

The logo for 'ata' is rendered in a bold, lowercase, red sans-serif font. It is enclosed within a red square frame that has a thick border and a small notch at the top and bottom center, giving it a stylized, modern appearance. The background of the slide is a dark, semi-transparent image of a person's hands working on a laptop, with a white horizontal band across the middle containing the text.

ata

TRANSITION YEAR 2017 EARNINGS CALL
(QUARTER ENDED SEPTEMBER 30, 2017)
November 9, 2017

Speakers

Mr. Kevin Ma, Chairman and CEO

Ms. Amy Tung, CFO

SAFE HARBOR

- This presentation was developed by ATA and is intended to be used solely in connection with ATA's earnings call for the three months ended September 30, 2017. 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 financial results for the three months ended September 30, 2017, are converted from RMB using an exchange rate of 6.6533 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.

OVERVIEW

ATA is China's market leader in advanced testing technologies and related services.

Since 1999, has provided large-scale, computer-based exam services for professional certification and skills assessment in China

Provides technologies for learning institutes/recruiters to improve overall learning/hiring efficiency and effectiveness

ATA estimates approx. 200 million exams are delivered annually in China's testing market.

ATA At-A-Glance

Ticker	NASDAQ: ATAI
IPO	January 2008 (Underwriters: Merrill Lynch, Piper Jaffray)
Auditor	KPMG (since IPO)
Fiscal Year End	March 31 (Transitioning to Dec. 31)
Recent Stock Price	\$4.66 (as of 11/7/2017)
Market Cap	\$107 million (as of 11/7/2017)
ADSs Outstanding	22.9 million
Book Value Per ADS	\$2.03

All information as of 9/30/2017 unless otherwise noted.



OPERATING AND FINANCIAL HIGHLIGHTS

Amy Tung, Chief Financial Officer

KEY OPERATING HIGHLIGHTS

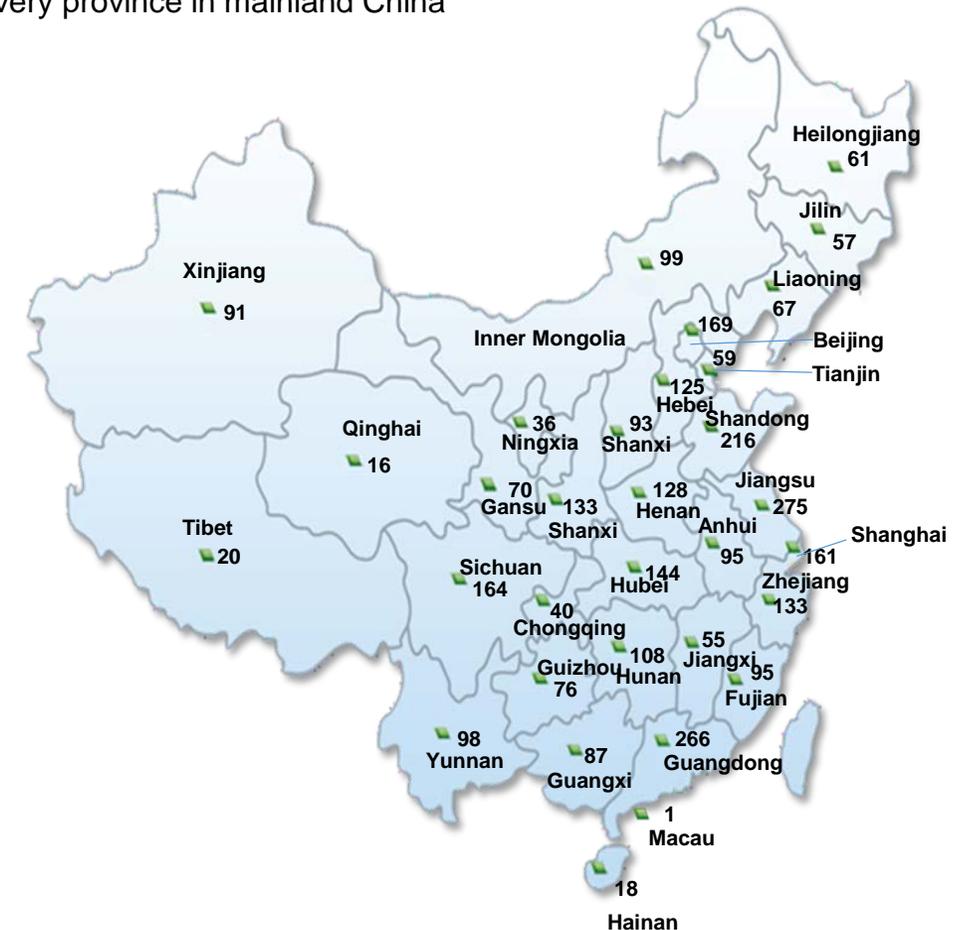
Delivered 1.4 million billable tests in three months ended 9/30/2017, compared to 1.8 million in prior-year period

