

FY 2013 Third Quarter and Nine Months Conference Call

February 5, 2013

Turning manpower into talents
we qualify people

Speakers

Mr. Kevin Ma, Chairman and CEO

Mr. Benson Tsang, CFO

ATA
考试服务专家

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Note: All U.S. dollar amounts in this presentation, relating to the Company's most recent quarter ended December 31, 2012, financial results, are converted from RMB using an exchange rate of 6.2301 RMB:1 USD. All historical conversions are accurate as of the time reported, unless otherwise noted. The Company reports its financial results under U.S. GAAP in RMB, and all percentages calculated in the presentation are based on RMB unless otherwise noted.



- Track record of administering millions of tests a year without a single incidence of security breach
- Proprietary testing technology being used in 161 countries
- Nationwide network of over 2,700 test centers
- China's leading computer-based test services provider



ATA At-A-Glance

Ticker	NASDAQ: ATAI	Fiscal Year End	March 31
IPO	January 2008 (Underwriters: Merrill Lynch, Piper Jaffray)	Auditor	KPMG (since IPO)
Recent Stock Price	\$5.71 (as of 2/1/2013)	Market Cap	\$128 million (as of 2/1/2013)
ADSs Outstanding	22.5 million	Book Value Per ADS	\$2.70
Industry/Business	Computer-based testing across multiple industries in China	Test Centers	2,798

All information as of 12/31/2012 unless otherwise noted.

Operating and Financial Highlights – Benson Tsang

Benson Tsang, Chief Financial Officer and Chief Accounting Officer

- More than 21 years in finance, capital markets, and accounting
- Previously CFO of WuXi PharmaTech (NYSE: WX)



Key Operating Accomplishments

Delivered 4.2 million billable tests during Third Quarter 2013, a YoY increase of 34.4%

Successfully delivered 1.4 million exams across China, Hong Kong and Macau SARs for the first computer-based National Unified CPA Exam in October 2012

Completed recruitment projects for a number of large corporations

Simultaneous, Large-scale Test Delivery

- Nationwide network of 2,798 test centers (as of 12/31/2012) covers every province in mainland China
- No competitor with comparable network size in China
- Each test center requires an average 3 to 6 months to develop



Double-digit YoY growth in revenues for Third Quarter 2013

Gross margin impacted by YoY decrease in SAC exam volumes and implementation expenses associated with China CPA exam, ATA also incurred up-front costs for exams delivered in Third Quarter 2013

Revises net revenue and non-GAAP net income guidance for FY 2013



FY 2013 Q3 Actual vs. Market Consensus



USD millions except per share data	FY 2013 Q3 Actual	Market Consensus*
Net Revenues	\$28.8	\$28.9
Gross Profit	\$12.8	\$14.3
Non-GAAP Net Income	\$5.7	\$6.6
Non-GAAP Diluted Earnings per ADS	\$0.26	\$0.30

