



# THE RECOGNIZE OF MALWARE CHARACTERISTICS THROUGH STATIC AND DYNAMIC ANALYSIS APPROACH AS AN EFFORT TO PREVENT CYBERCRIME ACTIVITIES

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## ABSTRACT

A lot of Malware used to carry and conceal the crime even included as a crime toolkit. This is forcing digital forensics investigators to perform malware forensics activities, namely to identify and analyze unknown malware before. Knowing the characteristics of malware will be one of the solutions from the prevention of cybercrime activity. One method that can be used is the combination of static and dynamic analysis to get a complete information about malware characteristics. In this study both the method used to analyze malware TT.exe, as well as handling solutions. The results obtained show that the use of both of these methods can provide a complete information about the characteristics of malware TT .exe. This research also has given a solution that can be done to prevent the spread of malware TT .exe

**Keywords:** *Malware Analysis, Static and Dynamic Analysis, Cybercrime*

## 1. INTRODUCTION

Malware is one of the most serious threats to system security [1]. Malware is a program installed on a system without the knowledge of the owner of the system. It is basically installed by the third party with the intention to steal some private data from the system or simply just to play pranks [2]. According to [3], malware has characteristics to avoid from forensics detection and forensics analysis. For that malware is often used as a means for the occurrence of a criminal activity.

PWC and RSA have made reports which are then cited by [4], shows that cybercrime is a serious threat, causing losses that could affect the national income of a country.

The growing issue of malware has been pushing The Science and Technology Committee to do some research about the interconnectedness of malware with cybercrime. The results show that there is a significant proportion of cyber-crime malware uses to perform some part of the crime [5]. Meanwhile, research from RSA [6] shows that the top cybercrime attack is generally done using malware. That is according to [1][7] malware is one of the most serious threats to system security and then categorize the malware as crime toolkits.

Studies conducted by Islam et al., (2009) in [1], mentioned that out of 450,000 files downloaded, approximately 18% contained malware programs. Furthermore, Panda Labs reported that the malware development has reached the highest number in the first quarter of 2014. PandaLabs detected 15 million new malware in the first three months, with an average increase of about 160,000 new types every day. Trojan remains as the most threatening malware; it amounts to 71.85% of the total malware ever created. In addition, the method of malware deployment is increasingly diverse and sophisticated, making it harder to be detected and analyzed [8].

In Indonesia, the ID-CERT (Indonesia Computer Emergency Response Team) has begun to collect data to report the spread of malware in the current situation [9]. In addition, some local vendors for antivirus have also carried out an analysis of malware deployment in Indonesia. In this regard, according to the data issued by Vaksin.com, Trojans becomes the most malware type in Indonesia with a total of 24.30%, followed by adware with 23.8% of all the total existing malware [10].

Malware can incorporate various techniques to not only avoid forensic detection, but can also avoid



forensic analysis [3]. The increasing number of malware that can be used to commit cybercrime activity has prompted law enforcement and digital investigators to explore the field of malware analysis. Malware analysis previously was undertaken by antivirus vendors and security researchers, but current malware analysis has also become part of digital forensics activity. It is later known as malware forensics, that is, forensics activities to identify and analyze unknown malware [11]. Furthermore, according to [12] digital forensics and malware analysis are two topics which both involve methods to find out as much as possible about something that happened, how and who was involved. The difference between digital forensics and malware analysis depends on what evidence you look for, which is in this case malware characteristics and patterns.

The goal of our research is to optimize the research paradigm for malware analysis using static and dynamic analysis and to improve the investigatory experience by employing an active approach to detecting malware activities. Malware analysis is an important part of understanding the objectives of the malware and how to defend against this threat [13]. The malware characteristics obtained from the analysis can serve as prevention of the spread of the malware itself and reduce the potential of cybercrime.

