



FY 2015 Fourth Quarter and Year-end Earnings Call
May 29, 2015

Speakers

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

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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 fiscal fourth quarter and year ended March 31, 2015, financial results, are converted from RMB using an exchange rate of 6.1990 RMB:1.00 USD, the noon buying rate as of March 31, 2015. 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	\$5.10 (as of 5/26/2015)
Market Cap	\$117 million (as of 5/26/2015)
ADSs Outstanding	23.0 million
Book Value Per ADS	\$2.65

All information as of 3/31/2015 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 8.8 million billable tests in Fiscal Year 2015, compared to 9.4 million in Fiscal Year 2014

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

Continued building upon partnership with Cambridge English for use of MTS technology to administer the computer-based Young Learners Exam, currently launched in 18 markets/countries

Launched several consumer initiatives in Fiscal Year 2015, including the development and launch of ATA's mobile app Exam Inventory Navigator (考试导航), which was named one of top 10 exam-focused mobile applications by Sina Education, and its joint venture with New Oriental, which launched its online education and training learning management platform in April 2015

Simultaneous, Large-scale Test Delivery

- Nationwide network of 2,989 test centers (as of 3/31/2015) covers every province in mainland China



KEY FINANCIAL HIGHLIGHTS



Net revenues of RMB40.3 million just exceeded guidance range for Fourth Quarter 2015

Net revenues for FY 2015 impacted by decreased revenue contributions from testing services business, primarily due to the termination of exclusive distributor contract with ETS for TOEIC in FY 2014

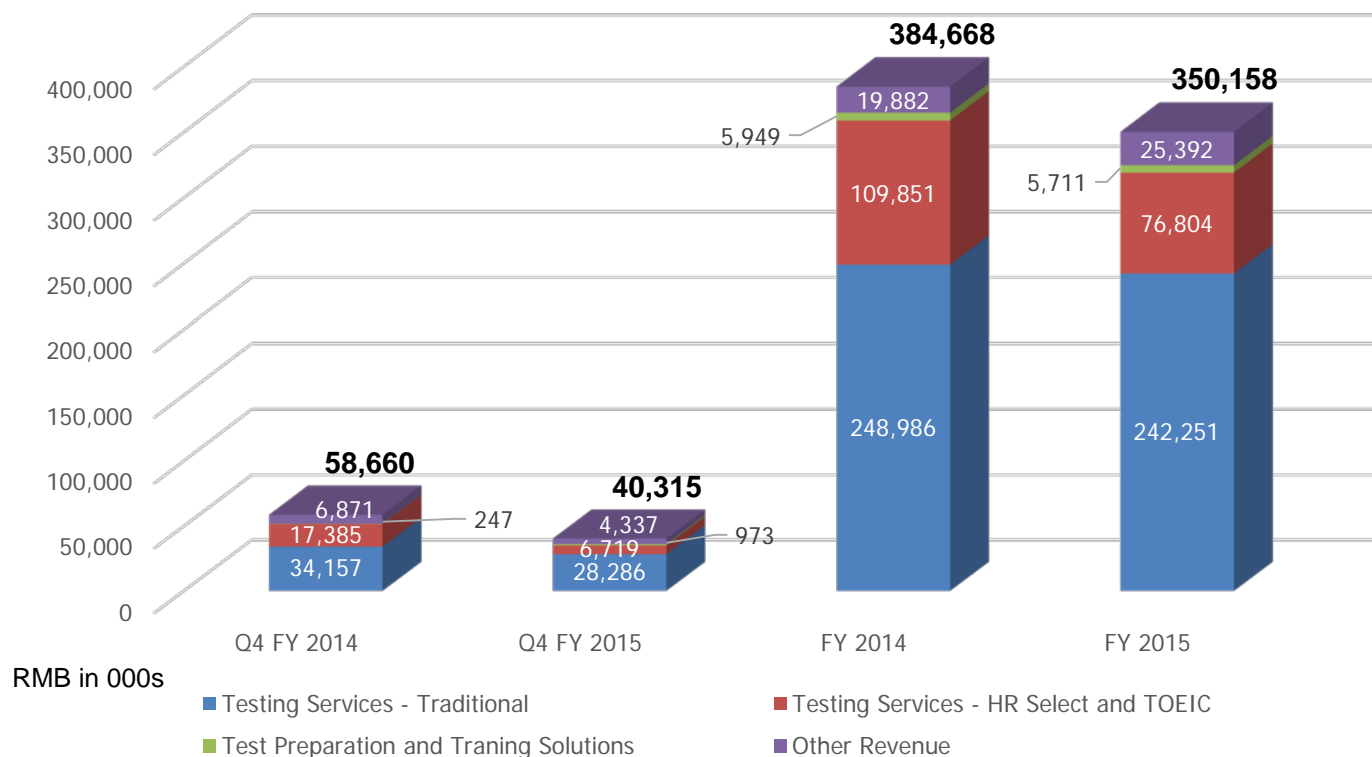
Gross margin for FY 2015 remained steady at 50.7%, compared to 51.0% in FY 2014