Successfully delivered mid-level Accounting Professional and Technical Qualification Exam in additional major cities and provinces for the first time

Successfully delivered ACT test at Jeju Island (Korea) and GAC schools in mainland China

Simultaneous, Large-scale Test Delivery

Nationwide network of 3,256 test centers (as of 9/30/2017) covering every province in mainland China



KEY FINANCIAL HIGHLIGHTS

Net revenues of RMB69.6 million, compared to RMB65.1 million in prior-year period

Gross margin impacted by higher implementation costs for the Accounting Professional and Technical Qualification Exam, as well as increased share-based compensation expense and licensing fees

Improved bottom line due to the impairment loss taken in the prior-year period

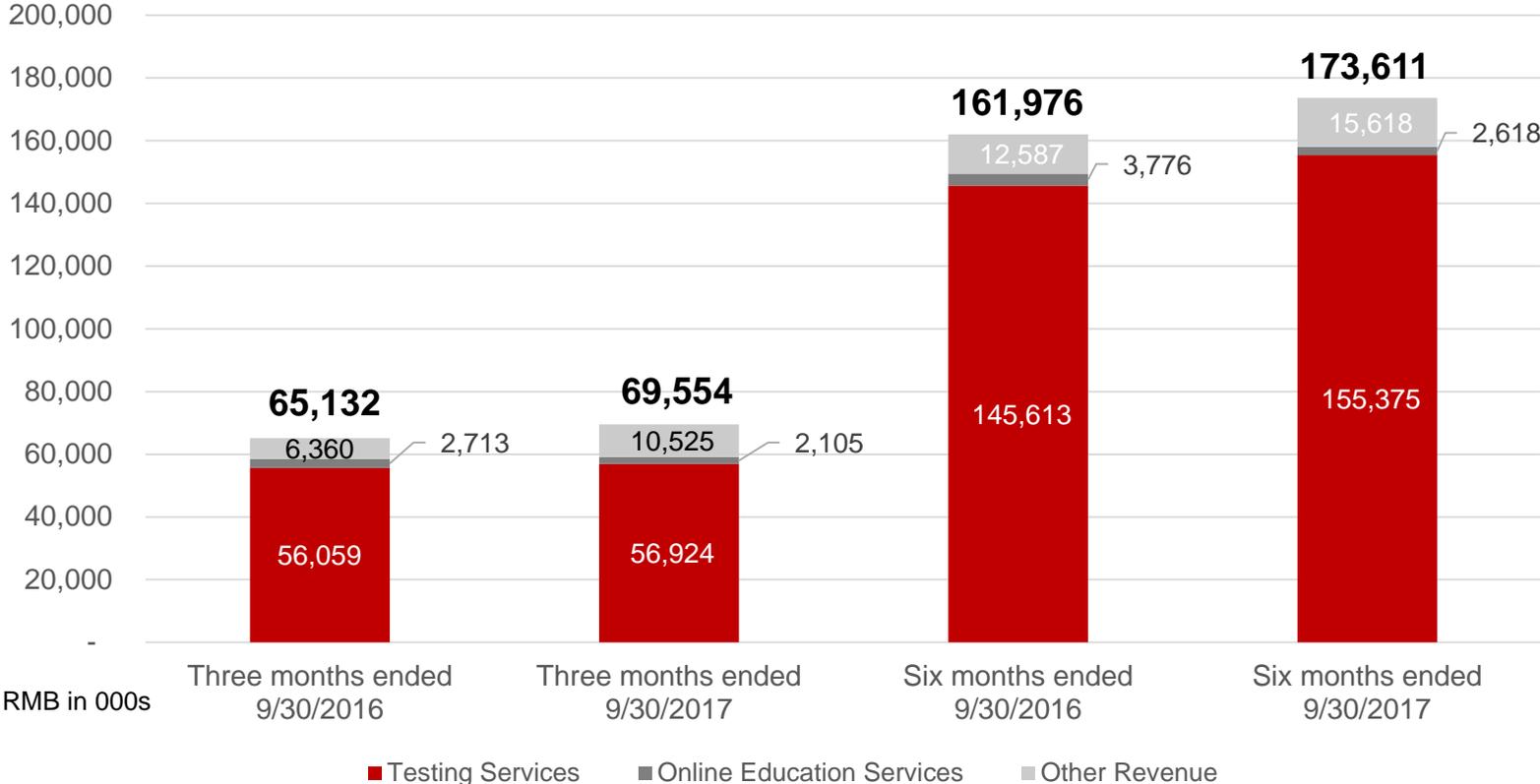
Reiterates net revenue guidance for Nine-Month Transition Period 2017*

