

FINAL TRANSCRIPT

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ATAI - Q1 2010 ATAI Inc. Earnings Conference Call

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Walter Wang

ATA Inc. - President

Carl Yeung

ATA Inc. - CFO

CONFERENCE CALL PARTICIPANTS

Mark Skitovich

Piper Jaffray - Analyst

Jeff Lee

Signal Hill - Analyst

PRESENTATION

Operator

Good day, ladies and gentlemen, and welcome to ATA's First Fiscal Quarter 2010 Earnings Conference Call. My name is Francis, and I will be your coordinator for today. At this time, all participants are in listen-only mode. We will be facilitating a question-and-answer session toward the end of this conference. (Operator Instructions). As a reminder, this conference is being recorded for replay purposes.

I would now like to turn the presentation over to your host for today, Mr. Ed Job. Please proceed.

Ed Job - CCG Elite - IR

Thank you, Francis. Good morning and good evening for those joining from China, and welcome to ATA's First Fiscal Quarter 2010 Earnings Conference Call. With us today are ATA CEO, Mr. Kevin Ma, President Mr. Walter Wang, and Chief Financial Officer, Mr. Carl Yeung.

Before I turn the call over to Mr. Ma, may I remind our listeners that in this call, management's prepared remarks contain forward-looking statements, which are subject to risks and uncertainties, and management may make additional forward-looking statements in response to your questions. Therefore, the Company claims the protection of the Safe Harbor for forward-looking statements that is contained in the Private Securities Litigation Reform Act of 1995.

Actual results may differ from those discussed today, 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. In addition, any projections as to the Company's future performance represents management's estimates as of today, September 4th, 2009. ATA assumes no obligation to update these projections in the future as market conditions may change.

To supplement its financial results presented in accordance to US GAAP, management will make reference to certain non-GAAP financial measures which the Company believes provide meaningful additional information to understand ATA's operating performance. A table reconciling non-GAAP measures to the nearest GAAP can be found in the earnings press release issued earlier yesterday after market.



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//www.ata.net.cn. And now, it's my pleasure to turn the call over to ATA's CEO, Mr. Kevin Ma. Mr. Ma, you may proceed.

Kevin Ma - ATA Inc. - CEO

Thank you, Ed. Welcome, everyone and thank you for joining us today. We are pleased with our results for the first quarter of our fiscal year 2010. Despite the difficult global economic environment, we were able to deliver double digit top-line growth, demonstrating the resilience of our business model, and the strength of our existing client base and productive offering. The highlights for the first quarter of fiscal year 2010 include -- net revenue was up approximately 16.8% to RMB79.8 million. Gross profit was up 13.9% to RMB44.6 million. Net income was RMB12.7 million.

We are also pleased with the execution of our strategy to expand into the non-government sponsored testing space. In this regard, the first quarter represented our first full quarter as distributor of the "Test of English for International Communication" on behalf of the Educational Testing Service, with a contribution of approximately 8% of net revenue. In addition, we made solid progress in the rollout of our HR select tool. We have so far registered over 10,000 companies with trial accounts, and we expect to start generating revenues in the current quarter.

As we look to the future we remain very excited with our strategic initiatives in place to broaden our customer base and product offering, and to deliver profitable growth to our investors. In addition to making progress with our existing government ministry customers, we expect TOEIC and HR Select to continue to gain traction and make a significant contribution to the long term sustainable growth of ATA. We also are very optimistic with the launch of the Cambridge Young Learners Program in October, and expect this offering in partnership with the Ministry of Education to be yet another driver of our growth going forward.

In summary, with three important product launches planned for this calendar year, in addition to our solid track record of execution, strong customer relationships, nationwide distribution network, and an existing solid portfolio of test titles, we feel we are in the best ever position to accelerate our penetration and to monetize the large testing opportunity in China.

With that, I will now turn the call over to Walter who will provide a business update, and Carl, who will discuss our financial results for the quarter.

Walter Wang - ATA Inc. - President

Thank you Kevin, and welcome to everyone joining us on the call today. As Kevin mentioned, our execution in the quarter was very good. Our penetration of the private sector testing space exceeds our expectations. TOEIC contributed RMB6.4 million, with average price per test of RMB237, the highest average price per test among all of our tests, and HR Select is off to a strong start.

