PSE CODE: MA-006

ALLIANCE GLOBAL GROUP INC.

(Company's Full Name)

20/F IBM PLAZA EASTWOOD CITY 188 E. RODRIGUEZ JR. AVENUE BAGUMBAYAN QUEZON CITY

(Business Address: No. Street City/ Town/ Province)

DINA INTING	**911-2949 to 52**
Contact Person	Company Telephone Number

12	31	SEC FORM 17-Q	09	3rd Tues.
Month	Day	FORM TYPE	Month	Day
Fiscal Year		**(QUARTERLY REPORT ENDED SEPTEMBER 30, 2007)**		

N.A.

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/Section

Total Amount of Borrowings

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document I.D.

Cashier

STAMPS

Remarks = pls. use black ink for scanning purposes

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* **September 30, 2007**

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. **20th Floor, IBM Plaza, Eastwood City CyberPark**
   188 E. Rodriguez Jr. Ave., Bagumbayan, 1110 Quezon City
   Address of principal office

8. **(632) 91129-49 to 52**
   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** shares

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

Attachment 1 – Consolidated Balance Sheets
Attachment 2 – Consolidated Income Statements
Attachment 3 – Consolidated Statements of Changes in Equity
Attachment 4 – Consolidated Statements of Cash Flows
Attachment 5 – Aging Schedule of Trade and Other Receivables Under Current Assets

The interim consolidated financial statements have been prepared on historical cost basis, except for the revaluation of certain financial assets, and in accordance with Philippine Financial Reporting Standard (PFRS) PAS 34, Interim Financial Reporting. They do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with the audited consolidated financial statements of the Group as at and for the year ended December 31, 2006. The accounting policies and methods used in the interim financial statements are consistent with those applied in December 31, 2006 audited annual financial statements.

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Two more subsidiaries are being consolidated starting this year – Emperador Distillers, Inc. (EDI), a leading manufacturer of distilled spirits, and Megaworld Corporation (MEG or Megaworld), a leader in mid-income residential and business process outsourcing (BPO) markets. Up to December 31, 2006, investment in MEG was being taken up at equity. (Please see *Business Development*.)

The financial statements of subsidiaries are prepared for the same accounting period as the parent company, using consistent accounting policies. The consolidated financial statements are presented in Philippine pesos, the Group's functional currency, and all values represent absolute amounts except when otherwise indicated.

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, and evaluation of relevant facts and 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 last year-end audited consolidated financial statements, particularly the notes thereto.

In the normal course of business, there were inter-company transactions among the Company and its subsidiaries and these were eliminated in consolidation. Subsidiaries are consolidated from the date the Company obtains control. The difference between the cost of investments and the Company's proportionate share in the underlying net assets of a subsidiary at date of acquisition is carried as goodwill and included in Other Non-Current Assets in the consolidated balance sheets.

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. The Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments. There were no events that will trigger direct or contingent financial obligation that is material to the Company, including any default or acceleration of obligation; no material off-balance sheet transactions, arrangements, obligations, and other relationships of the Company with unconsolidated entities or other persons created during the interim period.

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

Business Development

During the first two months of 2007, AGI had undertaken major steps that restructured its capital and business portfolio. It increased its authorized capital stock from 5 billion shares to 12.95 billion shares, and offered 2,205,181,000 common shares under a 1:1 stock rights to existing stockholders. It also made major investments in two companies – EDI and MEG.

On February 16, AGI purchased 100% of EDI from The Andresons Group, Inc. (TAGI) and individual stockholders. AGI subscribed further to unissued shares of EDI in order to infuse funds into EDI for its operating capital requirements. EDI is in the distilled spirits business and presently manufactures Emperador brandy and a recently launched lighter version, Generoso. Emperador is acclaimed as the world's largest selling brandy in terms of volume.

