FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL OMB Number: Estimated average burden hours per response: 0.5

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

1. Name and Address of Reporting Person* DUNSMORE JOSEPH T						2. Issuer Name and Ticker or Trading Symbol DIGI INTERNATIONAL INC [DGII]								5. Relationship of Reporting Person(s) to Issuer (Check all applicable)				
														X Direct			Owner	
(Last) (First) (Middle) 11001 BREN ROAD EAST						3. Date of Earliest Transaction (Month/Day/Year) 08/31/2006								X Officer (give title Other (specify below) Chairman, President and CEO				
(Street) MINNETONKA MN 55343						4. If Amendment, Date of Original Filed (Month/Day/Year)								G. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person				
(City)	(S		(Zip)	D i		- 0-		A.		-1 5	· 1 -	fD.						
1. Title of Security (Instr. 3) 2. Transaction Date (Month/Day/					ction	2A. Exe	Deemed cution Date,		3. Transaction Code (Instr. 8)		4. Securities Acquired (A) of Disposed Of (D) (Instr. 3, 4		(A) or	5. Amo Securit Benefic	unt of ies	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership	
									Code	v	Amount	(A) or (D)	Price	Reporte Transa (Instr. 3	ction(s)		(Instr. 4)	
Common Stock 10/03/20						05			J ⁽¹⁾		222.2	A	\$8.95	1 5,5	92.511	D		
Common Stock 01/03/20					/2006	006			J ⁽¹⁾		1,019.341	Α	\$8.97	6 6,6	11.852	D		
Common Stock 04/03/20					/2006	006			J ⁽¹⁾		341.576	A	\$9.05	3 6,9	53.428	D		
Common Stock 07/03/20					/2006	006			J ⁽¹⁾		383.502	A	\$9.78	8 7,3	36.93	D		
Common Stock 08/31/20						006			M		20,000	A	\$5.2	27,	336.93	D		
Common Stock 08/31/20						06		S		20,000	D	\$13.43	05 7,3	36.93	D			
		-	Table II							,	posed of, convertil			Owned				
1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deer Execution if any (Month/I		4. Transa Code (8)				6. Date Exerc Expiration Da (Month/Day/Y		ate	7. Title and Amo of Securities Underlying Derivative Secur (Instr. 3 and 4)		Derivative Security		Owners Form: Uly Direct (I or Indire (I) (Instr	Beneficial Ownership ct (Instr. 4)	
					Code	v	(A)	(D)	Date Exercis	sable	Expiration Date	Title	Amount or Number of Shares	ber				
Stock Option (right to	\$5.2	08/31/2006			M			20,000	(2))	09/28/2011	Common Stock	20,000	(3)	25,00	0 D		

Explanation of Responses:

- 1. Employee Stock Purchase Plan acquisition.
- 2. The stock option became exercisable as to 50% of the shares on each September 28, 2002 and September 28, 2003.
- 3. Not applicable.

/s/ Amy C. Seidel on behalf of Joseph T. Dunmore

09/05/2006

** 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.