



FY 2015 Second Quarter and Six Months Earnings Call
November 11, 2014

Speakers

Mr. Kevin Ma, Chairman and CEO
Mr. Benson Tsang, CFO

- This presentation was developed by ATA and is intended to be used solely in connection with ATA's earnings call for its fiscal second quarter and six months ended September 30, 2014. 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.
- This presentation may contain forward-looking statements, and management may make additional forward-looking statements in response to your questions. Such written and oral disclosures are made pursuant to the Safe Harbor provision of the Private Securities Litigation Reform Act of 1995.
- 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 fiscal second quarter and six months ended September 30, 2014, financial results, are converted from RMB using an exchange rate of 6.1380 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 is China's market leader of advanced testing technologies and related services.**
- 15-year track record of administering millions of exams per year with no incidence of security breach
- Proprietary testing technology being used in 161 countries
- Nationwide network of 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	\$4.13 (as of 11/7/2014)
Market Cap	\$96 million (as of 11/7/2014)
ADSS Outstanding	23.2 million
Book Value Per ADS	\$2.62

All information as of 9/30/2014 unless otherwise noted.



OPERATING AND 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)

Delivered 3.0 million billable tests in Second Quarter 2015, YoY increase of 75.9%, due to change in timing of CPA exam

Successfully delivered over 1.6 million exams across China, Hong Kong and Macau SARs, and Belgium for the third consecutive computer-based National Unified CPA Exam in September 2014

Leading Innovation in Assessment/Education

ATA/New Oriental joint venture company called Beijing ZhiShang Education Technology Co., Ltd. (北京职尚教育科技有限公司), expect to launch platform in early 2015

Released an update to mobile app Exam Inventory Navigator (考试导航), providing additional content and enhanced functionality

Announced MTS technology contract with and US\$5.0 million strategic investment in Master Mind Education (大家汇), expansion into K-12 education market in China

Simultaneous, Large-scale Test Delivery

- Nationwide network of 3,022 test centers (as of 9/30/2014) covers every province in mainland China



KEY FINANCIAL HIGHLIGHTS



Net revenues of RMB102.5 million, exceeding top end of Second Quarter 2015 net revenue guidance range of RMB 90.0 million to RMB100.0 million

Net revenues from TOEIC and HR Select impacted by termination of exclusive distributor contract with ETS for TOEIC

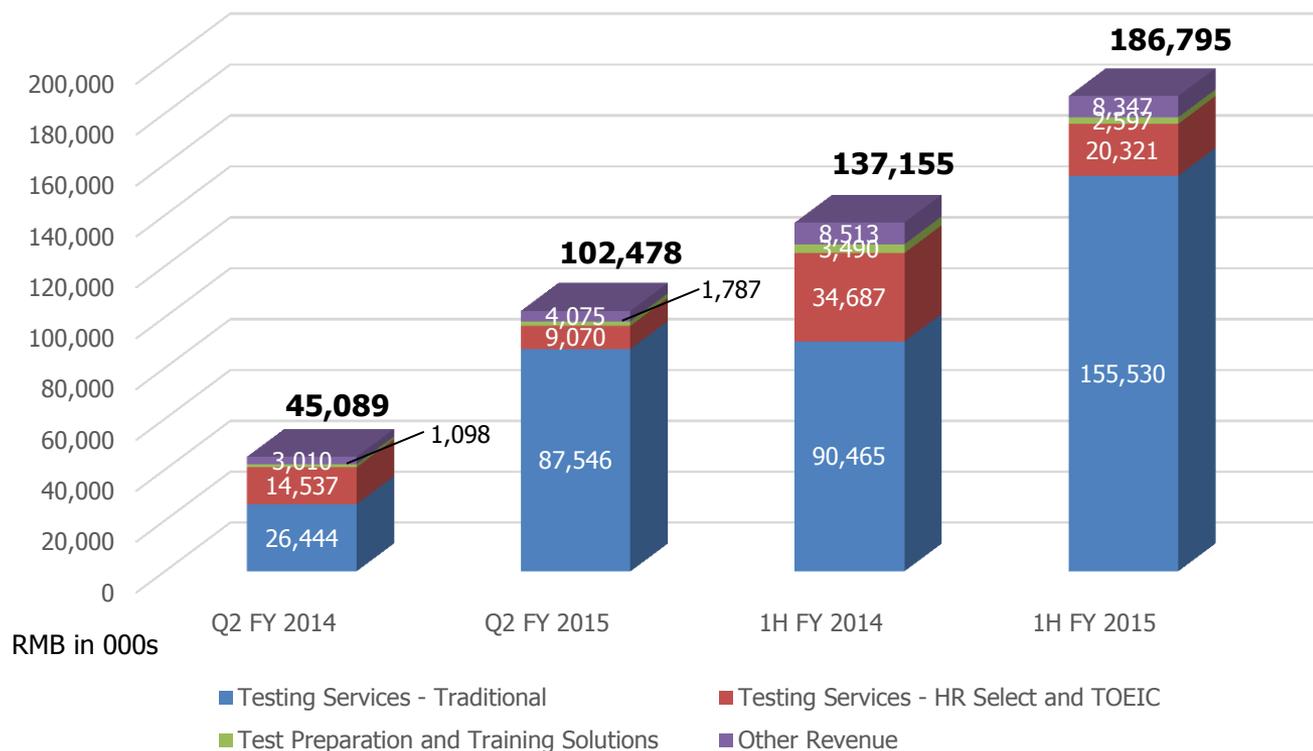
Gross margin impacted by change in timing of lower-margin CPA exam

