



FY 2015 Third Quarter and Nine Months Earnings Call
February 12, 2015

Speakers

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

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Note: All U.S. dollar amounts in this presentation, relating to the Company's fiscal third quarter and nine months ended December 31, 2014, financial results, are converted from RMB using an exchange rate of 6.2046 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 approx. 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	\$4.31 (as of 2/10/2015)
Market Cap	\$99 million (as of 2/10/2015)
ADSS Outstanding	23.0 million
Book Value Per ADS	\$2.75

All information as of 12/31/2014 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)

KEY OPERATING HIGHLIGHTS



Delivered 2.6 million billable tests in Third Quarter 2015, compared to 4.2 million in Third Quarter 2014 (2.7 million excluding CPA exams)

Successfully delivered exams for China Banking Association, Beijing Municipal Commission of Tourism Development, as well as campus recruitment exams for corporate clients from various industries

Leading Innovation in Assessment/Education

Announced strategic investment in Satech (北京爱赛达课网络科技有限公司), provider of SAT exam-related technologies and services in China

Exam Inventory Navigator (考试导航) named one of top 10 exam-focused mobile applications by Sina Education

Began delivering MTS boxes to Master Mind Education, which are being distributed to institutions in its network; collaborating on marketing strategy

Successfully delivered trial exams of New Concept Test of English as part of partnership with Foreign Language Teaching and Research Press

Simultaneous, Large-scale Test Delivery

- Nationwide network of 2,992 test centers (as of 12/31/2014) covers every province in mainland China



KEY FINANCIAL HIGHLIGHTS



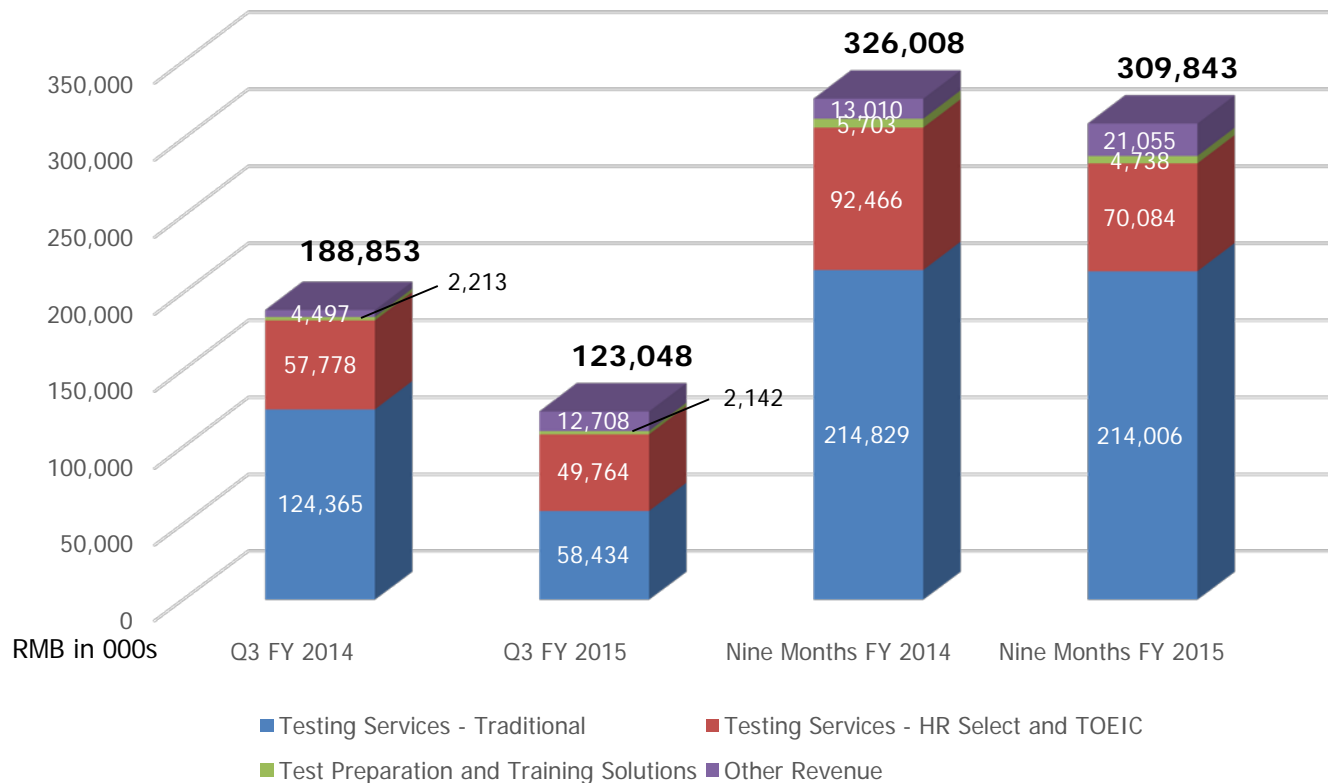
Net revenues of RMB123.0 million, exceeding top end of Third Quarter 2015 net revenue guidance range of RMB 110.0 million to RMB120.0 million