## 2. PROBLEM OF MALWARE ANALYSIS

All the antivirus programs always update their capabilities to detect and prevent threats from the existing malware, in fact, many new types of malware are found and nearly half of them are not detected by antivirus products. Even after three months, one of the three antivirus scanners fails to detect the sample of available malware [14]. According to Dambala, that cited by [15], it can take up to 6 months to make an anti-virus products recognize 100% of malware.

New types of malware are created with the ability to evade detection from antivirus. This is in line with research conducted by Palo Alto toward  $\pm$  26,000 malware samples obtained during three-month data retrieval in 1000 companies. He tested the samples using six best antivirus products. Surprisingly, it was found that 90% of malware samples were not able to be recognized by those antivirus products. New malware is designed with the ability to disguise themselves in the victim's computer or turn off the security system owned by the computer so that the malware can keep alive

and continue spreading [16]. According to [1], sophisticated tools and methods, making malware activities more complicated for its detection.

Furthermore according to [17], one of the challenges in the malware analysis is malware often packaged with software that seems to provide legitimate functionality, with malicious behavior exposed only under certain "trigger conditions", e.g., when a command is received from a remote site controlled by an attacker. In addition [17] also mentioned that malware may incorporate with anti-analysis features so that malicious paths are avoided when executed within an analysis environment.

Among the many types of malware, one type that is undetectable is TT.exe malware. The malware was first reported and discussed in the site <http://malwaretips.com> on July 30, 2014. This malware is categorized as trojan/backdoor malware, and after being active, usually this type of malware installs itself into a computer and opens access for attackers/hackers [16]. This can be the first step of various acts of cybercrime, such as data destruction, theft of important information, or even other activities that cause material losses. When this research is conducted (January 2015), TT malware is still included in the category of malware that is unable to be detected by common antivirus software.

Therefore, we need another method to analyze the malware to get a complete information about the capability of such malware so that we can figure out how it works and the potential negative impacts it generates. According to [2], the use of static and dynamic analysis provides a number of advantages in terms of malware analysis, but the report does not explain how the implementation of that hybrid method usage for malware analysis.

In this research, static and dynamic analysis methods are combined in order to obtain a more in-depth information about TT.exe malware characteristics and the handling solutions. The hypotheses in this research are: malware analysis using the combined method of static analysis and dynamic analysis could gather information regarding the characteristics of malware and could provide a solution to deal with TT.exe malware infection.

## 3. CHARACTERISTIC OF MALWARE

Malware or malicious software is a program used to disrupt computer system, steal personal



information, or gain access to one's computer system without permission. Malware can appear in various forms, such as codes, scripts, active contents, or software.

Alazab [7] has been doing research on how historical development as well as the characteristics of some malware. According to [7], demand in the underground market has become a trigger for the development of the malware.

According to [16][2], malware is usually described based on its form as follows:

- a. Trojan/Backdoor is a malicious program that can install itself into the victim's computer to open the gate for hackers. Backdoor usually makes a hacker can connect into a victim's computer without permission and run certain commands on the computer.
- b. A Botnet is malware that has the ability like backdoor, but when a computer is infected with a botnet, the computer will obey the orders as instructed by the server control.
- c. Downloader is a program typically installed by hackers when they already have access to the victim's computer system. Malware belonging to downloader will download and install other malware onto the victim's system.
- d. Information-stealing malware is malware that gathers information from a victim's computer and transmit the obtained data to a particular party. The examples of this type of malware are sniffers, password hash grabbers, and keyloggers.
- e. A Rootkit is a program made to conceal the other malware so that it cannot be detected by antivirus.
- f. Scareware is malware that aims to scare the victim with certain messages that require the victim to buy a particular program to eliminate the malware.
- g. The Virus is a malicious program designed to destroy a computer system, such as by causing a breakdown in the operating system, excessive usage of memory in a computer, or performing data destruction.

According to [14], no computing platform or environment is immune to these threats, even the spectrum of malware that represent a real threat is expansive.