Exceeded previously revised net revenue guidance for FY 2015, met non-GAAP net income guidance for FY 2015*



*As reported in the Company's fiscal 2015 third quarter financial results press release on 2/11/2015

- **Testing Services** is ATA's core business, offering simultaneous computer-based testing across all of China—about 86.8% of revenues in Q4 FY 2015.
 - Private sector business (HR Select and TOEIC) included under this category
- **Test Preparation & Training Solutions** for continued professional development

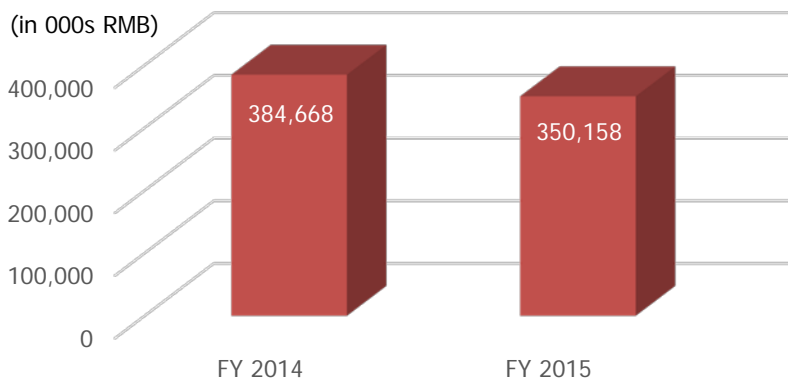


SUMMARY FINANCIAL RESULTS – FISCAL YEAR

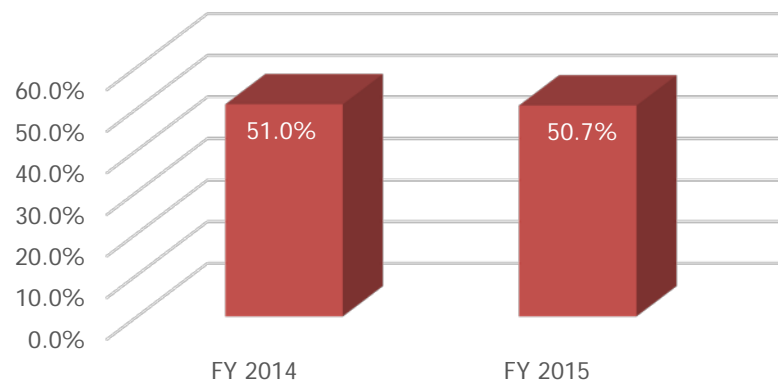


In 000s except margin and per share data	FY 2014	FY 2015	FY 2014	FY 2015
	RMB		USD	
Net Revenues	384,668	350,158	\$61,880	\$56,486
Cost of Revenue	188,480	172,539	\$30,320	\$27,833
Gross Profit	196,188	177,619	\$31,560	\$28,653
Gross Margin	51.0%	50.7%	51.0%	50.7%
Operating Expenses	154,809	147,938	\$24,903	\$23,865
Income from Operations	42,451	31,758	\$6,656	\$5,123
Net Income	27,276	23,056	\$4,388	\$3,719
Diluted Earnings Per ADS	1.18	0.98	\$0.20	\$0.16