Net revenues impacted by change in timing of CPA exam and termination of exclusive distributor contract with ETS for TOEIC

Revises net revenue and narrows non-GAAP net income guidance for FY 2015



- **Testing Services** is ATA's core business, offering simultaneous computer-based testing across all of China—about 87.9% of revenues in Q3 FY 2015.
 - Private sector business (HR Select and TOEIC) included under this category
- **Test Preparation & Training Solutions** for continued professional development

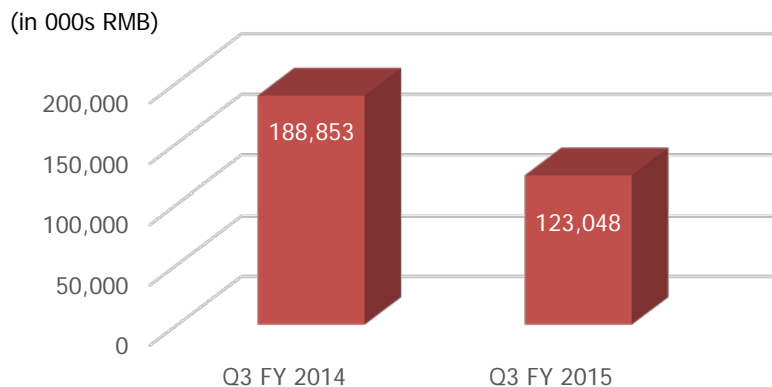


SUMMARY FINANCIAL RESULTS – THIRD QUARTER

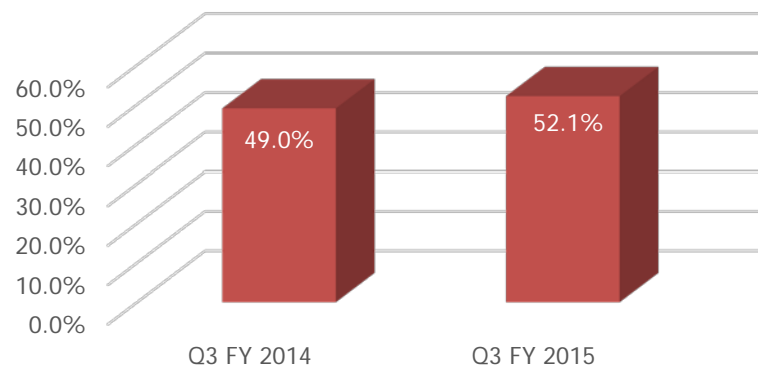


In 000s except margin and per share data	Q3 FY 2014	Q3 FY 2015	Q3 FY 2014	Q3 FY 2015
	RMB		USD	
Net Revenues	188,853	123,048	\$31,196	\$19,832
Cost of Revenue	96,308	58,968	\$15,909	\$9,504
Gross Profit	92,545	64,080	\$15,287	\$10,328
Gross Margin	49.0%	52.1%	49.0%	52.1%
Operating Expenses	53,280	33,710	\$8,801	\$5,433
Income from Operations	39,265	30,370	\$6,486	\$4,895
Net Income	35,578	24,618	\$5,877	\$3,968
Diluted Earnings Per ADS	1.54	1.06	\$0.25	\$0.18

