, net for fiscal year 2006 totaled $2.4 million versus $202,000 in fiscal 2005. Fiscal 2006 other income included approximately $1.9 million of gain on the sale of the Company's undeveloped land, $455,000 of net interest income and $65,000 of foreign currency transaction losses. Fiscal 2005 other income, net consisted primarily of $94,000 of net interest income, $75,000 of gains on sale of certain assets and $33,000 of foreign currency transaction gains.

Income tax expense (benefit) for fiscal 2006 was $1.7 million versus ($2.6 million) in fiscal 2005. In April, 2005, management concluded that it was more likely than not that the Company would utilize all of its NOL carry forwards. As a result, fiscal 2005 income tax benefit includes a reversal of the valuation allowance, totaling approximately $2.6 million, that the Company had previously placed on its NOL carryforwards.

Liquidity and Capital Resources

The Company's cash and working capital position remains strong. Working capital at the end of fiscal 2007 amounted to $21.3 million, including cash and cash equivalents of $14.1 million, compared to working capital of $21.4 million, including cash and cash equivalents of $14.0 million at the end of fiscal 2006. Current assets at the end of fiscal 2007 were 9.3 times current liabilities compared to 8.9 at the end of fiscal 2006.

Trade receivables at the end of fiscal 2007 were $4.7 million compared to fiscal 2006 year-end trade receivables of $4.9 million.

The Company generated $1.7 million of cash flows from operating activities primarily as a result of net earnings of $770,000, increased by the non-cash deferred tax expense of $269,000, depreciation and amortization expense of $383,000, reduced by excess tax benefits from sale of common shares under the Company's stock option plan of $113,000. Net changes in assets and liabilities decreased cash flows from operating activities by $73,000. Cash used in investing activities totaled $320,000 and consisted primarily of additions of property and equipment. Cash used in financing activities totaled $1.3 million and consisted primarily of dividends paid totaling approximately $2.1 million, offset by proceeds from stock option exercises of $651,000.

Capital expenditures were $320,000 in fiscal 2007 compared to $480,000 in fiscal 2006. Fiscal 2008 capital expenditures are expected to total approximately $500,000. At the end of fiscal 2007, contractual commitments for capital purchases were zero.

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 April 30, 2007, the total number of shares authorized for purchase under the program is 172,196 shares. In fiscal 2007, the Company did not repurchase any shares of its common stock. In fiscal 2006, the Company repurchased 51,450 shares of its common stock at a total price 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 were 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 fee equal to one-eighth 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 agreement was scheduled to expire on June 21, 2006. On June 20, 2006, the agreement was amended. The effect of the amendment was to extend the expiration date of the agreement to August 15, 2008 and remove the eligible accounts receivable limitation on advances under the facility. The amendment also modified the total liabilities to tangible net worth ratio covenant. The Company is in compliance with all covenants of the agreement and there were no borrowings against the credit line in fiscal 2007.

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 December 29, 2005, the Company closed on an agreement entered into in fiscal 2003 to sell its undeveloped land. The purchase price was $3,075,000 of which half, or $1,537,500, was paid in the form of a note, that accrued interest, payable monthly at 5% per annum for a period of one year and 7.5% per annum thereafter. The note was secured by a mortgage. Of the remainder, $250,000 had been previously paid as deposits and $1,253,000, which was net of closing costs, was received in cash at closing. The note receivable is treated as a non-cash transaction in the 2006 Consolidated Statements of Cash Flows. Subsequent to the end of fiscal 2007, the note was paid in full and the mortgage released.

Contractual Obligations

Future minimum lease payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) as of April 30, 2007 are as follows:

Year ending April 30:	Operating leases
2008	$ 490,000
2009	403,000
2010	411,000
2011	365,000
2012	34,000
Thereafter	0
	$ 1,703,000

Purchases

At April 30, 2007, the Company had open purchase orders outstanding totaling $2.2 million primarily for inventory items to be delivered in the first quarter of fiscal 2008. These purchase orders are cancelable.

Inflation

Inflation has not had a significant impact on the Company's revenues and operations.

New Accounting Pronouncements

In November 2004, the FASB issued Statement of Financial Accounting Standards ("SFAS") No. 151, "Inventory Costs, an amendment of ARB No. 43, Chapter 4" ("SFAS No. 151"). SFAS No. 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 were effective for the Company beginning May 1, 2006, and had no material effect on the Company's consolidated financial statements and cash flows for fiscal 2007.

In July 2006, the FASB issued FASB Interpretation No. 48, Accounting for Uncertainty in Income Taxes - an interpretation of FASB Statement No. 109 (FIN 48), which clarifies the accounting for uncertainty in tax positions. This Interpretation requires that we recognize in our financial statements, the impact of a tax position, if that position is more likely than not to be sustained on audit, based on the technical merits of the position. The provisions of FIN 48 are effective for the Company beginning with the first quarter of fiscal 2008, with the cumulative effect, if any, upon adoption of FIN48 to be recorded as an adjustment to opening retained earnings. The Company does not expect that the adoption of FIN 48 will have a material effect on its consolidated financial statements.

