

KRISHNAN SUBRAMANIAN  
 Form 4  
 February 12, 2010

**FORM 4**

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

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 KRISHNAN SUBRAMANIAN

2. Issuer Name and Ticker or Trading Symbol  
 DIGI INTERNATIONAL INC  
 [DGII]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
 11001 BREN ROAD EAST  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/10/2010

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Senior V.P., CFO and Treasurer

MINNETONKA, MN 55343

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount or Price		
Common Stock	02/10/2010		M		6,375 A \$ 5.75	28,292.94 <sup>(1)</sup>	D
Common Stock	02/10/2010		S		6,375 <sub>(2)</sub> D 9.5132 <sub>(3)</sub>	21,917.94	D
Common Stock	02/11/2010		M		52,424 A \$ 5.75	74,341.94	D
Common Stock	02/11/2010		S		52,424 <sub>(2)</sub> D 9.2845 <sub>(4)</sub>	21,917.94	D
	02/12/2010		M		A \$ 5.75	45,057.94	D

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Common Stock				23,140				
				<u>(2)</u>				
Common Stock	02/12/2010		S	23,140	D	\$ 9,4805	21,917.94	D
						<u>(5)</u>		

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Option (right to buy)	\$ 5.75	02/10/2010		M	6,375	04/27/2004	04/27/2010	Common Stock	6,375
Stock Option (right to buy)	\$ 5.75	02/11/2010		M	52,424	04/27/2004	04/27/2010	Common Stock	52,424
Stock Option (right to buy)	\$ 5.75	02/12/2010		M	23,140	04/27/2004	04/27/2010	Common Stock	23,140

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KRISHNAN SUBRAMANIAN 11001 BREN ROAD EAST MINNETONKA, MN 55343			Senior V.P., CFO and Treasurer	

## Signatures

/s/ Julie M. Regnier, Attorney-in-Fact for Subramanian  
Krishnan

02/12/2010

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) Includes a total of 2,937,994 shares of Common Stock the reporting person acquired during 2009 through the Digi International Inc. Employee Stock Purchase Plan in transactions exempt under Rule 16b-3(c) with prices ranging from \$6.583 to \$7.263.
- (2) The shares reported as being sold represent a portion of the 85,000 shares of Common Stock that may be acquired and sold upon the exercise of a stock option that expires on April 27, 2010.  
Reflects the weighted average price of 6,375 shares of Common Stock of Digi International Inc. sold by the reporting person in multiple transactions on February 10, 2010 with sale prices ranging from \$9.45 to \$9.56 per share. The reporting person undertakes to provide upon request by the U.S. Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares purchased or sold at each separate price.
- (3) Reflects the weighted average price of 52,424 shares of Common Stock of Digi International Inc. sold by the reporting person in multiple transactions on February 11, 2010 with sale prices ranging from \$9.21 to \$9.36 per share. The reporting person undertakes to provide upon request by the U.S. Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares purchased or sold at each separate price.
- (4) Reflects the weighted average price of 23,140 shares of Common Stock of Digi International Inc. sold by the reporting person in multiple transactions on February 12, 2010 with sale prices ranging from \$9.41 to \$9.60 per share. The reporting person undertakes to provide upon request by the U.S. Securities and Exchange Commission staff, the issuer, or a security holder of the issuer, full information regarding the number of shares purchased or sold at each separate price.
- (5)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.