Reiterates net revenue and non-GAAP net income guidance for FY 2015 *



*As reported in the Company's fiscal 2014 fourth quarter and year-end financial results press release on 5/29/2014

- Testing Services** is ATA's core business, offering simultaneous computer-based testing across all of China—about 94.3% of revenues in Q2 FY 2015.
 - Private sector business (HR Select and TOEIC) included under this category
- Test Preparation & Training Solutions** for continued professional development, as well as English language education



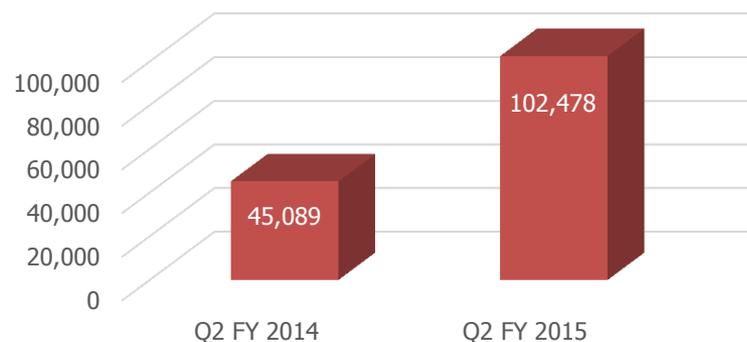
SUMMARY FINANCIAL RESULTS – SECOND QUARTER



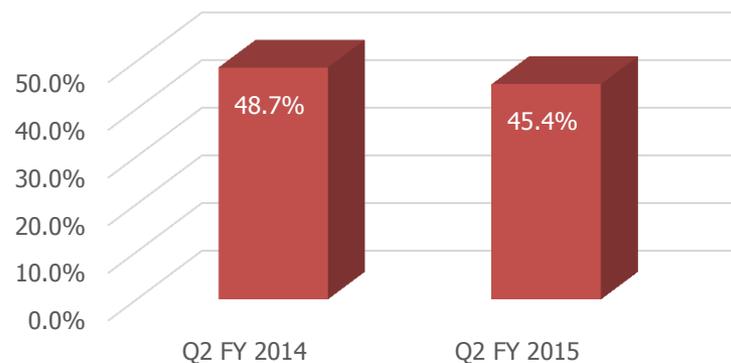
In 000s except margin and per share data	Q2 FY 2014	Q2 FY 2015	Q2 FY 2014	Q2 FY 2015
	RMB		USD	
Net Revenues	45,089	102,478	\$7,370	\$16,696
Cost of Revenue	23,113	55,980	\$3,778	\$9,121
Gross Profit	21,976	46,498	\$3,592	\$7,575
Gross Margin	48.7%	45.4%	48.7%	45.4%
Operating Expenses	26,646	37,190	\$4,355	\$6,059
Income (Loss) from Operations	(4,670)	9,308	(\$763)	\$1,516
Net Income (Loss)	(4,320)	8,831	(\$706)	\$1,439
Diluted Earnings (Losses) Per ADS	(0.19)	0.38	(\$0.03)	\$0.06

Second Quarter Net Revenues

(in 000s RMB)



