



## Azul Announces its 2019 Outlook

**São Paulo, March 15th, 2019** – Azul S.A.(B3: AZUL4)(NYSE: AZUL), the largest airline in Brazil by number of destinations and departures, announces today its outlook for the fiscal year ending December 31, 2019. All data is based on preliminary estimates.

We expect to grow total capacity by 18% to 20% in 2019, consisting of a 16% to 18% increase in domestic ASKs through the replacement of smaller aircraft with A320neos, and a 20% to 25% increase in international capacity mostly related to the introduction of three A330s during the year.

Next generation aircraft represented 30% of our ASKs in 2018 and are expected to represent 40% of our 2019 total capacity.

With the introduction of more seats to our network, we expect CASK to decrease between 1% and 3% year over year.

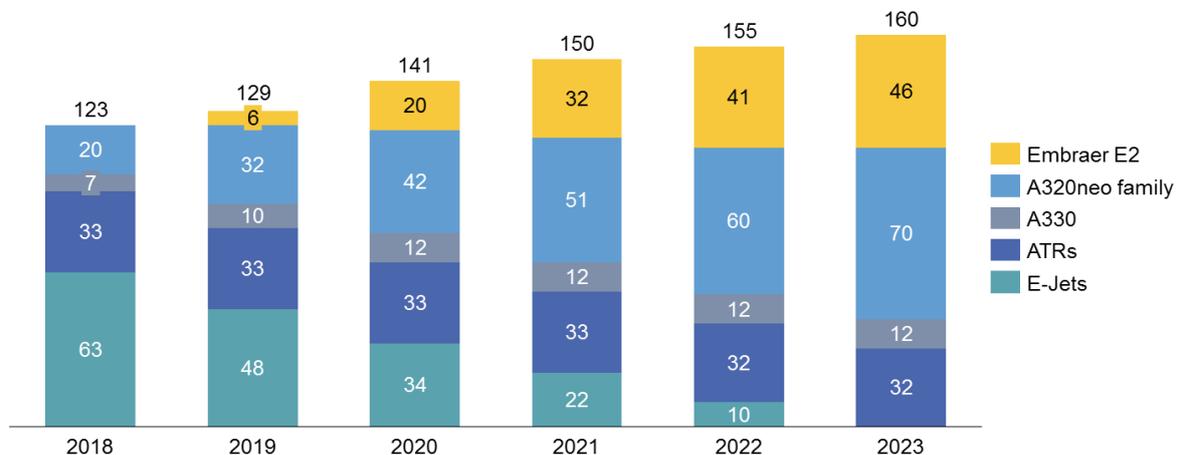
We have a multi-year margin expansion strategy, and we expect to grow our EBIT margin every year over the next few years. Consistently, our EBIT guidance for 2019 will be 18% to 20% compared to a margin of 15.1% for 2018 under IFRS 16.

These preliminary estimates exclude the impact of a potential joint venture with Correios, the potential acquisition of select assets of Avianca Brasil, and non-recurring events.

FY 2019 Expected Results (IFRS 16)	
Total ASK growth	18% to 20%
<i>Domestic</i>	16% to 18%
<i>International</i>	20% to 25%
CASK	-1% to -3%
Operating Margin	18% to 20%

### Fleet Plan

Azul expects to add 12 A320neos, six Embraer E2, and three A330neo to its fleet in 2019 and remove 15 E-195 E-1s, ending the year with 129 operating aircraft. In 2019, approximately 40% of Azul's total capacity will be coming from next generation aircraft.



\*Considers commercial aircraft only



### **About Azul**

Azul S.A. (B3: AZUL4, NYSE: AZUL), the largest airline in Brazil by number of cities served, offers 821 daily flights to 110 destinations. With an operating fleet of 125 aircraft and more than 11,000 crewmembers, the Company has a network of 220 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](http://www.voeazul.com.br/ir)

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