SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. *For the quarterly period ended* **June 30, 2012**

2. *SEC Identification Number* **AS093046**

3. *BIR Tax Identification No.* **003-831-302-000**

4. *Exact name of issuer as specified in its charter* **ALLIANCE GLOBAL GROUP, INC.**

5. **METRO MANILA, PHILIPPINES**
   Province, country or other jurisdiction of incorporation or organization

6. (*SEC Use Only)*
   Industry classification code

7. **7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark**
   188 E. Rodriguez Jr. Ave., Bagumbayan, 1110 Quezon City
   Address of principal office

8. **(632) 70920-38 to -41**
   Registrant's telephone number, including area code

9. *Securities registered pursuant to Sections 8 and 12 of the SRC, or secs. 4 and 8 of the RSA*

Title of Each Class	*Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding*
Common	**10,269,827,979**

10. *Are any or all of these securities listed on a Stock Exchange?* **Yes, on the Philippine Stock Exchange.**

11. *(a) AGI has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months.*

    (b) AGI has been subject to such filing requirements for the past ninety (90) days.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Consolidated Statements of Financial Position
Consolidated Statements of Comprehensive Income
Consolidated Statements of Changes in Equity
Consolidated Statements of Cash Flows
Notes to Interim Consolidated Financial Statements
Schedule of Financial Soundness Indicators
Aging Schedule of Trade and Other Receivables Under Current Assets

The interim consolidated financial statements have been prepared in accordance with the Philippine Financial Reporting Standards (PFRS) and Philippine Accounting Standard 34, *Interim Financial Reporting*. As such, they do not include all of the information and disclosures required for full annual consolidated financial statements, and thus should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended December 31, 2011 (ACFS). The accounting policies and methods used in the interim financial statements are consistent with those applied in ACFS.

The consolidated financial statements have been prepared using the measurement bases specified by PFRS for each type of asset, liability, income and expense. These consolidated financial statements have been prepared on the historical cost basis, except for the measurement of certain financial assets and liabilities. Accounting estimates, assumptions and judgments are used in preparing these statements. Although these estimates and assumptions are based on management's best knowledge of current events and actions, historical experience, and evaluation of relevant facts and circumstances, including expectations of future events that are believed to be reasonable under the circumstances, actual results may ultimately differ from such estimates.

For a more thorough understanding of the accounting policies used in the preparation of the financial statements, reference should be made to the notes to the latest ACFS filed under SEC 17-A, a copy of which may be found in the Company's website [allianceglobalinc.com] and PSE website [pse.com.ph].

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries, after elimination of material intercompany transactions.

Subsidiaries are consolidated from the date the Company obtains control using the acquisition method of accounting (previously called "purchase method"). The excess of the cost of an acquisition over the fair value of the Group's share in the net identifiable assets of the acquired subsidiary at date of acquisition is carried as goodwill and included under Intangible Assets in the consolidated statements of financial position, while the excess of the Group's interest in the net fair value of the net identifiable assets acquired over the acquisition cost is charged directly to income. (It is in this regard that AGI recognized gain in the acquisition of a new subsidiary in 2011.)

In the normal course of business, there were intercompany transactions among the Company and its subsidiaries and these intercompany balances and transactions, including income, expenses, dividends and unrealized profits and losses from intercompany transactions that are recognized in assets are eliminated in full. In addition, shares of stock of the Company acquired by any of these subsidiaries are recognized as treasury shares and these are presented at cost as deduction in the consolidated statements of changes in equity. Any changes in their market values as recognized separately by the subsidiaries are likewise eliminated in full. Gain or loss on the sale of these treasury shares is presented as addition to or deduction from additional paid-in capital (APIC).

The financial statements of subsidiaries are prepared for the same accounting period as the Company's, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The interim consolidated financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

During the interim period, there were no other known items –such as trends, demands, commitments, events or uncertainties- affecting assets, liabilities, equity, sales, revenues, net income or cash flows that were unusual because of their nature, size, or incidents, and that will result in or that are reasonably likely to result in the liquidity increasing or decreasing in any material way, or that would have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations.

Business Segments

The Group classifies its businesses into the following segments, each managed separately and each representing a strategic business unit that offers different products and serves different markets. Entities not classified under these main business segments are presented as part of corporate and investments.