Third Quarter Net Revenues



Third Quarter Gross Margin



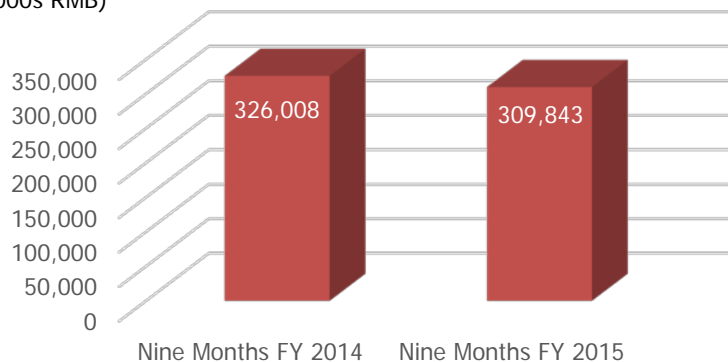
SUMMARY FINANCIAL RESULTS – NINE MONTHS



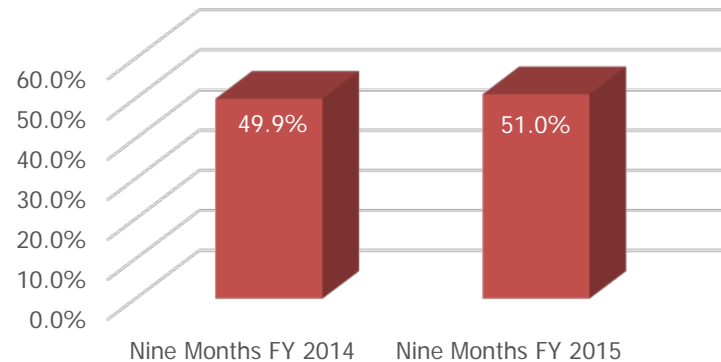
In 000s except margin and per share data	Nine Months FY 2014	Nine Months FY 2015	Nine Months FY 2014	Nine Months FY 2015
	RMB		USD	
Net Revenues	326,008	309,843	\$53,853	\$49,938
Cost of Revenue	163,419	151,759	\$26,995	\$24,459
Gross Profit	162,589	158,085	\$26,858	\$25,479
Gross Margin	49.9%	51.0%	49.9%	51.0%
Operating Expenses	118,865	110,547	\$19,635	\$17,817
Income from Operations	43,724	47,538	\$7,223	\$7,662
Net Income	40,667	38,054	\$6,718	\$6,133
Diluted Earnings Per ADS	1.76	1.64	\$0.29	\$0.26

Nine Months Net Revenues

(in 000s RMB)



Nine Months Gross Margin



FINANCIAL ANALYSIS – NON-GAAP



RMB in 000s except EPS	FY 2013					FY 2014					FY 2015			FY 2015 YTD
	Q1	Q2	Q3	Q4	FY 2013	Q1	Q2	Q3	Q4	FY 2014	Q1	Q2	Q3	
Net Revenues	88,261	146,754	179,432	52,228	366,675	92,066	45,089	188,853	58,660	384,668	84,317	102,478	123,048	309,843
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	24,618	38,054
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	(3,258)	2,440
Foreign Currency Exchange (Gain) Loss	469	(351)	(157)	(37)	(77)	(125)	(92)	(68)	334	49	972	(349)	405	1,029
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	21,765	41,523
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	\$0.18	\$0.26
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	\$0.16	\$0.28

Balance Sheet Highlights

	3/31/2014	12/31/2014	3/31/2014	12/31/2014
In 000s	RMB		USD	
Cash	311,947	277,177	\$50,181	\$44,673
Total Current Assets	398,093	336,861	\$64,039	\$54,292
Total Assets	491,237	477,637	\$79,023	\$76,981
Total Current Liabilities	77,149	84,731	\$12,411	\$13,656
Total Liabilities	79,345	86,461	\$12,764	\$13,935
Shareholders' Equity	411,892	391,176	\$66,259	\$63,046
Total Liabilities & Shareholders' Equity	491,237	477,637	\$79,023	\$76,981

\$44.7 million in cash and no long-term debt at 12/31/2014

PROJECTIONS – FOURTH QUARTER 2015 AND FISCAL YEAR 2015



RMB millions	Guidance for Q4 FY 2015 (ending 3/31/2015)		Q4 FY 2014 Actual
	Low	High	
Net Revenue	30.0	40.0	58.7

RMB millions	Guidance for FY 2015		FY 2014 Actual
	Low	High	
Net Revenue	340.0	350.0	384.7
Non-GAAP Net Income	28.0	33.0	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 various education markets
- Establish new business partnerships focusing on the consumer market
- Expand existing client relationships
- Market MTS technology
- Invest up to RMB30.0 million for ATA's long-term growth

Test Takers

Exam Inventory Navigator (考试导航)

- ATA-developed mobile application to better serve test takers, launched June 2014
- Approx. 550,000 activated users at end of Third Quarter 2015
- Serve as promotion channel to introduce consumers to ATA's exams and services

Professionals/Jobseekers

Joint Venture with New Oriental (EDU)

- Beijing ZhiShang Education Technology Co., Ltd. 北京职尚教育科技有限公司
- Goal: Develop a new online education and training learning management platform catering to China's workforce

