



Speakers

Mr. Kevin Ma, Chairman
Mr. Cheng-Yaw Sun, CEO and Director
Mr. Benson Tsang, CFO

ATA

FY 2014 Third Quarter and Nine Months Conference Call
February 25, 2014

SAFE HARBOR

- This presentation was developed by ATA and is intended to be used solely in connection with ATA's earnings call for its fiscal third quarter and nine months ended December 31, 2013. This presentation is not to be construed as an offer to sell or the solicitation of an offer to buy the Company's securities. This presentation is based upon information available to the public, as well as other information from sources which management believes to be reliable, but is not guaranteed by the Company as being accurate nor does it purport to be complete. The forward-looking statements contained in this presentation are made only of this date, and ATA is under no obligation to revise or update these forward-looking statements.
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- All statements other than statements of historical fact in this presentation are forward-looking statements, including but not limited to, the Company's ability to raise additional capital to finance the Company's activities; the effectiveness, profitability, and the marketability of its services; the Company's ability to protect its proprietary information; general economic and business conditions; the volatility of the Company's operating results and financial condition; the Company's ability to attract or retain qualified senior management personnel and research and development staff; and other risks detailed in the Company's filings with the Securities and Exchange Commission. Although we believe our expectations expressed in such forward-looking statements are reasonable, we cannot assure you that they will be realized. Investors are cautioned that such forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the anticipated results, and therefore we refer you to a more detailed discussion of the risks and uncertainties in the Company's filings with the Securities & Exchange Commission.

Note: All U.S. dollar amounts in this presentation, relating to the Company's most recent quarter and nine months ended December 31, 2013, financial results, are converted from RMB using an exchange rate of 6.0537 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.

ATA – A TESTED AND TRUE LEADER

- ATA Inc. is China's market leader of computer-based testing and related services.
- 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 3,000 test centers



ATA At-A-Glance

Ticker	NASDAQ: ATAI
IPO	January 2008 (Underwriters: Merrill Lynch, Piper Jaffray)
Auditor	KPMG (since IPO)
Fiscal Year End	March 31
Recent Stock Price	\$3.93 (as of 2/21/2014)
Market Cap	\$89 million (as of 2/21/2014)
ADSs Outstanding	22.6 million
Book Value Per ADS	\$2.77

All information as of 12/31/2013 unless otherwise noted.



Operating Highlights

Cheng-Yaw Sun, CEO and Director

- 30+ years experience in corporate management and operations in the high tech industry
- Served as chairman of ALi Corporation, hiSoft Technology

KEY OPERATING HIGHLIGHTS

Delivered 4.2 million billable tests in Third Quarter 2014

Successfully delivered over 1.5 million exams across China, Hong Kong and Macau SARs for the second consecutive computer-based National Unified CPA Exam in October 2013

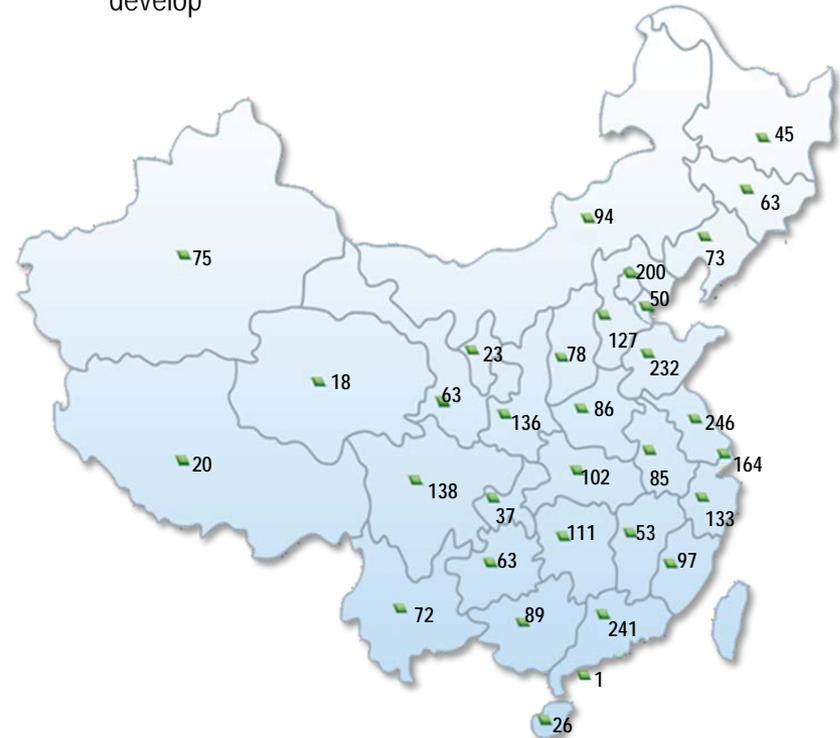
HR Select exam volume growth for private sector clients

