



ability

A Global Leader in Tactical
Communication Interception
and Surveillance

Proposed Merger with
Cambridge Capital Acquisition Corporation (NASDAQ: CAMB/CAMBU/CAMBW)

Fall 2015





Safe Harbor

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- These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Most of these factors are outside Cambridge’s and Ability’s control and are difficult to predict. Factors that may cause such differences include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement for the business combination (the “Merger Agreement”), (2) the outcome of any legal proceedings against Ability or Cambridge; (3) the inability to complete the transaction contemplated by the Merger Agreement, including due to failure to obtain approval of the shareholders of Cambridge or other conditions to closing in the Merger Agreement; (4) delays in obtaining, adverse conditions contained in, or the inability to obtain necessary regulatory approvals or complete regulator reviews required to complete the transactions contemplated by the Merger Agreement; (5) the risk that the proposed transaction disrupts current plans and operations as a result of the announcement and consummation of the transaction described therein and herein; (6) the ability to recognize the anticipated benefits of the business combination, which may be affected by, among other things, competition, the ability of the combined company to grow and manage growth profitably, maintain relationships with suppliers and obtain adequate supply of products and retain its key employees; (7) costs related to the proposed business combination; (8) changes in applicable laws or regulations; (9) the possibility that the combined company may be adversely affected by other economic, business, and/or competitive factors; and (10) other risks and uncertainties indicated from time to time in Cambridge’s filings with the Securities and Exchange Commission.
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The Backdrop

A Favorable Demand Scenario for Ability's Cutting-Edge Solutions

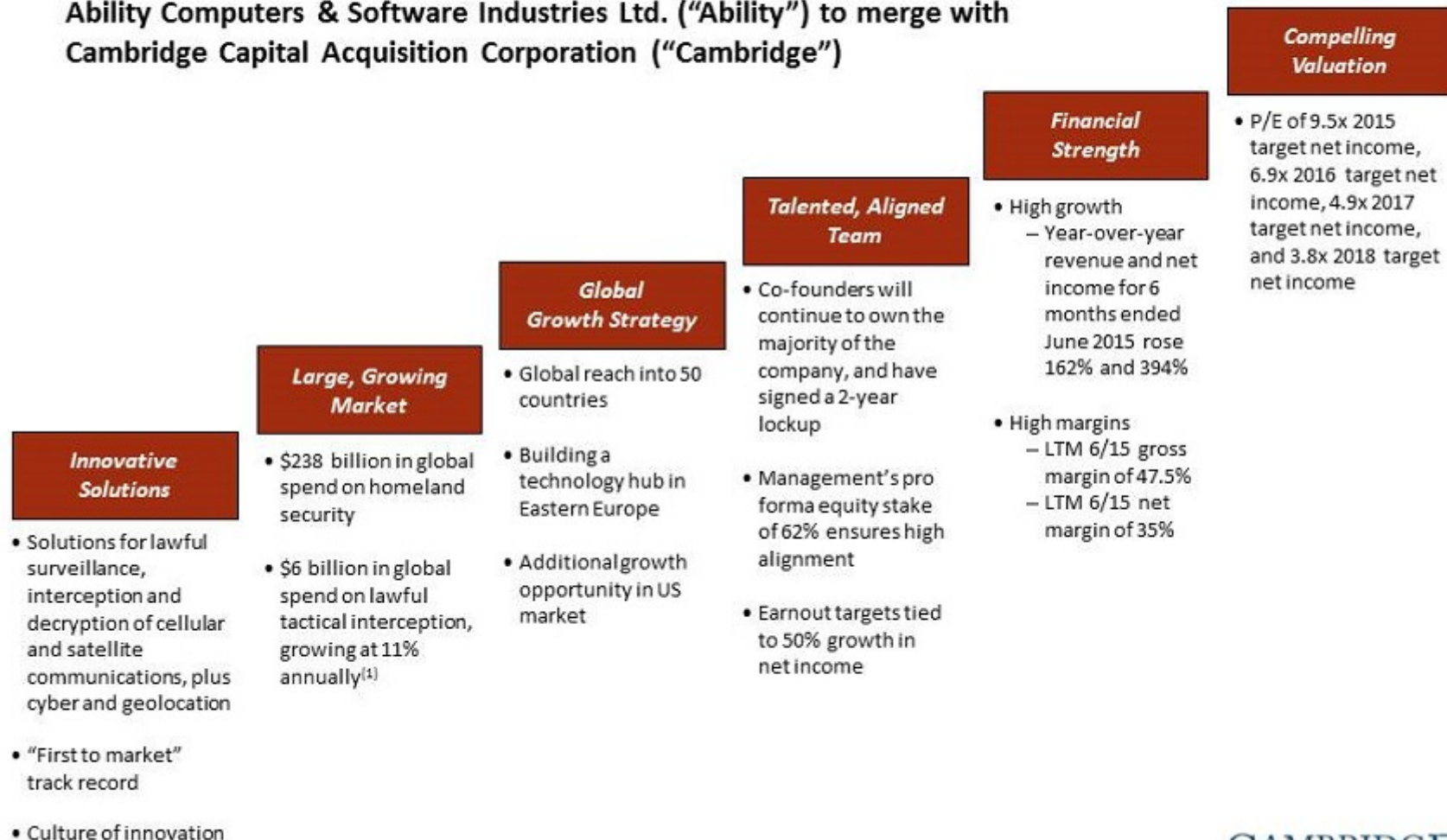




Investment Highlights

A global leader in tactical communication interception and surveillance

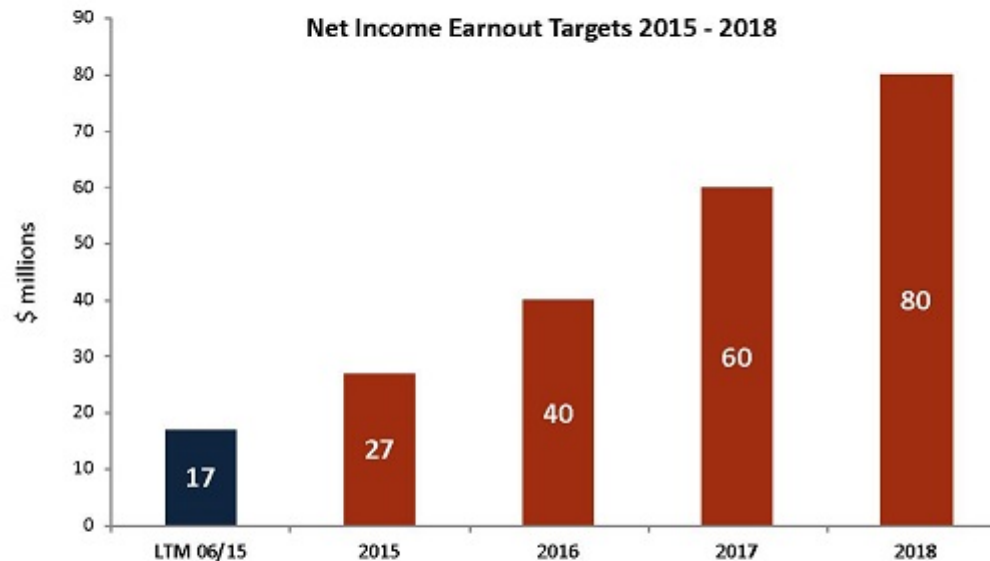
Ability Computers & Software Industries Ltd. (“Ability”) to merge with Cambridge Capital Acquisition Corporation (“Cambridge”)