As some of you know, HR Select is a powerful application, engineered using leading international standardized assessment tools to test 150,000 different job skill sets, covering several areas of competency, including IT, foreign languages, finance, accounting, management, and legal. We have modeled over 600 job positions to create a test-item bank containing millions of test questions. We believe we are the first company to develop this type of capability in China.

Since launching this initiative in March, we have successfully created over 10,000 trial accounts. These registered companies cover more than 12 provinces in China, mainly in Beijing, Shanghai, Guangzhou and Shenzhen areas, and represent over 20 industry verticals, including real estate, IT, manufacturing, consumable products and financial services, which demonstrates a very strong interest by companies in China for this type of service. As we move forward, we expect HR Select to be a significant driver of our revenue growth, as well as an important channel to support the growth of our TOEIC test offering.

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Moving on to discuss the performance metrics of our business, our computer-based test services delivered 2.2 million tests this quarter, which represented a 49.5% increase over the same period last year. During the quarter, we delivered approximately 998,000 exams in our financial vertical, up from approximately 961,000 in the same period last year.

We also added 26 test centers to our delivery network for a total of 1,951 centers at the end of the quarter, expanding our reach as well as our ability to provide convenience to our customers. Our test-based education services continued to shrink on a year-over-year basis, as we have shifted our marketing efforts to our testing and test prep services.

Our test preparation and training solutions targeted at professional licensure and certification tests grew 205% on a year-over-year basis, mainly driven by the increased revenues in the continuous professional training for licensed security professionals.

During the quarter, we completed the integration of the JDX, adding 46 staff to our team. We believe this acquisition will offer lasting, long term synergy for ATA to explore offering full test delivery services to JDX's customers whom use their test software.

In addition, the strong relationship established by JDX with the Ministry of Human Resources and Social Security at the local level will allow ATA to penetrate further into our existing Ministry of Human Resources and Social Security relationship which is one of the largest test sponsors in China with over 10 million test taker volume a year.

With that, I will now turn the call over to our CFO, Carl Yeung, who will go over our financial results in more detail.

Carl Yeung - ATA Inc. - CFO

Thank you, Walter. We were very pleased with our first quarter results which came in at the upper half of our guidance: Total net revenue was up 16.8% year-over-year to RMB79.8 million or \$11.7 million. Net revenue from testing services increased by approximately 18.1% to RMB63.7 million, or \$9.3 million, in the quarter.

The number of tests delivered was up by 49.5% year-over-year to approximately 2.2 million, while the average revenue per test delivered decreased to RMB28.9 from RMB36 in the comparable period last year. This decrease in average revenue per test was due to a new high school testing service program that offered approximately 519,000 tests at a very low price of RMB1.1 per test.

Net revenue from test preparation and training solutions increased by 205% in the period to RMB 1.5 million, or \$0.2 million, driven by the increased revenue in the continuous professional training for licensed security professionals. Net revenue from test-based education services was down by 15.7% to RMB9.3 million, or \$1.4 million, in the first quarter. This downward trend is expected to continue as a result of our strategic decision to focus management attention and resources on our higher margin test service business.

Other revenue was up by 82.1% to RMB5.3 million, or \$0.8 million, driven by the test-related service revenues of JDX following the completion of the acquisition. JDX has a strong business in test-related services outside of test-delivery, including test question database creation and management systems and we expect these to continue to grow and add to our other revenues in the future.

Gross profit increased by approximately 13.9% year-over-year to RMB44.6 million, or \$6.5 million. Gross margin was 55.9% compared to 57.3% in the comparable period last year. The gross margin decline of 140 basis points was mainly because we had additional amortization cost for the upfront license fee of TOEIC and testing software acquired and capitalized in the fourth quarter of fiscal 2009.

Total operating expense increased by approximately 35.5% year-over-year to RMB29.1 million, or \$ 4.3 million, driven by higher R&D and marketing expenses to support our expanding portfolio of test titles, increased headcount associated with integration



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of JDX, as well as other acquisition related charges. General and administrative expenses increased by 22.2% year-over-year to RMB14.9 million, or \$2.2 million. This increase was primarily the result of one-time expenses associated with the JDX acquisition as well as higher compensation expenses.

Sales and marketing expenses increased by 40.9% to RMB8.4 million, or \$1.2 million, primarily due to an increase in marketing expenses associated with the launch of HR Select, as well as other testing service promotions. Research and development expenses increased by 75.5% year-over-year to RMB5.8 million, or \$0.8 million driven by the cost of developing software to support an expanding number of test titles as well as salaries and compensations increases.

