



March 17, 2011

PHILIPPINE STOCK EXCHANGE, INC.
3rd Floor, Tower One and Exchange Plaza
Ayala Triangle, Ayala Avenue
Makati City

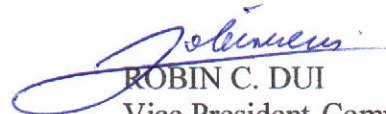
Attention: Ms. Janet A. Encarnacion
Head, Disclosure Department

Gentlemen:

Please see attached disclosure statement of Cebu Air, Inc. regarding its financial performance for the fiscal year ended December 31, 2010.

Thank you.

Very truly yours,


ROBIN C. DUI
Vice President-Comptroller

Airline Operations Center, Manila Domestic Airport, Pasay City, Philippines
Trunkline: (632) 852-2328





March 17, 2011

Securities and Exchange Commission

Attention: Corporation and Finance Department
SEC Building, EDSA
Mandaluyong City

Philippine Stock Exchange

Attention: Disclosure Department
4F PSE Center, Exchange Road
Ortigas Center, Pasig City

Subject: **CEBU AIR, INC. 2010 CONSOLIDATED RESULTS OF OPERATIONS**

Gentlemen:

Results of Operations

Cebu Air, Inc.'s consolidated net income for the year ended December 31, 2010 surged to ₱6.922 billion or an increase of 112.5% from the net income of ₱3.258 billion for the year ended December 31, 2009.

Consolidated pre-tax core net income [operating income after deducting net interest expense and adding (deducting) equity in net earnings (losses) of joint venture] for the year ended December 31, 2010, increased by 170.8% from ₱2.135 billion to ₱5.781 billion. Such amounts exclude the foreign exchange gains (losses), and mark-to-market gains (losses) on both hedging and investment assets.

Consolidated revenues grew by 24.8% to ₱ 29.089 billion from last year's ₱ 23.311 billion driven by the increase in the number of passengers and higher average fare. Consolidated operating expenses, however, moved up by only 12.4% to ₱22.639 billion from ₱20.147 billion in the previous year despite the growth in seat capacity year on year and higher aviation fuel prices in 2010 as compared to 2009. As a result, the Company's consolidated operating income increased by 103.9% to ₱6.450 billion.

Consolidated EBITDAR margin (operating income after adding depreciation and amortization and aircraft and engine lease expenses divided by total revenue) for the period was 34.9% from last year's 29.2%.

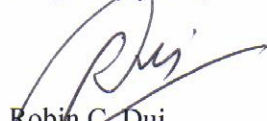
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CEBU PACIFIC AIR.COM

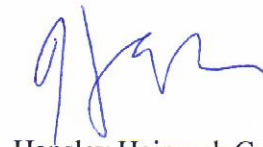
Balance Sheet

As of December 31, 2010, the Company's consolidated balance sheet remains solid, with net debt to equity of 0.40 [total debt after deducting cash and cash equivalents (including financial assets held-for-trading at fair value and available-for-sale assets) divided by total equity]. Consolidated assets grew to ₱49.937 billion from ₱35.323 billion as of December 31, 2009 as the Company added aircraft to its fleet. Equity grew to ₱17.907 billion from ₱ 7.255 billion in prior year while book value per share amounted to ₱29.20 as of December 31, 2010 from ₱12.45 as of December 31, 2009.

Very truly yours,



Robin C. Dui
Vice President - Comptroller



Hansley Heinrich C. See
Chief Financial Officer