

Japan firm says \$32 mn missing in cryptocurrency hack

July 12 2019



BITPoint Japan handles several digital currencies including bitcoin and ethereum

A Tokyo-based cryptocurrency exchange said Friday it had halted all services after losing cryptocurrency worth more than \$32 million in the latest apparent hack involving virtual money.

Remixpoint said its subsidiary BITPoint Japan discovered overnight that about 3.5 billion yen (\$32.3 million) in various digital currencies had gone missing from its management.

The apparent hack was discovered after an error appeared in the firm's outgoing funds transfer system on Thursday night.

It said the cryptocurrency went missing from a so-called "hot wallet", which is connected to the internet, but that currency held in "cold wallets" that are offline was not affected.

BITPoint Japan handles various virtual currencies, including bitcoin, ethereum and ripple.

Remixpoint said the firm was still analysing the loss and offered no further details.

It said it would compensate customers for the losses. Around 2.5 billion yen worth of the missing currency was customer funds, with the rest owned by the firm.

Remixpoint shares plunged 18.6 percent following the announcement.

The incident is the latest in a string of similar cases at Japanese cryptocurrency exchanges.

In 2018, Japan-based exchange Coincheck suspended deposits and withdrawals for virtual currencies after it was hacked, resulting in a loss worth half a billion dollars at the time.

And the Tokyo-based MtGox exchange, which at one time handled nearly 80 percent of all global bitcoin transactions, was shut down in 2014 after 850,000 bitcoins (worth half a billion dollars at the time)

disappeared from its virtual vaults.

The hacks have prompted greater oversight of crypto exchanges by Japan's Financial Services Agency but critics says security gaps remain.

© 2019 AFP

Citation: Japan firm says \$32 mn missing in cryptocurrency hack (2019, July 12) retrieved 9 April 2024 from <https://phys.org/news/2019-07-japan-crypto-exchange-million-virtual.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--