(1) Source: Renaissance Strategic Advisors

The Transaction

Deal rationale for Ability, pro-forma valuation and ownership structure



Earnout Shares		3.60	1.85	2.00	1.00
Total Shares	27.9	31.5	33.3	35.3	36.3
Assumed Share Price	\$ 10.10	\$ 10.10	\$ 10.10	\$ 10.10	\$ 10.10
Equity Value	\$ 281.8	\$ 318.2	\$ 336.3	\$ 356.5	\$ 366.6
Less: Est. Cash at Close	\$ (61.5)	\$ (61.5)	\$ (61.5)	\$ (61.5)	\$ (61.5)
Enterprise Value	\$ 220.3	\$ 256.7	\$ 274.8	\$ 295.0	\$ 305.1
P/E Multiple	13.0x	9.5x	6.9x	4.9x	3.8x

In millions, except P/E multiple

(1) Assumes \$10.10 stock price

(2) Assuming no redemptions by Cambridge shareholders

(3) Ownership percentage is calculated before any earnout achievement. Ownership percentage excludes all warrants. Ownership percentage assumes no redemptions.

- **Ability's motivation to merge with Cambridge**

- Become public
- Raise company profile
- Strengthen positioning for US market entry
- Provide capital to fund growth strategy

- **Transaction highlights**

- Pro forma enterprise value of \$220 MM on a fully-diluted basis⁽¹⁾⁽²⁾
- P/E of 9.5x 2015 target net income
- Significant discount to public peers

- **Ability shareholders merging interests into Cambridge**

- 17.2 MM shares issued to Ability shareholders
- Up to 8.45 MM earnout shares based on reaching net income targets through 2018
- Ability founders will own 62% at closing⁽³⁾

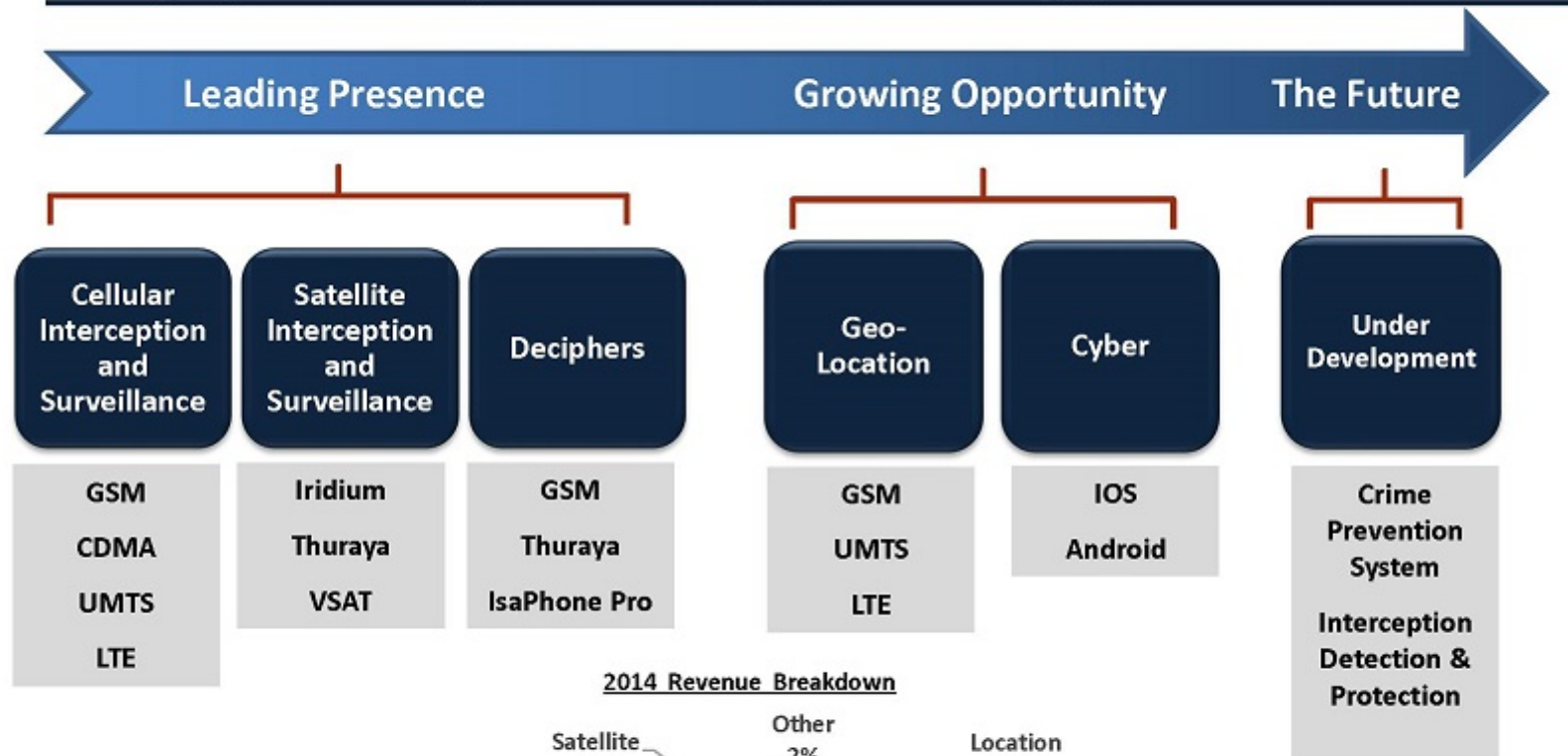
- **Conditions to close include \$40 MM of net proceeds**

