

MtGox faced 150,000 attacks per second, says report
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Bitcoin exchange MtGox faced massive hacker offensives last month, coming under some 150,000 DDoS attacks per second for several days ahead of its spectacular failure, a report said today.

The Tokyo-based exchange, which filed for bankruptcy protection in February and admitted that it has lost half a billion dollars in the digital currency, has come under serious cyber-attacks in particular since around February 7, the Yomiuri Shimbun reported.

While MtGox faced hacker attempts to steal Bitcoins, the exchange also confronted massive distributed denial-of-service (DDoS) attacks, crippling its systems, the newspaper said without naming its sources.

Under DDoS attacks, hackers hijack multiple computers to send a flood of data to the target, crippling its computer system.

The attacks on MtGox lasted for several days and many Bitcoins were stolen, the Yomiuri said.

MtGox's lawyers said 750,000 Bitcoins belonging to the firm's customers had gone missing, along with around 100,000 units that the company owned.

Unlike traditional currencies backed by central banks, Bitcoin is generated by complex chains of interactions among a huge network of computers around the planet.

After trading for cents per Bitcoin for the first two years of its existence, it began a frenzied climb in 2011 that took it to US\$40 (RM130) a coin in late 2012 and US\$1,100 last year, before falling off to the current US\$610 level.

Its relative anonymity and lack of regulation has been attacked by critics who fear it could be used to finance organised crime or terrorism.

US Federal Reserve head Janet Yellen has said the Fed had no powers over a currency that only exists virtually with no central authority behind it.

Several countries, including Russia and China, have heavily restricted how Bitcoin can be used.

Japanese officials have said they were closely monitoring MtGox's bankruptcy proceedings, as they try to get a handle on how and why the exchange imploded. – AFP, March 9, 2014.

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