* As of the most recent November 2012 analyst reports

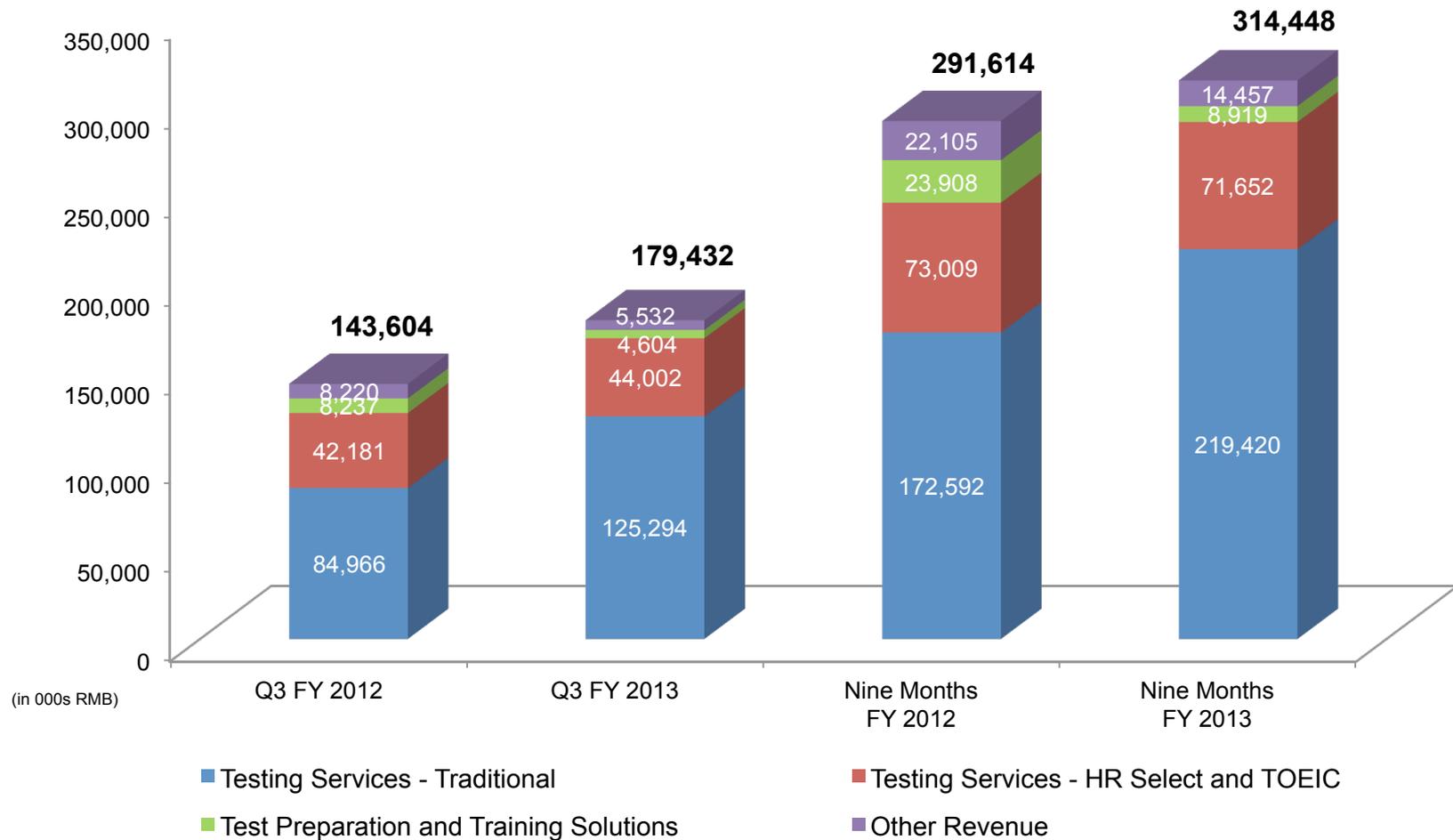
ATA's Covering Analysts

- Ella Ji, Oppenheimer & Co.
- Mark A. Marostica, Piper Jaffray



Revenue Breakdown

- **Testing Services** is ATA's core business—about 94% of revenues in Q3 FY 2013.
 - Private sector business (HR Select and TOEIC) included under this category
- **Test Preparation & Training Solutions / Other Revenue** – for continued professional development, as well as for English language education