- **Transaction expected to close in Dec. 2015**

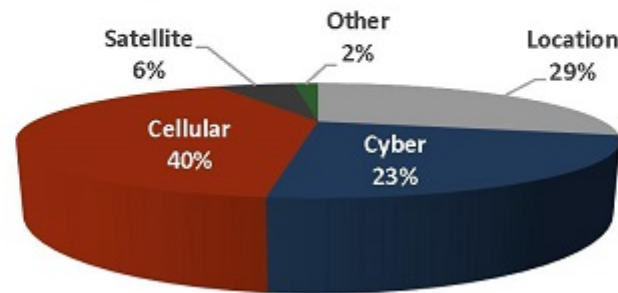


Innovative Solutions

Ability's product range and underlying technology platforms

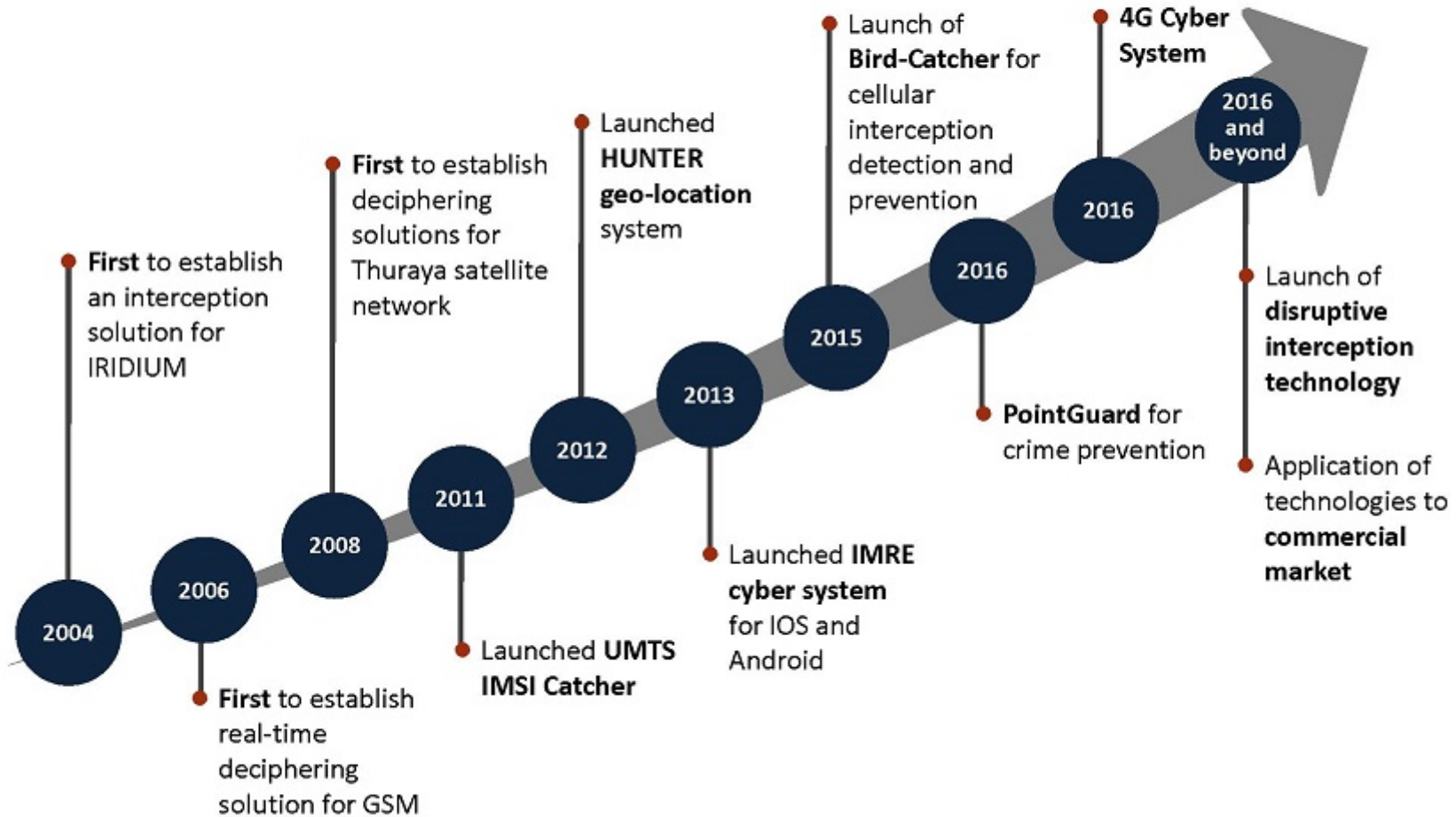


2014 Revenue Breakdown





History of Innovation





Innovative Solutions

Product roster includes a broad range of cutting-edge solutions



IBIS Airborne - airborne GSM interception system



IRIS - Iridium interception system



IBIS-II – Ability's top-of-the-line GSM interception unit



ATIS – Thuraya interception system



Bird-Catcher - detection of interception systems; launched in 2015



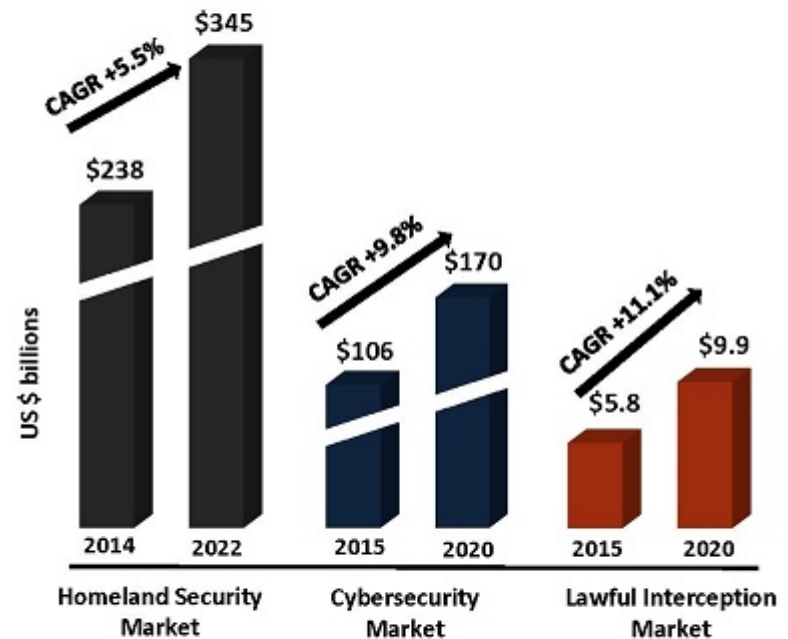
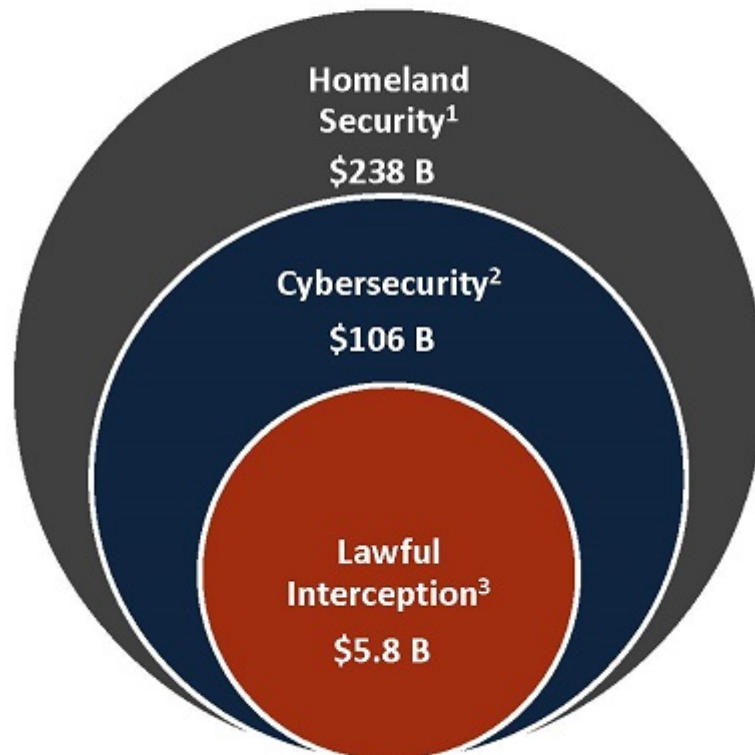
4G Interception system; to be launched in 2016



Large, Growing Market

Ability participates in the fast growing homeland security space

- » Growing global markets driven by a rise in security threats, such as terrorism, illegal immigration, and drug smuggling, among others:



