



Veeco Instruments Inc.

Investor Fact Sheet | April 26, 2006

You will find Veeco's nanoscale solutions everywhere...in cell phones... personal data assistants... portable music players... personal video recorders... digital cameras... and in scientific breakthroughs that are just beginning to define tomorrow's technologies.

Veeco is a leading manufacturer of Process Equipment and Metrology technologies for the data storage, semiconductor, wireless and HB-LED markets. These industries continually require new methods for nano fabrication in order to build smaller, faster and less expensive devices. And, around the globe, scientific researchers are creating a new nanoscale world with Veeco's products.

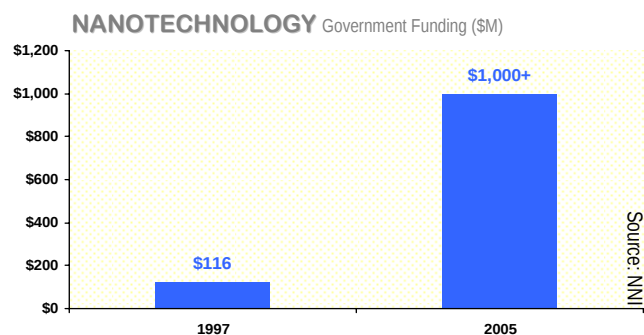
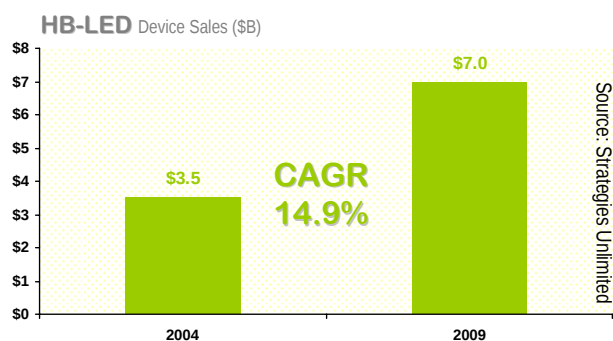
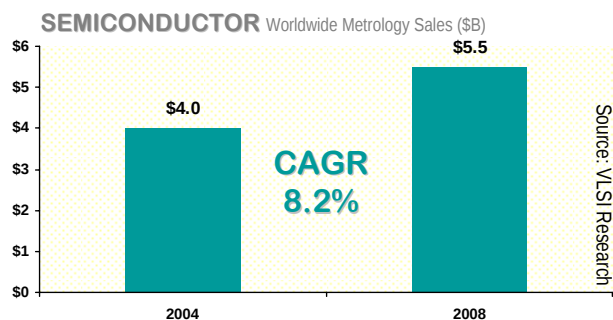
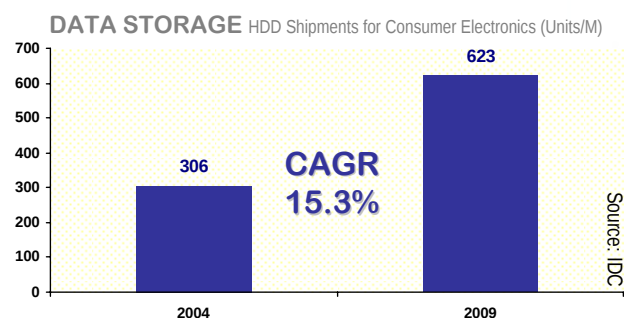
In 2005 Veeco reported a doubling of profitability on a 5% increase in revenues. This strong turnaround resulted from the Company's continued focus on gross margin improvements, cost reduction initiatives, mix shift to higher margin products and a series of operational excellence initiatives. Veeco enters 2006 with improved market conditions in our core markets and significant new product introductions – leading to forecasted revenue growth of 8-10%.

Veeco's strategy for growth and improved profitability is focused on the following activities:

- Maximizing our **broad line of process equipment and metrology** solutions to introduce new products which address customers' technology roadmaps;
- Leveraging our exposure to **high-growth end markets** – such as data storage, HB-LED/wireless and scientific research/nanotechnology – which we believe offer diversification and have the potential to outgrow the traditional semiconductor industry;
- Improving our **operational efficiency** through better supply chain management, including outsourcing of new products, and development of common hardware and software platforms for process equipment and metrology products;
- Capturing **leading market share** in all core products by delivering differentiated technology solutions;
- Developing **strategic relationships with worldwide technology leaders** and offering these customers world-class service and applications support in order to improve their time-to-market on leading edge devices.

