



MARIANAS VISITORS AUTHORITY
News Release

Tourism is Everybody's Business!

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NMI AUGUST 2014 VISITOR ARRIVALS DIP 4%

Saipan, Northern Mariana Islands (NMI) – August 2014 visitor arrivals to the Northern Mariana Islands (NMI) dipped four percent compared to August 2013. According to the Marianas Visitors Authority (MVA), arrivals to the islands of Saipan, Tinian and Rota registered 42,991 visitors in August 2014, compared to 44,996 visitors received in August 2013.

Arrivals from China grew 63 percent to 17,601 visitors, making China the largest source market for the NMI in August. Century Tours launched two additional charter flights a week from Shanghai to Saipan starting July 25 until Aug. 29, which has had a major impact on arrivals from the East China market. MVA worked with Century Tours and Cosmo Bride Magazine to arrange a film shoot on Saipan with two major celebrities who are very popular in China and who had a surprise wedding on the beach at the Hafadai Beach Hotel. With live reports on a huge number of Chinese social media, the NMI is now soaring as one of most attractive wedding and honeymoon destinations for Chinese couples.

Arrivals from Japan fell 30 percent to 12,362 visitors in August due to the 37.4 percent decline in airlift. Delta Air Lines suspended its night flight for eight days in August. Asiana Airlines also reduced its Narita/Saipan service from 4,640 seats to 3,078 and Kansai/Saipan service from 5,675 seats to 2,000. To rebuild the Japan market, the MVA is developing a major launch in Japan next month of the NMI as the Flower Islands and for this purpose, has secured major unpaid

television features including a nationwide one-hour TV program which will generate \$1.8 million in media value.

Arrivals from Korea dropped 21 percent in August to 10,618 visitors. In the same month last year, Asiana had an extra flight in August from Incheon to Saipan. Asiana also reduced its flights from Busan from four to two flights weekly compared with the same month last year. The MVA has rolled out a special tourism ambassador project with famous Korean pop idol group SISTAR. With this celebrity marketing effort, the MVA will conduct various consumer promotions and events utilizing the power of SISTAR's celebrity.

Arrivals from Russia fell by 19 percent to 675 visitors in August, the first month of decline in the market this fiscal year. With the suspension of AVIACHARTER flights from Vladivostok and Khabarovsk to Saipan effective Aug. 17, the MVA is now working with other airline partners and with leading travel agencies to restore direct non-stop flight service from Russia to the NMI. The MVA is also working closely with Asiana on joint promotions to boost travel from East Russia on one-stop flights to the NMI via Seoul.

Source Markets Economic Highlights

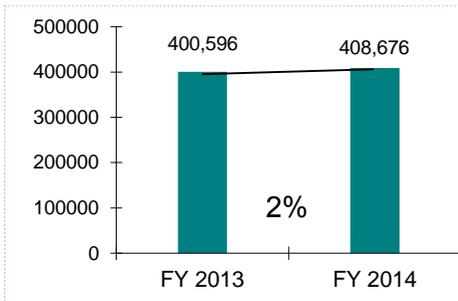
The Japanese government maintained its positive stance on the economy in its monthly report for August, while also expressing some concern over the lingering effects of the consumption tax hike introduced in April. Looking ahead, the economy is expected to recover but if the adverse effects of the consumption tax hike linger for an extended period, it could become a risk factor for economic growth. The yen hovered around 103 to the U.S. dollar.

South Korea's consumer price index remains stable and the economy added fewer jobs in June than it did in May, an increase of 398,000 jobs year-on-year. The economic recovery is stagnating and industry indicators have not yet rebounded from April and May slowdown. The won/dollar exchange rate fell 27.62 over the past month to close at 995.98 won against the U.S. dollar.