On the same date, in a share swap transaction with TAGI, Yorkshire Holdings, Inc. and Mr. Andrew Tan, AGI acquired additional 25% interest in Megaworld, thereby increasing the group's ownership interest therein to 46% which gives the Company's management the power to govern the financial and operating policies of MEG. MEG is primarily in the real estate business and specializes in building and marketing middle-income condominiums and BPO offices. Its present projects include mixed-use condominiums in Eastwood City and Manhattan Garden City in Araneta Center, Quezon City; the Forbes Town Center and McKinley Hill in Fort Bonifacio, Taguig; Newport City in Pasay City; and Cityplace in Binondo, Manila. It will build soon in the Visayas region, in Iloilo and Cebu in particular. MEG is also into the hotel business and it operates The Richmonde Hotel in Ortigas Centre, Pasig City.

In the second quarter, AGI went into a successful follow-on offering of 1.8 billion shares in the international market, primarily to finance expansion in the food and beverage business.

Business Segments

The Group's operating businesses are categorized into three segments, each managed separately and each representing a strategic business unit that offers different products and serves different markets:

- o Food and beverage business (F&B) – includes the (1) distilled spirit manufacturing, presently of Emperador and Generoso brandy, (2) operations of the foreign-based subsidiaries that handle the manufacture and international distribution of food products, and (3) glass container manufacturing business that produces flint glass containers based on customers' specifications, and substantially for the brandy manufacturing. EDI leads this segment.
- o Real estate business (RE) – is engaged in the investment in and development of real estate, lease of properties, and hotel operations. MEG dominates the segment.
- o Quick service restaurant business (QSR) – operates locally under the McDonald's brand, in accordance with a master franchise agreement with McDonald's USA. This is essentially the operations of Golden Arches and Development Corporation (GADC), a 49% held corporation of AGI.

Comparative interim results per segment were as follows:

	Sales Revenues		Results Pre-Tax	
(In Millions)	2007	2006	2007	2006
F&B	5,432	1,319	1,440	83
RE	8,486		2,704	347
QSR	5,502	4,721	305	75
Corporate			44	(3)
Total	19,420	6,040	4,493	502

Key Performance Indicators

Presented below are the top five (5) key performance indicators of the Company and subsidiaries:

	2007	2006
Sales growth	222%	1%
Net income growth	648%	190%
Net income rate	11%	7%
Return on investment	2.4%	1.4%
Current ratio	5:1	2:1

- o Sales growth – measures the percentage change in sales over a designated period of time. Performance is measured both in terms of amount and volume, where applicable.
- o Net income growth – measures the percentage change in net income over a designated period of time
- o Net income rate– computed as percentage of net income to revenues - measures the operating efficiency and success of maintaining satisfactory control of costs

- Return on investment [or capital employed] – the ratio of net income to total assets - measures the degree of efficiency in the use of resources to generate net income
- 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

The first nine months of the year resulted in total net income of P3,484 million that is 648% better than P466 million reported a year ago, primarily because of the net income brought in by the new business acquisitions. Out of these totals, P2,104 million and P442 million represent the net income attributable to equity holders of the parent company in 2007 and 2006, respectively.

EDI, MEG and GADC ended the current period with total net income of P957 million, P2,290 million, and P211 million, respectively, all surpassing their respective 2006 annual results. The net income attributable to equity holders of AGI from the three companies amounted to P957 million, P929 million and P92 million, respectively.

Sales revenues rose by 222% to P19.4 billion from P6.0 billion a year ago. P5.1 billion came from selling Emperador and Generoso brandy while P8.5 billion from selling and renting out real estate projects and operating a hotel. The QSR revenues expanded by 16% year-on-year as a result of new stores added during the period, price increases, rent escalation and extensive marketing promotions. A total of 22 new stores had been opened since a year ago, and 6 stores were closed during the same period, so that total stores counted 265 by end-September this year. Innovative products introduced this year included Red Hot chicken, Longa McRice burger, corned beef breakfast, float variations, McDo sundae ice mix, and Happy sharing meals (chicken pieces and nuggets in large packs). The promotional coupons proved to be a very effective strategy, increasing sales of burger and chicken McDo, regular fries and spaghetti. Pik-Nik sales grew by 18% this year – that is 8%, 20% and 39% more in USA, Asia and Latin America than a year ago.