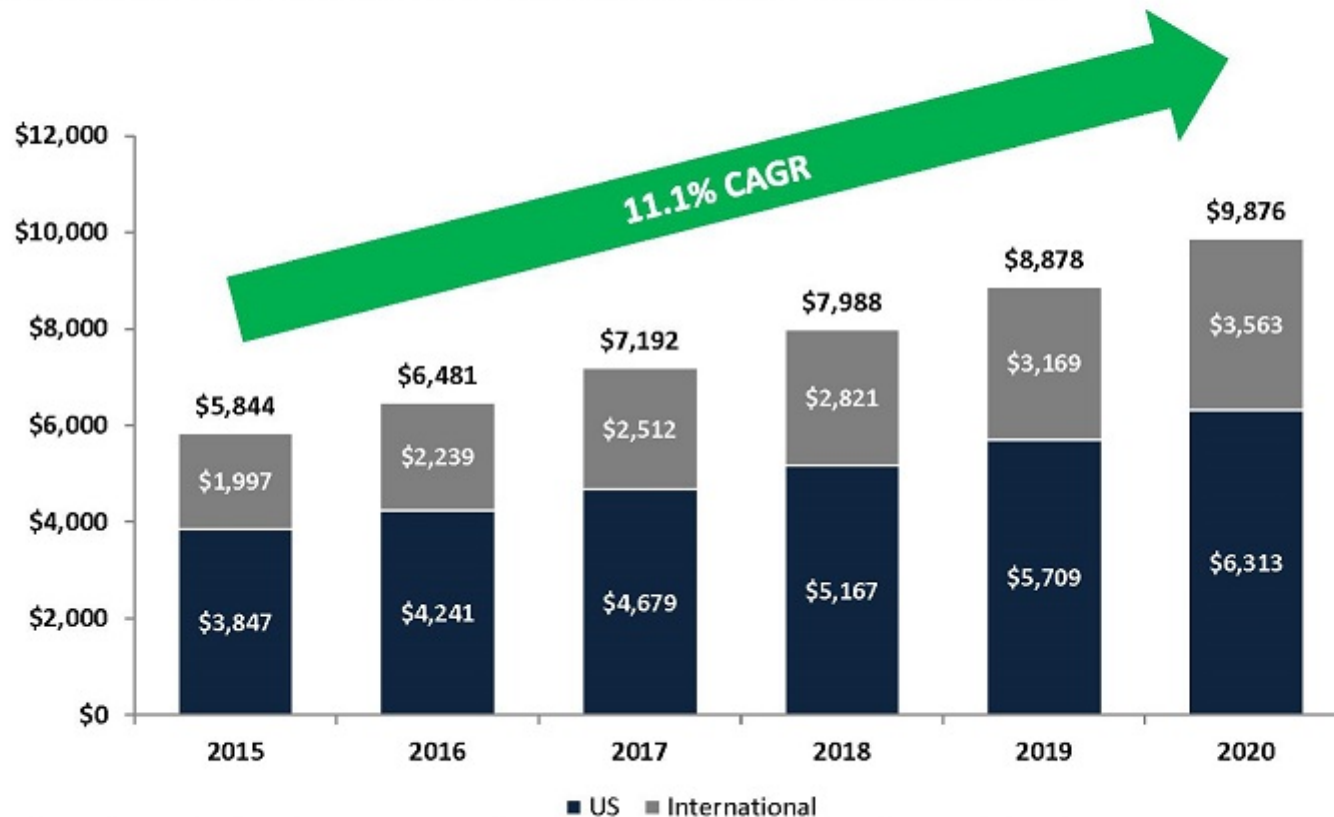
(1) Source: visiongain
 (2) Source: MarketsandMarkets
 (3) Source: Renaissance Strategic Advisors



Large, Growing Market

Lawful interception sector growing twice as fast as the broader HLS market

- » Constantly evolving threats and new technology capabilities that are being adopted by adversaries will drive the lawful intercept market, Ability's key focus:



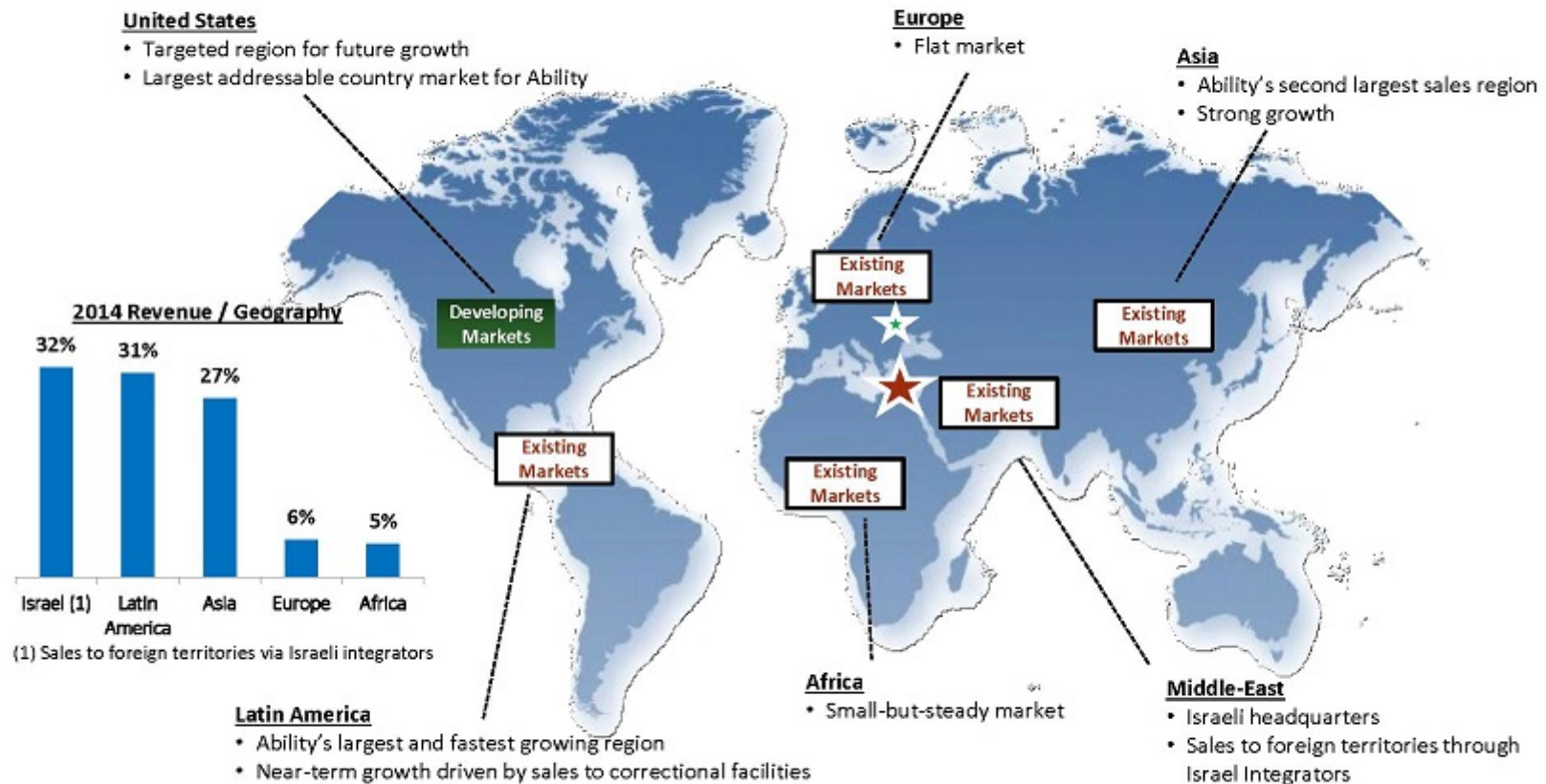
Note: in MMs; International includes the rest of the world minus countries such as China, Russia, Iran, North Korea, Myanmar etc.