Using MTS, successfully administered Cambridge English Junior Exam in Mexico, Spain, and Argentina

Smooth integration of staff and services following acquisition of private education technology company Xing Wei

Simultaneous, Large-scale Test Delivery

- Nationwide network of 3,043 test centers (as of 12/31/2013) 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





Financial Highlights

Benson Tsang, Chief Financial Officer
and Chief Accounting Officer

- 20+ years in finance, capital markets,
and accounting
- Previously CFO of WuXi
PharmaTech (NYSE: WX)

KEY FINANCIAL HIGHLIGHTS

Improved gross margin due to increased revenue contributions from HR Select and decrease in average monitoring costs from prior-year quarter

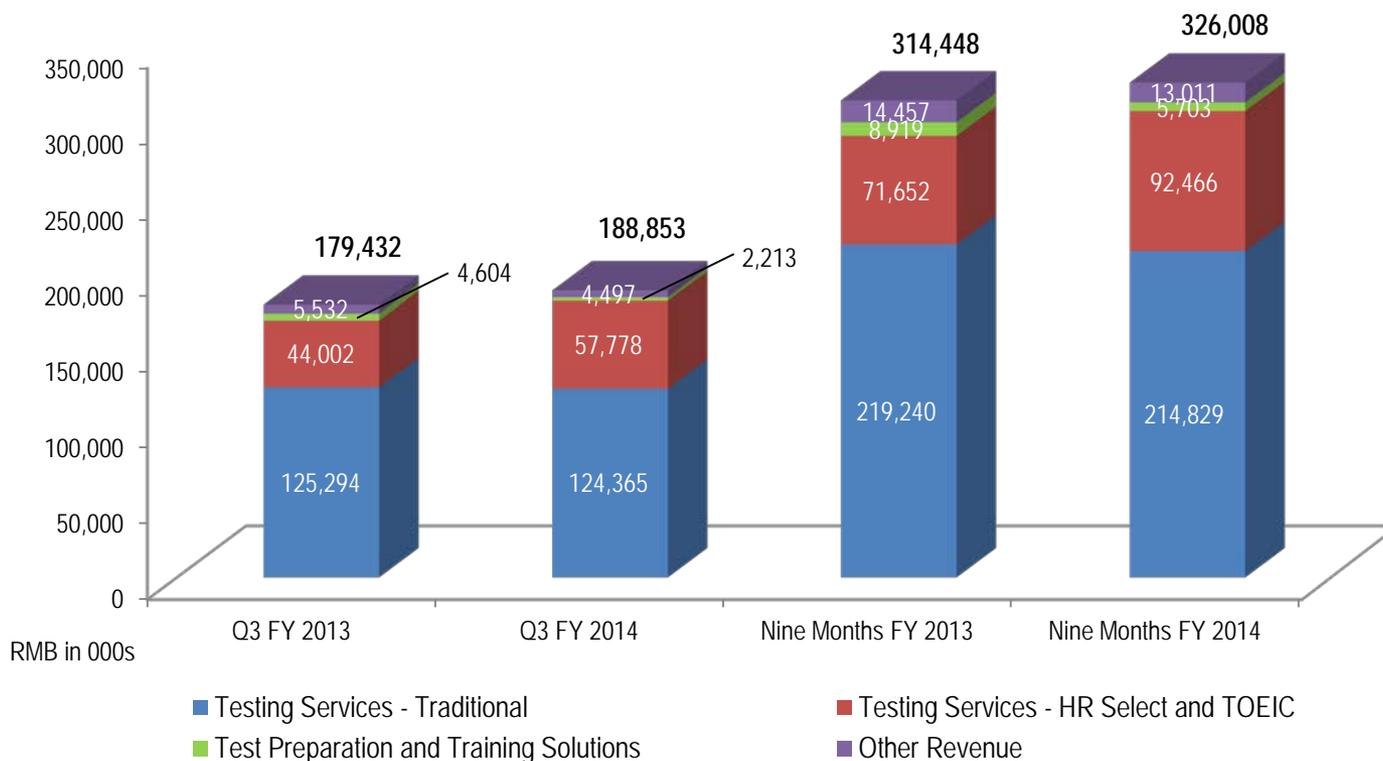
Private sector revenues grew 31% year over year to RMB57.8 million during Third Quarter 2014

Revises net revenue and non-GAAP net income guidance for FY 2014



REVENUE BREAKDOWN

- **Testing Services** is ATA's core business, offering simultaneous computer-based testing across all of China—about 96.4% of revenues in Q3 FY 2014.
 - Private sector business (HR Select and TOEIC) included under this category
- **Test Preparation & Training Solutions** for continued professional development, as well as for English language education