- Food and beverage segment (F&B) includes the manufacture and distribution of distilled spirits (under the labels of Emperador Brandy, Generoso Brandy and The Bar flavored alcoholic beverage), glass containers and potato snack products (under Pik-Nik label). It also includes the distribution of consumer products under international labels. Emperador Distillers Inc. (EDI) front runs this segment.

  Real estate segment (RE) involves the investment in and development of real estate, lease of properties, hotel development and operations, and integrated tourism development. The real estate portfolio encompasses a wide array of products that cater to niche markets ranging from luxury, middle-income and affordable home sectors to vacation homes segment. RE segment is led by publicly-listed Megaworld Corporation (Megaworld or MEG) with its live-work-play-learn-shop community townships. Empire East and Suntrust are the middle-income and affordable housing brands. More recently, Empire East Elite brand of luxurious resort development is added with a project in Entertainment City along the coast of Manila Bay with the Kazuo Okada's group of Japan. MEG operates two Richmonde hotels, one in Ortigas Center and the other in Eastwood City.

RE segment also includes integrated tourism business under Global-Estate Resorts, Inc. (GERI), AGI's integrated tourism vehicle outside Metro Manila. GERI has rolled out the first and only tourism estate in Boracay Island in 2011 and has recently started on its vineyard resort project in Laurel, Batangas near Metro Tagaytay. It also launched Savoy Hotel in Boracay in April this year.

- Tourism – Entertainment and Gaming segment (TEG) operates under Travellers International Hotel Group, Inc. (Travellers). Travellers operates Resorts World Manila which currently houses Maxims Tower (the Philippines' first six-star luxury all-suite hotel), Marriott Hotel Manila, Remington Hotel and the Newport Performing Arts Theater. With the consolidation of Travellers in 2012, TEG, which used to fall under RE, is now presented as a separate business segment.

- Quick service restaurant business (QSR) operates under the McDonald's brand, in accordance with a master franchise agreement with McDonald's USA. Golden Arches Development Corporation represents this segment.

Please refer to Note 1 to the Interim Consolidated Financial Statements and ACFS for a comprehensive list of subsidiaries, associates and joint venture.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Key Performance Indicators

Presented below are the top five (5) key performance indicators of the Company and subsidiaries as of and for the six months ended June 30:

In Million Pesos	2012	2011*	Growth
REVENUES	51,070	30,247	68.8%
NET PROFIT	8,410	6,309	33.3%
NET PROFIT ATTRIBUTABLE TO OWNERS	5,734	4,723	21.4%

	2012	2011*
Net profit rate	16.5%	20.9%
Attributable to owners	11.2%	15.6%
Return on assets/investment	3.5%	4.9%
	6/30/12	12/31/11
Current ratio [times]	2.8x	3.5x
Quick ratio	1.9x	2.4x

*For comparability of results, the P3.132 billion income from acquisition of GERI in 2011, being a non-recurring item, is excluded in the presentation. This represents the excess of the proportionate share in GERI's net assets over the price paid.

- Revenue growth – measures the percentage change in sales/revenues over a designated period of time. Performance is measured both in terms of amount and volume, where applicable.

- o Net profit growth – measures the percentage change in net profit over a designated period of time
- o Net profit rate– computed as percentage of net profit to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs
- o Return on investment [or capital employed] – the ratio of net profit to average total assets - measures the degree of efficiency in the use of resources to generate net income
- o Current ratio – computed as current assets divided by current liabilities – measures the ability of the business to meet its current obligations. To measure immediate liquidity, quick assets [cash, marketable securities, accounts receivables] is divided by current liabilities.

Results of Operations – First Six Months

In Billion Pesos	RE	TEG	F&B	QSR	Corporate & Others	TOTAL
2012						
Revenues	15.99	15.44	11.97	6.56	1.10	51.07
EBIT	5.33	2.66	3.23	0.46	1.08	12.76
Interest expense	0.47	0.77		0.06	0.74	2.04
Tax	1.24	0.04	0.87	0.14	0.02	2.31
Net profit	**3.63**	**1.85**	**2.35**	**0.26**	**0.32**	**8.41**
Net profit to owners	**2.08**	**0.85**	**2.35**	**0.12**	**0.32**	**5.73**
2011*						
Revenues*	13.97	1.17	7.83	5.69	1.59	30.25
EBIT*	4.50	1.17	1.36	0.48	1.58	9.09
Interest expense	0.50			0.05	0.80	1.35
Tax	0.95		0.33	0.13	0.02	1.43
Net profit*	**3.05**	**1.17**	**1.03**	**0.30**	**0.76**	**6.31**
Net profit to owners*	**1.72**	**1.07**	**1.03**	**0.14**	**0.76**	**4.72**