Second Quarter Gross Margin



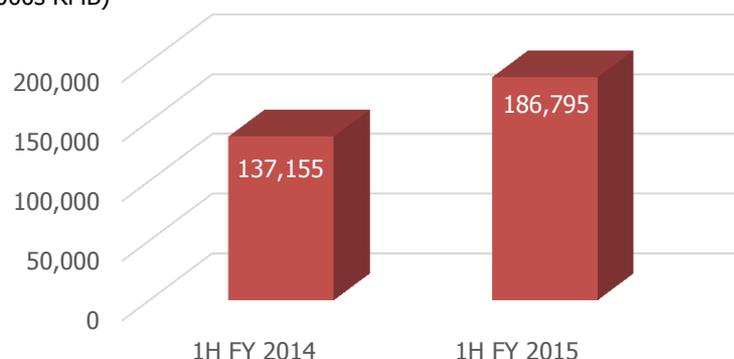
SUMMARY FINANCIAL RESULTS – FIRST HALF



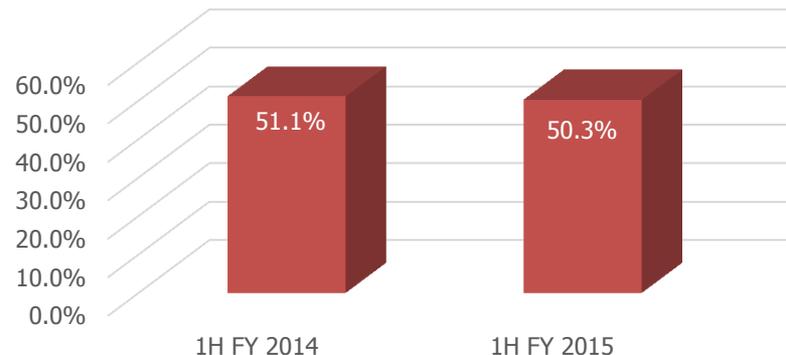
In 000s except margin and per share data	1H FY 2014	1H FY 2015	1H FY 2014	1H FY 2015
	RMB		USD	
Net Revenues	137,155	186,795	\$22,419	\$30,432
Cost of Revenue	67,111	92,790	\$10,970	\$15,117
Gross Profit	70,044	94,005	\$11,449	\$15,315
Gross Margin	51.1%	50.3%	51.1%	50.3%
Operating Expenses	65,585	76,836	\$10,720	\$12,518
Income from Operations	4,459	17,169	\$729	\$2,797
Net Income	5,089	13,436	\$832	\$2,189
Diluted Earnings Per ADS	0.22	0.56	\$0.04	\$0.10

First Half Net Revenues

(in 000s RMB)



First Half Gross Margin



FINANCIAL ANALYSIS – NON-GAAP



RMB in 000s except EPS	FY 2013					FY 2014					FY 2015		1H FY 2015
	Q1	Q2	Q3	Q4	FY 2013	Q1	Q2	Q3	Q4	FY 2014	Q1	Q2	
Net Revenues	88,261	46,754	179,432	52,228	366,675	92,066	45,089	188,853	58,660	384,668	84,317	102,478	186,795
Net Income (Loss)													
GAAP	5,264	(9,087)	33,153	(6,122)	23,208	9,409	(4,320)	35,578	(13,390)	27,276	4,606	8,831	13,436
Adjustment													
Share-based Compensation Expense	3,936	2,818	2,794	3,325	12,874	1,791	1,671	3,574	3,498	10,535	3,158	2,539	5,698
Foreign Currency Exchange (Gain) Loss	469	(351)	(157)	(37)	(77)	(125)	(92)	(68)	334	49	972	(349)	623
Non-GAAP	9,669	(6,620)	35,790	(2,834)	36,005	11,075	(2,741)	39,084	(9,558)	37,861	8,736	11,021	19,758
Diluted Earnings (Losses) Per ADS													
GAAP	\$0.04	(\$0.06)	\$0.24	(\$0.04)	\$0.16	\$0.06	(\$0.03)	\$0.25	(\$0.10)	\$0.20	\$0.02	\$0.06	\$0.10
Non-GAAP	\$0.06	(\$0.04)	\$0.26	(\$0.02)	\$0.26	\$0.08	(\$0.02)	\$0.28	(\$0.06)	\$0.26	\$0.06	\$0.08	\$0.14

Balance Sheet Highlights

	3/31/2014	9/30/2014	3/31/2014	9/30/2014
In 000s	RMB		USD	
Cash	311,947	253,308	\$50,181	\$41,269
Total Current Assets	398,093	383,987	\$64,039	\$62,559
Total Assets	491,237	491,131	\$79,023	\$80,015
Total Current Liabilities	77,149	117,079	\$12,411	\$19,074
Total Liabilities	79,345	118,906	\$12,764	\$19,372
Shareholders' Equity	411,892	372,224	\$66,259	\$60,643
Total Liabilities & Shareholders' Equity	491,237	491,131	\$79,023	\$80,015

\$41.3 million in cash and no long-term debt at 9/30/2014

PROJECTIONS – THIRD QUARTER 2015 AND FISCAL YEAR 2015



RMB millions	Guidance for Q3 FY 2015 (ending 12/31/2014)		Q3 FY 2014 Actual
	Low	High	
Net Revenue	110.0	120.0	188.9

RMB millions	Guidance for FY 2015		FY 2014 Actual
	Low	High	
Net Revenue	385.0	405.0	384.7
Non-GAAP Net Income	28.0	38.0	37.9

