

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 25, 2010

DATARAM CORPORATION

(Exact name of registrant as specified in charter)

New Jersey 1-8266 22-18314-09

State or other jurisdiction (Commission (IRS Employer
of incorporation) File Number) Identification No.)

Route 571, P. O. Box 7258, Princeton, NJ 08543-7528

(Address of principal executive offices) (Zip Code)

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

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 - Financial Information

Item 2.02. Results of Operations and Financial Condition.

On February 25, 2010 Dataram Corporation announced the results of operations for the third fiscal quarter ended January 31, 2010. A copy of this public announcement is furnished as an exhibit. Further information about the Company is available at <http://www.dataram.com>.

The information provided in the attached press release and in this report may include forward-looking statements relating to future events, such as the development of new products, the pricing and availability of raw materials, or the future financial performance of the Company. Actual results may differ from such projections and are subject to certain risks

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

Section 9 - Financial Statements and Exhibits.

Item 9.01. Exhibits.

99 Press Release dated February 25, 2010 announcing third quarter results of operations. (Furnished not filed)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DATARAM CORPORATION
By: MARK MADDOCKS

Date: February 25, 2010 /s/ Mark Maddocks
Mark Maddocks, Vice President-Finance
and Chief Financial Officer

PRESS RELEASE

Dataram Corporation:
Mark Maddocks
Vice President-Finance, CFO
609-799-0071
info@dataram.com

DATARAM REPORTS FISCAL 2010 THIRD QUARTER FINANCIAL RESULTS

PRINCETON, N.J. February 25, 2010- Dataram Corporation (NASDAQ: DRAM) today reported its financial results for its fiscal third quarter ended January 31, 2010. Revenues for the third quarter were \$12.3 million, which compares to \$5.6 million for the comparable prior year period. Revenues for the first nine months of the current fiscal year were \$32.1 million, which compares to \$20.3 million for the comparable prior year period. The Company's recently acquired Micro Memory Bank business unit generated approximately \$3.6 million and \$10.1 million in revenues, respectively, in the third quarter and first nine months of the current fiscal year versus nil in the prior fiscal year.

John H. Freeman, Dataram's president and CEO commented, "We continued to grow our memory solutions business in our fiscal third quarter. This was accomplished in what has typically been a seasonally weak quarter in our industry. The implementation of our sales and marketing strategy is having a positive effect on demand for our products and our memory business has returned to being cash profitable. We have more work to do in this area and I am confident that as we continue the implementation of our strategy, we will drive further profitable growth in our memory business. Over the last nine months, the price of memory has been volatile and we have seen significant price increases. The upward pricing was driven by consolidation of manufacturers and reduced production by manufacturers coupled with increased demand. In our fiscal third quarter, memory pricing was more stable. During the period of rising prices, the Company made several purchases of inventory at favorable pricing. We expect that memory pricing will be stable or increase slightly in our fiscal fourth quarter. Our current inventory level is sufficient to support further growth and we expect our memory inventory level to stabilize or decline somewhat from current levels in the fourth quarter."

Mr. Freeman continued, "As we have previously reported, the Company has announced a unique intelligent Storage Area Network (SAN) optimization solution, XcelaSAN. XcelaSAN is the industry's first solution to deliver substantive application performance improvement to applications such as Oracle, SQL and VMware. XcelaSAN augments existing storage systems by transparently applying intelligent caching algorithms that serve the most active block-level data from high-speed solid state storage, creating an intelligent, virtual solid state SAN. This breakthrough solution allows organizations to dramatically increase the performance of their business-critical applications without the costly hardware upgrades or over-provisioning of storage typically found in current solutions for increased performance. Over the past 24 months, the Company has made significant investments in research and development, primarily associated with the development of this product. XcelaSAN performance in customer environments continues to be excellent and customer interest remains very strong. We have begun shipping units to selected clients and single unit systems are currently available for sale. High Availability systems are expected to be available for sale later this year. We are continuing our investments in XcelaSAN by developing operational enhancements with our clients based on their feedback during early XcelaSAN installations. As we continue the development of our XcelaSAN product, we understand that we will require additional financial resources. Subsequent to the conclusion of our third quarter, we are entering into other financing agreements which should provide us with sufficient liquidity to meet our operating needs as XcelaSAN sales grow."