Year-on-Year change						
Revenues	14%		53%	15%	-31%	69%
EBIT	18%		137%	-4%	-31%	40%
Interest expense	-8%			14%	-6%	51%
Tax	31%		166%	5%	-30%	61%
Net profit	19%		128%	-11%	-58%	33%
Attributable to owners	20%		128%	-11%	-58%	21%

*For comparability, non-recurring income from acquisition of GERI in 2011 is excluded from the 2011numbers.

Notes:
Travellers is consolidated in 2012 only; so for 2011, it is only the group's share in net profits of Travellers that is shown under TEG. For both years, RE as presented does not reflect MEG's 10% share in net profits of Travellers, as such was classified/presented under TEG.
MEG's P2 billion gain from sale of AGI shares, as reported in its 2011 separate statements, was reclassified under Equity section, not in profit or loss, in consolidated AGI level.
Numbers may not add up due to rounding off.

AGI sustained its growth trajectory through the first half of the year with net profit rising 33% to P8.4 billion from P6.3 billion (before non-recurring income from acquisition of subsidiary) a year ago. The portion attributable to owners of the parent company grew by 21% to P5.7 billion from P4.7 billion a year ago, as propelled by the strong results from the F&B and RE segments.

All business segments posted double-digit growth in revenues. TEG beefed up total revenues as Travellers is consolidated this year. The biggest contribution to this period's revenues came from RE, followed very closely by TEG.

EDI is the main driver of profit growth for the current interim period with its net profit soaring 141% year-on-year to P2.35 billion -surpassing its 2011's P2.30 billion full year achievement- on the back of its higher sales and improved gross margin. MEG maintained its growth course steady in line with its target, with its real estate sales and rental income increasing by 10% and 38%, respectively, over same period last year.

Travellers' intensified advertising and promotions efforts have paid off well as gaming and hotel revenues jumped by 26%, with higher contribution from the VIP segment. Such expenditures and the full depreciation of Maxims starting January this year affected net profit.

The revenues and net profit of the major subsidiaries were as follows:

In Billion Pesos				Contribution	Contribution
	2012	2011*	Growth	2012	2011
Revenues					
EDI	11.51	7.45	54%	23%	25%
MEG [1]	15.18	13.55	12%	30%	45%
Travellers [2]	15.44	1.17		30%	4%
GADC	6.56	5.69	15%	13%	19%
GERI	0.80	0.43	88%	2%	1%
Others	1.58	1.96	-20%	2%	6%
Consolidated total	51.07	30.25	69%	100%	100%
Net Profit					
EDI	2.35	0.97	141%	28%	15%
MEG [1]	3.51	2.94	19%	42%	47%
Travellers [2]	1.85	1.17	58%	22%	18%
GADC	0.26	0.29	-11%	3%	5%
GERI	0.12	0.10	20%	1%	2%
Others	0.32	0.83	-60%	4%	13%
Consolidated total	8.41	6.31	33%	100%	100%

*For comparability, non-recurring income from acquisition of GERI in 2011 is excluded from the 2011numbers.

1 Adjusted to take out the 10% equity share in net profit of Travellers in 2012 and 2011 and the gain on sale of AGI shares in 2011, such gain being reported under Equity .

2 Consolidated in 2012 and accounted under equity method in 2011, thus 2012 column shows full results while 2011 column shows the group's 50% share in net profit of Travellers. Please refer to separate table for Travellers' performance.

For reference, here is the comparative performance result of Travellers:

In Billion Pesos	2012	2011	Growth
Revenues	15.44	12.41	24%
Net profit (NP)	1.85	2.34	-21%
EBITDA	3.49	3.76	-7%
NP included in AGI consolidation	**1.85**	**1.17**	**58%**
NP to owners	**0.85**	**1.07**	**-21%**

Revenues increased by 69% to P51.1 billion from P30.2 billion a year ago, primarily due to revenues from Resorts World Manila (P15.4 billion) which had been consolidated currently, 38% growth in consumer products sales (P4.9 billion) and 13% in real estate sales (P1.1 billion). Rendering of services grew by 113% due to revenues added from Travellers' hotel, cinema and mall operations.