Fiscal Year Net Revenues



Fiscal Year Gross Margin

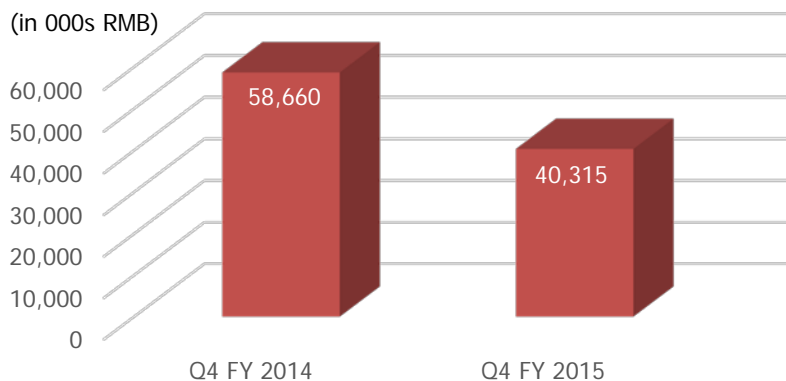


SUMMARY FINANCIAL RESULTS – FOURTH QUARTER

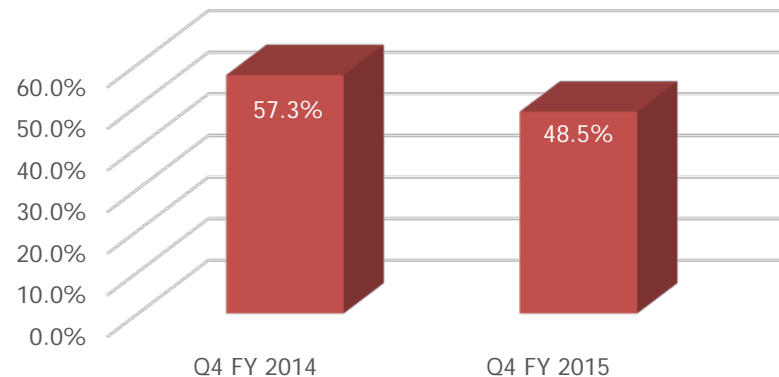


In 000s except margin and per share data	Q4 FY 2014	Q4 FY 2015	Q4 FY 2014	Q4 FY 2015
	RMB		USD	
Net Revenues	58,660	40,315	\$9,436	\$6,503
Cost of Revenue	25,061	20,781	\$4,031	\$3,352
Gross Profit	33,599	19,534	\$5,405	\$3,151
Gross Margin	57.3%	48.5%	57.3%	48.5%
Operating Expenses	35,944	37,391	\$5,782	\$6,032
Loss from Operations	(1,273)	(15,780)	(\$377)	(\$2,546)
Net Loss	(13,390)	(14,998)	(\$2,154)	(\$2,420)
Diluted Losses Per ADS	(0.60)	(0.66)	(\$0.10)	(\$0.10)

Fourth Quarter Net Revenues



Fourth Quarter Gross Margin



FINANCIAL ANALYSIS – NON-GAAP



RMB in 000s except EPS	FY 2013					FY 2014					FY 2015				
	Q1	Q2	Q3	Q4	FY 2013	Q1	Q2	Q3	Q4	FY 2014	Q1	Q2	Q3	Q4	FY 2015
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	123,048	40,315	350,158
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	(14,998)	23,056
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)	4,671	7,111
Foreign Currency Exchange (Gain) Loss	469	(351)	(157)	(37)	(77)	(125)	(92)	(68)	334	49	972	(349)	405	39	1,067
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	(10,289)	31,234
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	(\$0.10)	\$0.16
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	(\$0.08)	\$0.22

Balance Sheet Highlights

	3/31/2014	3/31/2015	3/31/2014	3/31/2015
In 000s	RMB		USD	
Cash	311,947	240,295	\$50,181	\$38,764
Total Current Assets	398,093	312,951	\$64,039	\$50,484
Total Assets	491,237	457,224	\$79,023	\$73,758
Total Current Liabilities	77,149	76,158	\$12,411	\$12,286
Total Liabilities	79,345	77,922	\$12,764	\$12,570
Shareholders' Equity	411,892	379,302	\$66,259	\$61,188
Total Liabilities & Shareholders' Equity	491,237	457,224	\$79,023	\$73,758

\$38.8 million in cash and no long-term debt at 3/31/2015

PROJECTIONS – FIRST QUARTER 2016 AND FISCAL YEAR 2016



RMB millions	Guidance for Q1 FY 2016 (ending 6/30/2015)		Q1 FY 2015 Actual
	Low	High	
Net Revenue	84.0	94.0	84.3

RMB millions	Guidance for FY 2016		FY 2015 Actual
	Low	High	
Net Revenue	360.0	380.0	350.2
Non-GAAP Net Income*	28.0	38.0	31.2

*Guidance range takes into account the operating results of ATA's joint venture and associated companies (Zhi Shang, Master Mind, Satech) in their initial stages



OUTLOOK FOR FY 2016

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 and build presence in various education markets
 - Explore ways to accelerate growth of core testing business – potential New Third board listing
- Establish new business partnerships focusing on the consumer market
- Expand existing client relationships
- Market MTS technology

Test Takers

Exam Inventory Navigator (考试导航)

- ATA-developed mobile application to better serve test takers, launched June 2014
- Approx. 650,000 activated users at end of Fourth 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
- Launched new online education and training learning management platform catering to China's workforce in April 2015 – www.zhiup.cn
- Signed agreement on joint continued development of Exam Inventory Navigator

