

MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
OF
ALLIANCE GLOBAL GROUP, INC.
20 September 2011

Grand Ballroom, Eastwood Richmond Hotel, 17 Orchard Road,
Eastwood City, Bagumbayan, Quezon City,
Metro Manila, Philippines

I. CALL TO ORDER

The presiding officer, Mr. **KINGSON U. SIAN**, called the meeting to order at 9:45 a.m.

II. CERTIFICATION OF NOTICE AND QUORUM

The Corporate Secretary, **DOMINIC V. ISBERTO**, informed the body that, based on the certification of the Corporation's stock transfer agent, all notices of the Annual Meeting had been sent to all stockholders of the Corporation as of 11 August 2011 the record date of the Annual Meeting. The Corporate Secretary likewise certified that there existed a quorum for the transaction of business for the Annual Meeting, there being present, as of 8:45 a.m., stockholders holding 7,675,749,573 shares of common stock of the Corporation representing 78.97% of the subscribed and outstanding capital stock of the Corporation.

III. APPROVAL OF MINUTES OF PREVIOUS ANNUAL MEETING

Upon motion made and duly seconded, the reading of the Minutes of the Annual Stockholders' Meeting held last 05 October 2010 was dispensed with as copies thereof had earlier been furnished to all stockholders of record of the Company. Thereafter, upon motion made and duly seconded, the Minutes of the Annual Stockholders' Meeting held last 05 October 2010 were approved.

IV. REPORT OF MANAGEMENT

The Chairman of the Board, Mr. **ANDREW L. TAN**, delivered the management report for the year 2011:

The year 2010 saw the Philippines rebounding slowly but surely from the debilitating financial crisis that beset the global economy for two years. As the rest of the world started getting back on its feet, the Philippine economy did no less, expanding by 7.3% in 2010, its highest growth rate in more than two decades. Once again, the influx of remittances from overseas Filipino workers proved to be the economy's saving grace, complemented by huge election-related spending in the first semester of the year and increased exports and investments in the second half.

Similarly, Alliance Global Group, Inc. (AGI) performed exceptionally in 2010, outdoing its own consistently fine performance in the past few years. Our businesses—real estate through Megaworld Corporation; food and beverage through Emperador Distillers, Inc. (EDI); quick-service restaurants through Golden Arches Development Corporation (GADC), which franchises McDonald's fast-food restaurants in the country;

and entertainment tourism and gaming through Travellers International Hotel Group, Inc.—proved to be robust, while AGI's companies came out on top of their respective industries as they contributed to your Company's stellar performance in 2010.

Last year, AGI's total revenues increased by 14.6% to P44.5 billion from P38.8 billion a year ago. This increase was due primarily to a 22.5% growth in sales of consumer goods, a 29.4% increase in the rendering of services, and a remarkable 978.9% growth in share in net profits of associates and joint ventures.

Segment-wise, Megaworld's real estate business made the highest contribution this year with 49%, followed by GADC's quick service restaurant business with 25%, and EDI's food and beverage business with 21%. Megaworld's current real estate sales represented 29.5% of total revenues, while consumer product sales contributed 41.9% to total revenues. Real estate rental income, on the other hand, comprised 6.1% of total revenues.

Your Company's consolidated net profit soared to P9.5 billion, up by 39.5% from P6.8 billion a year ago. Net profit attributable to owners of the parent company was 44% higher year on year, reaching P6.9 billion in 2010 from P4.8 billion the previous year.

AGI's record performance continued on to the first half of 2011, as your Company ended the period with total revenues of P33.6 billion, 58% higher than the P21.3 billion registered during the same six-month period a year ago. In turn, consolidated net income amounted to P9.6 billion, an increase of 100% from the previous year's P4.8 billion. Net income attributable to shareholders rose to P8.06 billion, up 118% from the P3.7 billion posted in the first half of 2010.

Indeed, the 18-month period from January 2010 to June 2011 was characterized by substantial gains in all areas of our operations. We have proven our worth during the challenging years, thriving when the global marketplace had been down and out, and performing even better when the economy eventually started picking up. Our existing business segments did well in spurring your Company's growth for the year by turning in characteristically strong sales performances in their respective areas.

