Digi Adapters Deployed by Sumisho Datacom and Internet Pro Corporation for Linux-based Internet POP Solutions in Japan

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MINNEAPOLIS--(BUSINESS WIRE)--Feb. 22, 2000--Sumisho Datacom (Sumisho) and Internet Pro Corporation (IPC) have chosen RAS (Remote Access Server) products from Digi International(R) Inc. (Nasdaq: DGII), the world's leading provider of communications adapters, to help build Linux-based Internet point-of-presence (POP) servers for Japan's fast-growing community of Internet Service Providers (ISPs).

Linux-based systems incorporating Digi(TM) DataFire RAS(TM) adapters make ideal POP servers for ISPs, offering benefits such as high performance, reliability, and scalability at a cost-per-port significantly lower than router-based solutions. The first project, comprising 78 servers, has been deployed and is successfully operating in a high-traffic 24 x 7 x 365 application.

As part of the agreement, Sumisho, Digi's distributor to Japan for the past seven years, is supplying Digi RAS products as well as strategic marketing support. IPC, Japan's premier telecommunications consulting company, is providing hardware and system integration services to configure the POPs. IPC will also provide marketing and sales support, training and maintenance.

Sumisho and IPC are marketing Pentium-based PC Servers equipped with Digi DataFire RAS 24/48 remote access adapters and running Red Hat Linux. The two companies are initially targeting small- and medium-sized ISPs, with plans to expand into the large ISP and corporate IT markets. Product offerings are scalable from 24 to 384 ports in a single server.

"Server-powered communications provides the perfect solution for the rapidly expanding Internet services market in Japan," said Joseph Dunsmore, Digi president and chief executive officer. "For smaller ISPs in the emerging Japanese market, low cost of ownership is a key factor in building a broad networking infrastructure. A Linux-based PC server equipped with DataFire adapters represents a highly versatile, reliable POP solution at a reasonable price."

The increasing popularity of the Linux operating system among Japanese companies was another key factor in Sumisho's decision to build Linux-based systems incorporating Digi DataFire adapters. According to the results of a recent survey entitled "First Linux Market Survey," conducted by the Research Department of Nikkei Business Publications, Inc., installation of Linux as the standard operating system (OS) among Japanese companies is expected to increase 25 percent in coming years, to eventually capture 30 percent of the Japanese OS market. The majority of those polled cited low cost as a determining factor in adopting Linux.

According to Sumisho's President, Eric Takaya, "Digi products are integral to our mission to accommodate the expansion of the Japanese ISP market. ISDN deregulation is changing the face of the Japanese telcom industry, finally making affordable Internet access available to everyone. Digi DataFire adapters offer the scalability ISPs will need to grow along with the demand."

The agreement between the three companies comes in response to the growth of the Japanese ISP market following Nippon Telegraph and Telephone Corp.'s conversion to fixed rate charges for Internet access in early 1999. Deregulation of ISDN charges in Japan has reduced both retail and wholesale rates for Internet access, resulting in tremendous growth within the Japanese ISP industry and an increasing need for robust, cost-effective connectivity solutions.

Digi's DataFire adapters use advanced dense modem technology to provide low-cost connectivity and scalability to meet customers' future growth demands. Digi's built-in modems use the latest advances in Digital Signal Processing (DSP) technology, resulting in the industry's highest density of on-board modems for a RAS adapter.

About Digi International...Bringing Server-Powered Communications to the World

Digi International, based in Minneapolis, is a leading world-wide provider of voice and data communications hardware and software that delivers seamless connectivity solutions for open systems, server-based remote access and LAN markets. The company markets its products through a global network of distributors and resellers, system integrators and original equipment manufacturers (OEMs). For more information, visit Digi's Web site at www.digi.com or call (800) 344-4273 (U.S.) or (612) 912-3444 (International).

About Sumisho Datacom...Japan's Network Solution

Sumisho Datacom Inc. (SDC) provides total solutions for corporate network systems. Headquartered in Tokyo, Japan, SDC was established in July 1992 by Japan's largest trading house, Sumitomo Corporation, and Sumisho Computer Systems Corporation. One of the largest distribution companies in Japan, Sumisho provides products in such areas as Internet, intranet, remote access, backup, LAN, and fax communications, directly to end users or through the Sumisho distribution division.

About Internet Pro...Connecting to the Future

Established in 1996, Internet Pro Corporation, based in Tokyo, is the preeminent provider of advanced system integration technology and telecommunications consulting services to Japan, offering services such as corporate leased line internet connection, communication network system consulting and Internet / extranet integration. With a client base that includes Japan's largest telecommunications carriers, Internet Pro Corporation has quickly positioned itself on the forefront of Japan's rapidly developing communications infrastructure.

Certain statements made in this release are forward looking statements that involve risks and uncertainties. These forward-looking statements are not guaranties of the company's future performance. Important factors could cause actual results to defer materially include, but are not limited to the following: rapid changes in products and technologies that may displace products sold by Digi, the competitive industry within which Digi operates, Digi's reliance on distributors, declining prices of networking products, and changes in the companies level of profitability.

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