Income from operations was RMB15.5 million, or \$2.3 million, down 12.4% from the same period last year. Our operating margin in the quarter was 19.4% compared to 25.9% in the same period of last year. The reduction in our operating margin is partly the result of the various initiatives to expand our product offerings as well as the expenses associated with the integration of JDX acquisition.

With the recent integration of JDX, we also expect small near term margin pressure as the incremental revenue opportunities from synergy lag the immediate headcount pickup. We expect that our margins will trend back up as our new offerings gain traction in the market place.

Income tax was RMB2.8 million, or \$0.4 million, with an effective tax rate of 18.2%. This was lower than previous quarters as all of our principle PRC subsidiaries now qualify for preferential tax rate of 15%. Net income for the quarter was RMB12.7 million, or \$1.9 million, compared to RMB12.4 million in the comparable period last year.

Basic and diluted earnings per common share amounted to RMB0.28, or \$0.04. Basic and diluted earnings per ADS were RMB0.58, or \$0.08. Net income on a non-GAAP basis, which excludes share-based compensation expense and foreign currency exchange losses was RMB14.1 million, or \$2.1 million, with corresponding non-GAAP basic and diluted earnings per ADS of RMB0.62 or \$0.09.

As of June 30, 2009, ATA had cash of RMB301.8 million, or \$44.2 million, working capital of RMB323.7 million, or \$47.4 million, and no debt. Shareholder's equity at the balance sheet date was RMB392.6 million, or \$57.5 million. Capital expenditures for the first quarter of fiscal year 2010 were RMB2.6 million, or \$0.4 million, mainly for the addition of computers and servers.

Turning over to our outlook, for the second fiscal quarter 2010, we expect net revenues will be in the range of RMB40 million to RMB44 million, representing a year-over-year reduction in the range of 14.9% to 22.6%, as we do not expect any sales of NTET preparation software due to the lower approved budgets by relevant governmental agencies for procuring this software as the deadline of the national NTET test was deferred. However, taking this factor out, we expect our core revenue growth in testing services to be robust as we expect to begin generating revenues from HR select related tests.

We reaffirm our guidance for the fiscal year ended March 31st, 2010 to be in the range of RMB260 million to RMB280 million, which is expected to represent a 19.5% to 28.7% growth over fiscal year 2009. This is ATA's current and preliminary view, which is subject to change.

Now, regarding adjustments to our preliminary fiscal year 2009 results, following closing procedures, our net revenue was RMB29.7 million, corrected from RMB31.7 million, and net loss was RMB11.9 million, corrected from RMB4.0 million,. The adjustment to net revenues was caused by delayed notification from certain of our client schools that did not offer our courses for the 2008-2009 school year.

The net loss adjustment resulted from an increase in our bad debt allowance, as some schools have declined to pay for previously provided services following termination of our relationship. Net loss adjustment was also impacted by a provision for bad debt related to a RMB3.3 million advance payment to a third party pursuant to a 2005 business cooperation agreement that has been terminated. These are one time charges that are not expected to affect future results from operations.



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Now, I'll turn the call back over to Walter for some closing remarks.

Walter Wang - *ATA Inc. - President*

Thanks, Carl. As we enter our second fiscal 2010, our outlook remains positive, and we are on track to continue to build on our solid market position by penetrating new verticals and by expanding the number of text titles we offer. Before I open the call to your questions, let me summarize some of the near term initiatives that will support our profitable growth in the quarters ahead.

On the private sector milestones, we are excited about current 10,000 registered users of HR Select and are making progress in converting these trial program users into revenue generating customers. This is an important initiative as ATA cross sells the overall HR Select platform along with TOEIC as a flagship assessment tool.

Making progress on HR Select will not only allow us to generate testing revenues from companies on the HR assessment side, but also allow us to broaden the current market scope for TOEIC, and drive test volume growth on this leading English assessment tool. Vice versa, the current approximately 300 large companies in China that have already adopted TOEIC represent an immediate addressable market for HR Select that could generate on average a higher number of revenue generating test takers per company.

Our expected launch of Cambridge Young Learners Program in October will bring us a step closer to fulfilling our strategy to further expose opportunities in the private sector side. The currently over 2 million students in the brick-and-mortar Cambridge Young Learners Program institutions represents a significant upside to our growth if we can make them adopt our online CYL platform to enhance their current learning experience.