Summary Financial Results – Third Quarter

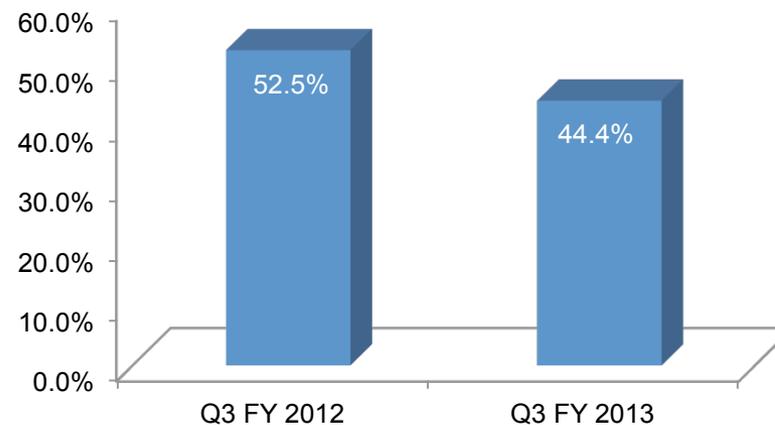


In 000s except margin and per share data	Q3 FY 2012	Q3 FY 2012	Q3 FY 2013	Q3 FY 2013
	RMB	USD	RMB	USD
Net Revenues	143,604	\$22,816	179,432	\$28,801
Cost of Revenue	68,191	\$10,834	99,694	\$16,002
Gross Profit	75,413	\$11,982	79,738	\$12,799
Gross Margin	52.5%	52.5%	44.4%	44.4%
Operating Expenses	31,386	\$4,987	40,098	\$6,436
Income from Operations	44,027	\$6,995	39,640	\$6,363
Net Income	38,058	\$6,047	33,153	\$5,321
Diluted Earnings Per ADS	1.62	\$0.26	1.44	\$0.24

Third Quarter Net Revenues



Third Quarter Gross Margin



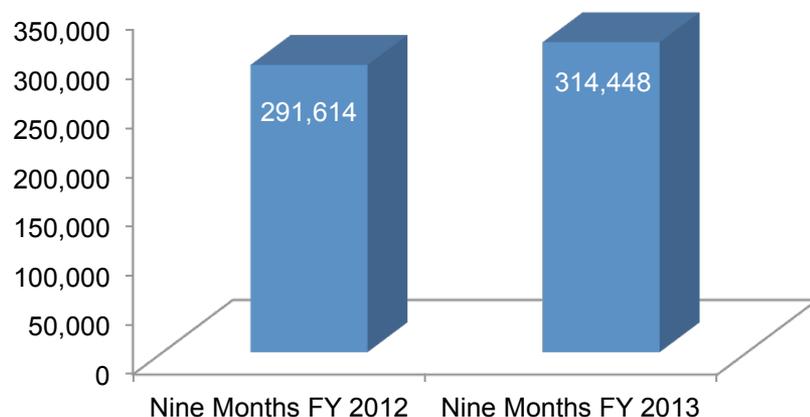
Summary Financial Results – Nine Months



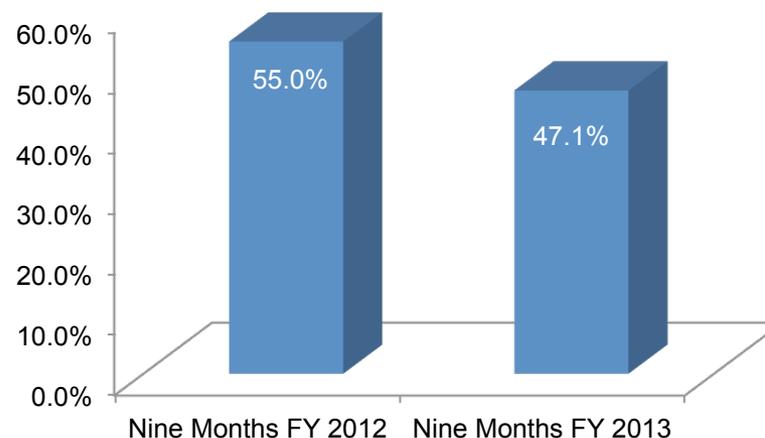
In 000s except margin and per share data	Nine Months FY 2012	Nine Months FY 2012	Nine Months FY 2013	Nine Months FY 2013
	RMB	USD	RMB	USD
Net Revenues	291,614	\$46,333	314,448	\$50,472
Cost of Revenue	131,160	\$20,839	166,395	\$26,708
Gross Profit	160,454	\$25,494	148,053	\$23,764
Gross Margin	55.0%	55.0%	47.1%	47.1%
Operating Expenses	100,103	\$15,905	113,616	\$18,237
Income from Operations	60,351	\$9,589	34,437	\$5,528
Net Income	52,546	\$8,349	29,330	\$4,708
Diluted Earnings Per ADS	2.22	\$0.36	1.28	\$0.20