*As reported in the Company's fiscal 2017 fourth quarter and year-end financial results press release on 6/1/2017



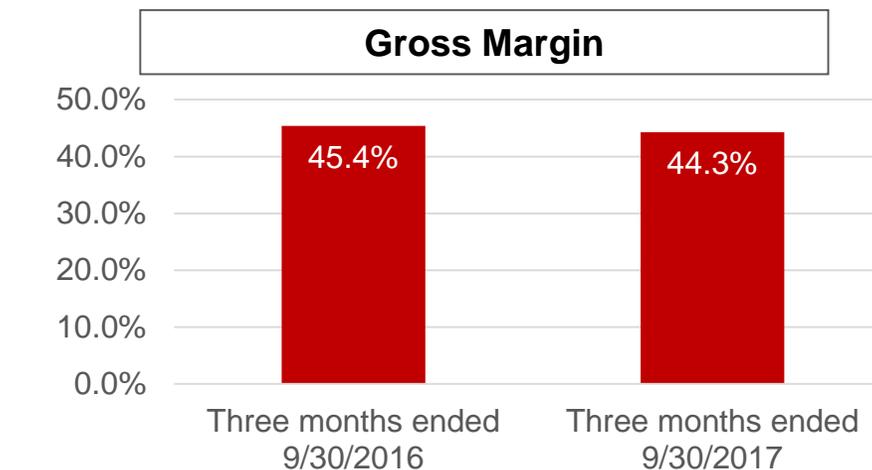
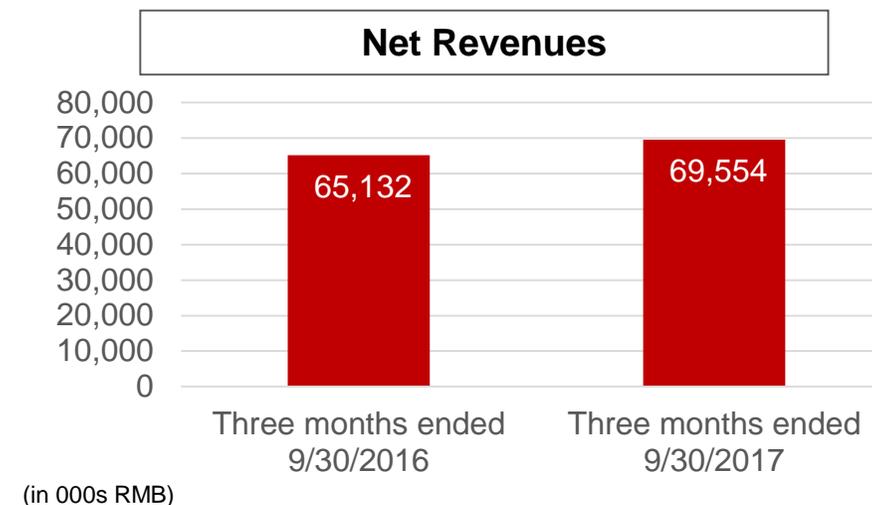
REVENUE BREAKDOWN

