



**Statement by Ritchie Skelding, Chief Executive Officer,  
Bahrain Middle East Bank B.S.C dated 12 June 2013**

"At the end of March 2013, the Board of Directors of BMB became aware of certain potential irregularities within the Bank. Following such discovery, the Board of BMB instructed an independent team of forensic experts to undertake an investigation into such irregularities. During the said investigations, it was discovered that, during 2011, 2012 and Q1 2013, BMB was the subject of various unauthorized transactions potentially involving fraudulent activities. These acts were perpetrated by a number of senior members of the then management team of BMB. Substantially all funds misappropriated have been recovered, however certain previously hidden losses have come to light which have caused BMB to report a significant loss for Q1 2013. Those members of the former management team of BMB responsible for these serious acts have been dismissed and BMB has referred the matter to its lawyers with instructions to immediately initiate criminal and civil proceedings against them."

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