In September 2006, the SEC released Staff Accounting Bulletin No. 108, "Considering the Effects of Prior Year Misstatements when Quantifying Misstatements in Current Year Financial Statements" (SAB 108). SAB 108 provides interpretive guidance on the SEC's views regarding the process of quantifying materiality of financial statement misstatements. SAB 108 is effective for fiscal years ending after November 15, 2006, and early application for the first interim period of the same fiscal year is encouraged. The application of SAB 108 in fiscal 2007 did not have a material effect on our financial results.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements" (SFAS No. 157). The purpose of SFAS No. 157 is to define fair value, establish a framework for measuring fair value, and enhance disclosures about fair value measurements. The measurement and disclosure requirements are effective for the Company beginning in the first quarter of fiscal year 2008. The Company does not believe that application of SFAS No. 157 will have a material effect on its consolidated financial statements.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for

Financial Assets and Financial Liabilities" (SFAS No. 159). SFAS No. 159 permits companies to choose to measure certain financial instruments and certain other items at fair value. The standard requires that unrealized gains and losses on items for which the fair value option has been elected be reported in earnings. SFAS No. 159 is effective for the Company beginning in the first quarter of fiscal year 2008, although earlier adoption is permitted. The Company does not believe that application of SFAS No. 159 will have a material effect on its consolidated financial statements.

Critical Accounting Policies

In December 2001, the Securities and Exchange Commission ("SEC") published a Commission Statement in the form of Financial Reporting Release No. 60 which requested 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 this Annual Report, management 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.

Stock Option Expense - In December 2004, SFAS No. 123 (revised 2004), "Share-Based Payment" ("SFAS 123(R)") was issued. SFAS 123(R) revises SFAS 123 and supersedes APB No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). SFAS 123, as originally issued in 1995, established as preferable a fair value-based method of accounting for share-based payment transactions with employees. However, SFAS 123 as amended permitted entities the option of continuing to apply the intrinsic value method under APB 25 that the Company had been using, as long as the footnotes to the financial statements disclosed what net income would have been had the preferable fair value-based method been used. SFAS 123(R) requires that the compensation cost relating to all share-based payment transactions, including employee stock options, be recognized in the historical financial statements. That cost is measured based on the fair value of the equity or liability instrument issued and amortized over the related service period. The Company adopted the guidance in SFAS 123(R) effective May 1, 2006. As such, the accompanying consolidated statement of operations for the fiscal year ended April 30, 2007 includes approximately $440,000 of compensation expense in the selling, general and administrative expense line item related to the fair value of options granted to employees and directors under the Company's stock-based employee compensation plans which is being amortized over the service period in the financial statements, as required by SFAS 123(R). These awards have been classified as equity instruments, and as such, a corresponding increase of $440,000 has been reflected in additional paid-in capital in the accompanying balance sheet as of April 30, 2007. The fair value of each stock option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: Expected life is based on the Company's historical experience of option exercises relative to option contractual lives; Expected volatility is based on the historical volatility of the Company's share price; Expected dividend yield assumes the current dividend rate remains unchanged; Risk free interest rate approximates United States government debt rates at the time of option grants.

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.

Quantitative and Qualitative Disclosure About Market Risk

The Company does not invest in market risk sensitive instruments. The Company's investments during the past fiscal year have consisted of overnight deposits with banks and commercial paper, which matures within ninety days. The average principal sum invested was approximately $13.4 million and the weighted average effective interest rate for these investments was approximately 4.7%. 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.

Controls and Procedures

The Chief Executive Officer and Chief Financial Officer have evaluated the effectiveness of our disclosure controls and procedures as required by Exchange Act Rule 13a-15(e) as of the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that these disclosure controls and procedures are effective. There were no changes in our internal controls over financial reporting during the fiscal year ended April 30, 2007 that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

Common Stock Information

The Common Stock of the Company is traded on the NASDAQ National Market with the symbol "DRAM". The following table sets forth, for the periods indicated, the high and low prices for the Common Stock.

	2007		2006	
	High	Low	High	Low
First Quarter	$ 5.94	$ 4.61	$ 7.00	$ 3.90

Second Quarter	5.07	4.01	7.58	6.05
Third Quarter	4.80	4.04	6.75	4.65
Fourth Quarter	4.78	4.03	6.10	4.68

At April 30, 2007, there were approximately 7,000 shareholders.

The Company pays a dividend on its common stock, currently $0.06 per share per quarter. On May 30, 2007, the Board of Directors approved a $0.06 per share quarterly dividend payable on June 27, 2007 to shareholders of record as of June 13, 2007.

DATARAM CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
April 30, 2007 and 2006
(In thousands, except share and per share amounts)

	2007	2006
Assets		
Current assets:		
Cash and cash equivalents	$14,138	$14,044
Trade receivables, less allowance for doubtful accounts and sales returns of $300 in 2007 and 2006	4,717	4,893
Inventories:		
Raw materials	1,497	1,506
Work in process	42	63
Finished goods	582	620
	2,121	2,189
Deferred income taxes	1,149	1,365
Note receivable	1,537	1,537
Other current assets	231	80
Total current assets	23,893	24,108
Deferred income taxes	1,123	1,176
Property and equipment:		
Machinery and equipment	10,886	10,641
Leasehold improvements	2,103	2,028
	12,989	12,669
Less accumulated depreciation and amortization	12,205	11,822
Net property and equipment	784	847
Other assets	105	105
	$25,905	$26,236
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 1,597	$ 2,057
Accrued liabilities	976	653
Total current liabilities	2,573	2,710
Commitments and contingencies		

Stockholders' equity:		
Common stock, par value $1.00 per share. Authorized 54,000,000 shares; issued and outstanding 8,687,755 in 2007 and 8,487,396 in 2006	8,688	8,487
Additional paid-in capital	5,796	4,906
Retained earnings	8,848	10,133
Total stockholders' equity	23,332	23,526
	$25,905	$26,236

See accompanying notes to consolidated financial statements.

