# Digi International Inc.

**DGII**

Nasdaq; business equipment; SIC 3576, Computer Communications Equipment; CIK 0000854775

# C/D

**on the C/D boundary of 468 graded peers in business equip...**

rank 291 of 468; percentile 62.1; sampling error 2.3 points; lower is stronger

A B C D E

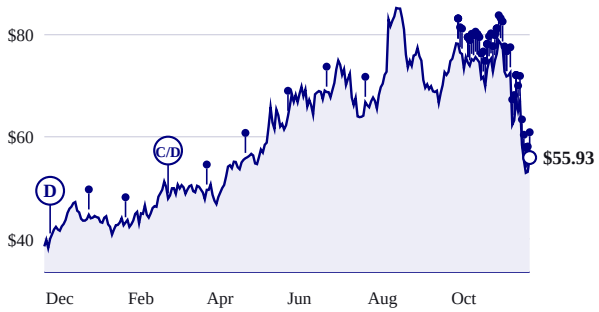
**C/D, the tortoise**



## Scoreboard

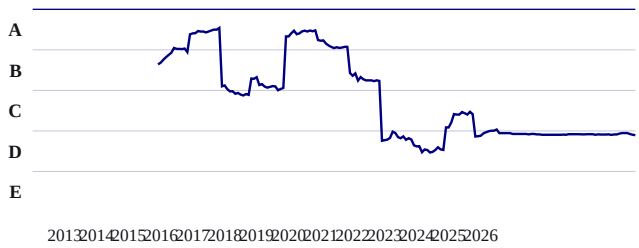
| | |
|---|---|
| **Profitability** | C<br>percentile 55.0 |
| **Solvency** | C<br>percentile 48.6 |
| **Growth and financing** | C<br>percentile 55.4 |
| **Reliability** | 0.91 AUC<br>filers with $591M to $2.67B assets; 95% interval 0.88 to 0.94; 160 events, 2020 to 2025 |
| **Peer failure rate** | 1.01% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $591M to $2.67B assets<br>total assets $922.6M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | none triggered<br>not computable: distress |
| **Inputs computable** | 13 of 13 |
| **Graded from** | filings received through Nov 21, 2025<br>363 days before the rescan; latest periodic filing 10-Q received Aug 5, 2026 |
| **Last close** | $55.98<br>2026-11-18; market equity $2.1B; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Nov 21, 2025*

Digi International Inc. ("Digi®," "we," "our," or "us") was incorporated in 1985 as a Minnesota corporation. We reorganized as a Delaware corporation in 1989 in conjunction with our initial public offering. Our common stock trades on the Nasdaq Global Select Market tier of the Nasdaq Stock Market LLC (the "Nasdaq") under the symbol DGII. Our World Headquarters is located at 9350 Excelsior Blvd., Suite 700, Hopkins, Minnesota 55343. The telephone number at our World Headquarters is (952) 912-3444. We are a leading global provider of business and mission-critical Internet of Things ("IoT") connectivity products, services and solutions.

## The thirteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

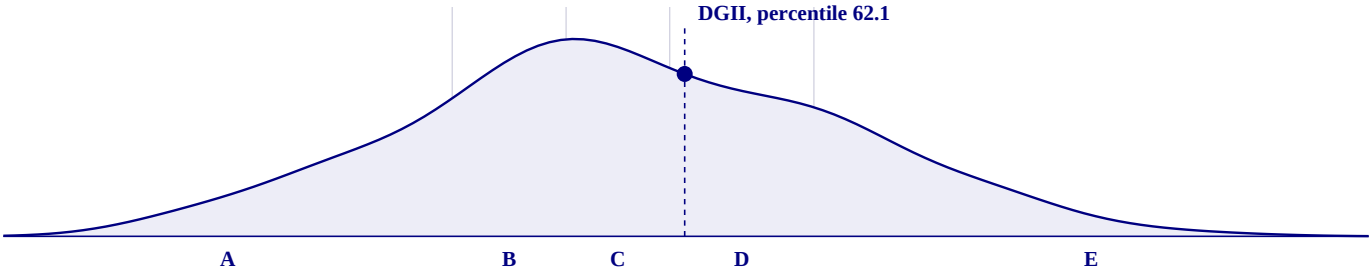
| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 55.0** | | | | | | |
| Gross profitability | 29.3% | 29.2% | | 47.0 | 512 | 2025-09-30 |
| Return on invested capital | 6.3% | 11.0% | | 60.2 | 124 | 2025-09-30 |
| Accruals ratio | (7.7%) | (7.4%) | | 50.3 | 566 | 2025-09-30 |

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| | | | | | |
|---|---|---|---|---|---|
| Gross margin stability, five years | 3.1 pts | 2.3 pts | 62.6 | 405 | 2025-09-30 |
| **Solvency, sleeve percentile 48.6** | | | | | |
| Altman Z double-prime | 3.92 | 2.21 | 29.9 | 516 | 2025-09-30 |
| Net debt to EBITDA | 1.52x | 1.08x | 57.7 | 138 | 2025-09-30 |
| Interest coverage | 8.91x | 4.90x | 34.2 | 80 | 2025-09-30 |
| Current ratio | 1.21x | 1.98x | 72.6 | 600 | 2025-09-30 |
| **Growth and financing, sleeve percentile 55.4** | | | | | |
| Revenue growth, three-year compound | 3.5% | 6.5% | 58.5 | 502 | 2025-09-30 |
| Free cash flow growth, three-year compound | 43.3% | 17.5% | 20.2 | 253 | 2025-09-30 |
| Reinvestment rate | (159.9%) | 15.6% | 82.5 | 213 | 2025-09-30 |
| Asset growth, three years | 2.6% | 5.0% | 55.0 | 519 | 2025-09-30 |
| Net share issuance, one year | 1.8% | 0.5% | 60.9 | 405 | 2025-11-14 |