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 – www.dajiahui.cn
- 2,495 MTS boxes delivered, and have been using them at various institutions throughout its tutoring network
- Master Mind to promote use of MTS box amongst students/families in the home

Languages Studies

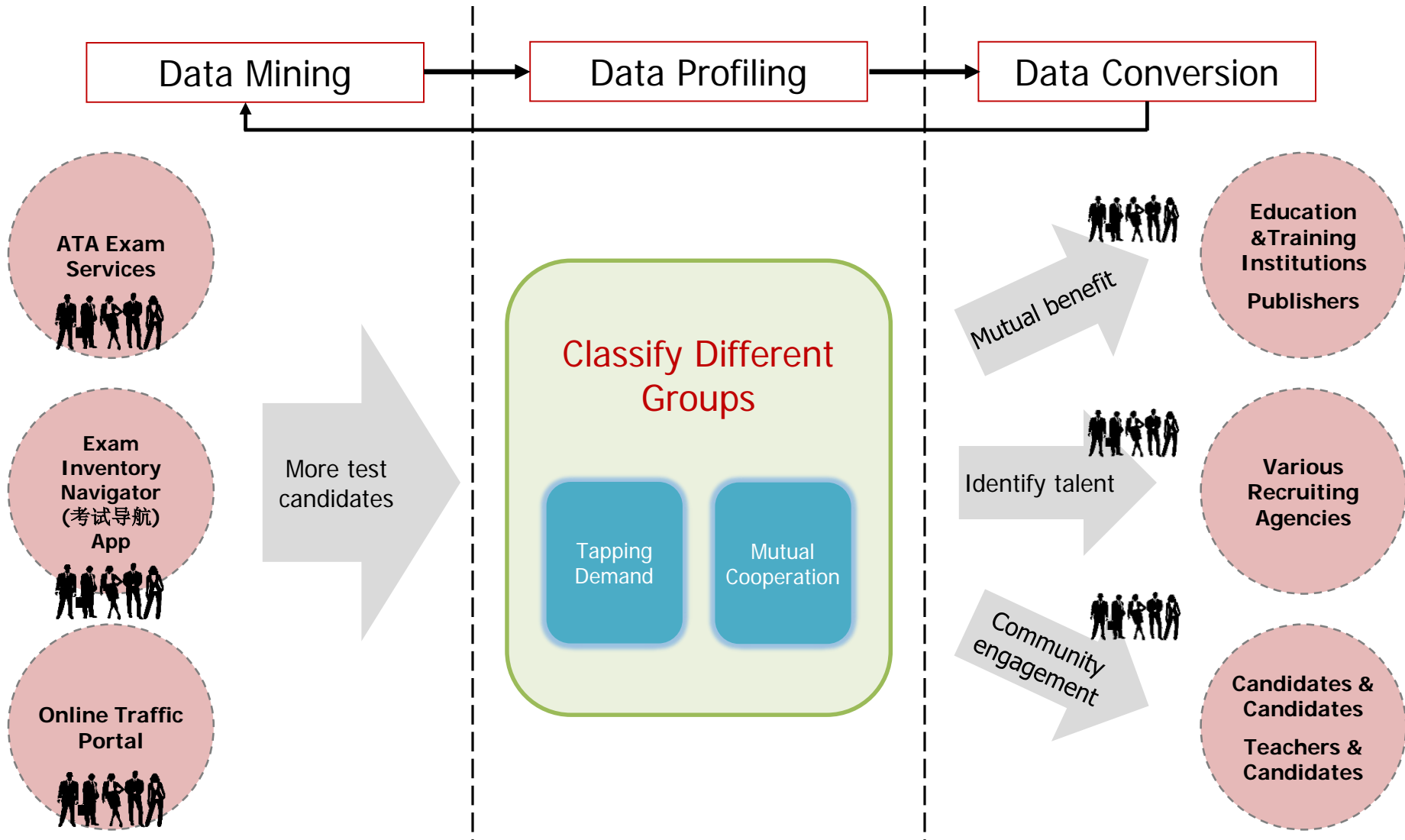
Partnership with Foreign Language Teaching and Research Press

- 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
- Launched premier Cece SAT product (www.cecesat.com) in late 2014, working on upgrades
- Expects to launch similar TOEFL product by end of June 2015



At ATA Inc.

Benson Tsang, CFO

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

Investor Relations

The Equity Group Inc.

Carolyn Y. Sohn, Senior Associate

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

Adam Prior, Senior Vice President

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