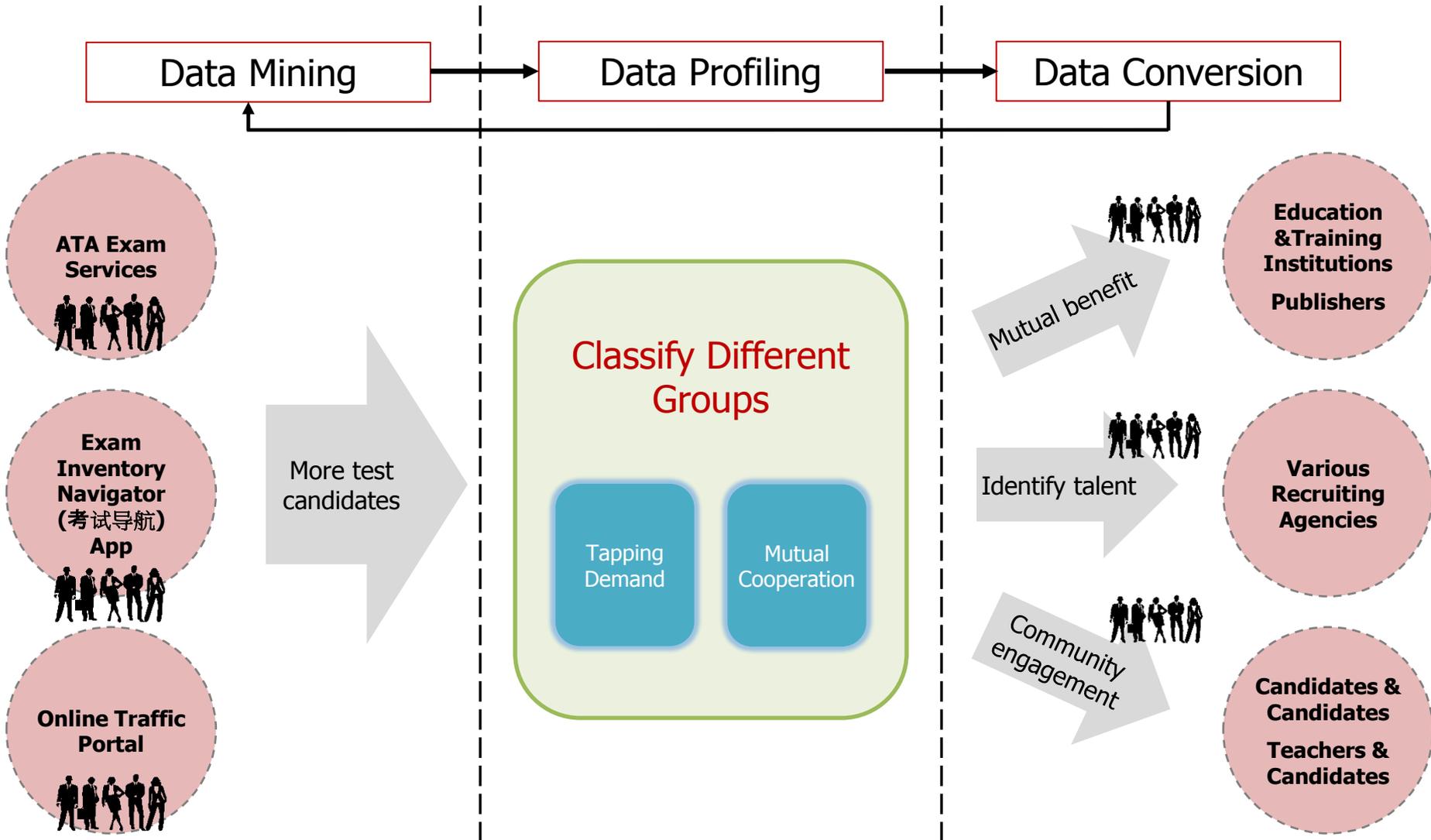


OUTLOOK FOR FY 2015

Kevin Ma, Chairman and CEO

- Co-founded ATA in 1999
- 10+ years in IT and IT-related education sectors
- Pioneer in commercializing China's testing industry

- Strengthen ATA's leadership position in China's testing and assessment market
 - Expand into online education and training for working professionals
 - Expand into K-12 education
- Establish new business partnerships
 - Joint venture with New Oriental
 - Strategic investment/partnership with Master Mind Education (大家汇)
- Expand existing client relationships
- Market MTS technology
- Invest up to RMB30.0 million for ATA's long-term growth



At ATA Inc.

Benson Tsang, CFO

- +86 (10) 6518 1122 ext. 5107
- bensontsang@ata.net.cn

Investor Relations

The Equity Group Inc.

Carolyne Y. Sohn, Senior Associate

- (415) 568-2255
- csohn@equityny.com

Adam Prior, Senior Vice President

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