



March 14, 2012

PHILIPPINE STOCK EXCHANGE, INC.  
3<sup>rd</sup> 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, 2011.

Thank you.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Robin C. DUI", written over a blue circular stamp or seal.

ROBIN C. DUI  
Vice President - Comptroller

8006 Airline Operations Center, Manila Domestic Airport, Pasay City, Philippines  
Trunkline: (632) 802-7000

**CEBU PACIFIC AIR.COM**



March 14, 2012

**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. 2011 CONSOLIDATED RESULTS OF OPERATIONS**

Gentlemen:

Results of Operations

Cebu Air, Inc.'s consolidated revenues grew by 16.7%, from P29.089 billion for the year ended December 31, 2010 to P33.935 billion for the year ended December 31, 2011 driven by increased passenger volume and improved take up from ancillary products.

Consolidated operating expenses increased by 34.3% to P30.408 billion in 2011 from P22.639 billion in 2010. Fuel costs, which constitute about 50% of consolidated operating expenses, grew 55.2% to P15.221 billion from P9.808 billion in the previous year. This surge in fuel cost is driven by a 39.3% increase in global market prices of aviation fuel.

As a result, the Company's consolidated pre-tax core net income for the year ended December 31, 2011, decreased by 41.8% from P5.781 billion to P3.363 billion, respectively. Amidst this challenging cost environment, the Company was able to sustain robust EBITDAR and pre-tax core income margins of 23.3% and 9.9%, respectively.

Consolidated net income was P3.624 billion for the year ended December 31, 2011 a decline of 47.6% from P6.922 billion for the year ended December 31, 2010, but still a healthy 10.7% margin.

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