



ALLIANCE GLOBAL GROUP, INC.
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7 May 2007

**DISCLOSURE DEPARTMENT
THE PHILIPPINE STOCK EXCHANGE, INC.**

4th Floor, Philippine Stock Exchange Centre
Exchange Road, Ortigas Center, Pasig City

Attention: **Atty. PETE M. MALABANAN**
Head, Disclosure Department

Re: **ALLIANCE GLOBAL GROUP, INC.**

Gentlemen:

We reply to your letter dated 7 May 2007, received via ODiSy on the same date, requesting for clarification on the following portion of a news article published in the May 7, 2007 issue of the Philippine Star (Internet Edition):

“The Securities and Exchange Commission (SEC) has approved the additional share offering of Alliance Global Group, Inc. (AGI), estimated to raise as much as ₱14.4 billion ... Based on its registration statement filed with the SEC, the company is selling 1.8 billion primary shares and 1.33 billion secondary shares at a maximum price of ₱8 each. AGI has set aside ₱10 billion this year to build a new alcohol distillery, acquire new brands, expand its glass container production, and repay loans. Of the programmed capital budget, ₱7 billion will go to the expansion of its alcoholic beverage production lines and working capital requirements of Emperador Distillery, Inc. About ₱1 billion has been earmarked for acquisitions. Another ₱1 billion has been set aside for repayment of debt. AGI operates its food and beverage business mainly through its wholly-owned subsidiary EDI, which sold eight million nine-liter cases of brandy last year or 76% of the sales volume of the Philippine brandy market. EDI markets its brandy under the Emperador Brandy and Generoso brand names throughout the country and plans to expand its operations in Thailand and China ...”

We wish to clarify that the Company has not yet set the final price per share in connection with its additional share offering. Hence, the Company also wishes to clarify that the report stated in the Saturday, 5 May 2007 print edition of the Philippine Daily Inquirer is inaccurate insofar as it states that "... The offer price is set at P8 a share".

Also, in connection with the abovementioned news article, the Company wishes to clarify that:

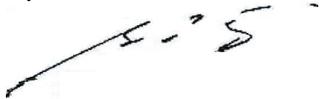
- 1) Its wholly-owned subsidiary is Emperador Distillers, Inc. and not Emperador Distillery, Inc.;
- 2) It is not aware if its sales volume of eight million nine-liter cases of brandy last year actually corresponds to 76% of the sales volume of the Philippine brandy market and the Company does not claim to have 76% of the sales volume of the Philippine brandy market; and
- 3) It is no longer the exclusive distributor of Campbell Soup Co.'s products in the Philippines.

Other than the foregoing, the Company confirms the veracity of the above-quoted news article.

Very truly yours,

ALLIANCE GLOBAL GROUP, INC.

By:



DINA D. INTING
*First Vice President and
Corporate Information Officer*