

Japan's hacked crypto exchange Coincheck bought out

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Coincheck executives are bowing out

Japanese online broker Monex Group said Friday it would buy virtual currency exchange Coincheck, which was hit by a massive hack that saw thieves steal hundreds of millions of dollars in virtual currency.

The decision came after Coincheck refunded more than \$440 million to its 260,000 customers who lost their holdings of NEM, a leading cryptocurrency, following the [hack](#).

Thieves siphoned away 523 million units of the virtual [currency](#) from Coincheck—then valued at \$547 million—during the January hack, thought to be one of the biggest ever.

Monex said in a statement it will acquire all of the 1.78 million shares of Coincheck for 3.6 billion yen (\$34 million).

The broker added: "We aim to build a secure business environment for customers by fully backing up Coincheck's enhancement process" after authorities ordered improvements after the hack.

Coincheck chief executive Koichiro Wada and chief operating officer Yusuke Otsuka will step down and Monex managing director Toshihiko Katsuya will take over the CEO post.

Japan's Financial Services Agency last month ordered five cryptocurrency exchanges, including Coincheck, to make improvements to their business operations, while slapping two exchanges with suspension orders.

The Coincheck theft exceeded the \$480 million in bitcoin stolen in 2014 from another Japanese exchange, MtGox.

That hack in 2014 prompted Japan to issue new regulations, requiring exchanges to obtain a government licence, but Coincheck was allowed to continue operating while the FSA was reviewing its application.

In February, seven plaintiffs—two companies and five individuals—filed a lawsuit against Coincheck seeking the

reimbursement of 19.53 million yen in lost [virtual currency](#) and further compensation for interest lost due to the hack.

Japan is a major centre for virtual currencies and as many as 10,000 businesses in Japan are thought to accept bitcoin.

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