10 years
dreaming big
since 2008

4Q18 | Azul S.A. Results

March 14th, 2019

Disclaimer

The information contained in this presentation is only a summary and does not purport to be complete. This presentation has been prepared solely for informational purposes and should not be construed as financial, legal, tax, accounting, investment or other advice or a recommendation with respect to any investment. This presentation does not constitute or form part of any offer or invitation for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever.

This presentation includes estimates and forward-looking statements within the meaning of the U.S. federal securities laws. These estimates and forward-looking statements are based mainly on our current expectations and estimates of future events and trends that affect or may affect our business, financial condition, results of operations, cash flow, liquidity, prospects and the trading price of our preferred shares, including in the form of ADSs. Although we believe that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to many significant risks, uncertainties and assumptions and are made in light of information currently available to us.

These statements appear throughout this presentation and include statements regarding our intent, belief or current expectations in connection with: changes in market prices, customer demand and preferences and competitive conditions; general economic, political and business conditions in Brazil, particularly in the geographic markets we serve as well as any other countries we currently serve and may serve in the future; our ability to keep costs low; existing and future governmental regulations; increases in maintenance costs, fuel costs and insurance premiums; our ability to maintain landing rights in the airports that we operate; air travel substitutes; labor disputes, employee strikes and other labor-related disruptions, including in connection with negotiations with unions; our ability to attract and retain qualified personnel; our aircraft utilization rate; defects or mechanical problems with our aircraft; our ability to successfully implement our growth strategy, including our expected fleet growth, passenger growth, our capital expenditure plans, our future joint venture and partnership plans, our ability to enter new airports (including certain international airports), that match our operating criteria; management's expectations and estimates concerning our future financial performance and financing plans and programs; our level of debt and other fixed obligations; our reliance on third parties, including changes in the availability or increased cost of air transport infrastructure and airport facilities; inflation, appreciation, depreciation and devaluation of the real; our aircraft and engine suppliers; and other factors or trends affecting our financial condition or results of operations, including those factors identified or discussed as set forth under "Risk Factors" in the prospectus included in our registration statement on Form F-1 (No. 333-215908) filed with the Securities and Exchange Commission (the "Registration Statement").