Nine Months Net Revenues

(in 000s RMB)



Nine Months Gross Margin



Financial Analysis – Non-GAAP



RMB in 000s except EPS	FY 2011					FY 2012					FY 2013			FY 2013 YTD
	Q1	Q2	Q3	Q4	FY 2011	Q1	Q2	Q3	Q4	FY 2012	Q1	Q2	Q3	
Net Revenues	85,033	33,255	135,879	49,737	303,904	77,616	70,394	143,604	60,471	352,085	88,261	46,754	179,432	314,448
Net Income (Loss)														
GAAP	8,950	(14,799)	31,193	(5,590)	19,754	13,045	1,443	38,058	3,295	55,841	5,264	(9,087)	33,153	29,330
Adjustment														
Share-based Compensation Expense	1,480	1,282	1,044	846	4,652	1,957	4,076	3,635	2,596	12,264	3,936	2,818	2,794	9,549
Foreign Currency Exchange (Gain) Loss	13	(1)	(63)	(1,087)	(1,138)	(1,837)	(967)	(877)	48	(3,633)	469	(351)	(157)	(40)
Non-GAAP	10,443	(13,518)	32,174	(5,831)	23,268	13,165	4,552	40,816	5,939	64,472	9,669	(6,620)	35,790	38,839
Diluted Earnings (Loss) Per ADS														
GAAP	\$0.06	(\$0.10)	\$0.22	(\$0.04)	\$0.14	\$0.08	\$0.00	\$0.26	\$0.02	\$0.38	\$0.04	(\$0.06)	\$0.24	\$0.20
Non-GAAP	\$0.06	(\$0.10)	\$0.22	(\$0.04)	\$0.16	\$0.08	\$0.02	\$0.28	\$0.04	\$0.44	\$0.06	(\$0.04)	\$0.26	\$0.28



Strong Balance Sheet With No Debt



Balance Sheet Highlights

	3/31/2012	3/31/2012	12/31/2012	12/31/2012
In 000s	RMB	USD	RMB	USD
Cash	257,168	\$40,836	294,934	\$47,340
Total Current Assets	355,069	\$56,383	372,176	\$59,738
Total Assets	460,720	\$73,159	478,872	\$76,864
Total Current Liabilities	91,066	\$14,461	97,613	\$15,668
Total Liabilities	94,305	\$14,975	100,131	\$16,072
Shareholders' Equity	366,415	\$58,184	378,741	\$60,792
Total Liabilities & Shareholders' Equity	460,720	\$73,159	478,872	\$76,864



- Increased demand for exams under traditional Testing Services
- Scalable cost structure continues to support long-term margin expansion
- Industry driven by growing need for certification in China

(in millions RMB)	Guidance for FY 2013			
	Previous Range	Low	High	FY 2012
Net Revenue	390.0 – 410.0	352.0	362.0	352.1
Non-GAAP Net Income	40.0 – 50.0	18.0	23.0	64.5

(in millions RMB)	Guidance for Q4 FY 2013 (ending 3/31/2013)		
	Low	High	Q4 FY 2012
Net Revenue	38.0	48.0	60.5



Growth Strategy for FY 2013 – Kevin Ma

Kevin Ma, Co-founder, Chief Executive Officer and Chairman of the Board

- More than 10 years in IT and IT-related education sectors
- Pioneer in commercializing China's testing industry
- Professional entrepreneur since 1996



ATA will strive to continue to:

- Attract new private sector clients with HR Select and TOEIC services while working to expand upon relationships with current clients
- Attract new test takers to existing tests while simultaneously developing new titles
- Explore opportunities to transition paper-based exams to ATA's computer-based platform
- Concentrate on generating free cash flow and strengthening financial position



At ATA Inc.

Benson Tsang, Chief Financial Officer

- +86 (10) 6518 1122 x5107
- bensontsang@ata.net.cn

Investor Relations

The Equity Group

Carolyn Yu, Senior Associate

- (212) 836-9610
- cyu@equityny.com

Adam Prior, Vice President

- (212) 836-9606
- aprior@equityny.com

