

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)
Mar 16, 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	600,316,700
11. Indicate the item numbers reported herein
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The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Cebu Air, Inc.

CEB

PSE Disclosure Form 4-30 - Material Information/Transactions
References: SRC Rule 17 (SEC Form 17-C) and
Sections 4.1 and 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

COVID-19 Risks, Impact and Mitigation Efforts in Cebu Air, Inc./Cebu Pacific ("CEB")

Background/Description of the Disclosure

Risk and Impact of COVID-19 on business operations of Cebu Pacific

The 30-day community quarantine of Metro Manila, as announced by the President of the Philippines last March 13, will result in the suspension of all Manila based domestic flights. Together with previously suspended flights to and from China, Hong Kong, Macau and South Korea, this will free up about 90% of CEB's seat capacity during this 30 day quarantine period. CEB will continue with flights to and from Cebu and other hubs, to maintain overall connectivity via air transport where operationally feasible.

CEB anticipates significant revenue impact during this 30-day quarantine period with the suspension of these flights. As a material portion of its operating expenses are based on flights and flight hours, CEB anticipates its expenses to likewise reduce significantly. This includes lower fuel consumption, landing, take off and air navigation fees, and flight-based repair and maintenance expenses. Lower fuel price adds a cost benefit with lower fuel consumption, but CEB also faces increase in refund and rebooking requests.

Given the volatile nature of this situation, and the uncertainty as to when operating and demand conditions will improve, it will be premature to provide any guidance with respect to expected impact for full year 2020. But in line with its financial framework, CEB remains in a very strong position, ending 2019 with a liquid position of over P18 billion in cash and cash equivalents. It also has a conservative net debt to equity level of 1.25x, with long maturity profile, giving it access to short and long term funding. With strong relationship with key suppliers, together with various measures it has undertaken to mitigate risks, CEB believes that it remains a strong and resilient airline despite the adverse impact of COVID-19 outbreak.

Measures undertaken to mitigate risks

CEB is fully supportive in the country's effort to mitigate the spread of the virus. CEB aircraft are equipped with HEPA filters for air filtration with 99.99% efficiency. It intensified aircraft disinfection using procedures recognized by WHO, and regularly disinfects common areas. CEB actively screens passengers, disallows travel based on government guidelines, provides face masks to those showing symptoms of illness, and coordinates with health authorities for further observation. It produces meals based on Global HACCP, and requires suppliers for precautionary plans for COVID-19. Employees are provided with personal protective equipment and materials, access to medical support and services.

CEB conserves cash and expenses during this period of reduced operations, by freezing non-essential recruitment and consultancy work, restricting overtime as well as cost and capital expenditure approvals for better prioritization and selection. Top management has taken a pay cut and suspended salary increases and promotional benefits, implemented work from home arrangements with employees, and asked employees to maximize vacation leaves.

Other Relevant Information

N/A

Filed on behalf by:

Name

Rosalinda Rivera

Designation	Corporate Secretary
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