



December 24th, 2024  
bitFlyer, Inc.

## **bitFlyer's Security Measures in Response to the Announcement by the National Policy Agency and Other Authorities**

Today, the National Police Agency, the U.S. Federal Bureau of Investigation (FBI), and the U.S. Department of Defense Cyber Crime Center (DC3) jointly announced that a hacker group linked to North Korea was identified as the perpetrators of the theft of approximately JPY 48.2 billion worth of Bitcoin from DMM Bitcoin Co., Ltd. According to the announcement, the group gained unauthorized access to the system by contacting an employee of Ginco Inc., a company entrusted with wallet management by DMM Bitcoin Co., Ltd.

bitFlyer, Inc. (Head office: Minato-ku, Tokyo; Representative Director: Yuzo Kano; hereinafter referred to as "bitFlyer") does not use the services of Ginco Inc., and all wallet design, management, and operations are conducted entirely in-house. \*

Since its founding, bitFlyer has made security a top management priority and has fully developed its wallets in-house without reliance on external vendors. To safeguard customer assets, bitFlyer employs multi-layered security measures, both technically and physically.

Additionally, bitFlyer collaborates with the National Police Agency and prefectural police departments to implement measures for Anti-Money Laundering (AML) as well as for Countering the Financing of Terrorism (CFT). Personnel with specialized expertise in the financial industry are employed to track any suspicious transactions or financial flows.

In response to the announcement by the National Police Agency and other authorities, bitFlyer will further enhance its existing training and educational programs for employees, reinforce awareness initiatives, and continue to strengthen its security measures. bitFlyer remains dedicated to providing a safe and reliable trading environment for its customers.

\*The three ZPG tokens issued on the private blockchain "Miyabi," developed by bitFlyer Blockchain, build an exception as they use wallets developed by AndGo, Inc.

### **About the bitFlyer Group**

Founded in 2014 with the mission to "Simplify the World with Blockchain", bitFlyer has achieved the No. 1\* in Bitcoin trading volume in Japan for eight consecutive years thanks to the patronage of its customers. The company has developed its crypto asset trading business globally with its group companies bitFlyer USA, Inc. and bitFlyer EUROPE S.A. bitFlyer Blockchain, Inc. has developed and is offering its proprietary blockchain platform, Miyabi, which is being utilized as the underlying infrastructure for tokens listed on crypto asset exchanges. Additionally, Custodiem, Inc. is preparing to launch a new crypto custody business, anticipating the increasing demand from institutional investors entering the crypto asset market. By harnessing synergies across the group to expand globally within the web3 ecosystem, the Group is striving to become Asia's leading web3 company.

Official website: <https://bitflyer.com>

\*Annual trading volume, including contract for difference trading and futures trading, among domestic crypto asset exchange operators from 2016 to 2023.

(This data was aggregated by bitFlyer based on statistical information published by the Japan Virtual and Crypto assets Exchange Association and trading data disclosed by domestic crypto asset exchange operators. For the statistical information from the Japan Virtual and Crypto assets Exchange Association, data from 2018 onwards was referenced.)

**Disclaimer (Please read carefully):**

- Crypto assets are not a legal tender.
- Crypto assets may be used to settle a payment only in the event that the person receiving the payment agrees.
- Buying/selling crypto assets or exchanging them for other crypto assets are transactions which may result in losses incurred from price fluctuations of crypto assets. It is possible that the price of crypto assets declines due to influences from changes in balance of supply and demand, trends on prices of goods, currencies and other markets, as well as changes in situation related to crypto assets.
- Trading with over-the-counter crypto asset derivatives may cause losses, because their trading price may fluctuate in either way due to influence from changes in balance of supply and demand of over-the-counter crypto asset derivatives on our platform as well as indirect influence from price changes of the crypto assets referred by those over-the-counter crypto asset derivatives.
- Over-the-counter crypto asset derivative trades are trades in which the notional amount, which is the product of the trading price and the open interest volume, can be larger than the amount of the margin deposit. Therefore, the amount of loss incurred may be larger than the amount of margin deposit if the notional amount fluctuates to a greater extent than the amount of margin deposit to your disadvantage due to changes in balance of supply and demand of over-the-counter crypto asset derivatives or price fluctuations of the crypto assets referred by the derivatives.
- The margin deposit size for over-the-counter crypto assets derivatives must be no less than 50% of the notional amount, while the notional amount must be no more than 2 times the margin deposit. (Both for individual customers.) More information can be found on our "[What is bitFlyer Crypto CFD?](#)" page.
- When making purchases or sales of crypto assets on Buy/Sell, or exchanging them for other crypto assets, customers bear the spread. The spread is the difference between the purchase and selling prices. The fees incurred when buying or selling crypto assets, exchanging them for other crypto assets or over-the-counter crypto asset derivatives as well as the calculation methods for the corresponding fees can be found on our "[Fees and Taxes](#)" page.
- Over-the-counter crypto asset derivatives are negotiated transactions between you and bitFlyer, Inc. which is the counterparty for you on those derivatives.
- You should thoroughly read and understand all of our documents that require user agreement. Trade at your own risk and judgment.

bitFlyer, Inc.

Director-General of the Kanto Finance Bureau No. 00003

Financial Instruments Business Kanto Local Finance Bureau (FIBO) No. 3294

Member of Japan Virtual and Crypto asset Exchange Association, which is Certified Association for Payment Service Providers as well as Financial Instruments Firms Association

**Media Inquiries**

PR team, bitFlyer, Inc.

Midtown Tower, 9-7-1 Akasaka, Minato-ku, Tokyo 107-6233

HP: <https://bitflyer.com> Contact: <https://bitflyer.com/en-jp/Contact>