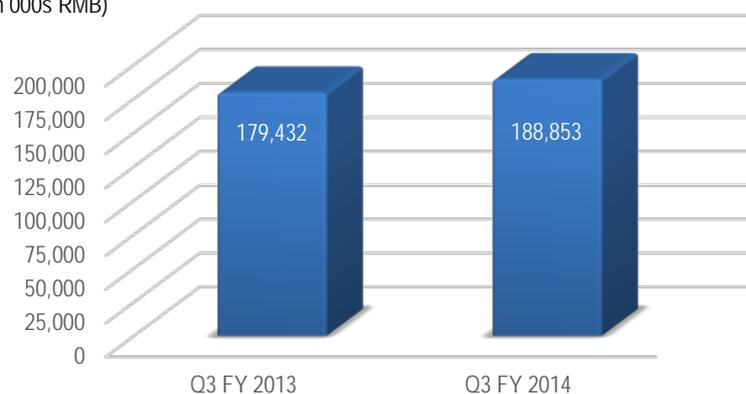


SUMMARY FINANCIAL RESULTS – THIRD QUARTER

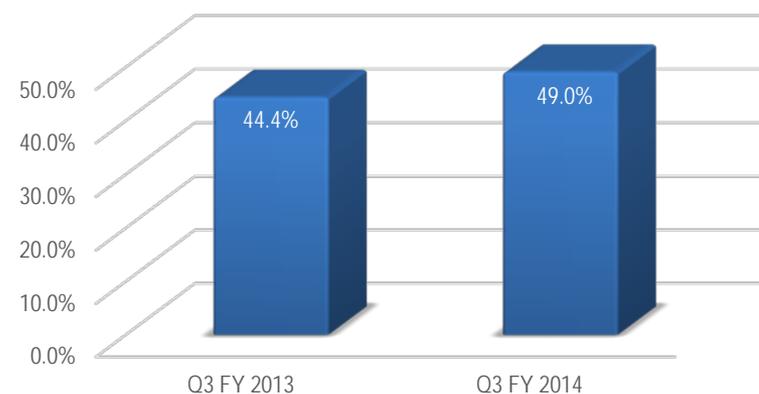
In 000s except margin and per share data	Q3 FY 2013	Q3 FY 2014	Q3 FY 2013	Q3 FY 2014
	RMB		USD	
Net Revenues	179,432	188,853	\$28,801	\$31,196
Cost of Revenue	99,694	96,308	\$16,002	\$15,909
Gross Profit	79,738	92,545	\$12,799	\$15,287
Gross Margin	44.4%	49.0%	44.4%	49.0%
Operating Expenses	40,098	53,280	\$6,436	\$8,801
Income from Operations	39,640	39,265	\$6,363	\$6,486
Net Income	33,153	35,578	\$5,321	\$5,877
Diluted Earnings Per ADS	1.44	1.54	\$0.24	\$0.25

Third Quarter Net Revenues

(in 000s RMB)