Furthermore, according to [18], malware cannot be detected by antivirus due to the following characteristics of malware:

- Analysis Avoidance: having special features to avoid an analysis in malware sandbox or any other security tools
- Persistence: having various ways of working that make the malware remain alive in the host for a long time.
- Hacking: having the ability to spread out through the network of infected computers and malware usually performs fingerprinting to the surrounding networks, as well as identifying vulnerable computers.

#### 4. MALWARE ANALYSIS

One of the earliest research on malware was conducted by Dennis Distler in 2007 about the introduction of malware analysis by using code (static) analysis and behavioral (dynamic) analysis method. Nevertheless, on such research, malware analysis method used was still simple and was not as precise and complex as malware analysis today [19]. A similar study was conducted by [20] through malware analysis on biscuit apt1 using reverse engineering technique.

The same research was also carried out by Flores toward malwarewin32.kryptic by using static analysis method [21]. In this research, Flores used static analysis method to observe malwarewin32.kryptic by hashing on the malware and then continued with accessing the information and detecting a connection that had been made by the malware. The Static method applied on such research was not able to give a complete information about malware activity.

Meanwhile, according to [13] malware analysis is done in three separate phases; surface, dynamic and static analysis. Surface analysis consists of recognizing or discovering a malware signature. The dynamic analysis concerns with the execution of the software to be able to study its behaviour. Static analysis may be necessary in order to realize a complete understanding of the sample, or in certain cases necessary to be able to run the software in a controlled environment. His research used ircbot.exe and unknown.exe as the sample to be analyzed. His research demonstrated that the two malware samples, have different objectives and varying functionality.

Research on the techniques used by malware also has been done by [22]. In the study, they examined the techniques used by malware that made malware undetected by antivirus. In this case, according to [2], a combination of several methods and techniques for malware analysis can be applied to

gather more in-depth information of malware activity. Static analysis, dynamic analysis, and hybrid analysis can be applied for the sake of malware analysis.

Meanwhile, according to [23], there are several techniques that can be used to perform malware analysis, such as:

- Static Analysis, malware analysis that is done without running a malware object being analyzed. It is the procedure of analyzing software without executing it [2]. This technique is much more secure than applying the dynamic analysis method [16]. While according to [3] static analysis focused on information gathering, disassembly, symbol table regeneration, decompilation technique and methodology for determining the order of decompiling subroutines.
- Dynamic Analysis, malware analysis by way of running the malware. Malware as the object of analysis is run in a virtual machine or Sandbox so that the malware will not damage the actual computer system [16]. Dynamic analysis can be done through monitoring function calls, tracking the information flow, analyzing function parameters and tracing the instructions [2].
- Automated Malware Analysis, malware analysis method that is carried out automatically in the malware sandbox [24].
- Volatile Memory Analysis, malware analysis method has done by analyzing a memory dump or images of computer memory that has been infected with malware.

According to [14], malware analysis is becoming an important field of specialization for forensic analysts. The challenge is, mostly malware author, they have a very good understanding of digital forensic methods and endeavor to make a forensic analysis as difficult as possible. Furthermore, [14] stating that, the authors of malware are becoming increasingly profit-driven and are incorporating techniques to make their code as stealthy and undetectable as possible.

## 5. METHODOLOGY

To do the analysis of TT.exe malware, the steps is given as follows:

- Preparing samples of malware. Samples of malware used were taken from malwaretips.com. The type of TT.exe malware was first reported on July 30, 2014.

- Creating virtual machines using Virtualbox application as a place to perform dynamic analysis of malware
- Performing malware analysis using static analysis and dynamic analysis of TT.exe malware to identify the characteristics of malware as well as knowing the impact of damage or data theft done by malware TT.exe
- Making a general report regarding the characteristics of TT .exe malware
- Providing recommendations for treatment and prevention as a solution to address the spread of TT .exe malware infection.

