

Azul Reports December Traffic

São Paulo, January 7th, 2019 – Azul S.A., “Azul”, (B3: AZUL4, NYSE: AZUL), the largest airline in Brazil by number of cities served and flight departures, announces today its preliminary traffic results for December 2018.

Consolidated passenger traffic (RPKs) increased 13.4% compared to December 2017 on a capacity increase (ASKs) of 13.5% resulting in a load factor of 83.0%, mostly in line with the 83.1% recorded in December 2017. Domestic load factor was 81.3%, representing a decrease of 0.4 p.p. compared to the same period in 2017 while international load factor was 88.0%, up 0.6 p.p..

“December was another strong month for Azul as we continue to execute on our fleet transformation strategy backed by a solid demand environment. We received another two A320neos in December, ending the year with 20 aircraft of this type. As we move forward, we continue to be very excited about our fleet transformation process and the results we are seeing from it”, says John Rodgerson, Azul’s CEO.

In 2018, Azul was once again the most on-time airline in Brazil, with an on-time arrival rate of 86.5% according to FlightStats.

	Dec-18	Dec-17	%Δ	4Q18	4Q17	%Δ	2018	2017	%Δ
Total									
RPK (million)	2,325	2,049	13.4%	6,162	5,382	14.5%	24,156	20,760	16.4%
ASK (million)	2,800	2,467	13.5%	7,425	6,506	14.1%	29,353	25,300	16.0%
<i>Load factor</i>	<i>83.0%</i>	<i>83.1%</i>	<i>-0.1 p.p.</i>	<i>83.0%</i>	<i>82.7%</i>	<i>+0.3 p.p.</i>	<i>82.3%</i>	<i>82.1%</i>	<i>+0.2 p.p.</i>
Domestic									
RPK (million)	1,698	1,510	12.4%	4,668	4,108	13.6%	17,856	16,424	8.7%
ASK (million)	2,088	1,849	12.9%	5,707	5,060	12.8%	22,103	20,458	8.0%
<i>Load factor</i>	<i>81.3%</i>	<i>81.7%</i>	<i>-0.4 p.p.</i>	<i>81.8%</i>	<i>81.2%</i>	<i>+0.6 p.p.</i>	<i>80.8%</i>	<i>80.3%</i>	<i>+0.5 p.p.</i>
International									
RPK (million)	627	539	16.2%	1,494	1,274	17.3%	6,300	4,336	45.3%
ASK (million)	712	618	15.4%	1,718	1,446	18.9%	7,250	4,842	49.7%
<i>Load factor</i>	<i>88.0%</i>	<i>87.4%</i>	<i>+0.6 p.p.</i>	<i>87.0%</i>	<i>88.1%</i>	<i>-1.1 p.p.</i>	<i>86.9%</i>	<i>89.5%</i>	<i>-2.6 p.p.</i>

About Azul

Azul S.A. (B3: AZUL4, NYSE: AZUL), the largest airline in Brazil by number of cities served, offers 773 daily flights to 110 destinations. With an operating fleet of 123 aircraft and more than 11,000 crewmembers, the Company has a network of 219 non-stop routes as of December 31, 2018. In 2018, Azul was awarded best airline in Latin America by TripAdvisor Travelers’ Choice and by Kayak’s Flight Hacker Guide, and also best regional carrier in South America for the eighth consecutive time by Skytrax. Azul also ranked as most on-time airline in Brazil in 2018 according to FlightStats. For more information visit www.voeazul.com.br/ir.

Glossary

Revenue Passenger Kilometers (RPK)

One-fare paying passenger transported one kilometer. RPK is calculated by multiplying the number of revenue passengers by the number of kilometers flown.

Available Seat Kilometers (ASK)

Number of aircraft seats multiplied by the number of kilometers flown.

Contact

Investor Relations

Tel: +55 11 4831 2880

invest@voeazul.com.br

Media Relations

Tel: +55 11 4831 1245

imprensa@voeazul.com.br

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