Excluding those from TEG or Travellers, revenues climbed 22%. All the business segments reported improved revenues. RE made the highest contribution to this year's revenues but the highest contribution to growth came from F&B.

In Billion Pesos	2012	2011	Change
REVENUES			
Sales and services	48.15	25.76	86.9%
Sale of goods	17.66	12.77	38.3%
Gaming	13.63		100.0%
Real estate sales	9.77	8.64	13.1%
Rendering of services	4.81	2.25	113.4%
Realized gross profit on prior year's RE sales	1.61	1.53	5.7%
Interest income on real estate sales	0.67	0.57	17.6%
Share in net profits of associates and joint ventures	0.06	1.21	-94.9%
Finance and other income	2.86	3.28	-12.9%
TOTAL	**51.07**	**30.25**	**68.8%**

RE	15.99	13.97	14.4%
F&B	11.97	7.83	53.0%
QSR	6.56	5.69	15.3%
Others	1.10	1.59	-31.0%
Sub-total	35.63	29.08	22.5%
TEG	15.44	1.17	
TOTAL	51.07	30.25	68.8%

RE revenues come from sales of lots, condominium and office units; golf course maintenance contracts; rental/lease of office and commercial spaces; hotel operations; and finance and other income. RE portfolio targets a wide spectrum through projects of Megaworld, Empire East, Suntrust and GERI. The Group's revenues were derived from the projects in Newport City, McKinley Hill, Forbestown Center, Eastwood City, Manhattan Heights; Newcoast Shophouse and Boutique Hotel, Sta Barbara Heights, Camp John Hay Suites; California Gardens Square, Little Baguio Terraces, Pioneer Woodlands, The Cambridge Village, San Lorenzo Place, Laguna Bel-Air projects, The Sonoma; Suntrust Verona, Suntrust Capitol Plaza; plus other projects in Metro Manila.

TEG revenues come from tourism integrated business and include gaming, hotel, food and beverage, theater, cinema and retail shopping mall operations and commercial office space rentals of Travellers. Travellers is consolidated in 2012 whereas in 2011, only the group's share in net profits of Travellers was included in revenues.

Travellers increased its total revenues by 24% to P15.4 billion from P12.4 billion in same period last year. Gaming and hotel revenues jumped 26% year-on-year on the strength of higher contribution of all casino segments.

F&B revenues surged by 53% from a year ago as Emperador Brandy and The Bar flavored alcoholic drinks continued to benefit from the growing customer patronage. The demand for Emperador Light, with its catchy 'Gawin Mong Light' campaign, remained strong and it boosted sales. Pik-Nik sales, on the other hand, rose by 29% from a year ago, with its USA sales gaining 13% while international sales outside of USA expanded by 53%.

QSR revenues grew by 15%. Product sales generated from company-operated restaurants, in particular, went up by 15% and revenue from franchised restaurants by 22%. The growth came from the opening of 28 new restaurants from a year ago, the improved performance of its business extensions (24-hour delivery service, drive-thru, dessert centers, midnight hours and breakfast daypart), the re-imaging of 20 company-owned restaurants and the aggressive advertising/promotional campaigns to support Breakfast, Premium Desserts, McDelivery, Iced Coffee, McSaver Meals and P25 McSavers (sundae, floats, fries and Burger McDo). Total number of restaurants nationwide is 343 as of end-June. The newly-opened restaurants contributed 5% to total system sales.

Finance and other income went down by 13% due to lower foreign currency gains booked this year. Meanwhile, interest earnings and fair value gains on bonds and securities increased but not substantially.

Share in net profits dropped substantially with the consolidation of Travellers this year.

