

Investment Banking Update

\$45 MILLION

October 23, 2017

DIGI

Has acquired

TEMPALERT

The undersigned served as exclusive financial advisor to Digi International, Inc.

Stephens Inc.

Transaction Details

- On October 23, 2017, Digi International, Inc. ("Digi"), announced that it has acquired TempAlert for \$45 million in cash plus future earn out incentives
- With its fourth strategic acquisition in 24 months, Digi is a leader in the space with nearly 35,000 customer sites and a deep presence in the healthcare, transportation, industrial and foodservice markets
- The acquisition of TempAlert doubles the Smart Solutions team to over 100 professionals, allowing Digi to offer its customers unprecedented domain expertise and support
- TempAlert CEO Harry Schechter and the TempAlert team will become part of the Digi Smart Solutions team and Schechter will report to Digi COO Kevin Riley
- Stephens Inc. served as exclusive financial advisor to Digi

According to Digi's Press Release:

Digi International, Inc.

Digi International (NASDAQ: DGII) is a leading global provider of business and mission-critical Internet of Things (IoT) products and services. They help their customers create next-generation connected products and deploy and manage critical communications infrastructures in demanding environments with high levels of security, relentless reliability and bulletproof performance. Founded in 1985, they have helped their customers connect over 100 million things, and growing.

TempAlert

TempAlert was founded in 2005 to transform how organizations sense, monitor, and make decisions. TempAlert automates monitoring for food and medication safety and compliance, and monitors critical equipment and tanks for product quality and preventative maintenance. Today, TempAlert has earned the trust of the most critical government, commercial, and non-profit institutions in the world. The TempAlert systems enable real-time sensor-driven decisions at over 2,000 organizations including Walmart, CVS Health, SpaceX, Apple, Coca-Cola, McDonald's, and the U.S. Department of State.

Source: Digi Press Release.

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