On the Government sector milestones side, we are still making progress with the current Ministry of Culture relationship and hope to have a nationwide program launch before the end of calendar 2009. Other than Ministry of Culture, we are also anticipating a launch of nationwide security guard certification program within this calendar year 2009. On the other hand, Ministry of Finance, Health and Justice are opportunities that may require more time before nationwide of computerized test can be launched.

With that, we would now like to open the call to your questions. Operator?

QUESTIONS AND ANSWERS

Operator

Thank you. (Operator Instructions).

And our first question is from the line of [Mark Marostica] from Piper Jaffray. Please proceed.

Mark Skitovich - *Piper Jaffray - Analyst*

Thank you. It's actually Mark Skitovich for Piper Jaffray. Just on the topic of HR Select, I was hoping you could talk about how you transition a customer from a trial to revenue producing. Is it time or volume based? And then, if you look at the 10,000 customers you have on trial, how many do you have really good visibility on as revenue producers in FY '10 and how to you see it allocated on a quarter by quarter basis? And then, in addition, if you could maybe talk about the elasticity in this area as it relates to the economy, and how you factor that into visibility on revenue here. Thanks.



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Carl Yeung - ATA Inc. - CFO

Mark, thanks for your question. Regarding the transition of our so called current 10,000 trial program users into fee generating users, we have a very specific marketing plan and also an approach on how to convert them. With these trial programs, we are actually quite proud of the 10,000 users already.

The reason is being, they don't simply just sign up for like a group or an email account. They actually have to fax us their business license and there is actually a pretty sophisticated account opening procedure, even at the trial stage. So, these are serious customers from the get go. Now, we offer them a limited time trial which is --

Walter Wang - ATA Inc. - President

Three months.

Carl Yeung - ATA Inc. - CFO

-- three months to use this platform --

Walter Wang - ATA Inc. - President

And 50 tests.

Carl Yeung - ATA Inc. - CFO

-- and 50 tests over three months to try this platform. And after the trial, they are given a choice to do a annual subscription model at approximately RMB3,800 per year. And we have a sales team to follow up each of the registered companies and help them transition by explaining to them how this platform works and the system, in transitioning from what they currently use to our current online platform. So, this is an area where we're very excited in because from the get go, it's very hard to get 10,000 companies to fax you a business license. And we already achieved that.

Now, in terms of revenue shape and size for the upcoming quarters, it's going to be difficult to predict, but we are quite confident of the future of this because from right now where we can see, the ones that have made the first mover in terms of adopting these kinds of services have been the really big financial institutions. For example, in the upcoming quarter, ABC --

Walter Wang - ATA Inc. - President

ABC, yes.

Carl Yeung - ATA Inc. - CFO

-- which is Agricultural Bank of China have already signed us to help them test approximately 70,000 people as a relatively high ASP using this kind of platform. And that would generate a pretty significant revenue in terms of testing services for us, already in the upcoming quarter.

Now, since we do not dive into third and fourth quarter, which we will update at the end of each quarter announcement, I can't provide you with more information there, but overall, as a summary, looking at these private sector initiatives from this point forward, we expect that approximately 10% of our total fiscal 2010 revenue will come from initiatives such as HR Select and

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Cambridge Young Learners English, which we believe is reasonable and actually slightly on the conservative side because both HR Select and Cambridge Young Learners English are off to a very exciting and good start.

Mark Skitovich - Piper Jaffray - Analyst

Okay, Carl, in that 10% figure, how much economic factoring do you have in that number? I mean, obviously, there appears to be some elasticity here to the economy. I'm just curious when you talk about that number, how much you are factoring in, in those issues?

Carl Yeung - ATA Inc. - CFO

Yes, we already planned for a pretty tough situation in the economy as most reasonable people would do running a business. The second half up to our end of March 31st fiscal year, we believe will be pretty tough on the economy overall. So, we already factored that in.

But the real question here is if the economy goes up and the economy goes down, how would that affect ATA's business. And my response to you is that's actually not a really important driver for ATA. The key factor to drive our growth, rather this quarter, next quarter, over the long term is as long as China's labor market remains competitive, that means as long as there are many, many people looking for a single job, as long as employers are going to hire more adequate and more qualified staff, we have business to run and it will grow.

Mark Skitovich - Piper Jaffray - Analyst

Okay, great. And then, just one final question on the average refer test, was this sort of a one time event given the high school concentration there? How do you see the -- I mean, is the trend line going to bounce back here over the next couple of quarters?