K-12

Partnership/Strategic Investment in Master Mind Education

- ATA provides equipment, service and support for its MTS technology to Master Mind Education and its network of K-12 after-school tutoring institutions
- ATA to invest US\$5.0 million, a 33% stake in Master Mind

Languages Studies

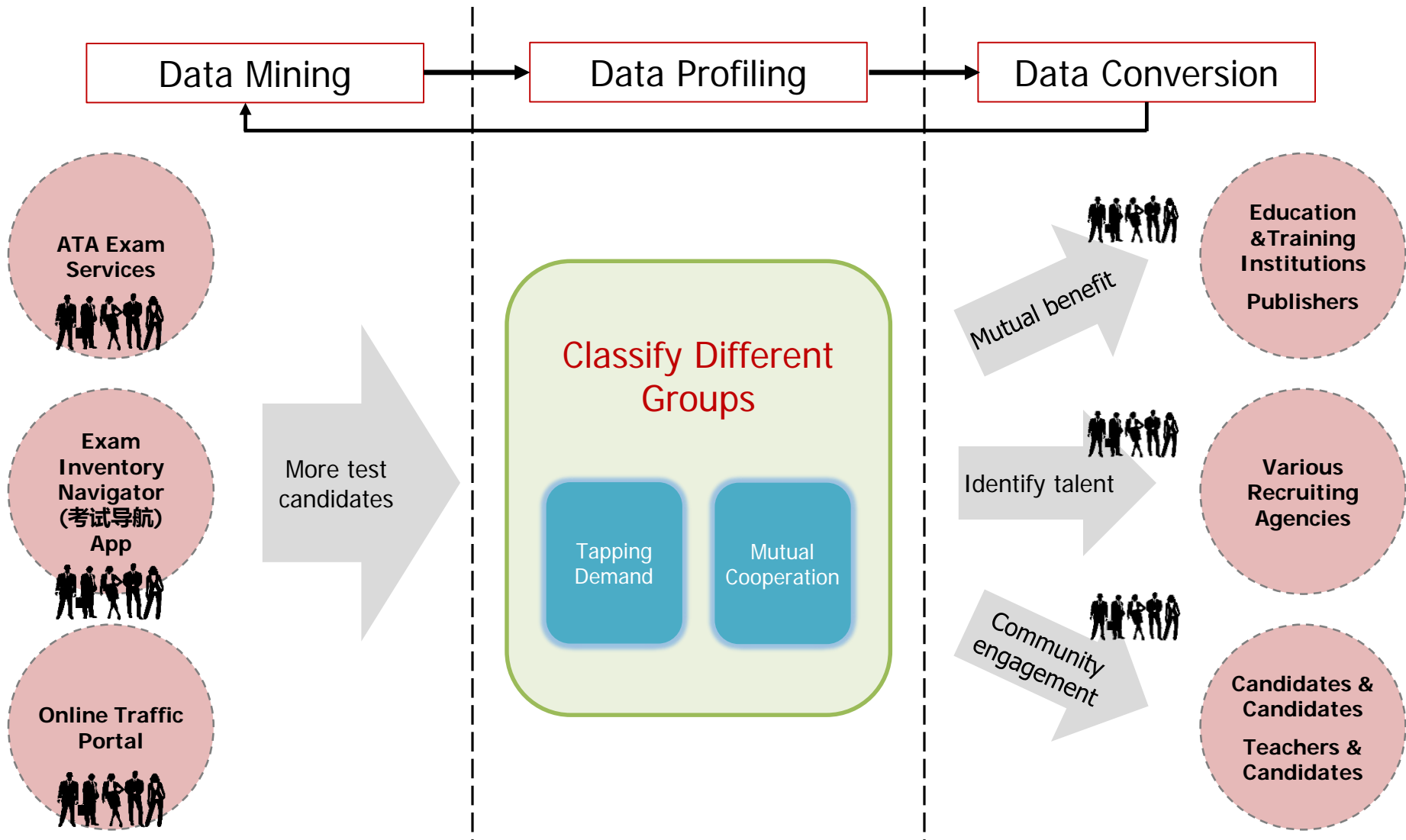
Partnership with Foreign Language Teaching and Research Press

- Foreign Language Teaching and Research Press (外研社) is one of the largest foreign language and university textbook publishers in China
- ATA completed a series of trial exams for New Concept Test of English in Third Quarter 2015

Study Abroad

Strategic Investment in Satech (Beijing) Network Education Technology Limited

- Satech is a provider of SAT exam-related technologies and services in China
- Represents ATA's first investment in proprietary tools and services surrounding the SAT exam and abroad studies education



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