In Billion Pesos	2012	2011	Change
COSTS AND EXPENSES			
Cost of sales and services	28.65	17.25	66.1%
Goods sold	12.51	9.58	30.6%
Gaming	7.10		100.0%
Real estate sales	6.16	5.37	14.8%
Deferred gross profit on real estate sales	2.08	1.92	8.3%
Services	0.80	0.38	108.6%
Operating expenses	9.66	3.90	147.4%
Selling expenses	5.09	1.80	183.0%
General and administrative	4.57	2.10	116.9%
Finance costs and other charges	2.04	1.35	51.4%
TOTAL	40.35	22.50	79.3%

	2012	2011	Change
RE	11.12	9.97	11.5%
F&B	8.74	6.46	35.4%
QSR	6.17	5.27	17.0%
Others	0.76	0.80	-5.9%
Sub-total	26.79	22.50	19.1%
TEG	13.56		
TOTAL	40.35	22.50	79.3%

Costs and expenses went up by 79% to P40.3 billion from P22.5 billion largely due to Travellers' costs and expenses which totaled P13.6 billion during the period. Excluding Travellers, costs and expenses expanded by 19%, reflecting robust sales and service rendition as shown in the rise in cost of goods sold, cost of real estate sales, cost of services, and selling expenses of 31%, 15%, 109% and 183%, respectively. The higher sales translated into higher commissions, advertising and promotions, freight, royalty and fuel expenses.

The top three cost components in the manufacture of alcoholic drinks were raw materials, depreciation and amortization, and factory supplies representing about 90% of cost. In the QSR, these were food and paper, rental and utilities and personnel costs, representing about 90% of cost.

General and administrative expenses rose by 117% primarily due to those expended by Travellers.

Finance costs, which represented 5% of total costs and expenses, went up by 51% to P2.0 billion from P1.35 billion a year ago, due to interest on interest-bearing notes and bonds of Travellers, which totaled P774 million for the first half of the year.

Travellers' costs and expenses escalated by 35% year-on-year and this was attributed to marketing and advertising campaigns, overseas promotions, the front loading expenses for the soft opening of Remington and the 24-hour weekend operations of the Cinema, both in the fourth quarter of 2011, and depreciation of Maxims beginning this year. Cost of gaming, in particular, expanded by about 50% due to higher rebates in line with the increase in drops contributed by the VIP segments.

Tax expense totaled P2.3 billion from P1.4 billion a year ago as a result of increased sales and profits. The bulk of the increase came from the F&B segment.

Earnings before interest, taxes, depreciation and amortizations (EBITDA), computed as net profit before acquisition income, share in net profits of associates and joint ventures, income taxes, interest expense, depreciation, amortizations and impairment provisions, amounted to P14.4 billion as compared to P8.5 billion a year ago, for 67.8% improvement year-on-year.

Financial Condition

Consolidated total assets amounted to P263 billion at end-June from P220 billion at beginning of year, with P44.5 billion coming from Travellers.

Cash and cash equivalents increased by P14.3 billion or 29.1% - from P49.1 billion at the beginning to P63.4 billion at the end of the interim period. The increase included P14.0 billion from Travellers. The increase came significantly from operations. Cash flows from operating, financing and investing activities during the period were presented in the interim consolidated statements of cash flows.

Financial assets at fair value through profit or loss increased by P0.7 billion or 6.5% this period, primarily due to appreciation in market prices of these bonds and securities. The fair value gains were included under Finance and Other Income in consolidated statements of comprehensive income. Financial assets classified in this category are held for selling in the short term and are measured at fair value. The Group does not actively engage in the trading of financial assets for speculative purposes.

Available-for-sale financial assets increased by P0.4 billion or 7% due to appreciation in market prices of these financial assets. The fair value gains were included under Revaluation reserves in consolidated statements of changes in equity.

Current trade and other receivables went down by P0.4 billion or 1.5% and noncurrent portion went up by P7.9 billion or 38.3% due to collection of maturing accounts and higher real estate sales booked during the period.

Inventories increased by P1.4 billion or 5.0% due to rise in real estate lots, condominium units and resort shares for sale.

Property development costs decreased by P0.8 billion or 7.7% due to completed projects.

Land for future development increased by P1.0 billion or 10.2% due to acquisition of new property.

Investment property increased by P3.1 billion or 24.1% primarily due to completed projects that are for lease. Travellers' investment property amounted to P1.4 billion as of end-June.

Property, plant and equipment increased by P25.9 billion or 395% primarily due to those at Travellers which totaled P25.2 billion as of end-June. Emperador also bought a plant facility in Laguna to augment its production capacity.