Source: RSAdvisors analysis



Global Growth

Solutions installed in 50 countries across five continents



★ Headquarters, R&D Center and Sales Office – Tel Aviv, Israel

★ Targeted Technology Hub – Eastern Europe



Global Growth

Broad range of clients, missions and projects

Examples of Clients

- Ministries of Defense
- Ministries of Interior
- National Security Organizations
- National Intelligence Agencies
- Armies, Navies, Air Forces
- Federal Police Forces
- Secret Services
- Presidential Police
- Homeland Security Organizations
- Border Control Forces
- Large-Scale Integrators
- Anti-Drug Organizations

Examples of Missions

- Surveillance
- Anti-Terror
- Border Security
- Anti-Crime
- Intelligence Gathering
- Reconnaissance
- Target Tracking
- Internal Security
- Airport Security
- Tracking Suspicious People

Examples of Recent Projects

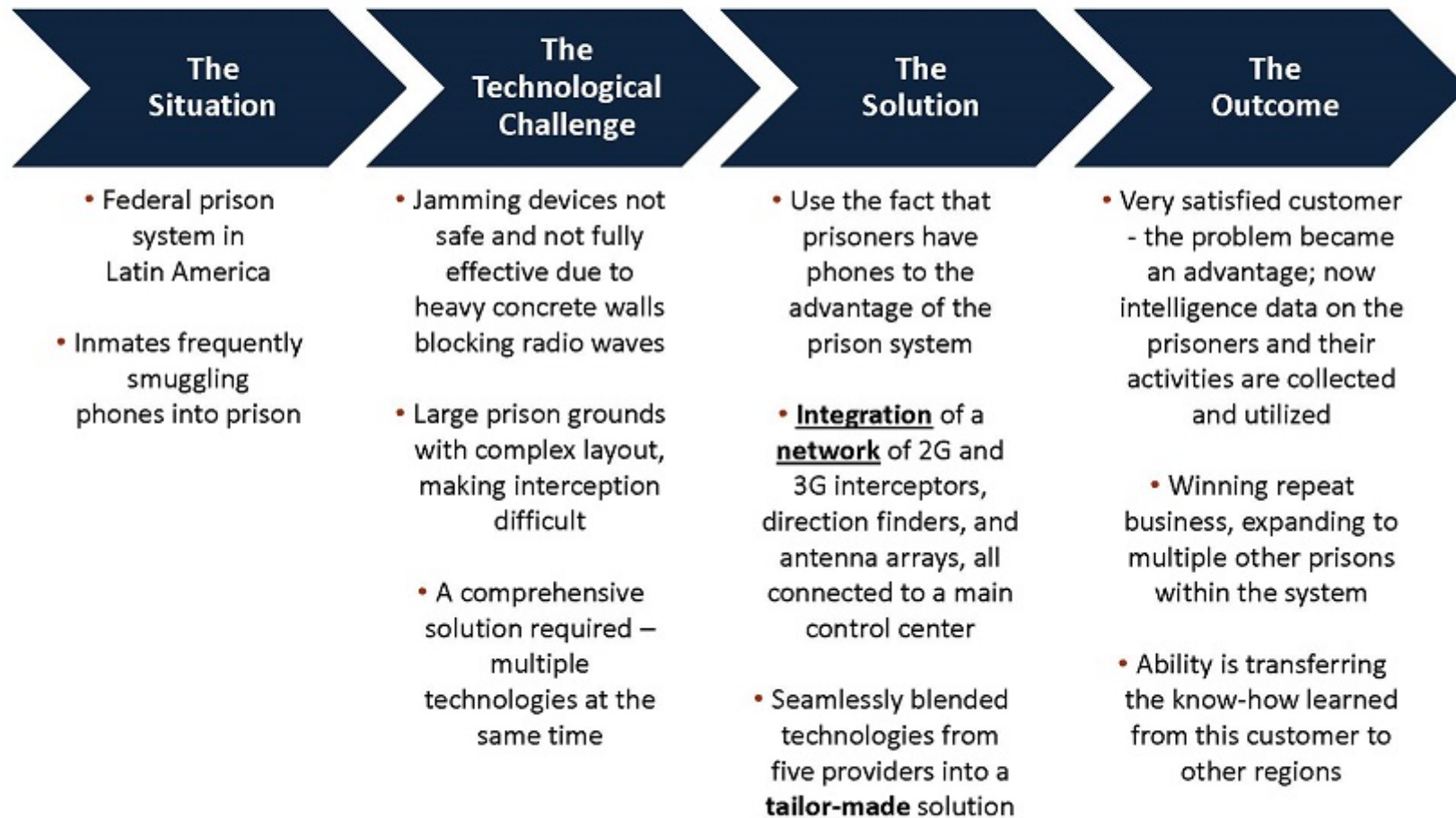
- Prison Authority in Latin America
- Intelligence Agency in Asia
- Anti-Drug Agency in Asia
- Intelligence Agency in a NATO Country





Global Growth

A Latin American success story





Global Growth

Ability's five-pronged strategy to create shareholder value

<p>Expand into the U.S. Market</p>	<ul style="list-style-type: none"> ▪ Partner with a major US integrator ▪ “Americanize” Ability’s solutions for the U.S. market
<p>Build Commercial Recurring Revenue Stream</p>	<ul style="list-style-type: none"> ▪ Sell into the commercial market ▪ Examples include PointGuard and geo-location products ▪ Expand recurring revenue services
<p>Establish an Eastern European Technology Hub</p>	<ul style="list-style-type: none"> ▪ Establish a technological hub in Eastern Europe ▪ Will lower costs, enhance technology sourcing and enable distribution of products into new regions
<p>Invest in Product Development</p>	<ul style="list-style-type: none"> ▪ Develop new products with an emphasis on cyber and civil space ▪ Advance long-distance listening system and LTE interception solution
<p>Pursue Selective Acquisition Opportunities</p>	<ul style="list-style-type: none"> ▪ Focus on selective acquisition of technologies that can be successfully transferred to Ability’s end-markets at a price that is accretive to shareholder value

Talented, Aligned Team

Management speaks the same language as its customers

- » Unique understanding of customers' communications intelligence needs
- » Highly-skilled engineers, decades of global experience
- » Strong relationships, wide network of contacts in the fields of security and intelligence (key barrier to entry)
- » Ability's management will remain in place:



Anatoly Hurgin

- Chief Executive Officer & Co-founder
- Co-founded Ability in 1994 and has been its CEO ever since
- Extensive experience in intelligence technologies
- 10 years of relevant military service
- MS in Electronics Engineering, Military Academy of Radio Electronics in Vilnius, Lithuania



Alexander Aurovsky

- Chief Technology Officer & Co-founder
- Co-founded Ability in 1994 and has been its CTO ever since
- Deep and comprehensive understanding of RF technologies
- MS in Radio Engineering, Bonch-Bruевич Saint - Petersburg State University of Telecommunications



Rony Reshef

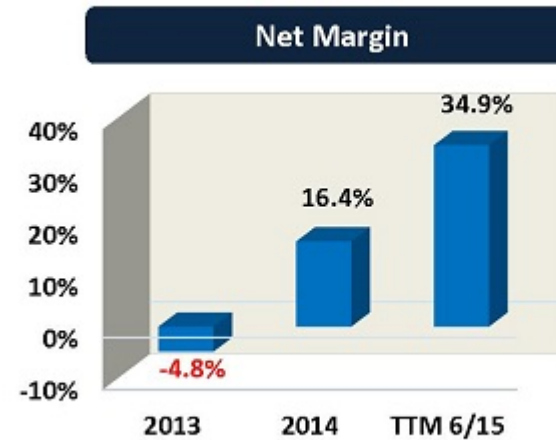
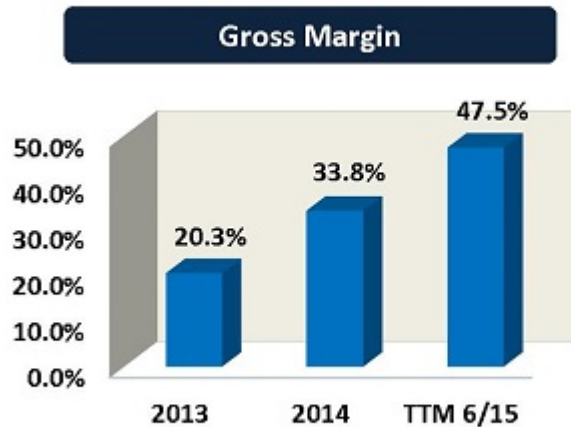
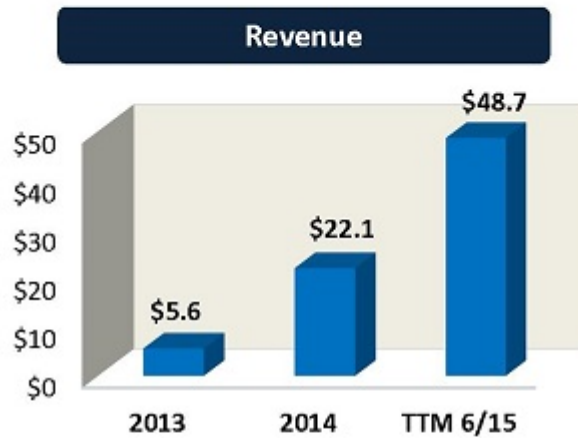
- VP Business Development
- Extensive field experience marketing and deploying advanced cellular and satellite interception systems
- Prior sales and product management experience at Elbit Group and Nice Systems
- More than 20 years of relevant military experience
- BSc degree with Honors from Tel Aviv University



Financial Strength

High growth and high margins

(\$ in millions; LTM 6/15 unaudited)





Compelling Valuation

Significant discount to publicly-traded peers, attractive P/E multiple

(\$ in millions, except per share amounts)

Company	9/28/2015 Share Price	Market Cap	Enterprise Value	LTM EBITDA	EV/ LTM EBITDA	Trailing P/E	Fwd. P/E	Net Income Margin
AeroVironment, Inc.	\$20.98	\$493.9	\$276.4	\$7.4	34.5x	NM	103.5x	-0.2%
American Science & Engineering	\$36.63	\$261.7	\$179.5	\$4.1	42.7x	NM	NM	-0.8%
Chemring Group plc	\$3.38	\$653.4	\$879.0	\$53.5	16.4x	NM	15.9x	2.8%
CyberArk Software, Ltd.	\$50.11	\$1,586.4	\$1,302.6	\$32.0	41.4x	102.7x	81.9x	14.3%
Imperva Inc.	\$68.97	\$2,155.8	\$1,911.1	(\$56.3)	NM	NM	NM	-33.0%
ManTech International	\$25.90	\$972.6	\$1,020.9	\$122.4	8.2x	17.7x	18.1x	3.4%
Mercury Systems, Inc.	\$15.84	\$545.4	\$467.8	\$35.1	13.2x	35.7x	32.3x	4.4%
NICE Systems Ltd.	\$56.80	\$3,421.4	\$3,127.6	\$204.9	16.0x	28.2x	18.1x	13.0%
Proofpoint, Inc.	\$61.11	\$2,445.6	\$2,370.6	(\$43.6)	NM	NM	NM	-35.7%
Radware Ltd.	\$16.68	\$769.6	\$688.9	\$47.2	14.1x	24.9x	16.1x	13.2%
The KEYW Holding Corporation	\$6.43	\$248.0	\$356.3	\$1.0	NM	NM	NM	-16.3%
Ultra Electronics Holdings plc	\$25.58	\$1,786.5	\$2,014.3	\$176.6	11.4x	NM	13.6x	-1.1%
Varonis Systems, Inc.	\$17.10	\$426.1	\$321.3	(\$21.5)	NM	NM	NM	-23.1%
Verint Systems Inc.	\$42.54	\$2,643.4	\$3,028.7	\$161.3	18.2x	NM	11.4x	0.3%

Min	\$248.0	\$179.5	(\$56.3)	8.2x	17.7x	11.4x	-35.7%
Mean	\$1,315.0	\$1,281.8	\$51.7	21.6x	41.8x	34.5x	-4.21%
Median	\$871.1	\$950.0	\$33.6	16.2x	28.2x	18.1x	0.06%
Max	\$3,421.4	\$3,127.6	\$204.9	42.7x	102.7x	103.5x	14.27%