## Among 468 peers

*business equipment; letters are fifths of this list*




*Composite score of every graded peer, smoothed; vertical rules are the letter band edges; stronger to the left.*

| Rank | Company | Percentile | Letter | Warnings |
|---|---|---|---|---|
| 286 | Mettler Toledo International (MTD) | 61.0 | C/D | |
| 287 | NXP Semiconductors N.V. (NXPI) | 61.2 | C/D | |
| 288 | Fastly, Inc. (FSLY) | 61.5 | C/D | |
| 289 | Bentley Systems Inc. (BSY) | 61.7 | C/D | |
| 290 | Harmonic Inc. (HLIT) | 61.9 | C/D | late filer, fortress balance sheet |
| 291 | Digi International Inc. (DGII) | 62.1 | C/D | |
| 292 | TripAdvisor, Inc. (TRIP) | 62.3 | D | fortress balance sheet |
| 293 | KEY Tronic Corp. (KTCC) | 62.5 | D | short runway |
| 294 | Cisco Systems, Inc. (CSCO) | 62.7 | D | |
| 295 | ON Semiconductor Corp. (ON) | 63.0 | D | |
| 296 | Alpha & Omega Semiconductor Ltd. (AOSL) | 63.2 | D | fortress balance sheet |

## What the price implies

*at the 2026-11-18 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | 107.8% | (2.2%) | 91 |
| Distance from 52-week high | (34.4%) | (37.2%) | 55 |
| EBIT to enterprise value | 2.6% | 1.8% | 57 |
| Free cash flow yield | 5.0% | 2.9% | 66 |
| Book value to price | 0.32 | 0.28 | 54 |
| Sales to price | 0.20 | 0.33 | 35 |
| Composite equity issuance, five years | 26.1% | 4.3% | 75 |
| Relative strength against the sector, log excess return | 0.46 | (0.29) | 91 |
| Twelve-month failure probability, CHS model | not computable | 0.05% | |

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## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score 6 of 9, period end 2025-09-30** | |
| Return on assets above zero | pass |
| Operating cash flow above zero | pass |
| Return on assets improved | pass |
| Operating cash flow exceeds net income | pass |
| Long-term leverage fell | fail |
| Current ratio improved | fail |
| No new shares issued | fail |
| Gross margin improved | pass |
| Asset turnover improved | pass |
| **Cash, filings, liquidity** | |
| Cash and equivalents | $28.0M |
| Operating cash flow, four quarters | $138.4M |
| Months of runway | not finite |
| Days since last periodic filing | 106 (10-Q received Aug 5, 2026) |
| Median daily dollar volume, 63 sessions | $26.2M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $270.7M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 2 | assets | us-gaap:Assets | $922.6M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 3 | operating income | us-gaap:OperatingIncomeLoss | $56.3M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 4 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | $49.9M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 5 | income tax | us-gaap:IncomeTaxExpenseBenefit | $9.1M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 6 | total debt | us-gaap:LongTermDebt | $159.2M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 7 | book equity | us-gaap:StockholdersEquity | $636.1M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 8 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $21.9M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 9 | total debt | us-gaap:LongTermDebt | $123.2M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 10 | book equity | us-gaap:StockholdersEquity | $581.0M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 11 | cash | us-gaap:CashAndCashEquivalentsAtCarryingValue | $27.5M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 12 | net income | us-gaap:NetIncomeLoss | $40.8M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 13 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $108.0M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 14 | assets | us-gaap:Assets | $815.1M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $430.2M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 16 | gross profit | us-gaap:GrossProfit | $249.9M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 17 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $424.0M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 18 | gross profit | us-gaap:GrossProfit | $252.2M | 2023-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 19 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $444.8M | 2023-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 20 | gross profit | us-gaap:GrossProfit | $216.3M | 2022-09-30 | 2024-11-22 | 10-K | 24-000033 |
| 21 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $388.2M | 2022-09-30 | 2024-11-22 | 10-K | 24-000033 |
| 22 | gross profit | us-gaap:GrossProfit | $166.7M | 2021-09-30 | 2023-11-22 | 10-K | 23-000015 |
| 23 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $308.6M | 2021-09-30 | 2023-11-22 | 10-K | 23-000015 |
| 24 | current assets | us-gaap:AssetsCurrent | $130.7M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 25 | current liabilities | us-gaap:LiabilitiesCurrent | $107.8M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 26 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | $288.2M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 27 | liabilities | us-gaap:Liabilities | $286.6M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 28 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $34.0M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 29 | interest expense | us-gaap:InterestExpense | $6.3M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 30 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.6M | 2025-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 31 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $83.1M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |

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| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 32 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.2M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 33 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $36.8M | 2023-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 34 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $4.3M | 2023-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 35 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivities | $37.7M | 2022-09-30 | 2024-11-22 | 10-K | 24-000033 |
| 36 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $2.0M | 2022-09-30 | 2024-11-22 | 10-K | 24-000033 |
| 37 | current assets | us-gaap:AssetsCurrent | $154.4M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 38 | current liabilities | us-gaap:LiabilitiesCurrent | $89.3M | 2024-09-30 | 2025-11-21 | 10-K | 25-000026 |
| 39 | assets | us-gaap:Assets | $835.5M | 2023-09-30 | 2024-11-22 | 10-K | 24-000033 |
| 40 | assets | us-gaap:Assets | $853.9M | 2022-09-30 | 2023-11-22 | 10-K | 23-000015 |
| 41 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 37,232,593 | 2025-11-14 | 2025-11-21 | 10-K | 25-000026 |
| 42 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 36,582,896 | 2024-11-08 | 2024-11-22 | 10-K | 24-000033 |

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