Cost of sales and services amounted to P14.0 billion this year as compared to P5.4 billion a year ago because of the new businesses and the increase in sales. Gross profit improved to 28% from 11% a year ago. Gross profit from the brandy manufactured products was at 35%, because of a very good retrieval of second-hand bottles in the third quarter. The bigger cost components were raw materials (94%), trademark amortization and depreciation (3%). Gross profit from the real estate business was posted at 31%, and the bigger cost components were cost of real estate sales and deferred gross profit from prior year's sales. Gross profit from the QSR improved to 16% from 12% last year because of cost-saving initiatives, price reduction from suppliers and favorable foreign exchange rates. While there were increases in its cost components, such were not as high as the increase in sales. Salaries and wages, rental, advertising, and taxes and licenses in the QSR increased year-on-year by about 10-23% because there were more stores than a year ago. Food and paper remained to be the biggest cost component (44%), followed by personnel costs (14%), rental (11%), and utilities

(10%). The glass plant was shut down for the repair of furnace and has resumed operations towards the later part of third quarter 2006. Raw materials, fuel oil, and electricity comprise the top three components of cost.

Finance and other operating income increased to P1,613 million from P87 million a year ago as a result of P1,118 million interest earnings of the real estate business and P185 million from AGI cash investments. Another P251 million in interest on real estate sales was also reported in the current period.

Selling and distribution costs expanded by 236% to P697 million from P207 milllion as a result of P202 million advertising and distribution costs incurred in brandy manufacturing operations; P243 million commission and advertising expenses in the real estate business; and P240 million royalty fees in the QSR business due to higher sales volume this year.

Administrative expenses appeared to grow by P1,004 million or 295% from expenses incurred in the newly-acquired businesses of brandy manufacturing and real estate totaling P894 million. In addition, there were fees and taxes relating to the stock issuances that were not charged to capital stock but were expended during the period.

Finance costs were incurred primarily by the real estate business (P413 million), the QSR business (P88 million) and AGI (P77 million) on its loans (already fully paid).

Income tax expense totaled P915 million during the quarter, as compared to P36 million a year ago, because of the robust income.

The P100 million preacquisition income corresponds to the equity share in Megaworld for the period before the acquisition of the new equity investment in it, and such income was deducted from this year's results.

As a result of all these, net income rate attributable to equity holders of the parent company grew to 11% from 8% a year ago.

Financial Condition

Consolidated total assets amounted to P89 billion and P16 billion as of end-September and last year-end, respectively, primarily due to the consolidation of assets from the real estate and distilled spirits businesses.

Cash and cash equivalents increased by P27.9 billion from last year-end to total P29.2 billion by end-September. This is primarily due to the net funds derived from stock issuances during the period by both AGI and Megaworld. The items affecting this account were presented in detail in the interim consolidated cash flows statements.

Receivables, both current and non-current, went up from P1.2 billion last year-end to P10.6 billion this end-September. P9.4 billion and P663 million were from the real estate and distilled spirits businesses, respectively.

Inventories increased from P418 million to P4.4 billion because of P2.8 billion real estate inventories and P1.2 million raw materials and supplies for the distilled spirits manufacturing.

The real estate business further added P988 million to the group's financial assets at fair value through profit and loss, P2.3 billion to property development costs, P688 million to prepayments and other current assets, P178 million as advances to landowners and joint ventures, P3.1 billion as land for future development, P9.4 billion to investments in associates and related parties, P4.8 billion to investment property, and P2.9 billion to other non-current assets.

The distilled spirits business further added P42 million prepayments and other current assets, P180 million other non-current assets and P941 million amortized trademark. Trademark refers to brandnames for the manufacture of the distilled spirits, and are being amortized over 10 years.

Property, plant and equipment increased by P2.7 billion with P525 million from real estate business, P488 million from distilled spirits manufacturing, and P1.8 billion reclassified from investment property. Investment property, on the other hand, increased by P3 billion primarily from the real estate business.