DATARAM CORPORATION AND SUBSIDIARIES
Consolidated Statements of Earnings
Years ended April 30, 2007, 2006 and 2005
(In thousands, except per share amounts)

	2007	2006	2005
Revenues	$ 38,404	$ 41,795	$ 65,684
Costs and expenses:			
Cost of sales	29,410	29,458	49,816
Engineering and development	1,243	1,136	1,300
Selling, general and administrative	9,605	9,194	10,653
	40,258	39,788	61,769
Earnings (loss) from operations	(1,854)	2,007	3,915
Other income (expense):			
Interest income	717	467	115
Interest expense	(5)	(12)	(21)
Currency gain (loss)	97	(65)	33
Other income	2,265	2,041	75
	3,074	2,431	202
Earnings before income tax expense (benefit)	1,220	4,438	4,117
Income tax expense (benefit)	450	1,666	(2,598)
Net earnings	$ 770	$ 2,772	$ 6,715
Net earnings per common share:			
Basic	$ 0.09	$ 0.33	$ 0.78
Diluted	$ 0.09	$ 0.31	$ 0.74

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See accompanying notes to consolidated financial statements.

DATARAM CORPORATION AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Years ended April 30, 2007, 2006 and 2005
(In thousands)

	2007	2006	2005
Cash flows from operating activities:			
Net earnings	$ 770	$ 2,772	$ 6,715
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	383	787	1,133
Bad debt expense (recovery)	29	(67)	38
Stock-based compensation expense	440	-	-
Gain on sale of land	-	(1,916)	-
Deferred income tax expense (benefit)	269	1,347	(3,165)
Excess tax benefits from sale of common shares under stock option plan	(113)	117	122
Changes in assets and liabilities:			
Decrease in trade and other receivables	146	3,571	411
Decrease in inventories	67	180	168
Decrease (increase) in other current assets	(150)	50	(38)
Increase in other assets	-	(51)	(4)
Decrease in accounts payable	(460)	(471)	(1,334)
Increase (decrease) in accrued liabilities	324	(785)	(208)
Net cash provided by operating activities	1,705	5,534	3,838
Cash flows from investing activities:			
Additions to property and equipment	(320)	(480)	(316)
Proceeds from sale of property and equipment	-	1,253	13
Net cash provided by (used in) investing activities	(320)	773	(303)
Cash flows from financing activities:			
Purchase and subsequent cancellation of shares of common stock	-	(230)	(1,505)
Proceeds from sale of common shares under stock option plan (including tax benefits)	651	459	445
Excess tax benefits from sale of common shares under stock option plan	113	-	-
Dividends paid	(2,055)	(1,773)	-
Net cash used in financing activities	(1,291)	(1,544)	(1,060)

Net increase in cash and cash equivalents	94	4,763	2,475
Cash and cash equivalents at beginning of year	14,044	9,281	6,806
Cash and cash equivalents at end of year	$ 14,138	$ 14,044	$ 9,281

Supplemental disclosures of cash flow information:

Cash paid during the year for:			
Interest	$ 5	$ 22	$ 18
Income taxes	$ 205	$ 328	$ 476

See accompanying notes to consolidated financial statements.

DATARAM CORPORATION AND SUBSIDIARIES
Consolidated Statements of Stockholders' Equity
Years ended April 30, 2007, 2006 and 2005
(In thousands, except share amounts)

	Common stock	Additional paid-in capital	Retained earnings	Total stock-holders' equity
Balance at April 30, 2004	$ 8,527	$ 4,676	$ 3,201	$16,404
Issuance of 146,485 shares under stock option plans, including income tax benefit of $122	146	421	-	567
Purchase and subsequent cancellation of 311,504 shares	(312)	(531)	(662)	(1,505)
Net earnings	-	-	6,715	6,715
Balance at April 30, 2005	8,361	4,566	9,254	22,181
Issuance of 177,346 shares under stock option plans, including income tax benefit of $117	177	399	-	576
Purchase and subsequent cancellation of 51,450 shares	(51)	(59)	(120)	(230)
Net earnings	-	-	2,772	2,772
Dividends paid (1)	-	-	(1,773)	(1,773)
Balance at April 30, 2006	8,487	4,906	10,133	23,526
Issuance of 200,359 shares under stock option plans,				

including income tax benefit of $113	201	450	-	651
Net earnings	-	-	770	770
Stock-based compensation expense	-	440	-	440
Dividends paid (2)	-	-	(2,055)	(2,055)
Balance at April 30, 2007	$ 8,688	$ 5,796	$ 8,848	$23,332

(1) Dividends paid in the fiscal year ended April 30, 2006 totaled $0.21 per common share and were paid at the rate of $0.05 per common share in each of the first three fiscal quarters of the year and $0.06 per common share in the fourth quarter of the fiscal year.
(2) Dividends paid in the fiscal year ended April 30, 2007 totaled $0.24 per common share and were paid quarterly at the rate of $0.06 per common share.

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements
(Dollars in thousands, except per share amounts)

(1) Significant Accounting Policies

Description of Business

Dataram Corporation is a worldwide provider of server and workstation memory. The Company offers a specialized line of gigabyte-class memory for entry to enterprise-level servers and workstations as well as customized memory solutions for original equipment manufacturers.

Principles of Consolidation

The consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and include the accounts of the Company and its wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

The Company has certain foreign subsidiaries which act only as sales offices and which are deemed to be essentially branches of the US company. The functional currency of these sales offices is considered to be the US dollar. Accordingly, any amounts denominated in a currency other than the US dollar are being recorded at the balance sheet rate of exchange and gains and losses arising from changes in foreign currency rates for those assets and liabilities are being reported in the consolidated statements of earnings.

Cash and Cash Equivalents

Cash and cash equivalents consist of unrestricted cash, money market accounts and commercial paper purchased with maturities of three months or less when acquired.

Inventories

Inventories, consisting of materials, labor and manufacturing overhead, are stated at the lower of cost or market, with cost determined by the first-in, first-out method.