- **Testing Services** for ATA’s core test delivery services across China, ~81.8% of revenues in the three months ended 9/30/2017
- **Online Education Services** for continued professional development



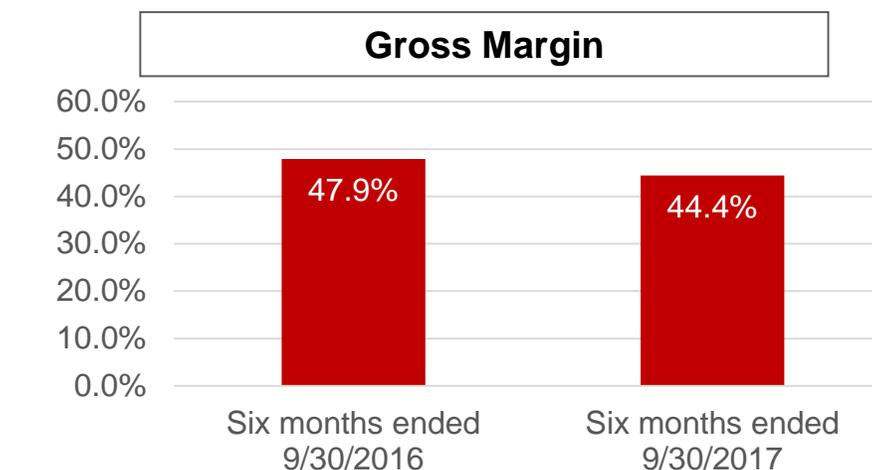
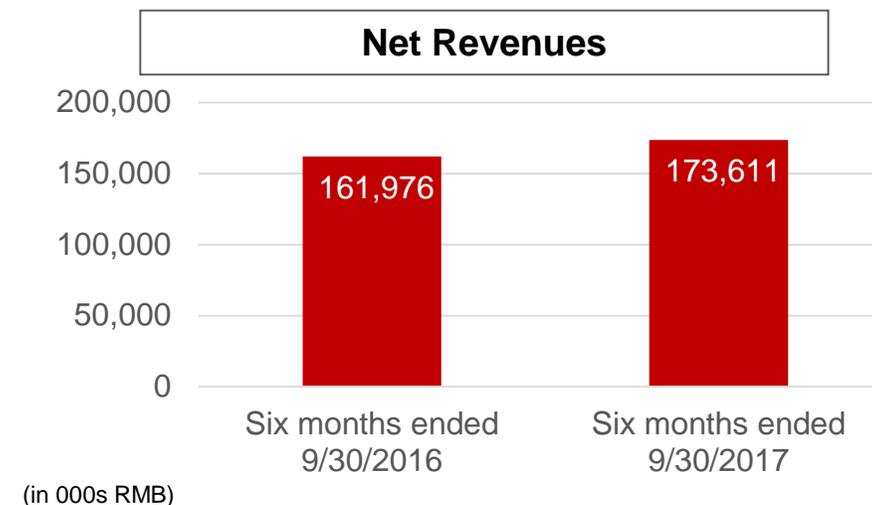
SUMMARY FINANCIAL RESULTS – THREE MONTHS ENDED 9/30/2017

In 000s except margin and per share data	Three months ended September 30,		Three months ended September 30,	
	2016	2017	2016	2017
	RMB		USD	
Net Revenues	65,132	69,554	\$9,767	\$10,454
Cost of Revenue	35,581	38,739	\$5,336	\$5,822
Gross Profit	29,551	30,815	\$4,431	\$4,632
Gross Margin	45.4%	44.3%	45.4%	44.3%
Operating Expenses	38,869	47,483	\$5,829	\$7,137
Loss from Operations	(9,317)	(16,668)	(\$1,397)	(\$2,505)
Net Loss Attributable to ATA Inc.	(35,578)	(15,959)	(\$5,335)	(\$2,399)
Basic and Diluted Losses per ADS Attributable to ATA Inc.	(1.56)	(0.68)	(\$0.24)	(\$0.10)