In the consolidation of Megaworld, a P7.6 billion goodwill was recognized. This, together with the P941 million amortized trademark, accounts for the increase in intangible assets.

Trade and other payables went up by P1.9 billion primarily because of P2.1 billion accounts and accruals from the real estate business and P465 million from the spirits manufacturing business.

Real estate customers made deposits in the amount of P1.3 billion in current liabilities and P1.4 billion in non-current liabilities. Reserve for property development was recorded at P1.0 billion current and P1.1 billion non-current, and deferred income on real estate sales was recorded at P183 million current and P844 million non-current portion.

The P7.9 billion interest-bearing loans and borrowings as of end-September were from the real estate business, P7.1 billion, and QSR business, P867 million. The QSR loan is the cash equivalent of US$12 million loan from MRO, payable 20 years from March 15, 2005, and earns interest at 10% p.a. The real estate business' loans included a P950 million 10-year loan from a local bank obtained in 2003, collateralized by long-term cash placements, with interest based on 91-day treasury bill plus certain spread. An additional P403 million was acquired subject to the same terms and conditions. There is also a $25 million IFC loan facility obtained in 2002, with $20 million (P1 billion) drawdown in 2002, payable in 10 years, with interest payable based on LIBOR rate plus certain spread, and collateralized by first ranking mortgage over certain investment property. Also included in this account were the five-year term bonds totaling $100 million issued by Megaworld in August 2006 at a discount of $1.5 million, netting $97 million. The bonds bear interest at 7.875% p.a. payable semiannually in arrears every February 4 and August 4 starting on February 4, 2007.

The P1.4 billion deferred tax liabilities were all from the real estate business, mostly from unrealized income and gains. Other liabilities from the real estate business amounted to P859 million in current liabilities and P815 million in non-current liabilities.

Current ratios improved at 5.3:1 as of end-September from 1.6:1 as of last year-end. Debt-to-equity rates remained low at 33% and 31% for end-September and end-December, respectively.

Prospects for the future

The distilled spirit manufacturing and real estate businesses are expected to be the prime contributors beginning this year forward. Funds had been raised already for the business expansion plans in the food and beverage business, mostly to complement the requirements of the distilled spirits manufacturing business. Real estate projects are lined up that spotlight on the live-work-play-learn community concept, plus development plans outside of Metro Manila. More McDonald stores are target to be opened and existing ones re-imaged to boost the QSR income.

AGI is looking at a brighter future and formidable results ahead. It believes in the strength of the growing middle class and so this is where the group will keep its eyes and ears on.

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 were no significant elements of income or loss that did not arise from continuing operations; and no seasonal aspects that had a material effect on the financial conditions or results of operations.

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 INTING
First Vice President for Finance
& Corporate Information Officer
& Duly Authorized Officer
November 9, 2007

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in Philippine Pesos)

	September 30, 2007	December 31, 2006
	Unaudited	*Audited*
A S S E T S		
CURRENT ASSETS		
Cash and cash equivalents	P 29,161,422,245	P 1,289,597,395
Trade and other receivables - net	5,888,776,412	1,166,434,752
Financial assets at fair value through profit or loss	2,069,822,897	86,802,438
Inventories	4,399,530,357	418,327,491
Property development costs	2,706,787,580	358,053,580
Prepayments and other current assets	1,055,676,179	380,846,442
Total Current Assets	45,282,015,670	3,700,062,098
NON-CURRENT ASSETS		
Trade and other receivables - net	4,718,812,144	26,196,144
Advances to landowners and joint ventures	177,770,000	
Land for future development	3,099,410,000	-
Available-for-sale financial assets - net	648,422,939	54,911,419
Investments in and advances to associates and other related parties	9,418,089,028	5,355,200,798
Property, plant and equipment - net	4,887,963,396	2,146,765,903
Investment property - net	5,160,361,030	2,138,767,025
Deferred tax assets - net	175,345,191	154,215,062
Intangible assets - net	11,298,680,270	1,653,165,188
Other non-current assets - net	3,708,995,457	599,097,454
Total Non-current Assets	43,293,849,455	12,128,318,993
TOTAL ASSETS	P 88,575,865,125	P 15,828,381,091

