

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) September 3, 1998

DIGI INTERNATIONAL INC.

(Exact name of Registrant as specified in its charter)

DELAWARE

0-17972

41-1532464

(State or other jurisdiction (Commission File Number)
of incorporation)

(IRS Employer
Identification No.)

11001 BREN ROAD EAST
MINNETONKA, MINNESOTA

55343

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code (612) 912-3444

Item 5. OTHER EVENTS.

Digi International Inc., a Delaware corporation (the "Company"), announced on September 3, 1998 that the Company's Board of Directors has authorized the Company to purchase up to 1 million shares of its Common Stock, par value \$.01 per share ("Common Stock"), from time to time on the open market or otherwise. Shares of Common Stock purchased will be used for the Company's Stock Option Plan and Employee Stock Purchase Plan. The Company has approximately 15.2 million shares of Common Stock outstanding.

The Company also announced on September 3, 1998 that Jonathon E. Killmer, Senior Vice President, Chief Financial Officer and Treasurer, will leave the Company, effective October 30, 1998, to pursue personal interests.

Additional information regarding these announcements is contained in the Press Release of the Company included herein as an exhibit.

Item 7. EXHIBITS.

99. Press Release of the Company dated September 3, 1998.

SIGNATURES

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, thereunto duly authorized.

DIGI INTERNATIONAL INC.

Date: September 4, 1998

By /s/ Jonathon E. Killmer

Jonathon E. Killmer
Senior Vice President, Chief Financial Officer
and Treasurer

EXHIBIT INDEX

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99	Press release of the Company dated September 3, 1998.	Filed Electronically

FOR IMMEDIATE RELEASE CONTACT: Rob Clark
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DIGI INTERNATIONAL ANNOUNCES STOCK BUY BACK

KILLMER, CFO, TO LEAVE COMPANY AT END OF OCTOBER

MINNEAPOLIS, SEPTEMBER 3, 1998 -- Digi International Inc. (Nasdaq: DGII), the leading provider of server-based communications solutions, today announced that the board of directors has authorized the company to purchase up to 1 million shares of its common stock from time to time in transactions on the open market or otherwise. Shares purchased will be used for the company's stock option and employee stock purchase plans. Digi has approximately 15.2 million shares of common stock outstanding.

"We are confident in the future of our company and remain very committed to our aggressive strategy to gain increased market share in the open-systems, server-based remote access market," said Jerry A. Dusa, president and chief executive officer of Digi International.

The company also announced that Chief Financial Officer Jonathon Killmer, 56, will leave the company, effective October 30, 1998.

"After a long and rewarding career at Coopers & Lybrand, I wanted to work in an operating environment," said Killmer. "Digi has been a great opportunity. The last two years have allowed be to accomplish many of the things that I wasn't able to do in public accounting. It is now time to pursue some other personal interests. I wish the best for the company."

`"Digi has benefited immensely from the experience, leadership and wisdom of Jon Killmer," said Dusa. "He has helped Digi return to profitability and to stabilize internal operations. We will sorely miss him.

ABOUT DIGI INTERNATIONAL

Digi International (NASDAQ National Market: DGII), based in Minneapolis, is a leading ISO 9001-compliant provider of 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 an international network of distributors and resellers, system integrators, and original equipment manufacturers (OEMs).

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