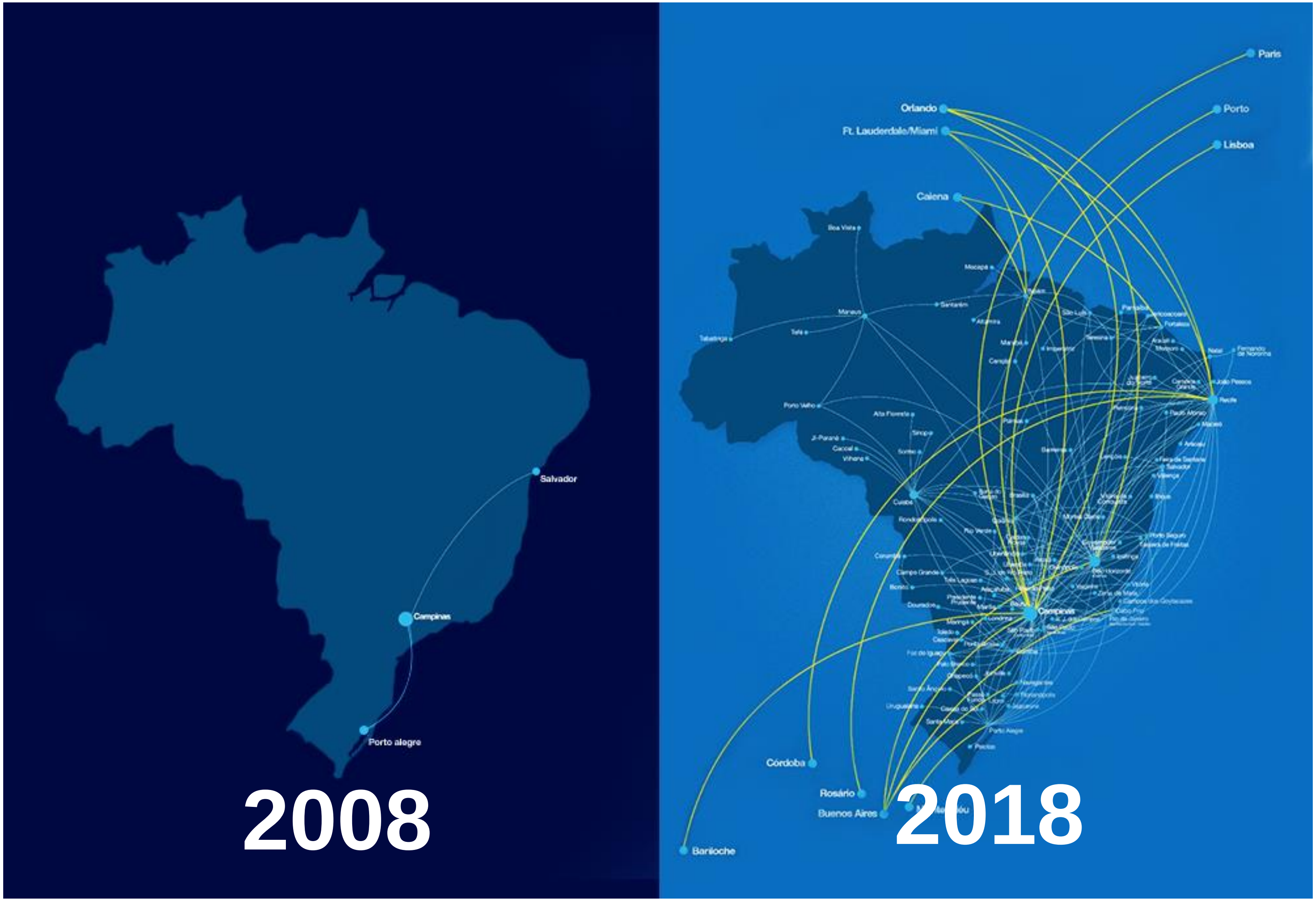
In addition, in this presentation, the words "believe," "understand," "may," "will," "aim," "estimate," "continue," "anticipate," "seek," "intend," "expect," "should," "could," "forecast" and similar words are intended to identify forward-looking statements. You should not place undue reliance on such statements, which speak only as of the date they were made. We do not undertake any obligation to update publicly or to revise any forward-looking statements after we distribute this presentation because of new information, future events or other factors. Our independent public auditors have neither examined nor compiled the forward-looking statements and, accordingly, do not provide any assurance with respect to such statements. In light of the risks and uncertainties described above, the future events and circumstances discussed in this presentation might not occur and are not guarantees of future performance. Because of these uncertainties, you should not make any investment decision based upon these estimates and forward looking statements.

In this presentation, we present EBITDAR for limited purposes solely as a valuation metric. EBITDAR is defined as EBITDA further adjusted to exclude expenses related to aircraft and other rent. EBITDA, which is defined as EBITDA adjusted to exclude foreign currency exchange, net, derivative financial instruments, net, other financial expenses, other financial income, and result from related parties, net (as applicable). EBITDA, which is defined as net income (loss) minus interest income (comprised of interest on short-term investments), plus interest expense (comprised of interest on loans and interest on factoring credit card and travel agencies receivables), current and deferred income tax and social contributions, and depreciation and amortization.

EBITDAR is included as supplemental disclosure because (i) we believe EBITDAR is traditionally used by aviation analysts and investors to determine the equity value of airlines and (ii) EBITDAR is one of the metrics used in our debt financing instruments for financial reporting purposes. We believe EBITDAR is useful for equity valuation purposes because (i) its calculation isolates the effects of financing in general, as well as the accounting effects of capital spending and acquisitions (primarily aircraft) which may be acquired directly subject to acquisition debt (loans and finance leases) or by operating leases, each of which is presented differently for accounting purposes and (ii) using a multiple of EBITDAR to calculate enterprise value allows for an adjustment to the balance sheet to recognize estimated liabilities arising from off-balance sheet operating leases. However, EBITDAR is not a financial measure in accordance with International Financial Reporting Standards ("IFRS"), and should not be viewed as a measure of overall performance or considered in isolation or as an alternative to net income, an alternative to operating cash flows, a measure of liquidity, or the basis for dividend distribution because it excludes the cost of aircraft and other rent and is provided for the limited purposes contained herein. As for the use of EBITDAR in our debt financing instruments, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Loans and Financings" in the prospectus included in the Registration Statement.