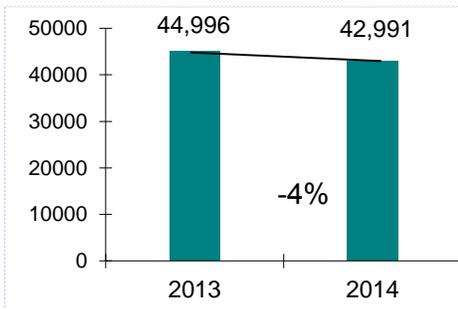
The International Monetary Fund (IMF) predicts the Chinese economy will grow about 7.5 percent this year on the back of implemented reforms it said would help the country achieve a more balanced and inclusive growth. It estimated the 2015 result would show an increase of 7.1 percent. The value of the Chinese currency renminbi, or the yuan, strengthened by 10 basis points to 6.1658 against the U.S. dollar, according to the China Foreign Exchange Trading System.

The Russian Ministry of Economic Development has lowered its forecast of GDP growth rate from 2 percent to 1 percent for 2015. The forecasted GDP rate for 2014 has remained unchanged (0.5 percent) due to the imposed sanctions against Russia. The embargo on products from the USA, Canada, Australia and Europe imposed by the Russian government as its answer to the sanctions against Russia, will trigger inflation in Russia to increase faster than the previous prediction of 7 percent.

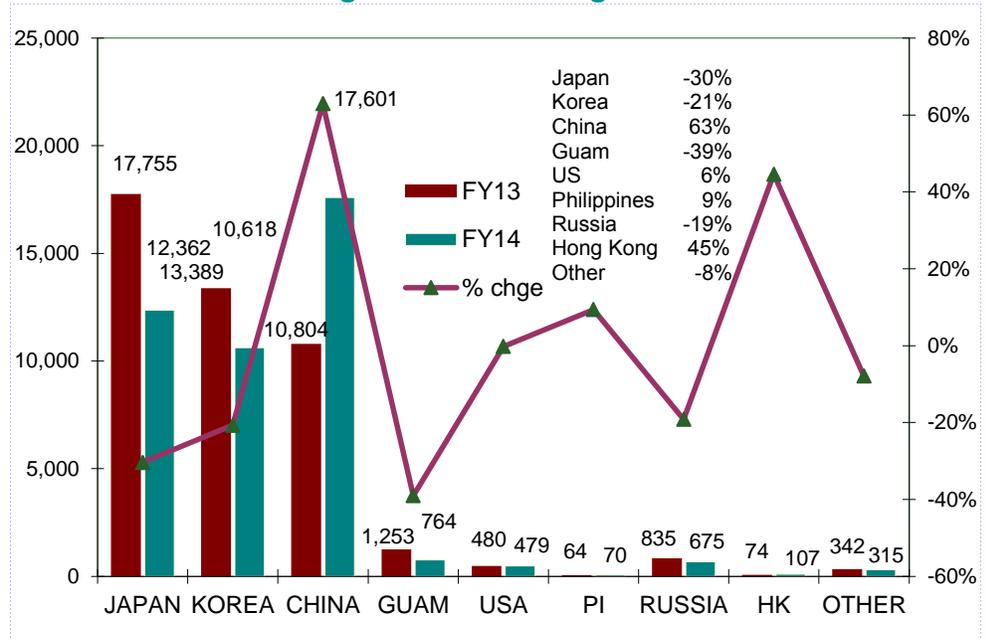
**Visitor Arrivals Year to Date
FY 2013 vs. FY 2014**



**Visitor Arrivals
August 2013 vs. August 2014**



**CNMI Source Market Arrivals
August 2013 vs. August 2014**



The Northern Mariana Islands of Saipan, Tinian, and Rota are a chain of idyllic islands in the West Pacific, offering a friendly, fun and exciting vacation in paradise. They are an excellent destination for families, adventure and sports-minded travelers, as well as business people looking for a tropical haven. Adventurous travelers from Asia, Australia, Europe and elsewhere looking for new travel discoveries will find them in the Mariana Islands, just three hours travel from most cities in Japan, and four from Asia and Australia. The Northern Marianas are served from Tokyo and Osaka in Japan by Delta and Asiana Airlines. From Korea, Asiana provides direct flights from Seoul and Busan. From China, direct flight service from Shanghai, Beijing, Guangzhou, Tianjin, Hangzhou and Wuhan to Saipan is available. United Airlines has daily flight connections from nine cities in Japan to Saipan with one stop. United States mainland connections can be made by Delta Air Lines to Saipan via Tokyo Narita, and United Airlines via Guam. For more information, visit www.mymarianas.com.