

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Feb 3, 2020
2. SEC Identification Number
154675
3. BIR Tax Identification No.
948-229-000
4. Exact name of issuer as specified in its charter
CEBU AIR, INC.
5. Province, country or other jurisdiction of incorporation
Cebu City, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
Level 4 Unit 4030-403, Robinsons Galleria Cebu, General Maxilom Avenue cor. Serfio
Osmena Boulevard, Cebu City
Postal Code
6000
8. Issuer's telephone number, including area code
(632) 8802-7000
9. Former name or former address, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	600,666,440
11. Indicate the item numbers reported herein
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Cebu Air, Inc.

CEB

PSE Disclosure Form 4-13 - Clarification of News Reports
*References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 of the Revised Disclosure Rules*

Subject of the Disclosure

Clarification of news report

Source	philstar.com
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Subject of News Report	Cebu Pacific sees lower profit on virus outbreak
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Date of Publication	Feb 2, 2020
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Clarification of News Report

We refer to your letter dated February 3, 2020 with respect to the news article entitled "Cebu Pacific sees lower profit on virus outbreak" posted in philstar.com on February 2, 2020. The article reported in part that:

"MANILA, Philippines — Cebu Air, the country's largest budget carrier, expects a drop in profit as travelers postpone travel plans as a result of the deadly coronavirus.

Lance Gokongwei, Cebu Air president and chief executive officer, said customers are refunding tickets as they cancel or postpone trips to China where the virus started.

. . . .

He said the company might see a decline in profit if the situation stays the same for six months.

'If this lasts for six months, there could be a P3 to P4 billion swing on profit,' he said.

. . . .

He said it would really be difficult to forecast now because the situation is escalating fast.

Gokongwei said these developments are hurting travel prospects for 2020.

. . . ."

This is to confirm the statement made by the President and Chief Executive Officer of Cebu Air, Inc. (CEB), Mr. Lance Gokongwei, that travel prospects for 2020 are being affected by the novel corona virus with refunds being made by customers as they cancel or postpone trips to China.

In light of recent government restrictions and directives, CEB announced last night that all Cebu Pacific flights from the Philippines to mainland China destinations, which are Beijing, Shanghai, Shenzhen, Guangzhou and Xiamen, have been cancelled from today until March 29, 2020. Similarly, all Cebu Pacific flights from the Philippines to Hong Kong and Macau have been cancelled from today until the end of February 2020.

This is to likewise confirm the statement made by Mr. Gokongwei that any impact on CEB would be difficult to forecast because the situation continues to evolve.

Based on the SARS outbreak in 2003, the aviation industry's experience was that this outbreak reduced overall demand for air travel for approximately 6 months. If the current situation remains the same for next 6 months, then CEB estimates that it might experience a P3-P4 billion swing on profit.

CEB would like to point out that this is in the context of its 2020 profit outlook particularly given that operating profit for the 1st half of last year was already at P8.9 billion. This was also characterized by CEB's President and CEO to be a profit "swing", because the impact of this virus is considered to be time bound as the search for its cure is underway and CEB remains confident on the recovery of travel demand upon resolution of this issue.

Lastly, this is also to highlight Mr. Gokongwei's statement that CEB's balance sheet is very solid. As of end September 2019, CEB posted cash and cash reserves of P21.6 billion which will provide assurance that CEB has the financial strength to weather this challenge.

Other Relevant Information

N/A

Filed on behalf by:

Name	Rosalinda Rivera
Designation	Corporate Secretary