The valuation measure EBITDAR has limitations as an analytical tool. Some of these limitations are: (i) EBITDAR does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments; (ii) EBITDAR does not reflect changes in, or cash requirements for, our working capital needs; (iii) EBITDAR does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debts; (iv) although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and EBITDAR does not reflect any cash requirements for such replacements; and (v) EBITDAR is susceptible to varying calculations and therefore may differ materially from similarly titled measures presented by other companies in our industry, limiting its usefulness as a comparative measure. Because of these limitations EBITDAR should not be considered in isolation or as a substitute for financial measures calculated in accordance with IFRS. Other companies may calculate EBITDAR differently than us. For a calculation of EBITDAR and a reconciliation to net income (loss), see "Summary Financial and Operating Data" and "Selected Consolidated Financial Information" in the prospectus included in the Registration Statement. The concept of EBITDAR presented herein is the same as the concept of Adjusted EBITDAR presented in the Registration Statement.

Celebrating 10 Years with Great Results

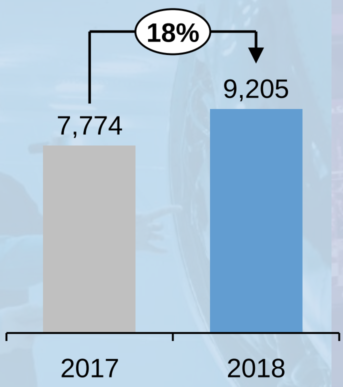


Azul

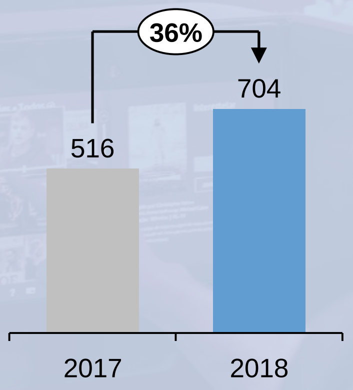
Most on-time LCC in the world

OAG PUNCTUALITY LEAGUE 2019

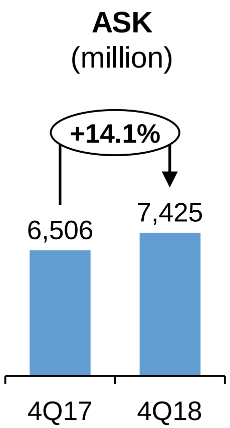
Revenue
(R$ million)

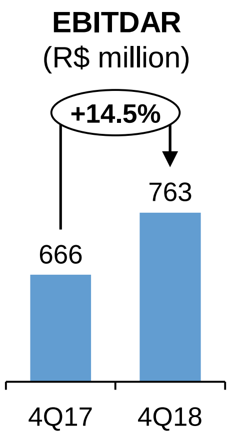


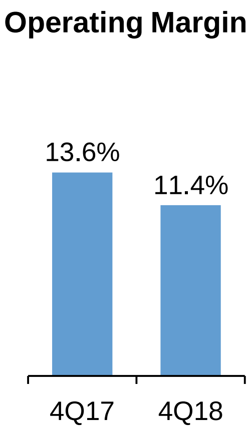
Adj. Net Income
(R$ million)

