

(NEWS RELEASE)

August 5, 2024 KADOKAWA CORPORATION

Notice Concerning Information Leakage Caused by Ransomware Attack

KADOKAWA CORPORATION (Headquarters: Chiyoda-ku, Tokyo; Chief Executive Officer: Takeshi Natsuno) expresses deep apologies for the information leakage caused by the ransomware attack on the Group and for the great concern and inconvenience caused to all stakeholders involved.

On June 8, in response to the fact that there was a failure to access multiple servers of the Group, an internal analysis and investigation was conducted as soon as possible. It was confirmed that the DWANGO Co., Ltd. dedicated file server and so on in the Group's data center was subject to a large-scale cyberattack including ransomware, targeting a group of services centered on *Niconico*.

Since the time of this incident, the Group has been diligently investigating to understand the possibility of information leakage and the scope of the leaked information with the support of a major outside security firm. As a result of our investigation at this time, we have found the following. In addition, we have reported this content to the Personal Information Protection Commission in Japan.

Information confirmed to have been leaked externally

1. Personal Information Total: 254,241

[External Information]

- The following information related to DWANGO Co., Ltd.
 - Personal information (name, date of birth, address, telephone number, email address, pseudonym, bank account information, etc.) of some business partners (including creators and sole proprietors) of DWANGO Co., Ltd. and some of its affiliates
 - Personal information (name, date of birth, address, telephone number, email address, attribute information such as educational background and bank account information, personnel information such as employee number and attendance, etc.) of some former employees of DWANGO Co., Ltd., some of its affiliated companies, and some of its sibling companies
 - Personal information (name, date of birth, address, telephone number, email address, screening history, etc.) of some people interviewed by DWANGO Co., Ltd. and some of its affiliates
- Personal information (name, date of birth, address, telephone number, email address, attribute information such as educational background, and student information such as year of admission, homeroom teacher, next educational institution, etc.) of some of the current students, graduates, parents, applicants, and document requesters of N Progressive School, N/S High Schooles.

[Internal Information]

- The following information related to DWANGO Co., Ltd.
 - Personal information (name, date of birth, address, telephone number, email address, attribute information such as educational background and bank account information, personnel information such as employee number and attendance, etc.) of all employees of DWANGO Co., Ltd. (including contract employees, temporary employees, and part-time employees)

- Personal information (name, date of birth, address, telephone number, email address, attribute information such as educational background and bank account information, personnel information such as employee number and attendance, etc.) of some employees of some affiliated companies and some sibling companies of DWANGO Co., Ltd.
- Personal information (name, email address, attribute information such as bank account information, personnel information such as employee number and affiliation, etc.) of some employees of KADOKAWA DWANGO Educational Institute

2. Company Information, etc.

[External Information]

- The following information related to DWANGO Co., Ltd.
 - Some contracts with some of DWANGO Co., Ltd.'s business partners
 - Some contracts of some of DWANGO Co., Ltd.'s past and current affiliates
 - Information about the company operated by some former employees of DWANGO Co., Ltd.

[Internal Information]

• Internal documents including legal affairs related to DWANGO Co., Ltd.

As previously reported, the credit card information of customers of the Group, including the *Niconico* service, is not supposed to be leaked from the Group because the Group does not hold the data in-house.

Regarding *Niconico* user account information (login email address, login password) and credit card information, information leakage from DWANGO Co., Ltd. has not been confirmed.

Notice to Affected Parties

We will send an individual apology and notification to everyone who we have confirmed was subject to an external information leakage. In addition, we have set up a dedicated helpdesk for inquiries about this matter. Note that, for affected parties we cannot contact individually, we hereby notify you with this announcement.

[Dedicated Helpdesk for Inquiries About Information Leakage*]

- For creators, business partners, and users only <u>https://kdq.jp/dwic</u>
- For current students, graduates, parents, applicants, document requesters, employees, and former employees of KADOKAWA DWANGO Educational Institute only <u>https://f.msgs.jp/webapp/form/18843_twbb_114/index.do</u>
- For affected parties of the information leakage (retirees, job seekers) due to the information leakage only <u>https://kdq.jp/dwhc</u>

*Japanese only

If your information is publicly available, please contact one of the above helpdesks. We apologize for the inconvenience, but when you contact us, please be specific about where you saw the information, what information was disclosed, and how it was disclosed. Based on the information provided, we will submit a deletion request to each platform. However, there are many cases where immediate deletion is not possible, so, while we are very sorry for the concern, we ask that you also submit a deletion application yourself.