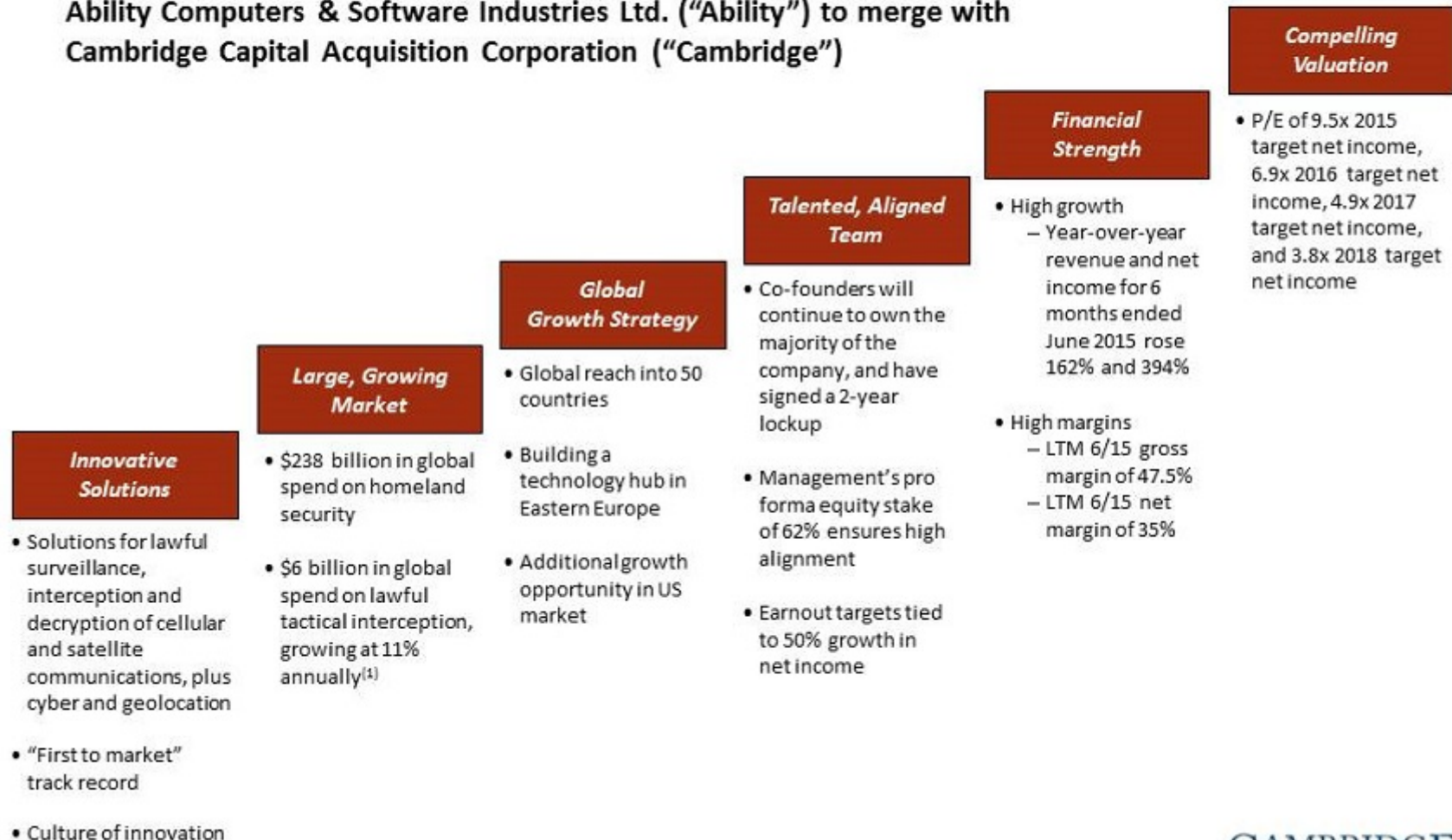
Source: CapitalIQ



Investment Highlights

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(1) Source: Renaissance Strategic Advisors

Appendix

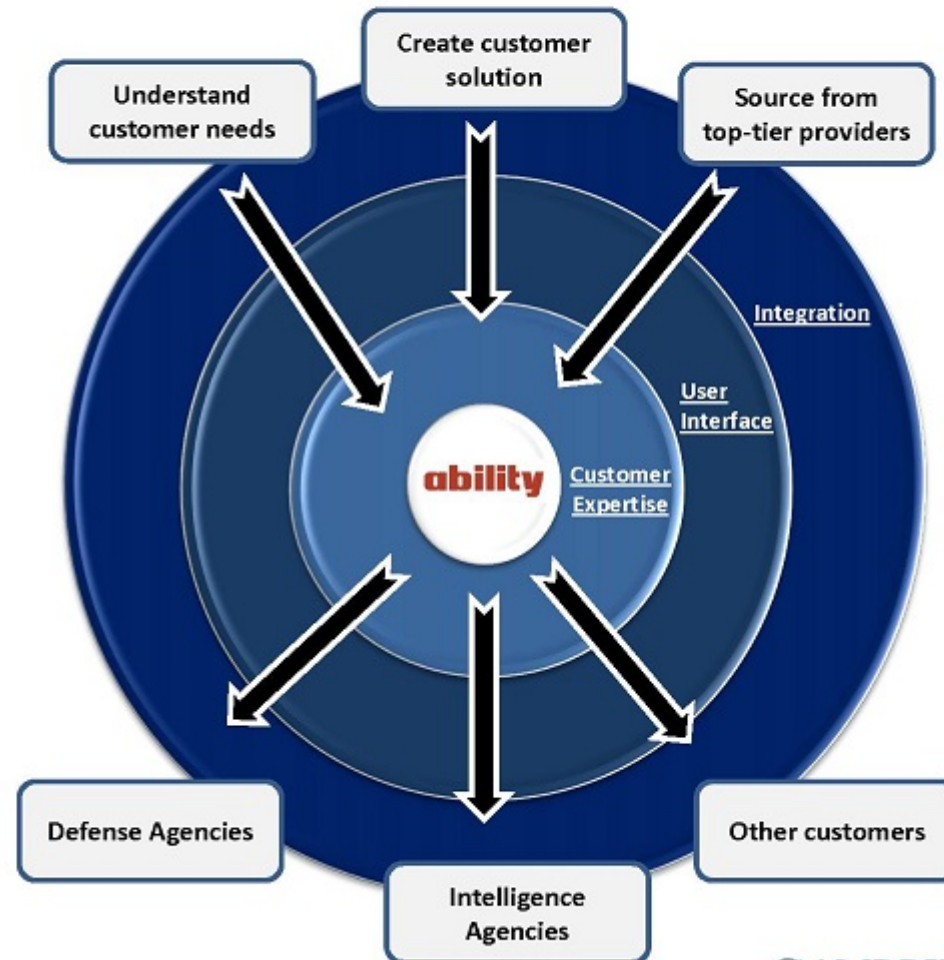


Technology Enhancement and Innovation Procurement

Installed client base of 50+ countries provides a deep understanding of global intelligence needs.










Strong key supplier relationships allows for leverage of third-party R&D to keep abreast of evolving technologies.

Application of proprietary, tailored, value-added solutions for a global client base.