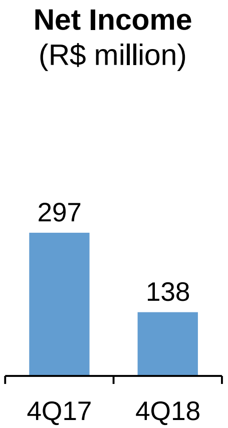


4Q18 Highlights





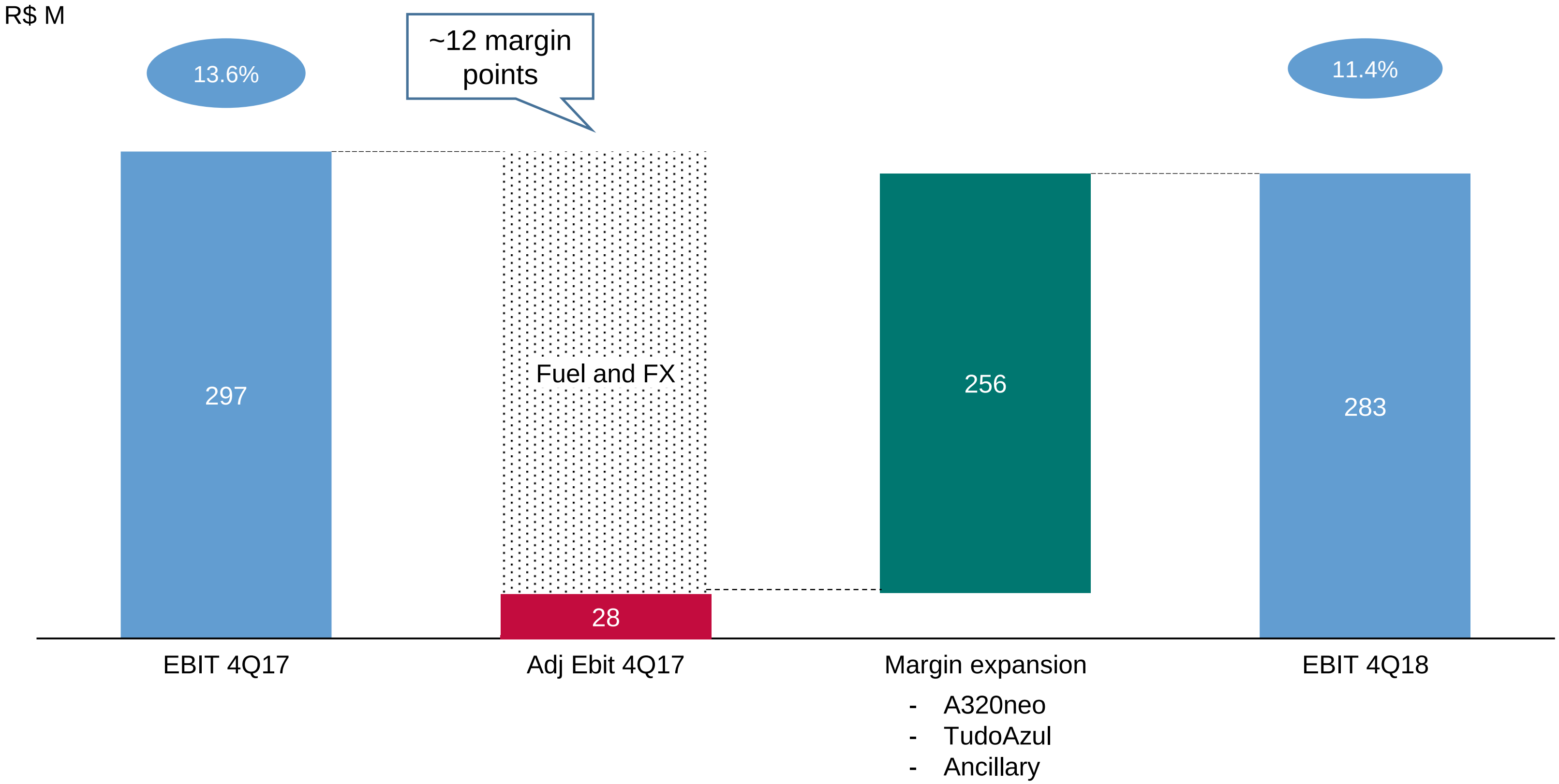




- Revenue up 13.5% to R$2.5 billion
  - RASK totaled 33.41 cents, compared to 33.60 cents in 4Q17, representing 0.6% reduction YoY, even with 14.1% growth in capacity
  - Adjusting for stage-length RASK rose 2.7%
- Operating income of R$283 million, even with R$270 million impact from fuel and foreign exchange
  - CASK ex-fuel decrease of 8.1% despite 17.3% devaluation of real
  - Total CASK increase of 1.9%, with a 37.2% YoY increase in fuel price per liter
- EBITDAR of R$ 763 million with a margin of 30.7%
- Total cash position of R$ 4.0B, representing 44% of last twelve months' revenues