Your personal information may also be misused to send you junk emails, such as phishing, spam, or fraudulent emails. Please be very careful if you receive any suspicious emails.

Cause and Countermeasures

According to an investigation by a major outside security firm, the route and method are unknown at this time, but it is presumed that the root cause of this incident is that the account information of employees was stolen due to an attack such as phishing. The stolen account information led to a breach of our internal network, leading to the execution of ransomware and the disclosure of personal information.

The Group has always attached importance to information security and has taken measures, but we were not able to prevent this incident. This fact will be taken seriously, and we will take further measures to prevent recurrence, while receiving advice and checks from major outside security firm.

Impact on business performance

The impact of this matter on KADOKAWA Group's business performance in the current fiscal year is currently under investigation. KADOKAWA will make an announcement promptly if any matter that should be disclosed arises.

♦ Possibility of secondary damage or the risk of secondary damage and its content

The dissemination of information on anonymous bulletin boards and social media has been confirmed as having been disclosed by the organizations that allegedly carry out cyberattacks. The Group is strengthening the measures taken by the cross-sectional countermeasures team of KADOKAWA Corporation, DWANGO Co., Ltd., and KADOKAWA DWANGO Educational Institute against those who disseminate information.

At present, after consultation with lawyers, based on patrol monitoring and information provision on social media, anonymous bulletin boards, and various curation sites, we have identified posts that we believe fall under acts of malicious information dissemination, and we are vigorously promoting deletion requests and information disclosure requests for these posts through applications to operators. We are also working with the police to address spam and other disturbances. We report the current progress below.

The Group will take strict measures to minimize secondary damage to all those involved and to protect their rights and interests, including privacy.

1. Number of cases of acts of information dissemination recognized as malicious (as of August 2)

• DWANGO Co., Ltd.: 896 cases

[Breakdown] X (formerly Twitter): 160 cases / 5ch: 522 cases / Curation site: 29 cases / Discord/Other: 185 cases

KADOKAWA DWANGO Educational Institute: 67 cases [Breakdown] X (formerly Twitter): 11 case / 5ch: 45 cases / Curation site: 1 case / Others: 10 cases

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2. Deletion Requests and Information Disclosure Requests

The Group is advancing the following responses to these malicious acts of information dissemination.

• Deletion Requests

We are requesting the operators of social media and anonymous bulletin boards to delete posts that we recognize as malicious. We have already confirmed the deletion of several posts.

Requests for Originator Information Disclosure

We have initiated requests for originator information disclosure to the operators of social media and anonymous bulletin boards for originators who have published posts that we recognize as malicious. Based on this, we are preparing to take strict legal action against the identified originators.

3. Criminal Prosecution and Criminal Charges

For highly malicious information disseminators, after preserving the evidence, we are working toward legal action such as criminal prosecution and criminal charges, including for deleted posts.

♦ Warning regarding the dissemination of leaked information, etc.

Any unauthorized dissemination of other people's personal information can result in legal penalties. Also, such actions will exacerbate the damage of information leakage, which may not only have a serious impact on the lives and business activities of many people, but may also lead to an increase in similar crimes in the future. In addition to confirming acts of disseminating leaked information, we have also confirmed threatening posts to the parties involved in this case, which may cause even more serious damage. It is also illegal to disseminate fake information or slander. Please refrain from these activities.

KADOKAWA reiterates its deepest apologies to our customers and all those concerned for the considerable concern and trouble this matter has caused.

The Group takes a resolute stance against fraudulent acts such as malicious dissemination of information, and will continue to do its utmost to protect the privacy and safety of those involved. In addition, we will take this situation seriously, investigate the causes, further strengthen the security system, and make every effort to prevent recurrence.

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For media inquiries, please contact: Investor and Public Relations Division, KADOKAWA CORPORATION Email: pr-dept@kadokawa.jp