Carl Yeung - ATA Inc. - CFO

Yes, we expect that to bounce back up and this is -- this high school test doesn't appear every quarter and it looks like that for the remainder of the year, the impact from these very low ASP tests will be very little to our ASP, so we expect that to trend back up. Along with a bigger contribution from banking and securities down second and third Q, as well as the wrap up of HR Select which carries a much higher ASP, we believe overall the trend should go up.

Mark Skitovich - Piper Jaffray - Analyst

Okay, great. Thanks, Carl.

Operator

(Operator Instructions).

Your next question is from the line of Jeff Lee with Signal Hill. Please proceed.

Jeff Lee - Signal Hill - Analyst

Hi, good evening. The first thing I wanted to ask about was margins. What's behind the big jumps in R&D, sales and marketing and G&A expenses in this quarter versus Q4?

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Carl Yeung - ATA Inc. - CFO

Sure. As you know, if you go back to our past releases, which I know -- and thank you for tracking our Company so closely. We launched TOEIC. We launched HR Select, all basically in March, near the end of March. So with that, we had to ramp up on our R&D efforts as well as sales and marketing.

Now specifically, what are we doing in R&D? Isn't ATA already the world's leading testing technology company in the world? Well, R&D also entails beefing up our inventory of test titles. Our goal here is to make HR Select the biggest supermarket of test titles in the world, so any company with any kind of employment need can find a tool they can use to assess that person. And we are on our way there.

As well as our preparation of the Cambridge Young Learners program, we had some development costs to bring that program ready for October commercial launch, so that brought up our R&D a bit. It will continue -- in terms of trend, we think that into Q2 and Q3, the R&D expense should also remain fairly high like what we experienced in this quarter, but may drop off into Q4 and into next year as the programs, as the product itself matures.

In terms of sales and marketing, as you know, before March 2009, close to 100% of our business comes from the government. Mainly, our sales and marketing expenses there were to drive our test-based education business. Given the strong launch of HR Select, we are more confident in this market today than ever and therefore, we believe investing in the sales and marketing dollar today will ramp, and give us very attractive growth rates into this end of the year as well as 2011 and beyond.

Therefore, we are taking a bit of a risk here, but we think it is a reasonable risk and that will yield some handsome returns for our shareholders by investing in the sales and marketing effort. What we are doing is running advertisements across relevant websites. We are running conferences. We are gathering companies, small and big, across different regions in China to help them introduce, to introduce this idea of really testing a person before hiring, which is nothing new, as you see in the US.

Jeff Lee - Signal Hill - Analyst

Do you expect sales and marketing expense just to run sort of similar levels for the rest of the year?

Carl Yeung - ATA Inc. - CFO

Yes, well, I think we might bump that up a bit into Q2, but then we'll see how HR Select -- how -- this is going to be a function of basically our conversion rate from the registered companies. If we can generate a higher conversion rate, we may pull back some of our sales and marketing expenses. If we can't have a higher conversion rate, but we continue to generate a lot of sales leads, we may do something different. But at the moment, what I'm budgeting for is a higher sales and marketing expense, slightly higher.

Jeff Lee - Signal Hill - Analyst

And so, if I understand you correctly, you're saying most of the increase in sales and marketing is the related to HR Select?

Carl Yeung - ATA Inc. - CFO

That's correct.

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Jeff Lee - Signal Hill - Analyst

Okay. And then, I wanted to ask about the internet cafe and Ministry of Culture and the security guard certification test. What can you tell us there? Is there anything you can tell us about why you think they might happen before the end of the calendar year?

Carl Yeung - ATA Inc. - CFO

There's a lot to talk about, but we're actually not at the liberty to talk about given, number one, we do not want investors or analysts to factor this in in our guidance. So, this is our policy. But to give you a bit of the color, Ministry of Culture program is actually on a very good track. We are pretty finalized in terms of the shape and the size of the program itself. Now right now, it's just depending on the timing of the launch. And, like I said, like Mr. Wang said in the script or in the conference call just now, we expect that to hopefully get launched before the end of this calendar year.

The security guard situation is slightly different. We actually had designed the program itself, the test titles already. It -- right now, it is waiting for a central government approval. Now, that's a bit harder to gauge, but we are hopeful that before the end of this year, the central government will see this on one of their agenda to license the security guards in China. And I can't tell you much more, but we think that the probability there is pretty high. In terms of Finance, Health and Justice, at the moment, my only update is that it will take a longer time to get them ready. And there's nothing more I can give color about.