Note Receivable

On December 29, 2005, the Company closed on an agreement entered into in fiscal 2003 to sell its undeveloped land. The purchase price was $3,075 of which half, or $1,537, was paid in the form of a note, that accrued interest, payable monthly at 5% per annum for a period of one year and 7.5% per annum thereafter. The note was secured by a mortgage. Of the remainder, $250 had been previously paid as deposits and $1,253, which was net of closing costs, was received in cash at closing. The note receivable is treated as a non-cash transaction in the 2006 Consolidated Statements of Cash Flows. Subsequent to the end of fiscal 2007, the note was paid in full and the mortgage released.

Property and Equipment

Property and equipment is recorded at cost. Depreciation is computed on the straight-line basis. Depreciation and amortization rates are based on the estimated useful lives, which range from three to five years for machinery and equipment and five to six years for leasehold improvements. When property or equipment is retired or otherwise disposed of, related costs and accumulated depreciation and amortization are removed from the accounts.

Repair and maintenance costs are charged to operations as incurred.

Long-Lived Assets

Long-lived assets consist of property, plant and equipment. Statement of Financial Accounting Standards ("SFAS") No. 144, "Accounting for the Impairment and Disposal of Long-Lived Assets" provides a single accounting model for long-lived assets to be disposed of. SFAS No.144 also changes the criteria for classifying an asset as held for sale, broadens the scope of businesses to be disposed of that qualify for reporting as discontinued operations and changes the timing of recognizing losses on such operations.

In accordance with SFAS No. 144, long-lived assets, such as property, plant and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset. Assets to be disposed of would be separately presented in the balance sheet and reported at the lower of the carrying amount or fair value less cost to sell, and no longer depreciated. The Company considers various valuation factors, principally undiscounted cash flows, to assess the fair values of long-lived assets.

Revenue Recognition

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.

Product Development and Related Engineering

The Company expenses product development and related engineering costs as incurred. Engineering effort is directed to the development of new or improved products as well as ongoing support for existing products.

Income Taxes

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.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist primarily of cash and cash equivalents and accounts receivable. 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. At April 30, 2007, amounts due from one customer totaled approximately 16% of accounts receivable.

In fiscal 2007, the Company had no sales to any one customer that accounted for 10% or more of revenues. In fiscal 2006, sales to one customer accounted for approximately 11% of revenues and in fiscal 2005, sales to a different customer accounted for approximately 33% of revenues.

Net Earnings Per Share

Net Earnings Per Share is presented in accordance with SFAS No. 128, "Earnings Per Share". Basic net earnings per share is calculated by dividing net earnings by the weighted average number of common shares outstanding during the period. Diluted net earnings per share was calculated in a manner consistent with basic net earnings per share except that the weighted average number of common shares outstanding 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.

Year ended April 30, 2007	Earnings (numerator)	Shares (denominator)	Per share amount
Basic net earnings per share - -net earnings and weighted average common shares outstanding	$ 770	8,572,000	$ .09
Effect of dilutive securities - -stock options	-	232,000	-
Diluted net earnings per share - -net earnings, weighted average common shares outstanding and effect of stock options	$ 770	8,804,000	$ .09

Year ended April 30, 2006	Earnings (numerator)	Shares (denominator)	Per share amount
Basic net earnings per share - -net earnings and weighted average common shares outstanding	$ 2,772	8,447,000	$ .33

	Earnings	Shares	Per share
Effect of dilutive securities - -stock options	-	374,000	-
Diluted net earnings per share - -net earnings, weighted average common shares outstanding and effect of stock options	$ 2,772	8,821,000	$ .31

Year ended April 30, 2005

	Earnings (numerator)	Shares (denominator)	Per share amount
Basic net earnings per share - -net earnings and weighted average common shares outstanding	$ 6,715	8,571,000	$ .78
Effect of dilutive securities - -stock options	-	541,000	-
Diluted net earnings per share - -net earnings, weighted average common shares outstanding and effect of stock options	$ 6,715	9,112,000	$ .74

Diluted net earnings per common share does not include the effect of options to purchase 555,938 shares of common stock for the year ended April 30, 2007 because they are anti-dilutive.

Diluted net earnings per common share does not include the effect of options to purchase 391,880 shares of common stock for the year ended April 30, 2006 because they are anti-dilutive.

Diluted net earnings per common share does not include the effect of options to purchase 443,700 shares of common stock for the year ended April 30, 2005 because they are anti-dilutive.

Product Warranty

The majority of the Company's products are intended for single use; therefore, the Company requires limited product warranty accruals. The Company accrues estimated product warranty cost at the time of sale and any additional amounts are recorded when such costs are probable and can be reasonably estimated.

	Balance Beginning of Year	Charges to Costs and Expenses	Deductions	Balance End of Year
Year Ended April 30, 2007	$ 54	4	(4)	$ 54
Year Ended April 30, 2006	$ 54	19	(19)	$ 54
Year Ended April 30, 2005	$ 54	9	(9)	$ 54

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 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.

Fair Value of Financial Instruments

The fair value of financial instruments is determined by reference to market data and other valuation techniques as appropriate. The Company believes that there is no material difference between the fair value and the reported amounts of financial instruments in the consolidated balance sheets.

Stock-Based Compensation

At April 30, 2007, the Company has stock-based employee and director compensation plans, which are described more fully in Note 4. New shares of the Company's common stock are issued upon exercise of stock options.

In December 2004, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards ("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 implemented SFAS 123R effective May 1, 2006. To calculate the excess tax benefits available as of the date of adoption for use in offsetting future tax shortfalls, the Company followed the alternative transition method discussed in Financial Accounting Standards Board Staff Position No. 123(R)-3.

