

AGI To Remain Focused on Core Businesses

Alliance Global Group Inc. (AGI) will remain focused on its core businesses – real estate, liquor, gaming, and quick service restaurant (QSR). AGI’s president, Kingson U. Sian, reiterated this during a press con after AGI’s stockholders’ meeting today. “Rather than diversifying into other businesses, which may not be within our core competence, we will focus our energy on strengthening and growing our existing businesses.”

In Dr. Andrew L. Tan’s Message from the Chairman taken from the newly released annual report of AGI, he said, “As we look into the future, we believe that we are armed with strong brands that have weathered diverse challenges to come up better and even stronger. We assure you that we will not let our past successes lull us into complacency.”

Three of AGI’s major subsidiaries are the leaders in their respective industries – Emperor Inc., Megaworld Corporation, and Travellers International Hotel Group, Inc. They are also publicly traded on the Philippine Stock Exchange. The other major subsidiary is Golden Arches Development Corp. (GADC), which holds the exclusive right to operate restaurants in the Philippines under the “McDonald’s” brand and is the second largest QSR chain in the country.

Apart from Emperor being the dominant local liquor company with a 50% market share nationwide, it is also the most profitable liquor company in the Philippines. It expects to double its net income by 2016-17 from last year’s PHP5.8 billion. Megaworld continues to be the dominant real estate developer in township development that is seeing increased diversification of real estate sales, with higher contribution from areas outside Manila like Boracay, Cebu, Iloilo, and eventually Davao. Resorts World Manila, operated by Travellers International, is undergoing a USD650 million expansion that will potentially double the number of hotel rooms as well as gaming capacity by 2017. GADC is targeting a branch network of 500 by the end of next year from 422 as of end-June this year.