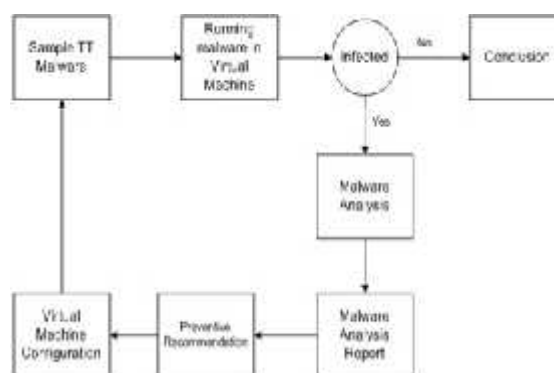


Figure 1 The Main Steps in Malware Analysis

Figure 1 shows the illustration of research step that has been conducted.

## 6. RESULT AND ANALYSIS

In addition to what is presented in this paper, the results of the research can also be seen on [25]. To analyze the malware with the basic static analysis method, several programs have been used that can help the process of malware analysis. In Table 1, it is seen the programs and the results obtained from the basic static analysis of malware.

After performing basic static analysis, then the next step is to do a basic dynamic analysis. To analyze the malware with the basic dynamic analysis method, a number of programs have been run to help the analysis process.

Table 1 Malware Analysis - Basic Static Analysis









the patch as in Figure 4 was able to stop and disconnect the malware will infect the computer system.

The combination of static and dynamic analysis of malware requires quite a long time in the process. Dynamic analysis can easily detect the unknown malware by simply analyzing the behavior of the application, but the disadvantage of this analysis takes time as the executing time of the application, so in some cases, it is not fast neither safe [2].

According to [14], static analysis is very time consuming and easily hindered by anti-forensics in the form of code obfuscation, packers and protectors which are increasingly being used by malware authors. Valli [14] also mentioned that dynamic analysis, in contrast, does run the code and the analyst observes its behavior and interaction with the host and network via mechanisms such as registry, file and network monitoring tools. This technique is much easier to conduct than static analysis but is also easily eclipsed by the presence of malicious software that can detect the use of creating emulation resource in the environment such as VMware.

The success of doing an analysis of the characteristics of malware will provide knowledge to the digital investigator to handle the possibility of cybercrime activities that can be performed by the malware. One of them is to recognize the digital artefacts that can be created by the malware as well as prevention can be done so that the malware cannot walk properly.

Recognizing the characteristics of malware is a part of an effort to establish the patterns of malware. In this case, a combination of static and dynamic analysis is one of the stages of establishing a collection of knowledge that will facilitate the recognizing of a malware. According to [1], there is a three phase process for analysis malware: acquisition, detection and analysis as well as the development of the database. Thus what was done in this research to identify the characteristics of malware TT. exe can proceed with the recognizing of other types of malware that is not yet detected by anti-virus. The goal eventually is a comprehensive database that will facilitate the digital investigator to conduct the investigation process against cybercrime activities that are run by using the help of malware.

Although the characteristics of malware is likely to be increasing in sophistication and profitability, but a combination of techniques malware analysis

through static and dynamic analysis that has been done can be used as a standard to recognize its a malware.

## 7. CONCLUSION

From the research on TT.exe malware using static analysis and dynamic analysis method, it can be inferred that:

- Basic static analysis method can be performed to make a preliminary identification of the malware, detect packed/obfuscated malware protection, as well as finding creation time of the malware. Meanwhile, malware analysis with advanced static analysis method is capable of providing more complete information about malware characteristics, such as the malware command to infect other programs, modify the registry and malware, and create new files and folders.
- Basic dynamic analysis method can identify DLL run by malware, the process done by malware in the system, as well as the connection between malware and the malware server. Meanwhile, malware analysis with advanced dynamic analysis method can provide information that has not been previously known with other methods, that is, the malware can off Windows security systems, such as firewalls, antivirus, and system restore.
- Based on the research conducted, the merging of two methods of malware analysis, namely static and dynamic analysis, can provide a complete picture of the characteristics of TT.exe malware. In addition, from the results above, a configuration can be made for preventing TT .exe malware infection.

Although each malware has different characteristics, however the steps of analysis that has been done in this research can be applied for the purposes of analysis of other malware that hasn't been detected by anti-virus.

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