Prior to May 1, 2006, as permitted under SFAS No. 123, "Accounting for Stock-Based Compensation," ("SFAS 123"), compensation cost for stock options was recognized using the intrinsic value method described in APB No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). Effective May 1, 2006, the Company adopted the fair value recognition provisions of SFAS No. 123(R), "Share-Based Payment," ("SFAS 123R") and Securities and Exchange Commission Staff Accounting Bulletin No. 107. Under SFAS 123R, the fair value of options granted is amortized over the related service period. SFAS 123R was adopted using the modified prospective transition method; therefore, prior periods have not been restated. Compensation expense recognized in Fiscal 2007, includes compensation cost for all share-based payments granted prior to, but not yet vested as of May 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS 123. Compensation cost for any share-based payments granted subsequent to May 1, 2006 are based on the grant date fair value estimated in accordance with the provisions of SFAS 123R.

As a result of adopting SFAS 123R, our earnings before taxes and net earnings for the fiscal year ended April 30, 2007 are $440 and $258 lower, respectively, than if we had continued to account for stock-based compensation under APB 25. This resulted in a decrease in our reported basic and diluted net earnings per share of $.03. Compensation expense is recognized in the selling, general and administrative expenses line item of the accompanying consolidated statements of operations on a ratable basis over the vesting periods. We measure the fair value of stock options using the Black-Scholes option pricing model based upon the market price of the underlying common stock as of the date of grant, reduced by the present value of estimated future dividends, using an expected quarterly dividend rate of $0.06 and risk-free interest rates ranging from 3.0% to 5.0%. Stock options are amortized over their applicable vesting period, which generally ranges from one to five years. These stock option grants have been classified as equity instruments, and as such, a corresponding increase of $440 has been reflected in additional paid-in capital in the accompanying balance sheet as of April 30, 2007. There were no capitalized stock-based compensation costs at April 30, 2006.

Prior to the adoption of SFAS 123R, benefits of tax deductions in excess of recognized compensation costs were reported as operating cash flows. SFAS 123R requires excess tax benefits to be reported as a financing cash inflow.

The Company had $113 of excess tax benefits in Fiscal 2007. The Company had $117 of excess tax benefits in Fiscal 2006.

A summary of option activity under the plans for the fiscal year ended April 30, 2007 is as follows:

	Shares	Weighted average exercise price	Weighted average remaining contractual life	Aggregate intrinsic value(1)
Balance April 30, 2006	1,299,375	$4.78	3.65	$2,252
Granted	143,300	$4.70	-	-
Exercised	(200,359)	$2.68	-	$ 363
Cancelled	(34,250)	$6.65	-	-
Balance April 30, 2007	1,208,066	$5.24	3.22	$ 675
Exercisable April 30, 2007	1,008,616	$5.34	2.78	$ 672

(1) These amounts represent the difference between the exercise price and $4.22, the closing price of Dataram common stock on April 30, 2007 as reported on the NASDAQ Stock Market, for all in-the-money options outstanding. For exercised options, intrinsic value represents the difference between the exercise price and the closing price of Dataram common stock on the date of exercise.

Total cash received from the exercise of options in fiscal 2007 was $538. During fiscal 2007, 146,100 options completed vesting. As of April 30, 2007, there was $243 of total unrecognized compensation costs related to stock options. These costs are expected to be recognized over a weighted average period of one year. At April 30, 2007, an aggregate of 1,135,300 shares were authorized for future grant under the Company's stock option plans.

The following table illustrates the pro forma effect on net earnings and earnings per share for fiscal years 2006 and 2005 if the Company had applied the fair value recognition provisions of SFAS 123R to stock-based employee compensation:

	Years ended April 30	
	2006	2005
Net earnings as reported	$ 2,772	$ 6,715
Deduct: Total stock-based employee compensation expense determined under fair value method for all awards, net of tax	(517)	(97)
Pro forma net earnings	$ 2,255	$ 6,618

Basic and diluted net earnings per common share:		
Basic:		
As reported	$ .33	$ .78
Pro forma under SFAS 123R	$ .27	$ .77
Diluted:		
As reported	$ .31	$ .74
Pro forma under SFAS 123R	$ .26	$ .73

The 2005 expense includes a pro forma tax benefit from the reversal of the valuation allowance on certain pro forma net operating losses from previous years.

The fair value of each stock option granted during the year is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

	2007	2006(1)	2005(1)
Expected life (years)	4.0	4.0	7.5
Expected volatility	67%	63%	52%
Expected dividend yield	5.1%	-	-
Risk-free interest rate	5.0%	5.0%	3.0%
Weighted average fair value of options granted during the year	$ 2.00	$ 3.18	$ 3.22

(1) Estimated values and assumptions used in the calculation of fair value prior to the adoption of SFAS 123R.

Expected life is based on the Company's historical experience of option exercises relative to option contractual lives. Expected volatility is based on the historical volatility of the Company's share price. Expected dividend yield assumes the current dividend rate remains unchanged. Risk free interest rate approximates United States government debt rates at the time of option grants.

(2) Long-Term Debt

On June 21, 2004, the Company entered into a credit facility with a bank, which provides for up to a $5,000 revolving credit line. Advances under the facility were 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 fee equal to one-eighth 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 $2,500 per year from $1,000 per year without prior waiver. The agreement was scheduled to expire on June 21, 2006. On June 20, 2006, the agreement was amended. The effect of the amendment was to extend the expiration date of the agreement to August 15, 2008 and remove the eligible accounts receivable limitation on advances under the facility. The amendment also modified the total liabilities to tangible net worth ratio covenant. The Company is in compliance with all covenants of the agreement and there were no borrowings against the credit line in fiscal 2007.