Operating Margin – 4Q18 vs. 4Q17

- Strong results from margin expansion strategy:
  - Fuel and currency impact accounted for 12-point reduction in margin
  - Recovery of 10 margin points from revenue recapture and margin expansion



Azul

Note: All 2018 figures in IAS17 accounting standard

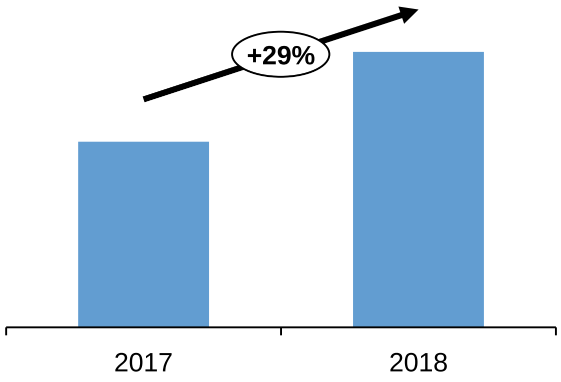
TudoAzul and Azul Cargo Express Growth

Strong non-ticket revenue growth driven by TudoAzul and Azul Cargo Express

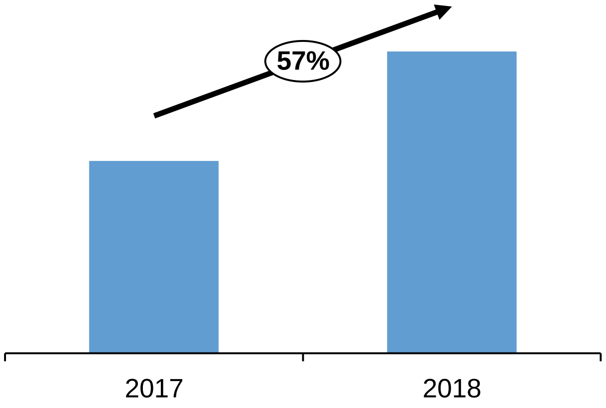
- Wholly-owned loyalty program TudoAzul
  - 11 million members
  - Increase in loyalty share from 16% to 18%

- Additional capacity to drive further growth:
  - Increase in volume share from 12% to 15% YoY
  - 200+ stores nationwide, 3.600 cities

Gross Billings (ex-airline)