SUMMARY FINANCIAL RESULTS – SIX MONTHS ENDED 9/30/2017

In 000s except margin and per share data	Six months ended September 30,		Six months ended September 30,	
	2016	2017	2016	2017
	RMB		USD	
Net Revenues	161,976	173,611	\$24,290	\$26,094
Cost of Revenue	84,348	96,453	\$12,649	\$14,497
Gross Profit	77,628	77,158	\$11,641	\$11,597
Gross Margin	47.9%	44.4%	47.9%	44.4%
Operating Expenses	75,724	99,190	\$11,355	\$14,908
(Income) Loss from Operations	1,904	(22,032)	\$286	(\$3,311)
Net Loss Attributable to ATA Inc.	(31,434)	(24,418)	(\$4,714)	(\$3,670)
Basic and Diluted Losses per ADS Attributable to ATA Inc.	(1.38)	(1.32)	(\$0.20)	(\$0.20)



FINANCIAL ANALYSIS

RMB in 000s except EPS	FY 2016					FY 2017					Three months ended		Six months ended
	Q1	Q2	Q3	Q4	FY 2016	Q1	Q2	Q3	Q4	FY 2017	6/30/2017	9/30/2017	9/30/2017
Net Revenues	97,529	53,436	221,438	44,737	417,140	96,844	65,132	273,461	36,949	472,386	104,057	69,554	173,611
Net Income (Loss) Attributable to ATA Inc.													
GAAP	6,138	(14,069)	49,353	(15,371)	26,051	4,143	(35,578)	75,412	(53,694)	(9,716)	(8,460)	(15,959)	(24,418)
Adjustment													
Share-based Compensation Expense	3,814	1,942	2,001	1,409	9,165	1,039	1,009	1,032	3,878	6,958	5,212	4,996	10,208
Foreign Currency Exchange (Gain) Loss	59	1,431	12	4	1,506	31	15	30	(3)	73	641	(2)	639
Non-GAAP	10,011	(10,697)	51,366	(13,959)	36,722	5,214	(34,554)	76,474	(49,819)	(2,685)	(2,606)	(10,965)	(13,572)
Basic and Diluted Earnings (Losses) per ADS Attributable to ATA Inc.													
GAAP	\$0.04	(\$0.10)	\$0.34	(\$0.10)	\$0.18	\$0.02	(\$0.24)	\$0.48	(\$0.34)	(\$0.06)	(\$0.10)	(\$0.10)	(\$0.20)
Non-GAAP	\$0.08	(\$0.08)	\$0.34	(\$0.10)	\$0.24	\$0.04	(\$0.22)	\$0.48	(\$0.32)	(\$0.02)	(\$0.06)	(\$0.06)	(\$0.12)

BALANCE SHEET

Balance Sheet Highlights

	3/31/2017	9/30/2017	3/31/2017	9/30/2017
In 000s	RMB		USD	
Cash and Cash Equivalents	222,448	166,219	\$32,318	\$24,983
Total Current Assets	295,945	253,432	\$42,995	\$38,091
Total Assets	519,840	456,835	\$75,523	\$68,663
Total Current Liabilities	103,030	97,354	\$14,968	\$14,632
Total Liabilities	127,383	112,615	\$18,506	\$16,926
Shareholders' Equity	392,457	308,612	\$57,017	\$46,385
Total Liabilities & Shareholders' Equity	519,840	456,835	\$75,523	\$68,663

\$25.0 million in cash and cash equivalents as of 9/30/2017

PROJECTIONS

RMB millions	Guidance for Quarter Ending 12/31/2017		Actual for Quarter Ended 12/31/2016
	Low	High	
Net Revenues	312.0	317.0	273.5

RMB millions	Guidance for Nine Months Ending 12/31/2017		Actual for Nine Months Ended 12/31/2016
	Low	High	
Net Revenues	490.0	510.0	435.4



OUTLOOK FOR NINE-MONTH TRANSITION PERIOD 2017

Kevin Ma, Chairman and CEO

GROWTH STRATEGY

- Strengthen ATA's leadership position in China's testing and assessment market
 - Expand into and build presence in various education markets
 - Explore ways to accelerate growth of core testing business
- Expand existing client relationships
- Establish new business partnerships
- Leverage test data, provide increased value to clients



At ATA Inc.

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