

Philippines' Cebu Pacific places \$4.8 bn Airbus order

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Cebu Air Inc will use the new planes for both domestic routes and Asian destinations

The Philippines' largest budget airline Cebu Air Inc has ordered 16 Airbus planes worth \$4.8 billion, the company said Monday, as it aims to expand carrying capacity with larger, more fuel-efficient jets.

Cebu Air, commonly referred to as Cebu Pacific, said it sees the long-range A330neo jetliner as key to lowering per-seat costs and maximising its existing airport slots.

The carrier will use the new planes for both domestic routes and Asian destinations, as well as long-haul flights to Australia and the Middle East where millions of Filipinos work overseas.

The new aircraft are scheduled to arrive between 2021 and 2024. Once fully delivered, the jets will replace the current A330neos in the airline's roster.

"The A330neo aircraft is integral to our fleet modernization program," Cebu Air president and chief executive Lance Gokongwei said in a statement.

"With this purchase we aim to reduce our fuel emission and build a more sustainable operation," he added.

The Philippine carrier has a fleet of 74 planes, most from Airbus, and has received eight new aircraft this year, the majority of them also Airbus planes.

The airline flies to 37 domestic routes and 26 international destinations. It claims to have "one of the youngest fleets in the world", with an average age of five years.

The order comes as the budget airline flew more than 20 million people in 2018, up three percent year-on-year.

Air travel in the Philippines has significantly grown, but the nation's airports have struggled to keep up. Cebu Air's larger aircraft will allow the carrier to cope with Manila's congested airport and limited slots.

Airbus has announced a series of Asia deals in recent months, including a \$33.2 billion order with Indian airline IndiGo that was one of the manufacturer's largest-ever from a single firm.

The streak stands in contrast to the situation faced by the Boeing's 737 MAX airliner, a direct rival, which has been grounded since March following two crashes that killed a total of 346 people.

However Airbus has hit some turbulence of its own, with Canadian and European air safety regulators saying the A220 model should no longer use full power at [high altitudes](#).

During one Swiss flight in July parts of an A220 engine fell over France, and following incidents in September and October the airline halted all flights with the [aircraft](#) until they could be inspected.

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