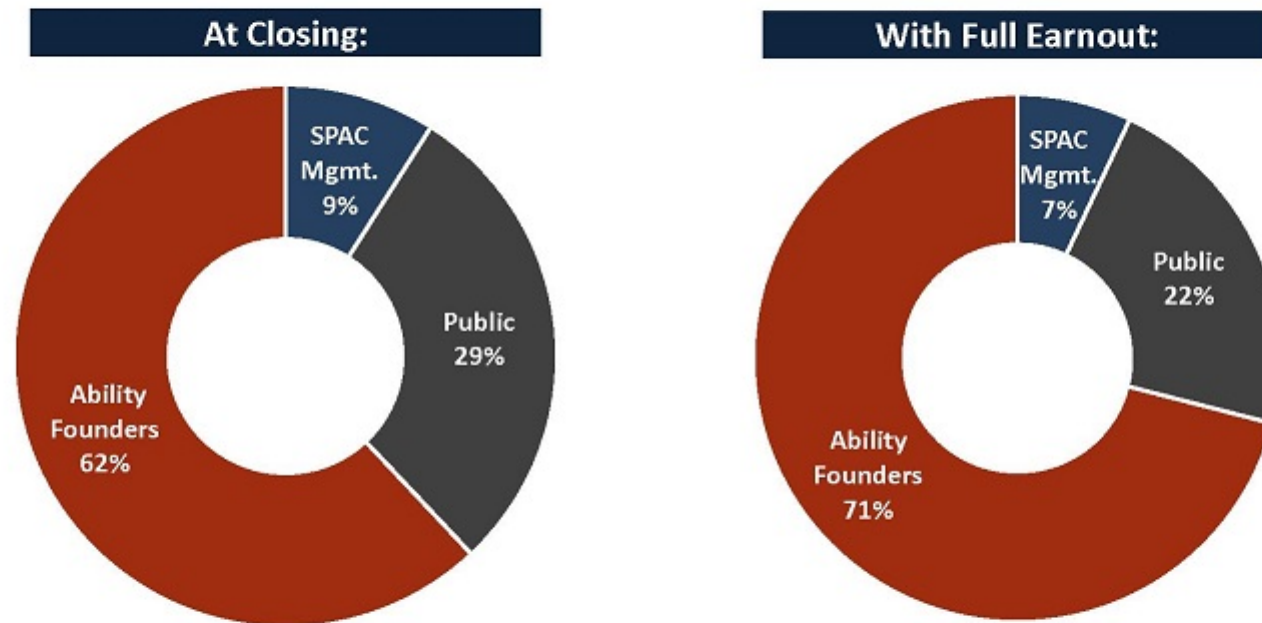


Competitive Landscape

Type of System	Ability product	Description	Competitors	Advantages
Satellite	Iris	Tactical iridium Interception System		Smallest form-factor suitable for airborne UAV application. Very easy maintenance and reparability. Ability to intercept SDB messages.
	Thuraya	Tactical Thuraya Interception system		Ability to intercept 7 spot beams (1-2 in the competitor's systems) Smallest form-factor suitable for airborne UAV application. Very easy maintenance and reparability1.
	Thuraya	Strategic Thuraya interception system		More attractive price. Fastest Thuraya decipher
	SLIS	Satellite Link Interception System (VSAT, DCME, etc.)		Wider range of supported intercepted communication standards. More attractive price
Cellular	IBIS	Tactical active GSM/3G interception system		Much more user friendly system,
	3G-Cat	3G IMSI Catcher		Ability to measure distance to target with very high accuracy
	AGIS	Passive GSM interception		Ability to handle A5/3 encryption
	ACIS	Tactical passive CDMA interception system	Ukrainian Company	Ability to receive both sides of conversations
	Under development	Tactical Active 3G Interception system	Cirles	Much better RF parameters
	Under development	Tactical 4G Interception system		
Cyber	Deceptor	Cyber data extraction system for IOS and		Unique ability to extract data from iCloud
Geolocation	Hunter	Location of cellular phones	Cirles	More attractive prices
Deciphers	Thuraya decipher	Thuraya decipher		Much faster decipher for the same price
Miscellaneous	Under development	4G (LTL) Interception system		
	PointGuard	Crime prevention		



Pro-forma Ownership Structure⁽¹⁾

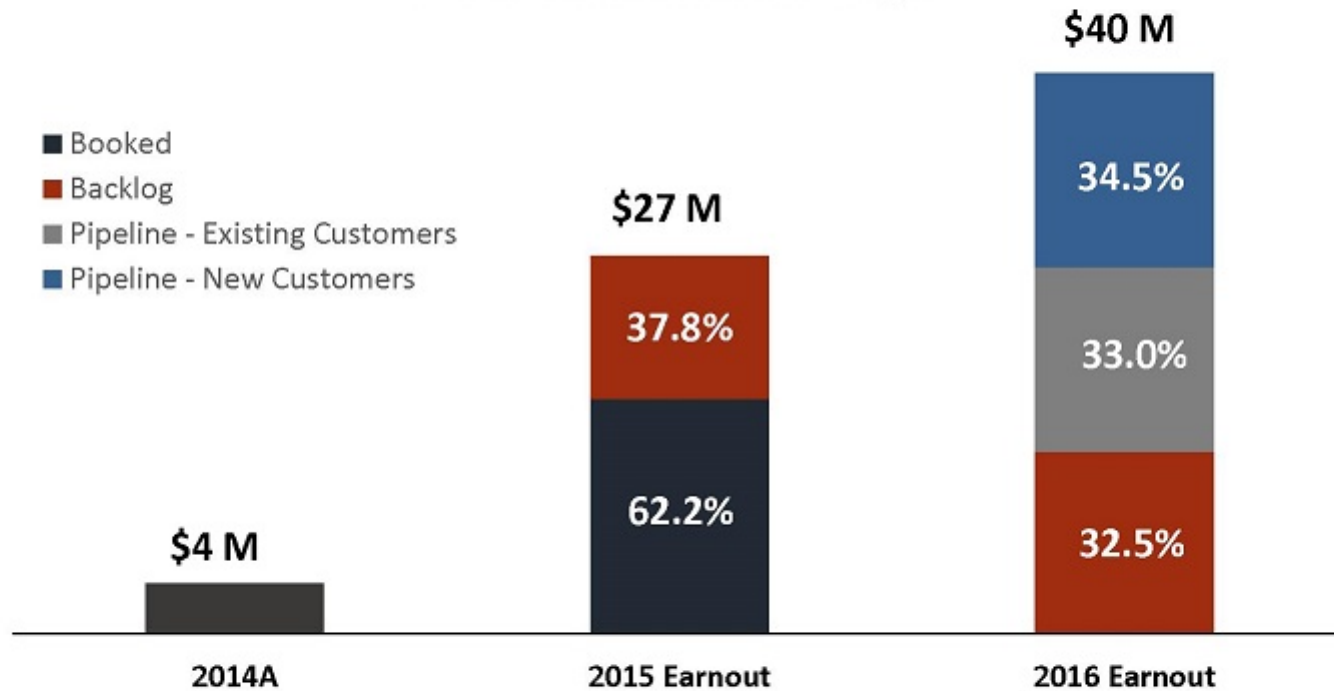


(1) Excludes warrants; Note: Assumes no redemptions



Visibility into Ability's Financial Performance

Net Income and Earnout Targets



(1) As % of target net income for 2015 and 2016 based on earnouts



Financial Summary

Financial Summary (\$ in 000s)				Six Months Ended June 30, 2014	Six Months Ended June 30, 2015	LTM June 30, 2015
(2015 six-month, LTM data unaudited)		2013	2014			
Revenue		\$5,588	\$22,134	\$16,440	\$43,043	\$48,737
Cost of Goods Sold		\$4,455	\$14,654	\$9,564	\$20,516	\$25,606
Gross Profit		\$1,133	\$7,480	\$6,876	\$22,527	\$23,131
<i>Gross Profit Margin</i>		20.3%	33.8%	41.8%	52.3%	47.5%
Operating Profit/Loss		\$49	\$4,624	\$4,580	\$20,069	\$20,113
<i>Operating Profit Margin</i>		0.9%	20.9%	27.9%	46.6%	41.3%
Net Income		-\$269	\$3,633	\$3,404	\$16,799	\$17,028
<i>Net Income Margin</i>		-4.8%	16.4%	20.7%	39.0%	34.9%