(3) Income Taxes

Income tax expense (benefit) for the years ended April 30 consists of the following:

	2007	2006	2005
Current:			
Federal	$ 113	$ 117	$ 82
State	68	202	169
	181	319	251
Deferred:			
Federal	274	1,238	(2,849)
State	(5)	109	-
	269	1,347	(2,849)
Total income tax expense (benefit)	$ 450	$ 1,666	$(2,598)

The actual income tax expense (benefit) differs from "expected" tax expense (benefit) (computed by applying the U. S. corporate tax rate of 35% to earnings before income taxes) as follows:

	2007	2006	2005
Computed "expected" tax expense	$ 427	$ 1,553	$ 1,441
State income taxes(net of Federal income tax benefit)	41	147	112
Change in valuation allowance	-	-	(2,569)
Utilization of net operating losses	-	-	(1,217)
Other	(18)	(34)	(365)
	$ 450	$ 1,666	$ (2,598)

The tax effect of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

	2007	2006
Deferred tax assets:		
Compensated absences, principally due to accrual for financial reporting purposes	$ 111	$ 114
Stock-based compensation expense	163	-
Accounts receivable, principally due to allowance for doubtful accounts and sales returns	111	111
Property and equipment, principally due to differences in depreciation	37	123

Inventories	100	111
Foreign tax credit	53	53
Domestic net operating losses	1,692	1,640
Alternative minimum tax	382	389
Gross deferred tax assets	2,649	2,541
Deferred tax liabilities:		
Installment sale obligation, principally due to note receivable	(377)	-
Gross deferred tax liabilities	(377)	-
Net deferred tax assets	$ 2,272	$ 2,541

During fiscal 2005, the Company reversed the valuation allowance it had previously placed on its deferred tax assets since management concluded that it is more likely than not that such assets will be realized through future taxable income or certain tax planning strategies. The Company has U.S. net operating loss carryforwards of approximately $5,083 which can be used to offset income through 2023. The tax benefit of net operating loss carryforwards utilized in each of the three years ended April 30, 2007 is as follows:

	Federal	State	Total
2007	$1,056	$ -	$1,056
2006	$1,901	$109	$2,010
2005	$1,199	$104	$1,303

(4) Stock Option Plans

The Company has a 1992 incentive and non-statutory stock option plan for the purpose of permitting certain key employees to acquire equity in the Company and to promote the growth and profitability of the Company by attracting and retaining key employees. In general, the plan allowed granting of up to 2,850,000 shares, adjusted for stock splits, of the Company's common stock at an option price to be no less than the fair market value of the stock on the date such options are granted. Under option agreements granted under the plan, the holder of the option may purchase 20% of the common stock with respect to which the option has been granted on or after the first anniversary of the date of the grant and an additional 20% of such shares on or after each of the four succeeding anniversary dates. At April 30, 2007, 455,741 of the outstanding options are exercisable. No further options may be granted under this plan.

The Company also has a 2001 incentive and non-statutory stock option plan for the purpose of permitting certain key employees to acquire equity in the Company and to promote the growth and profitability of the Company by attracting and retaining key employees. In general, the plan allows granting of up to 1,800,000 shares of the Company's common stock at an option price to be no less than the fair market value of the Company's common stock on the date such options are granted. Currently, options granted under the plan vest ratably on the annual anniversary date of the grants. Vesting periods for options currently granted under the plan range from one to five years. At April 30, 2007, 396,875 of the outstanding options are exercisable.

The status of the plans for the three years ended April 30, 2007, is as follows:

Options Outstanding

	Shares	Exercise price per share	Weighted average exercise price
Balance April 30, 2004	1,366,200	$ 1.708-24.250	$ 4.463
Granted	120,500	6.500-6.750	6.729
Exercised	(153,450)	1.708-7.980	3.474
Cancelled	(78,400)	2.990-24.250	10.539
Balance April 30, 2005	1,254,850	1.708-24.250	4.422
Granted	147,600	5.140-6.630	6.125
Exercised	(180,475)	1.708-4.833	2.923
Cancelled	(94,600)	2.990-7.980	5.835
Balance April 30, 2006	1,127,375	1.708-24.250	4.767
Granted	103,300	4.700	4.700
Exercised	(200,359)	2.313-4.090	2.684
Cancelled	(18,250)	2.313-10.000	6.026
Balance April 30, 2007	1,012,066	$ 2.813-24.250	$ 5.150

The Company periodically grants nonqualified stock options to non-employee directors of the Company. These options are granted for the purpose of retaining the services of directors who are not employees of the Company and to provide additional incentive for such directors to work to further the best interests of the Company and its shareholders. The options granted to these non-employee directors are exercisable at a price representing the fair value at the date of grant, and expire either five or ten years after date of grant. Of each option, 100% are exercisable one year after the date of grant. At April 30, 2007, 156,000 of the outstanding options are exercisable.

The status of the non-employee director options for the three years ended April 30, 2007, is as follows:

	Options Outstanding		
	Shares	Exercise price per share	Weighted average exercise price
Balance April 30, 2004	120,000	$ 2.990-7.980	$ 5.020
Granted	40,000	6.750	6.750
Exercised	(16,000)	2.990-4.090	3.540
Cancelled	-	-	-
Balance April 30, 2005	144,000	2.990-7.980	5.665
Granted	44,000	6.420-6.630	6.573
Exercised	(16,000)	2.990-4.090	3.540
Cancelled	-	-	-
Balance April 30, 2006	172,000	2.990-7.980	6.095
Granted	40,000	4.700	4.700
Exercised	-	-	-
Cancelled	(16,000)	6.750-7.980	7.365
Balance April 30, 2007	196,000	$ 2.990-7.980	$ 5.965

(5) Accrued Liabilities

Accrued liabilities consist of the following at April 30:

	2007	2006
Payroll, including vacation	$ 300	$ 303
Severance costs	310	106
Commissions	180	84
Other	186	160
	$ 976	$ 653

(6) Commitments

Leases

The Company and its subsidiaries occupy various facilities and operate various equipment under operating lease arrangements. Rent charged to operations pursuant to such operating leases amounted to approximately $725 in 2007, $769 in 2006 and $840 in 2005.