Forward

LIABILITIES AND EQUITY

	September 30, 2007 *Unaudited*	December 31, 2006 Audited
CURRENT LIABILITIES		
Trade and other payables	P 4,133,752,054	P 2,193,418,613
Interest-bearing loans and borrowings	726,381,684	-
Customers' deposits	1,341,988,000	-
Advances from related parties	70,602,124	78,326,360
Income tax payable	162,644,406	9,216,803
Reserve for property development	1,011,664,000	
Deferred income on real estate sales	182,599,000	
Other current liabilities	866,004,937	7,625,370
Total Current Liabilities	8,495,636,205	2,288,587,146
NON-CURRENT LIABILITIES		
Interest-bearing loans and borrowings	7,223,817,055	906,468,118
Customers' deposits	1,417,907,000	-
Reserve for property development	1,125,245,000	-
Deferred income on real estate sales	843,767,000	-
Redeemable preferred shares	253,733,070	231,445,636
Retirement benefit obligations	147,440,744	109,201,576
Advances from related parties	197,619,000	-
Deferred tax liabilities - net	1,376,168,000	-
Other non-current liabilities	1,043,649,839	244,111,961
Total Non-current Liabilities	13,629,346,708	1,491,227,291
Total Liabilities	22,124,982,913	3,779,814,437
EQUITY		
Equity attributable to equity holders of the parent company		
parent company		
Capital stock	10,269,827,979	2,205,181,000
Additional paid-in capital	27,154,352,300	5,232,877,999
Subscriptions receivable	-	(986,612,492)
Accumulated translation adjustments	(106,278,797)	(28,819,937)
Share in translation adjustments of an associate	(17,724,682)	(17,724,682)
Dilution loss	(307,137,911)	(307,137,911)
Revaluation reserves	40,843,720	23,857,119
Retained earnings	7,166,062,377	5,061,762,565
	44,199,944,986	11,183,383,661
Minority interest	22,250,937,226	865,182,993
Total Equity	66,450,882,212	12,048,566,654
TOTAL LIABILITIES AND EQUITY	P 88,575,865,125	P 15,828,381,091

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENTS
FOR THE PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Amounts in Philippine Pesos)
(UNAUDITED)