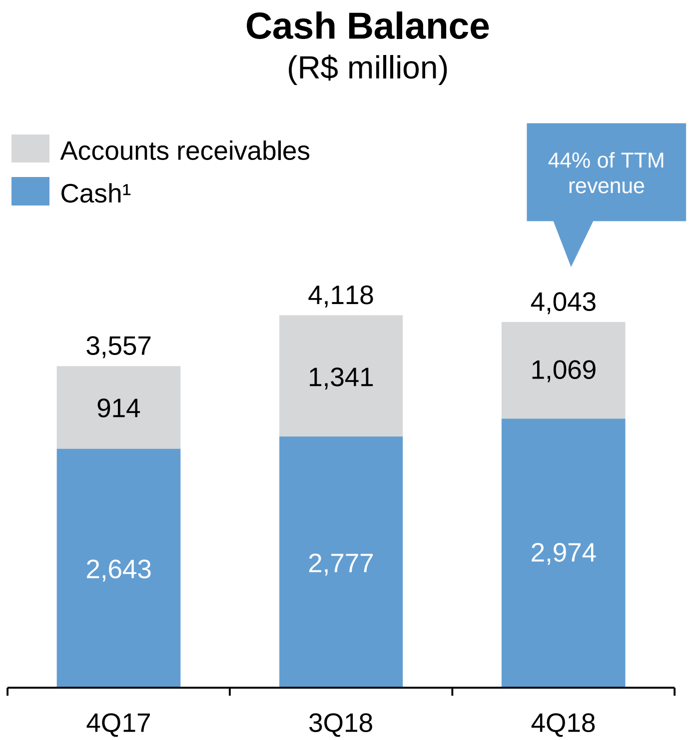
Cargo Revenue

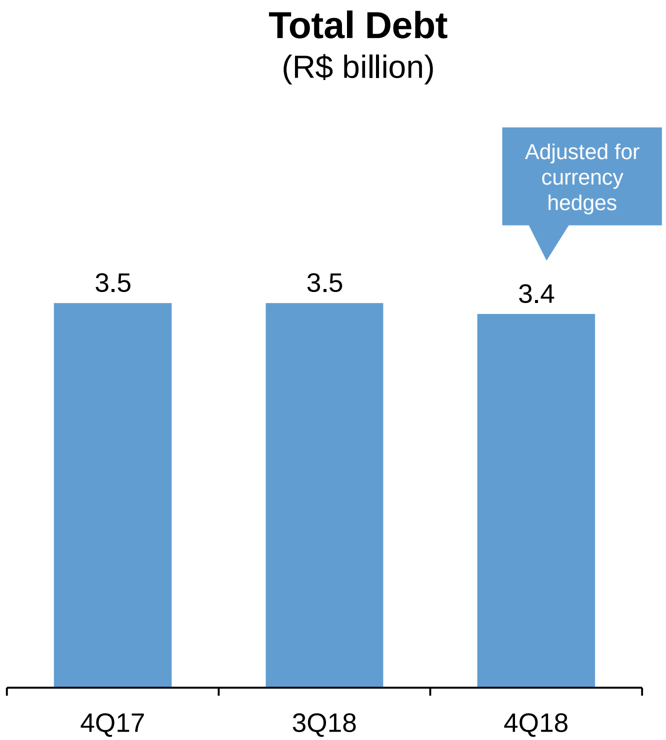


* Considering gross billings ex-airline of TudoAzul, Smiles and Multiplus

Strong Liquidity Position

Azul maintained a strong cash position while protecting all of its non-aircraft debt foreign currency exposure





[1] Includes cash and cash equivalents, short-term and long-term investments
[2] Total debt plus annual rent multiplied by 7 minus cash

IFRS 16 Impact on 2018 Results

Comparison of 2018 Results (Preliminary)

	IAS 17 (old)	IFRS 16 (new)	Difference
EBIT margin	8.8%	15.1%	6.3 p.p.
EBITDAR margin	28.7%	29.7%	1.0 p.p.
EBITDA margin	12.3%	28.7%	16.4 p.p.
Gross debt	R$3.4 billion	R$11.2 billion	R$7.8 billion
7x LTM aircraft rent	R$10.6 billion	0	-
Adjusted debt	R$14.0 billion	R$11.2 billion	(R$2.8 billion)
Leverage (adj. net debt/EBITDAR)	4.2	3.0	(1.2)

2019 Outlook

	2019 Guidance (IFRS 16)
ASK growth	18% to 20%
Domestic	16% to 18%
International	20% to 25%
CASK	-1% to -3%
Operating margin	18% to 20%

Note: Excludes non-recurring items

Agreement For Select Avianca Brasil Assets

Opportunity to accelerate growth and strengthen network and fleet

Main Terms of the Proposal

- Agreement to acquire certain assets of Avianca Brasil
- Assets will be transferred to a new entity free and clear of all debts and liabilities (“NewCo”)
- Purchase Price of US$105 million
- Non-binding agreement

Select Assets

- Avianca Brasil’s operating certificate
- ~70 slot pairs
- ~30 A320 aircraft

Next Steps Include

- Due Diligence
- Regulatory and creditors approvals
- Conclusion of Avianca Brazil’s judicial reorganization

Investor Relations

+55 11 4831 2880

invest@voeazul.com.br