Future minimum lease payments under non-cancelable operating leases (with initial or remaining lease terms in excess of one year) as of April 30, 2007 are as follows:

	Operating Leases
Year ending April 30:	
2008	$ 490
2009	403
2010	411
2011	365
2012	34
Thereafter	0
	$ 1,703

Purchases

At April 30, 2007, the Company had open purchase orders outstanding totaling $2,184, primarily for inventory items to be delivered in the first quarter of fiscal 2008. These purchase orders are cancelable.

License Agreements

The Company has entered into certain licensing agreements with varying terms and conditions. The Company is obligated to pay royalties on certain of these agreements.

Legal Proceedings

The Company is not involved in any claim or legal action, which in the opinion of management, would have a material effect on the Company's consolidated financial position, results of operations or liquidity.

(7) Employee Benefit Plan

The Company has a defined contribution plan (the Plan) which is available to all qualified employees. Employees may elect to contribute a portion of their compensation to the Plan, subject to certain limitations. The Company contributes a percentage of the employee's contribution, subject to a maximum of 6 percent of the employee's eligible compensation, based on the employee's years of service. The Company's matching contributions aggregated approximately $236, $250 and $268 in 2007, 2006 and 2005, respectively.

(8) Revenues by Geographic Location

The Company operates in one business segment and develops, manufactures and markets a variety of memory systems for use with servers and workstations which are manufactured by various companies. Revenues and total assets for 2007, 2006 and 2005 by geographic region is as follows:

	United States	Europe	Other*	Consolidated
April 30, 2007				
Revenues	$ 27,583	$ 6,484	$ 4,337	$ 38,404
Total assets	$ 25,428	$ 464	$ 13	$ 25,905
Long lived assets	$ 784	$ 0	$ 0	$ 784
April 30, 2006				
Revenues	$ 29,321	$ 9,151	$ 3,323	$ 41,795
Total assets	$ 25,761	$ 447	$ 28	$ 26,236
Long lived assets	$ 847	$ 0	$ 0	$ 847
April 30, 2005				
Revenues	$ 50,210	$ 8,716	$ 6,758	$ 65,684
Total assets	$ 25,866	$ 281	$ 0	$ 26,147
Long lived assets	$ 2,028	$ 0	$ 0	$ 2,028

*Principally Asia Pacific Region

(9) Quarterly Financial Data (Unaudited)

	Quarter Ended			
Fiscal 2007	July 31	October 31	January 31	April 30
Revenues	$ 9,305	$10,902	$ 9,366	$ 8,831
Gross profit	2,405	2,577	1,862	2,151
Net earnings (loss)	(70)	1,446	(298)	(309)
Net earnings (loss) per diluted common and common equivalent share	(.01)	.16	(.03)	(.04)

	Quarter Ended			
Fiscal 2006	July 31	October 31	January 31	April 30
Revenues	$13,944	$ 9,858	$ 9,220	$ 8,773
Gross profit	4,198	2,972	2,700	2,466
Net earnings	931	353	1,405	83
Net earnings (loss) per diluted common and common equivalent share	.11	.04	.16	.01

Earnings per share is calculated independently for each quarter and therefore may not equal the total for the year.

REPORTS OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

The Board of Directors and Stockholders
Dataram Corporation:

We have audited the accompanying consolidated balance sheets of Dataram Corporation and Subsidiaries as of April 30, 2007 and 2006, and the related consolidated statements of earnings, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Dataram Corporation and Subsidiaries as of April 30, 2007 and 2006, and their results of operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the consolidated financial statements, the company changed the manner in which it accounts for share-based compensation in fiscal 2007.

/s/ J.H. Cohn LLP

Lawrenceville, New Jersey
July 3, 2007

The Board of Directors and Stockholders
Dataram Corporation:

We have audited the accompanying consolidated statements of earnings, stockholders' equity, and cash flows of Dataram Corporation and subsidiaries for the year ended April 30, 2005. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the results of operations and cash flows of Dataram Corporation and subsidiaries for the year ended April 30, 2005, in conformity with U.S. generally accepted accounting principles.

/s/ KPMG LLP

Short Hills, New Jersey
July 8, 2005

Selected Financial Data

(Not covered by Independent Registered Public Accounting Firms' Reports)
(In thousands, except per share amounts)

Years Ended April 30,	2007	2006	2005	2004	2003
Revenues	$ 38,404	$ 41,795	$ 65,684	$ 61,984	$ 53,529
Net earnings (loss)	770	2,772	6,715	2,271	(15,604)
Basic earnings (loss) per share	.09	.33	.78	.27	(1.84)
Diluted earnings (loss) per share	.09	.31	.74	.25	(1.84)
Current assets	23,893	24,108	23,435	19,004	15,619
Total assets	25,905	26,236	26,147	21,912	20,207
Current liabilities	2,573	2,710	3,966	5,508	6,186
Total stockholders' equity	23,332	23,526	22,181	16,404	14,021
Cash dividends paid	2,055	1,773	-	-	-

Performance Graph
(Not covered by Independent Registered Public Accounting Firms' Reports)

COMPARISON OF THE FIVE-YEAR CUMULATIVE TOTAL RETURN*
AMONG DATARAM CORPORATION, THE S&P 500 INDEX AND A PEER GROUP

[The chart is a three-line graph of dollars versus dates having the following data points:

	4/02	4/03	4/04	4/05	4/06	4/07
Dataram	100	34	95	58	82	63
Peer Group**	100	111	112	135	213	187
S&P 500	100	87	107	113	131	151

*$100 invested on 4/30/02 in stock or index including reinvestment of dividends. Fiscal year ending April 30.