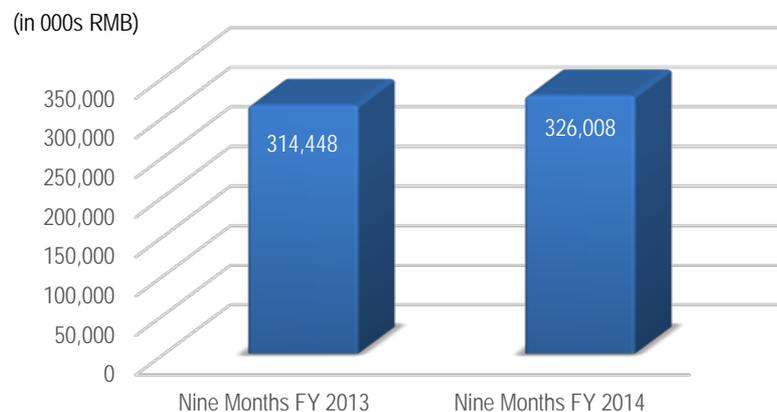
Third Quarter Gross Margin



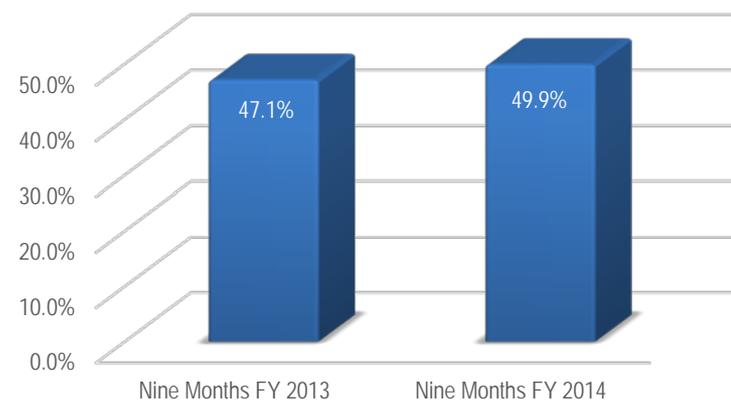
SUMMARY FINANCIAL RESULTS – NINE MONTHS

In 000s except margin and per share data	Nine Months FY 2013	Nine Months FY 2014	Nine Months FY 2013	Nine Months FY 2014
	RMB		USD	
Net Revenues	314,448	326,008	\$50,472	\$53,853
Cost of Revenue	166,395	163,419	\$26,708	\$26,995
Gross Profit	148,053	162,589	\$23,764	\$26,858
Gross Margin	47.1%	49.9%	47.1%	49.9%
Operating Expenses	113,616	118,865	\$18,237	\$19,635
Income from Operations	34,437	43,724	\$5,528	\$7,223
Net Income	29,330	40,667	\$4,708	\$6,718
Diluted Earnings Per ADS	1.28	1.76	\$0.20	\$0.29

Nine Months Net Revenues



Nine Months Gross Margin



FINANCIAL ANALYSIS – NON-GAAP

RMB in 000s except EPS	FY 2012					FY 2013					FY 2014			
	Q1	Q2	Q3	Q4	FY 2012	Q1	Q2	Q3	Q4	FY 2013	Q1	Q2	Q3	FY 2014 YTD
Net Revenues	77,616	70,394	143,604	60,471	352,085	88,261	46,754	179,432	52,228	366,675	92,066	45,089	188,853	326,008
Net Income (Loss)														
GAAP	13,045	1,443	38,058	3,295	55,841	5,264	(9,087)	33,153	(6,122)	23,208	9,409	(4,320)	35,578	40,667
Adjustment														
Share-based Compensation Expense	1,957	4,076	3,635	2,596	12,264	3,936	2,818	2,794	3,325	12,874	1,791	1,671	3,574	7,037
Foreign Currency Exchange (Gain) Loss	(1,837)	(967)	(877)	48	(3,633)	469	(351)	(157)	(37)	(77)	(125)	(92)	(68)	(285)
Non-GAAP	13,165	4,552	40,816	5,939	64,472	9,669	(6,620)	35,790	(2,834)	36,005	11,075	(2,741)	39,084	47,418
Diluted Earnings (Losses) Per ADS														
GAAP	\$0.08	\$0.00	\$0.26	\$0.02	\$0.38	\$0.04	(\$0.06)	\$0.24	(\$0.04)	\$0.16	\$0.06	(\$0.03)	\$0.25	\$0.29
Non-GAAP	\$0.08	\$0.02	\$0.28	\$0.04	\$0.44	\$0.06	(\$0.04)	\$0.26	(\$0.02)	\$0.26	\$0.08	(\$0.02)	\$0.28	\$0.34

STRONG BALANCE SHEET

Balance Sheet Highlights

	3/31/2013	12/31/2013	3/31/2013	12/31/2013
In 000s	RMB		USD	
Cash	290,030	378,117	\$46,698	\$62,461
Total Current Assets	354,770	445,059	\$57,121	\$73,518
Total Assets	457,818	539,034	\$73,713	\$89,042
Total Current Liabilities	79,568	115,695	\$12,811	\$19,111
Total Liabilities	82,271	117,871	\$13,246	\$19,471
Shareholders' Equity	375,548	421,163	\$60,467	\$69,571
Total Liabilities & Shareholders' Equity	457,818	539,034	\$73,713	\$89,042

\$62.5 million in cash and no long-term debt at 12/31/2013

QUARTERLY PROJECTIONS – FOURTH QUARTER

RMB millions	Guidance for Q4 FY 2014 (ending 12/31/2013)		Q4 FY 2013 Actual
	Low	High	
Net Revenue	44.0	54.0	52.2

A photograph of three business professionals (two men and one woman) in a meeting, looking at a laptop screen. The image is overlaid with a pattern of interlocking puzzle pieces. A large white puzzle piece is cut out, revealing text.

Outlook for FY 2014

Kevin Ma, Co-founder and Chairman of the Board

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

GROWTH OUTLOOK

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

RMB millions	Guidance for FY 2014		FY 2013 Actual
	Low	High	
Net Revenue	370.0	380.0	366.7
Non-GAAP Net Income	37.0	42.0	36.0

GROWTH STRATEGY – FY 2014

ATA will work to:

- Pursue opportunities to transition paper-based exams to ATA's technology-driven platform
- Attract new private sector clients with HR Select and newly integrated service offerings from Xing Wei while working to expand upon relationships with current clients, diversify revenue mix
- Develop a new mobile testing system (MTS) that will enable the Company to build global client relationships
- Attract new test takers to existing tests while simultaneously developing new titles
- Concentrate on generating free cash flow and strengthening financial position



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China's leading provider of advanced testing technologies and related services