The Company incurred a net loss for the third quarter of the current fiscal year of \$769,000, or \$0.09 per diluted share, which compares to a net loss of \$1,024,000, or \$0.12 per diluted share for the comparable prior year period. Current fiscal year nine months net loss totaled approximately \$3.4

million, or \$0.38 per diluted share, which compares to an approximate net loss of \$2.0 million or \$0.23 per diluted share in the same prior year period.

Mr. Freeman concluded, "The turnaround of our memory solutions business is on track. It is profitable and has been growing for each of the last three quarters. Our storage product has been introduced, is available for sale and planned enhancements are underway. I look forward to reporting on our progress next quarter."

ABOUT DATARAM CORPORATION

Founded in 1967, Dataram is a worldwide leader in the manufacture of high-quality computer memory, storage and software products. Our products and services deliver IT infrastructure optimization, dramatically increase application performance and deliver substantial cost savings. Dataram solutions are deployed in 70 Fortune 100 companies and in mission-critical government and defense applications around the world. For more information about Dataram, visit www.dataram.com.

The information provided in this press release may include forward-looking statements relating to future events, such as the development of new products, pricing and availability of raw materials or the future financial performance of the Company. Actual results may differ from such projections and are subject to certain risks including, without limitation, risks arising from: changes in the price of memory chips, changes in the demand for memory systems, increased competition in the memory systems industry, order cancellations, delays in developing and commercializing new products and other factors described in the Company's most recent Annual Report on Form 10-K, filed with the Securities and Exchange Commission, which can be reviewed at <http://www.sec.gov>.

Financial Tables Follow

DATARAM CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Third Quarter Ended January 31,		Nine Months Ended January 31,	
	2010	2009	2010	2009
Rvenues	\$ 12,284	\$ 5,635	\$ 32,147	\$ 20,258
Costs and expenses:				
Cost of sales	8,899	3,896	23,490	13,492
Engineering and development	220	298	732	932
Research and development	892	574	3,388	1,041
Selling, general and administrative	3,009	2,501	8,851	7,928
Stock-based compensation expense*	346	138	726	394
Intangible asset amortization	164	-	492	-
	<u>13,530</u>	<u>7,407</u>	<u>37,679</u>	<u>23,787</u>
Loss from operations	(1,246)	(1,772)	(5,532)	(3,312)
Other income (expenses)	(11)	91	11	217
Loss before income taxes	<u>(1,257)</u>	<u>(1,681)</u>	<u>(5,521)</u>	<u>(3,312)</u>

Income tax benefit	(488)	(657)	(2,158)	(1,290)
Net loss	\$ (769)	\$ (1,024)	\$ (3,363)	\$ (2,022)
Net loss per share:				
Basic	\$ (0.09)	\$ (0.12)	\$ (0.38)	\$ (0.23)
Diluted	\$ (0.09)	\$ (0.12)	\$ (0.38)	\$ (0.23)
Weighted average number of shares outstanding:				
Basic	8,908	8,869	8,882	8,869
Diluted	8,908	8,869	8,882	8,869

*Stock-based compensation expense is recorded as a component of selling, general and administrative expenses in the Company's financial statements filed with the Securities and Exchange Commission on Form 10-Q.

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

January 31, 2010 April 30, 2009

ASSETS

Current assets

Cash and case equivalents	\$ 2,373	\$ 12,525
Accounts receivable, net	5,974	3,381
Inventories	5,973	2,201
Deferred income taxes	324	300
Other current assets	189	126

Total current assets	14,833	18,533
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Deferred income taxes	5,445	3,282
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Property and equipment, net	1,250	1,100
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Intangible assets, net	1,012	1,504
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Other assets	112	136
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Total assets	\$ 22,652	\$ 24,555
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LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities

Accounts payable	\$ 2,781	\$ 1,386
Accrued liabilities	1,297	1,689

Total current liabilities	4,078	3,075
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Accrued liabilities	-	381
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Stockholders' equity	18,574	21,099
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Total liabilities and stockholders' equity	\$ 22,652	\$ 24,555
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