

Azul Reports June 2019 Traffic

São Paulo, July 4, 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 June 2019.

Consolidated passenger traffic (RPKs) increased 21.6% compared to June 2018 on a capacity increase (ASKs) of 14.7%, resulting in a load factor of 83.6%, an increase of 4.8 percentage points compared to the same period in 2018. Domestic passenger traffic increased 28.7% on a 20.3% increase in capacity resulting in a load factor of 82.3%, 5.4 percentage points higher than June 2018. International load factor was 87.8%.

In the 2Q19, load factor was 84.1%, an increase of 4.0 percentage points compared to the year before. Domestic load factor was 83.1% and international was 87.5%.

“Changing competitive dynamics in the Brazilian airline sector combined with the organic growth of our network resulted in strong traffic results for the month of June. We expect this trend to continue in July, which is a high season month for us. We ended the quarter with 28 A320neos and are excited to keep adding these game changing planes to our fleet during the second half of the year”, says John Rodgerson, Azul’s CEO.”

	Jun-19	Jun-18	%Δ	2Q19	2Q18	%Δ	YTD 19	YTD 18	%Δ
Total									
RPK (million)	2,364	1,944	21.6%	6,860	5,656	21.3%	13,669	11,547	18.4%
ASK (million)	2,828	2,465	14.7%	8,156	7,062	15.5%	16,469	14,227	15.8%
Load factor	83.6%	78.8%	+4.8 p.p.	84.1%	80.1%	+4.0 p.p.	83.0%	81.2%	+1.8 p.p.
Domestic									
RPK (million)	1,768	1,374	28.7%	5,250	4,091	28.3%	10,441	8,448	23.6%
ASK (million)	2,149	1,786	20.3%	6,317	5,256	20.2%	12,659	10,648	18.9%
Load factor	82.3%	76.9%	+5.4 p.p.	83.1%	77.8%	+5.3 p.p.	82.5%	79.3%	+3.2 p.p.
International									
RPK (million)	596	570	4.6%	1,610	1,565	2.9%	3,228	3,099	4.2%
ASK (million)	679	679	0.0%	1,840	1,806	1.9%	3,810	3,579	6.5%
Load factor	87.8%	83.9%	+3.9 p.p.	87.5%	86.7%	+0.8 p.p.	84.7%	86.6%	-1.9 p.p.

About Azul

Azul S.A. (B3: AZUL4, NYSE: AZUL), the largest airline in Brazil by number of flight departures and cities served, offers 854 daily flights to 114 destinations. With an operating fleet of 129 aircraft and more than 11,000 crewmembers, the Company has a network of 252 non-stop routes as of June 30, 2019. In 2019, Azul was awarded best airline in Latin America by TripAdvisor Travelers’ Choice and in 2018, the Company was elected best airline by Kayak’s Flight Hacker Guide, and also best regional carrier in South America for the ninth 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.

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