

June 27, 2018

To whom it may concern:

FUJITA KANKO INC.

Matters Related to Personal Data Breach due to Unauthorized Access to Multilingual Online Booking System Server (English, Chinese and Korean) and Notice of Measures Taken

It has come to our attention that there has been breach of personal data due to unauthorized access to the multilingual online booking system server (English, Chinese and Korean) for the hotels operated by Fujita Kanko Inc. (our “Hotels”).

We outsource the operation of the multilingual online booking system to FASTBOOKING Japan K.K., whose parent company (FASTBOOKING (HQ: Paris, France)) manages the server that was subject to unauthorized access.

FASTBOOKING has investigated the intrusion and reports that the personal data of 14,567 customers who used the multilingual online booking system between May 1, 2017 and June 19, 2018, and the credit card information of 10,903 customers who used the multilingual online booking system in or before August 2017, were leaked.

We offer our sincerest apologies to all customers and stakeholders affected by this incident.

Please note that our Japanese online booking system uses a different system and server from that of the multilingual system and has not been affected in any way.

Although we have not received any reports of customers being affected by the misuse of their leaked personal data, we have taken measures to shut down multilingual online booking system until we confirm that it is secure, and will work to prevent incidents of this nature from recurring. The details of the incident are as described below.

Details

1. Timeline of the Incident

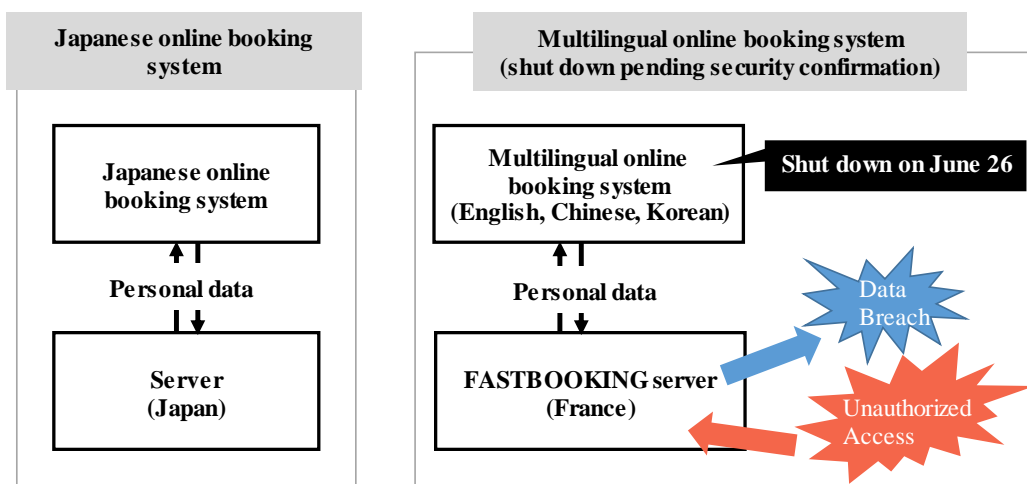
June 15	The server managed by FASTBOOKING was subject to unauthorized access and unencrypted personal data (full name, nationality, zip/postal code, address, e-mail address, booking price, booking number, hotel name, check-in date, and check-out date) was leaked. (First Incident)
June 17	The server managed by FASTBOOKING was subject to unauthorized access and encrypted information (full name, credit card number, credit card expiration date, and account name) was leaked. (Second Incident)
June 21	The Department in charge of our Hotels received an e-mail (in English) from FASTBOOKING regarding the First Incident entitled “SECURITY INCIDENT.”
June 22	Our Sales Department received a report by phone from FASTBOOKING Japan K.K. regarding the First Incident.
June 23	The Department in charge of our Hotels received an e-mail (in English) from FASTBOOKING regarding the Second Incident entitled “SECURITY INCIDENT.”
June 25	We received a formal written and oral report from the President of FASTBOOKING Japan K.K. regarding the First and Second Incidents.
June 26	We reported the incident to the Personal Information Protection Commission, Japan.

	We temporarily shut down our Multilingual online booking system.
June 27	We posted a notice and apology regarding these incidents on our international website, Japanese website and on the multilingual online booking system of each Hotel.

N.B.: Dates are in Japan Standard Time (GMT+9).

2. Cause of the Incident

We have confirmed that there was unauthorized outside access to a server managed by FASTBOOKING, the parent company of one of our service providers. FASTBOOKING has been continuing its investigation of the incident with the help of a third-party organization in order to ensure stronger security in future.



3. Subject to the Incident

The affected customers are those who made reservations through our multilingual online booking system (English, Chinese and Korean) for the following Hotels during the following periods.