	2007		2006	
	Quarter Ended	**Year-to-Date**	Quarter Ended	Year-to-Date
REVENUES				
Sale of goods	P 3,244,628,399	**P 10,615,132,885**	P 1,650,410,148	P 4,935,619,704
Real estate sales	3,206,345,857	**7,252,228,000**	-	
Rendering of services	377,828,171	**1,163,176,587**	883,702,226	1,104,368,591
Realized gross profit on prior years' sales	191,482,630	**389,415,000**	-	-
	7,020,285,057.00	**19,419,952,472.00**	2,534,112,374.00	6,039,988,295.00
COST OF SALES AND SERVICES				
Cost of sales	2,376,854,580	**7,858,132,688**	1,464,504,397	4,449,388,339
Cost of real estate sales	2,271,516,056	**4,999,961,000**	-	
Deferred gross profit	8,062,270	**691,161,000**	-	
Cost of services	132,861,532	**424,325,264**	781,110,529	919,166,659
	4,789,294,438	**13,973,579,952**	2,245,614,926	5,368,554,998
GROSS PROFIT	**2,230,990,619**	**5,446,372,520**	288,497,448	671,433,297
OTHER OPERATING INCOME (EXPENSES)				
Finance and other operating income	663,087,031	**1,612,805,680**	22,622,462	87,018,747
Interest income on real estate sales	51,945,945	**250,896,000**	-	
Administrative expenses	(510,378,073)	**(1,344,104,298)**	(120,345,715)	(339,655,712)
Selling expenses	(314,583,409)	**(697,039,145)**	(69,348,885)	(207,173,808)
Other operating expenses	95,265,160	**(2,190,742)**	-	-
	(14,663,346)	**(179,632,505)**	(167,072,138)	(459,810,773)
OPERATING PROFIT	**2,216,327,273**	**5,266,740,015**	121,425,310	211,622,524
OTHER INCOME (CHARGES)				
Equity in net earnings (losses)	(250,909)	**(18,423,871)**	125,923,410	304,541,813
Foreign currency (losses) gains - net	(334,730,926)	**(199,247,145)**	2,964,152	12,360,000
Finance costs	(178,780,301)	**(590,285,065)**	(29,021,911)	(92,861,074)
Losses from restaurant closings	5,306,592	**(745,047)**	51,797,613	(1,878,950)
Other gains (losses) - net	16,480,494	**41,162,017**	(10,037,568)	68,085,875
	(491,975,050)	**(767,539,111)**	141,625,696	290,247,664
INCOME BEFORE TAX AND PREACQUISITION INCOME	**1,724,352,223.00**	**4,499,200,904.00**	263,051,006.00	501,870,188.00
TAX EXPENSE	351,979,295	**915,051,901**	22,057,478	36,122,207
INCOME BEFORE PREACQUISITION INCOME	**1,372,372,928.00**	**3,584,149,003.00**	240,993,528.00	465,747,981.00
PREACQUISITION INCOME	-	**100,413,666**	-	-
NET INCOME	**P 1,372,372,928**	**P 3,483,735,337**	P 240,993,528	P 465,747,981
Attributable to:				
Equity holders of the parent company	**P 869,947,379**	**P 2,104,299,812**	P 215,276,586	P 442,250,039
Minority interest	502,425,549	1,379,435,525	25,716,942	23,497,942
	P 1,372,372,928	**P 3,483,735,337**	P 240,993,528	P 465,747,981
Earnings Per Share for the Net Income Attributable to the Equity Holders of the Parent Company based on number of shares at end-September	P 0.0847 *	P 0.2049 *	P 0.0976	P 0.2006

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Amounts in Philippine Pesos)
(UNAUDITED)

	2007	2006
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		
Capital Stock		
Balance at January 1	P 2,205,181,000	P 2,205,181,000
Additional issuance during the period	8,064,646,979	-
Balance at September 30	10,269,827,979	2,205,181,000
Additional Paid-in Capital		
Balance at January 1	5,232,877,999	5,232,877,999
Addition from subscriptions during the period	21,921,474,301	-
Balance at September 30	27,154,352,300	5,232,877,999
Subscriptions Receivable		
Balance at January 1	(986,612,492)	(986,612,492)
Additional subscriptions during the period	30,451,782,255	-
Collections/settlement during the period	(31,438,394,747)	-
Balance at September 30	-	(986,612,492)
Accumulated Translation Adjustments		
Balance at January 1	(28,819,937)	32,541,532
Currency translation adjustments during the period	(77,458,860)	(25,769,874)
Balance at September 30	(106,278,797)	6,771,658
Share in Translation Adjustments of an Associate		
Balance at January 1	(17,724,682)	(26,589,703)
Currency translation adjustments during the period	-	-
Balance at September 30	(17,724,682)	(26,589,703)

Forward

	2007	2006
Dilution Loss	(307,137,911)	-
Revaluation Reserves		
Balance at January 1	12,261,215	3,895,661
Revaluation reserve of a newly acquired subsidiary	11,595,904	-
Fair value gains	16,986,601	-
Balance at September 30	40,843,720	3,895,661
Retained Earnings		
Balance at January 1	5,061,762,565	4,242,723,735
Net income	2,104,299,812	442,250,039
Dividend from investee	-	(45,676,260)
Balance at September 30	7,166,062,377	4,639,297,514
	44,199,944,986	11,074,821,637
MINORITY INTEREST		
Balance at January 1	865,182,993	870,761,153
Minority interest in a newly acquired subsidiary	11,807,567,879	-
Exercise of stock rights	8,461,781,196	-
Dividend from investees	(263,030,367)	-
Share in net income of investees	1,379,435,525	23,497,942
Balance at September 30	22,250,937,226	894,259,095
TOTAL EQUITY	P 66,450,882,212	P 11,969,080,732
Net Gains (Losses) Directly Recognized in Equity	(P 60,472,259)	(P 25,769,874)