Megaworld remains the leading middle-income residential developer in the country. It continues to develop integrated mega-communities that cater to a pioneering "live-work-play-learn-shop" development concept. EDI continues to experience brisk sales as its flagship product, Emperador Brandy, maintains its status as the best-selling brandy in the country. EDI's The Bar, on the other hand, is now hailed as the country's best-selling vodka. GADC, meanwhile, continues to thrive with an expansion program that focuses on establishing new McDonald's outlets and refurbishing old ones, while implementing innovative marketing campaigns and introducing new products.

Travellers International, for its part, has been doing well in entertainment tourism with the increasing success of Resorts World Manila and the diverse local and international acts that the resort has been featuring all year round.

Resorts World Bayshore City, Travellers International's new project, holds so much potential as another world-class entertainment and recreational venue. Upon its completion, the project will host around 2,500 hotel rooms and a wide range of leisure, retail and entertainment facilities. Not only will Resorts World Bayshore City create more

than 100,000 direct and indirect jobs for Filipinos, it will also enhance the country's tourism industry and open doors for more business opportunities for AGI.

We are particularly excited about the promise of great things coming from AGI's newest subsidiary, Global-Estate Resorts, Inc. (GERI), which we acquired in early 2010. Formerly known as Fil-Estate Land Inc., GERI is engaged in real estate development with a project portfolio composed of residential subdivision lots and residential and commercial complexes; residential communities integrated with golf courses, marinas, resorts and other leisure-related and commercial complexes; properties associated with resorts; residential, office and commercial high-rise properties; business and industrial parks; and low-cost housing projects.

GERI is already working on two major tourism-oriented communities: Boracay Newcoast in Boracay and the Twin Lakes resort community near Metro Tagaytay. We have allotted P20 billion for the development of the two tourism estates which will feature an integrated, master-planned layout with world-class resort offerings and amenities. We envision the two communities to set new standards in the Philippine tourism industry and cement the country's place as an emerging world-class tourist destination in Asia.

While the whole of 2010 and the first half of 2011 proved to be productive for AGI, our banner performances last year and the years past would not have been possible if not for our business strategies that have proven effective all this time. We will continue to build on these strategies, taking into account new developments in the field and the new objectives that come with our expansion and acquisitions. While we are not sure of what will happen in the global and local marketplace in the future, we are confident that the strength of our brands and our overall prudence in decision-making will see us through as we continue to give our customers and shareholders what they want, and to go above and beyond their expectations.

V. APPOINTMENT OF INDEPENDENT AUDITORS

Upon motion made and duly seconded, the stockholders approved the following resolution: *"RESOLVED, that the Punongbayan and Araullo be appointed as the independent auditors of the Corporation for the year 2011."*

VI. RATIFICATION OF ACTS OF THE BOARD OF DIRECTORS AND MANAGEMENT FOR THE YEAR 2010

Upon motion made and duly seconded, the stockholders approved the following resolution: *"RESOLVED, that all acts of the Board of Directors and Management for the year 2010 be ratified."*

VII. APPROVAL OF STOCK OPTION PLAN

Upon motion made and duly seconded, the stockholders approved the Executive Stock Option Plan, as approved by the Board of Directors last 27 July 2011, and likewise approved that the power to administer and manage the Plan be delegated to the Compensation and Remuneration Committee of the Board.

VIII. ELECTION OF DIRECTORS

Upon motion made and duly seconded, the following were nominated to the Board of Directors: Andrew L. Tan, Kingson U. Sian, Winston S. Co, Katherine L. Tan, Renato M. Piezas, and Sergio R. Ortiz-Luis, Jr., Alejo L. Villanueva, Jr. as the independent directors.

Upon motion made and duly seconded, the Presiding Officer declared the nominations closed. Since there were only seven nominees to the Board, the Presiding Officer declared all seven nominees elected as directors.

IX. ADJOURNMENT

The meeting was adjourned at 10:30 A.M.

CERTIFIED CORRECT:



DOMINIC V. ISBERTO
Corporate Secretary