

Azul Airlines Plans \$400 Million Capital Raise

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Brazil's Azul Linhas Aéreas Brasileiras is set to raise fresh capital following a significant agreement with 92% of its lessors and OEMs aimed at strengthening cash flow and reducing its debt by approximately USD 545 million. This strategic move comes as the airline's chief executive, John Rodgerson, emphasizes the importance of completing negotiations with remaining lessors before pursuing capital, reported [ch-aviation.com](#).

The airline aims to secure around USD 400 million, potentially leveraging Azul Cargo, its freighter subsidiary, as collateral. Azul Cargo operates a fleet of six aircraft, including two B737-400(F)s and four E195 Class F Freighters, with plans to induct two A321-200(P2F)s next year.

Rodgerson stated, "As we said, we were going to use Azul Cargo to raise debt—perhaps a convertible debt—to strengthen us and help us grow, knowing now that the money will not go to lessors as that matter has been addressed." This approach reflects the airline's strategic shift towards growth and financial stability.

Currently, Azul is in discussions with bondholders to explore various types of debt options for the potential capital raise, which is anticipated to occur in the first or second quarter of 2025. The airline's proactive measures in negotiating with lessors and focusing on leveraging its cargo subsidiary position it well for future growth, ensuring it can adapt to market demands and operational challenges.

Sources: AirGuide Business [airguide.info](#), [bing.com](#), [ch-aviation.com](#)