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
CONSOLIDATED CASH FLOW STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2007 AND 2006
(Amounts in Philippine Pesos)
(UNAUDITED)

	2007	2006
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax and preacquisition income	P 4,499,200,904	P 501,870,188
Adjustments for:		
Depreciation and amortization	611,815,064	296,983,910
Interest expense	590,285,065	92,861,074
Retirement benefits provision	37,886,094	17,361,426
Impairment losses	32,376,354	8,560,047
Interest income	(1,393,951,441)	(87,018,747)
Unrealized foreign exchange gains	(446,572,001)	(25,769,874)
Equity in net earnings of an associate and a joint venture	(21,771,129)	(304,541,813)
Dividend income	(17,784,704)	-
	3,891,484,206	500,306,211
Operating income before working capital changes		
Increase in trade and other receivables	(9,434,077,788)	(323,641,842)
Decrease (increase) in inventories	(3,988,529,240)	152,711,118
Decrease (increase) in other financial assets	(2,559,545,378)	4,591,392
Increase in property development costs	(2,348,734,000)	-
Increase in prepayments and other current assets	(710,131,377)	(39,072,151)
Increase in customers' deposits	2,759,895,000	-
Increase in reserve for property development	2,136,909,000	-
Increase in trade and other payables	1,975,371,304	2,032,304,769
Increase in deferred income on real estate sales	1,026,366,000	-
Increase in other current liabilities	607,931,199	-
Cash generated from (used in) operations	(6,643,061,074)	2,327,199,497
Cash paid for income taxes	(462,164,325)	(51,729,013)
Net Cash From (Used in) Operating Activities	(7,105,225,399)	2,275,470,484
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,251,615,820	92,544,417
Cash dividend received	12,228,445	-
Net decrease (increase) in:		
Investments in and advances to associates and other related parties	(3,884,711,331)	(1,442,706,485)
Land for future development	(3,277,180,000)	-
Investment property	(3,164,788,112)	(616,787,272)
Property, plant and equipment	(3,162,516,403)	(327,340,208)
Other non-current assets	(3,186,971,320)	4,188,211
Other non-current liabilities	29,393,086,830	14,118,844
Net Cash From (Used in) Investing Activities	13,980,763,929	(2,275,982,493)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issuance of capital stock	13,192,110,525	-
Net acquisition (payments) of long-term payables	7,490,302,622	(115,558,733)
Collections of beginning subscriptions receivable	986,612,492	
Advances from (to) related parties	170,586,037	(17,089,971)
Interest paid	(580,294,989)	(87,198,385)
Cash dividends paid to minority	(263,030,367)	-
Net Cash From (Used in) Financing Activities	20,996,286,320	(219,847,089)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	27,871,824,850	(220,359,098)
CASH AND CASH EQUIVALENTS AT JANUARY 1	1,289,597,395	1,447,604,381
CASH AND CASH EQUIVALENTS AT SEPTEMBER 30	P 29,161,422,245	P 1,227,245,283

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
AGING SCHEDULE OF TRADE AND OTHER RECEIVABLES
UNDER CURRENT ASSETS
30-Sep-07
(Amounts in Philippine Pesos)

TRADE RECEIVABLES	
Current	4,706,646,009
1-30 days	865,932,504
31-60 days	192,538,369
over	40,771,545
Total	5,805,888,427
OTHERS	119,611,128
TOTAL	5,925,499,555
LESS ALLOWANCE FOR IMPAIRMENT	36,723,143
BALANCE	5,888,776,412