Investments in and advances to associates and other related parties decreased by P13.2 billion or 69% primarily due to consolidation of Travellers in 2012 and payment of advances to associates and other related parties. The investment in Travellers which was carried at equity totaled P12.9 billion as of end-December and such is reversed in 2012.

Deferred tax assets decreased by P0.08 billion or 12% as a result of reduction at GADC. Deferred tax liabilities, on the other hand, increased by P0.51 billion or 9% as a result of increase at Megaworld.

The increases in customers' deposits, reserve for property development, deferred income on real estate sales, trade and other payables, and other current and non-current assets/liabilities, all of which are related to RE segment, were attributed to ramping up of RE development and lease activities as well as vigorous marketing and pre-selling campaigns. The reserve pertains to cost to complete the development of various projects while the deferred income represents unearned revenue. Travellers' trade and other payables amounted to P6.3 billion at end-June.

Interest-bearing loans and borrowings current and non-current portions increased by P2.2 billion or 75% and P4.0 billion or 67%, respectively, and bonds payable by P11.6 billion or 33% primarily due to obligations carried in Travellers which totaled P19.6 billion.

Retirement benefit obligations went up by P0.1 billion or 19% on account of Travellers.

Derivative liability represents liability booked by Travellers.

The changes in equity components are presented in detail in the consolidated statements of changes in equity.

Treasury shares are AGI shares held by subsidiaries but not cancelled and are carried at cost in the consolidated statements of changes in equity. The shares are reported at cost so that fair value gains (losses) on the shares held by subsidiaries were eliminated in full and were not recognized in the consolidated financial statements. Any gain on subsequent reissuance/sale of these shares is considered as additional paid-in capital (APIC). APIC included P1.96 billion of this type of gain as of end-June. AGI, the parent company, does not hold any of its own shares as of end-June.

Accumulated translation adjustments represent the translation adjustments resulting from the conversion of foreign currency denominated financial statements of certain subsidiaries into the Philippine pesos, the Group's presentation currency.

Revaluation reserves represent cumulative changes in unrealized gain or loss in fair value of available-for-sale financial assets.

The consolidated balance sheets showed strong liquidity. Current assets as of beginning and end of the period totaled P128.6 billion and P144.4 billion, respectively, while current liabilities for the same periods remained low at P36.2 billion and P52.6 billion, respectively. Current ratios were at 3.5:1 and 2.8:1 as of the start and end of the current period, respectively. Liabilities-to-equity ratios remained low at 0.75:1 and 0.96:1 at beginning and end of the period, respectively, while interest-bearing-debt-to-equity ratios were 0.35:1 and 0.46:1 at the beginning and end of the period.

With its net cash position, the Group has the financial muscle to pursue its strategic activities. (Travellers reflected net payable of P5.6 billion at end-June.)

(In Billions)	June 30, 2012	December 31, 2011
Cash and equivalents	63.43	49.15
Interest-bearing debt [bonds included]	61.79	44.02
Net cash	1.64	5.13
Cash and cash equivalents to interest-bearing debt	103%	112%
Interest-bearing debt to controlling equity	82%	60%

Prospects for the future

AGI remains concentrated on its business programs. Management will continue to adopt prudent measures to ensure financial sustainability and look for new opportunities that will enhance the overall profitability of the group while maintaining the established markets.

In 2012, all the business segments are expected to grow revenues and profits in line with targets. Tourism will be the primary focus for this year.

Others

There were no other known material events subsequent to the end of the interim period that would have a material impact in the interim period.

There are no other known trends or demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company's liquidity increasing or decreasing in any material way. The Company does not have nor anticipate having any cash flow or liquidity problems within the year. AGI and its subsidiaries are not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments.

There are no other known events that will trigger direct or contingent financial obligation that is currently considered material to the Company, including any default or acceleration of an obligation. There are no other material off-balance sheet transactions, arrangements, obligations, and other relationships with unconsolidated entities or other persons created during the reporting period.

There are no other known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations. There are also no known events that will cause material change in the relationship between costs and revenues.

There are no other significant elements of income or loss that did not arise from continuing operations.

The business has no seasonal aspects that had a material effect on the financial condition and results of operations of the Group.

SIGNATURE

Pursuant to the requirements of Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Alliance Global Group, Inc.
Issuer
By:

DINA D.R. INTING
First Vice President for Finance
& Corporate Information Officer
& Duly Authorized Officer
August 15, 2012