**Standard Industrial Code Peer Group includes the following companies: Ciprico, Inc.; Dataram Corp.; Dot Hill Systems Corp.; Iomega Corp.; Komag Inc.; Lasercard Corp.; MTI Technology Corp.; Netlist, Inc.; Network Engines, Inc.; Overland Storage, Inc.; Stec, Inc.; and Western Digital Corp.

DIRECTORS AND CORPORATE OFFICERS

Directors

Robert V. Tarantino
Chairman of the Board of Directors,
President and Chief Executive Officer
of Dataram Corporation

Thomas A. Majewski*
Principal, Walden Inc.

Bernard L. Riley*
Private Investor

Roger C. Cady*
Principal, Arcadia Associates

Rose Ann Giordano*
President, Thomis Partners

John H. Freeman*
Independent Consultant

*Member of audit committee

Corporate Officers

Robert V. Tarantino
President and Chief Executive Officer

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

Jeffrey H. Duncan
Vice President of Manufacturing
and Engineering

Tony Pawlik
Vice President of Sales

Anthony M. Lougee
Controller

Thomas J. Bitar
Secretary
Member, Dillon, Bitar & Luther, L.L.C.

Corporate Headquarters
Dataram Corporation
186 Princeton Road (Route 571)
West Windsor, NJ 08550
609-799-0071

Auditors

J.H. COHN LLP
Lawrenceville, NJ

General Counsel

Dillon, Bitar & Luther, L.L.C.
Morristown, NJ

Transfer Agent and Registrar

American Stock Transfer and Trust Company
10150 Mallard Creek Drive
Suite 307
Charlotte, NC 28262

Stock Listing

Dataram's common stock is listed on
the NASDAQ with the trading symbol DRAM.

Annual Meeting

The annual meeting of shareholders
will be held on Thursday, September 27,
2007, at 2:00 p.m. at Dataram's
corporate headquarters at:
186 Princeton Road (Route 571)
West Windsor, NJ 08550

Form 10-K

A copy of the Company's Annual Report
on Form 10-K filed with the Securities
& Exchange Commission is available
without charge to shareholders.

Address requests to:

Vice President, Finance
Dataram Corporation
186 Princeton Road (Route 571)
West Windsor, NJ 08550

Corporate Headquarters
Dataram Corporation
186 Princeton Road (Route 571)
West Windsor, NJ 08550
Toll Free: 800-DATARAM
Phone: 609-799-0071
Fax: 609-799-6734
www.dataram.com

End of Document

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Dataram Corporation:

We consent to incorporation by reference in the Registration Statement (No. 33-56282) on Form S-8 of Dataram Corporation and Subsidiaries of our reports dated July 3, 2007, relating to the consolidated balance sheets of Dataram Corporation and Subsidiaries as of April 30, 2007 and 2006, and the related consolidated statements of earnings, stockholders' equity and cash flows for the years then ended, and the related financial statement schedule which reports appear in the April 30, 2007 annual report on Form 10-K of Dataram Corporation.

/s/ J.H. COHN LLP
J.H. Cohn LLP
Lawrenceville, New Jersey
July 23, 2007

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Dataram Corporation:

We consent to incorporation by reference in the Registration Statement (No. 33-56282) on Form S-8 of Dataram Corporation and subsidiaries of our reports dated July 8, 2005, relating to the consolidated statements of earnings, stockholders' equity and cash flows of Dataram Corporation and subsidiaries for the year ended April 30, 2005, and the related financial statement schedule for the year ended April 30, 2005 which reports appear in the April 30, 2007 annual report on Form 10-K of Dataram Corporation.

/s/ KPMG LLP
Short Hills, New Jersey
July 25, 2007

Exhibit 31(a)

Rule 13a-14(a) Certification

I, Robert V. Tarantino, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended April 30, 2007 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 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 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.

Date: July 23, 2007 ROBERT V. TARANTINO

Robert V. Tarantino, President,
Chief Executive Officer and
Chairman of the Board of Directors
(Principal Executive Officer)

Exhibit 31(b)

Rule 13a-14(a) Certification

I, Mark E. Maddocks, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended April 30, 2007 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 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 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.

Date: July 23, 2007 MARK E. MADDOCKS

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Mark E. Maddocks
Vice President, Finance
(Principal Financial & Accounting Officer)

Exhibit 32(a)

Section 1350 Certification
of
Robert V. Tarantino

I certify that the Annual Report on Form 10-K of Dataram Corporation for the fiscal year ended April 30, 2007 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and that information contained in the periodic report fully presents, in all material respects, the financial condition and results of operations of Dataram Corporation.

July 23, 2007 ROBERT V. TARANTINO

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Robert V. Tarantino, Chairman,
President and Chief Executive Officer

Exhibit 32(b)

Section 1350 Certification
of
Mark E. Maddocks

I certify that the Annual Report on Form 10-K of Dataram Corporation for the fiscal year ended April 30, 2007 fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended, and that information contained in the periodic report fully presents, in all material respects, the financial condition and results of operations of Dataram Corporation.

July 23, 2007 MARK E. MADDOCKS

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