	Affected Period	Information	Number of hotels and customers affected (Please see the attachment for more details)
First Incident: unencrypted personal data	May 1, 2017 to June 19, 2018	Full name, nationality, zip/postal code, address, e-mail address, booking price, booking number, hotel name, check-in date, and check-out date	30 hotels 14,567 customers
Second Incident: encrypted information	In or before August 2017 (start date unknown)	Full name, credit card number, credit card expiration date, and account name	6 hotels 10,903 customers

4. Support for Affected Customers

(1) Notice

We posted a notice and apology regarding these incidents on our international website, Japanese website and on the multilingual online booking system of each Hotel. Although we have not had any reports of customer data being misused so far, we have set up a helpdesk and will continue to monitor the situation.

(2) To Customers Affected by First Incident

We will send an e-mail to affected customers explaining the incident and offering our apologies.

(3) To Customers Affected by Second Incident

FASTBOOKING reports that affected customers have already received a notice through their credit card provider detailing the possible leak of card details and suggesting that they change their passwords.

5. Measures to Prevent Recurrence

(1) Resume operation after security confirmation

We have shut down the multilingual online booking system pending completion of the security diagnosis of FASTBOOKING by a third-party organization and issuance of security certification.

(2) Future Measures

We have issued a notice to FASTBOOKING Japan K.K. demanding that it improve its systems. Moreover, in recognition of the fact that we have been entrusted with customers' important information, we will be working with an expert cybersecurity firm to perform regular security checkups in order to further improve the security of the Japanese and multilingual online booking systems for our Hotels.

6. Inquiries

For inquiries related to this matter:

Fujita Kanko Inc. Customer Service

E-mail: customer-service@fujita-kanko.co.jp

End

Detail Information

First Incident: Unencrypted personal data

Affected Period: May 1, 2017 to June 19, 2018

Information: Full name, nationality, zip/postal code, address, e-mail address, booking price, booking number, hotel name, check-in date, and check-out date

Affected site: Multilingual online booking system(English, Chinese, Korean)

※Our Japanese online booking system uses a different system and server from that of the multilingual system and has not been affected.

	Hotel	Number of case
WHG Business	Fujita Kanko Washington Hotel Asahikawa	34
	Aomori Washington Hotel	103
	Hachinohe Washington Hotel	5
	Sendai Washington Hotel	131
	Urawa Washington Hotel	118
	Chiba Washington Hotel	19
	Kisarazu Washington Hotel	13
	Akihabara Washington Hotel	1,141
	Shinjuku Washington Hotel Main Building	2,548
	Shinjuku Washington Hotel Annex Building	594
	Tokyo Bay Ariake Washington Hotel	1,086
	Yokohama Isezakicho Washington Hotel	110
	Yokohama Sakuragicho Washington Hotel	244
	Kansai Airport Washington Hotel	718
	Hiroshima Washington Hotel	140
	Canal City Fukuoka Washington Hotel	589
	Nagasaki Washington Hotel	17
	Sasebo Washington Hotel	216
	Hotel Gracery Sapporo	674
	Hotel Gracery Asakusa	6
	Hotel Gracery Ginza	580
	Hotel Gracery Tamachi	223
	Hotel Gracery Shinjuku	3,843
Hotel Gracery Kyoto Sanjo	416	
Hotel Gracery Naha	525	
Hotel Fujita Nara	157	
Hotel Green Tower Makuhari ※1	8	
Resort Business	Ito Kowakien	1
	Yufuin Ryokuyu	53
Luxury & Banquet Business	Hotel Chinzanso Tokyo ※2	255
Total		14,567

※1 Fujita Kanko Group partner's hotel

※2 The foreign language reservation site of Hotel Chinzanso Tokyo introduces the other system from March, 2018

Second Incident: Encrypted information

Affected Period: In or before August 2017(start date unknown)

Information: Full name, credit card number, credit card expiration date, and account name

Affected site: Multilingual online booking system(English, Chinese, Korean)

※Our Japanese online booking system uses a different system and server from that of the multilingual system and has not been affected.

	Hotel	Number of case
WHG Business	Shinjuku Washington Hotel Main Building	5,134
	Shinjuku Washington Hotel Annex Building	2,260
	Yokohama Isezakicho Washington Hotel	1,152
	Yokohama Sakuragicho Washington Hotel	1,636
	Nagasaki Washington Hotel	73
Luxury & Banquet Business	Hotel Chinzanso Tokyo ※3	648
Total		10,903

※3 The foreign language reservation site of Hotel Chinzanso Tokyo introduces the other system from March, 2018