



January 25, 2012

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:

We refer to your letter dated January 25, 2012 which requested us to clarify and/or confirm the information contained in the news article entitled "Cebu Pacific borrows \$160M to finance airplane purchases" published in the January 25, 2012 issue of the BusinessMirror. The article reported in part that:

"CEBU Air Inc., operator of low-cost carrier Cebu Pacific, has borrowed \$150 million to \$160 million from foreign banks to partly finance the acquisition of four new Airbus aircraft that will be delivered this year.

"We borrowed because we are taking four planes this year. We are borrowing around 85 percent, probably \$150 million to \$160 million. We signed up with banks but they are guaranteed with credit export and import agencies," said Cebu Pacific Ppresident (sic) Lance Gokongwei.

The airline is taking delivery four Airbus A320s this year. Two will arrive in March, one in September and another in November.

Cebu Pacific said 2011 was a "difficult year" for the aviation industry because airlines had to cope with spiraling jet fuel prices. "We will have our profits reduced in 2011 primarily due to higher oil prices. We do expect though to show a healthy profit and still be one of the most profitable low-cost carriers in the entire world," said Gokongwei.

The listed airline unit of JG Summit will book double-digit revenues for 2011, added Gokongwei. "We will report our financials on February 15. We expect to post higher passenger volume this year. Our revenues for 2011 were higher than in 2010."

...."

We confirm the above-mentioned information contained in the news article.

Thank you.

Very truly yours,

ROSALINDA F. RIVERA
Corporate Secretary

/mhd

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

