

ALLIANCE GLOBAL GROUP, INC.
20th Floor, IBM Plaza
Eastwood City CyberPark
188 E. Rodriguez Jr. Avenue
Bagumbayan, 1110 Quezon City
Tel. Nos. 9112949-50
Fax Nos. 4210851



9 January 2007

THE PHILIPPINE STOCK EXCHANGE, INC.

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

Attention: **Atty. Pete M. Malabanan**
Head, Disclosure Department

Gentlemen:

We refer to the memorandum email sent by your Disclosure Department requesting us to confirm the veracity of the following information contained in a news article entitled “30 to 50 McDonalds outlets seen to open this year in RP” published in the January 9, 2007 issue of the Philippine Daily Inquirer (Internet Edition):

“ALLIANCE Global Group, Inc. (AGGI), the holding company that controls 49 percent of the local McDonald’s franchise, will open 30 to 50 stores this year, company chairman Andrew Tan said. x x x He added that AGGI had substantially increased its capital expenditure this year to P5 billion from P1-P1.5 billion last year ,largely for the expansion of its existing glass manufacturing business. x x x ”

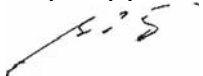
We confirm that:

- 1) We confirm that capital expenditures for this year is budgeted to be approximately P5 billion, including costs relating to business expansion and investment enhancement.
- 2) We are targeting 25 new McDonald’s stores for 2007. With better/bullish economic outlook, we are now looking at even doubling that target by end-2007.

We also wish to clarify that the new authorized capital of AGGI after approval of the SEC will be P12.95 Billion, not P13 Billion as reported in the third paragraph of the subject article. This is because the proposed increase will be P7.95 Billion only, which was correctly mentioned in the last paragraph of the article.

We trust we have clarified your concerns.

Very truly yours,



DINA INTING
*FVP for Finance &
Corporate Information Officer*