Jeff Lee - Signal Hill - Analyst

Okay. If you could maybe just -- on the security guard certification test, just maybe you just go over the market size again? How many potential test takers are there for this? And what sort of average revenue per test taker do you think you can generate?

Carl Yeung - ATA Inc. - CFO

Yes, there are officially about 4 million security guards around China which should all participate in this program. In terms of ASP, yes, we are not at a liberty to disclose that until we actually see the approval from the central government to make it a public thing.

Jeff Lee - Signal Hill - Analyst

Okay, great. And then, I wanted to ask about TOEIC. The \$6.4 million it generated in the quarter, is there any seasonality to the TOEIC revenue, or is that sort of a run rate that you would be seeing going forward?

Carl Yeung - ATA Inc. - CFO

We hope to -- we hope that seasonality is an upward trend into the next few quarters. That's what we hope for. At the baseline level, TOEIC should be anywhere between RMB5 million to RMB6 million a quarter. It's relatively stable because it is a regularly timed test. It's not like one of those China Banking Association tests where you only offer it two times a year or Securities Association.

This 50 can register for, and go for, and actually, the test dates are publicly available which you can get from TOEIC's website. So right now, we are quite conservative on this, and believe RMB5 million to RMB6 million a quarter is a normal run rate. But the hopeful seasonality is it will trend up.

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Jeff Lee - Signal Hill - Analyst

Okay, great. And then, on Cambridge Young Learners, can you talk about the -- you mentioned there are 2 million students at brick-and-mortars schools. Maybe -- can you talk about who are these students? What kind of schools are these? And then, what kind of steps are you taking to try to market to them?

Carl Yeung - ATA Inc. - CFO

Sure. These kinds are, in general, between four to 12-years-old. And the Cambridge Young Learners Program is not part of their day-to-day, daily academic curriculum. These are afterschool programs which they usually go for once a week. And our model here is that you cannot, you simply cannot try to learn a language by experiencing it once a week. You have to interact with it. You have to touch it, feel it every day in order to be proficient.

So, our product here is not to compete with the current market. We're trying to offer an enhancement to the program by offering this every night so students in these brick-and-mortar experiences can get an online experience to supplement it. RMB2 million is the current adjustable market. Obviously, we hope to generate RMB1 per student per night and we will not be getting the full RMB2 million in the short few months we launch.

I can't tell you the market penetration rate right now, but in terms of marketing strategy, number one, the program itself, the program that ATA is running is officially sponsored by the Ministry of Education. So, it has the government stamp of approval on it. It makes selling to the parents' hand a lot easier. Number two, we offer also an incentive for the brick-and-mortar school teachers, so they will drive volume from the already -- the students in the classroom into our online platform. And we believe these two will be quite sufficient and powerful enough to drive the successful Cambridge Young Learners Program.

Jeff Lee - Signal Hill - Analyst

Okay, great, and then just lastly, I want to ask about the JDX acquisition. The -- is there any seasonality associated with the revenue that's generated there?

Carl Yeung - ATA Inc. - CFO

Yes, it's very lumpy. The reason is because JDX is not the same as ATA because number one, ATA is close to a monopoly in China. We do not see any competitors in the test delivery area. JDX is a software development company, where ATA actually delivers tests. Now, JDX happens to be a very good testing software development company.

And, as you know, in software development, these things are very lumpy. Once they complete a project, they recognize a whole bunch of revenue, but that doesn't happen every quarter. So, it will be very lumpy. That's why we actually put in other revenues, and it's going to be coming in and out of our revenue system.

Jeff Lee - Signal Hill - Analyst

Okay, great. Thank you very much. That's all my questions.

Carl Yeung - ATA Inc. - CFO

Thank you, Jeff.

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Operator

And at this time, there are no other questions in the queue. I would like to turn the call back over to management for final remarks.

Carl Yeung - ATA Inc. - CFO

Great. Thank you, Francis. On behalf of the entire ATA management team, we would want to thank you all for your interest and participation on this call. Now, we will be attending the upcoming SIG 3rd Annual Beijing Management Summit on the 16th and 17th of September at The Grand Hyatt Hotel in Beijing. If you have any interest in visiting us, please let us know. Again, thanks for joining us on this call.

Operator, we're done. Thank you.

Walter Wang - ATA Inc. - President

Thank you.

Operator

Thank you, and ladies and gentlemen, thank you all for your participation in today's conference call. This concludes the presentation and you may now disconnect.

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