

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL

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1. Name and Address of Reporting Person * <u>MILLARD KENNETH E</u>  (Last) (First) (Middle) <u>5059 LAKEVIEW COURT</u>  (Street) <u>OCONOMOWOC WI 53066</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>DIGI INTERNATIONAL INC [ DGII ]</u>  3. Date of Earliest Transaction (Month/Day/Year) <u>01/30/2006</u>  4. If Amendment, Date of Original Filed (Month/Day/Year)	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)  <input checked="" type="checkbox"/> Director 10% Owner  Officer (give title below) Other (specify below)
6. Individual or Joint/Group Filing (Check Applicable Line)  <input checked="" type="checkbox"/> Form filed by One Reporting Person  Form filed by More than One Reporting Person		

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	01/30/2006		M		8,500	A	\$6.688	8,500	D	
Common Stock	01/30/2006		M		8,500	A	\$6.13	17,000	D	
Common Stock	01/30/2006		M		22,000	A	\$3.35	39,000	D	
Common Stock	01/30/2006		S		39,000	D	\$11.1069	0	D	

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 Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Stock Option (right to buy)	\$6.688	01/30/2006		M			8,500	(1)	01/24/2011	Common Stock	8,500	(4)	0	D	
Stock Option (right to buy)	\$6.13	01/30/2006		M			8,500	(2)	01/23/2012	Common Stock	8,500	(4)	0	D	
Stock Option (right to buy)	\$3.35	01/30/2006		M			22,000	(3)	01/22/2013	Common Stock	22,000	(4)	0	D	

Explanation of Responses:

1. The option vested in 50% increments on the dates of the 2002 and 2003 Annual Meetings of Stockholders.  
2. The option vested in 50% increments on the dates of the 2003 and 2004 Annual Meetings of Stockholders.  
3. The option vested in 50% increments on the dates of the 2004 and 2005 Annual Meetings of Stockholders.  
4. Not applicable.

/s/ Amy C. Seidel on behalf of  
Kenneth E. Millard

02/01/2006

\*\* Signature of Reporting Person Date

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

\* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.