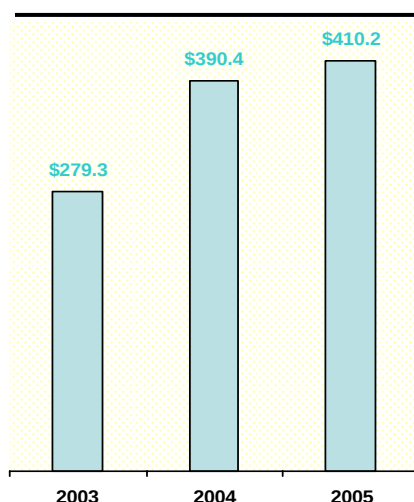
Veeco is well positioned to benefit from the continued dramatic growth of new wireless digital consumer electronics products based on the convergence of embedded data storage, full-color HB-LED displays and semiconductor technology. We also remain at the forefront of research being conducted at nanoscience centers and universities worldwide that will change tomorrow's technology.

End-Market Industry Forecasts

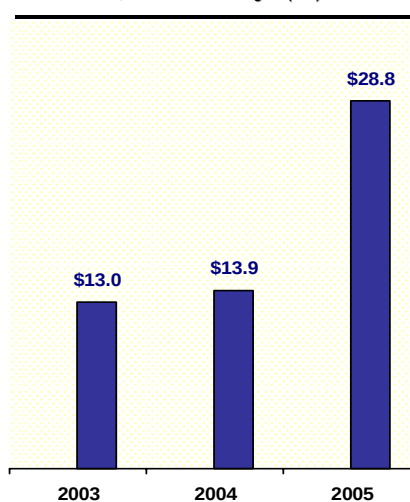


Three Year Financial Results

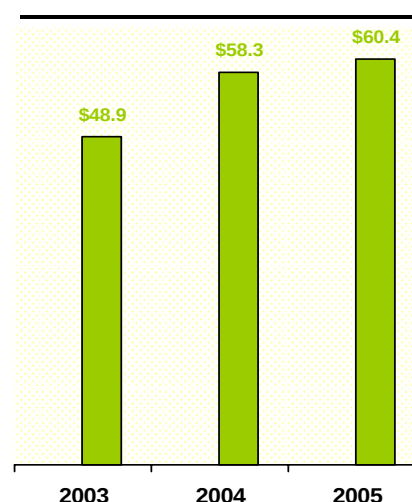
SALES (\$M)



EBITA Earnings before interest, taxes, amortization, and certain charges (\$M)



RESEARCH & DEVELOPMENT (\$M)



Q106 Highlights

- Revenues were \$93.9M, flat versus 2005, within guidance;
- Bookings were \$126.7M, up 23% sequentially and significantly ahead of guidance driven by record Data Storage orders of \$70M;
- Net loss was (\$0.2M), (\$0.01) per share (GAAP) compared to a net loss of (\$4.7 million), or (\$0.16) per share last year, above guidance.

Q106 Financial Highlights

(\$M except EPS)

Three months ended March 31, 2006

	2006	2005
Bookings	\$126.7M	\$98.9M
Sales	\$93.9M	\$93.9M
Operating income (loss)	\$1.6M	(\$1.9M)
EBITA*	\$5.7M	\$2.6M
Earnings per share*	\$0.09*	\$0.01*

* See reconciliation to GAAP in Q106 Press Release

Veeco Analyst Coverage

Bank of America Securities
Mark Fitzgerald, 1 415 627 2355

Brean Murray
Mark Miller, 1 925 648 2692

Citigroup Smith Barney
Tim Arcuri, 1 415 951 1734

D.A. Davidson
Matt Petkun, 1 503 603 3056

Global Crown
Nicholas Tishchenko, 1 415 402 0511

Merrill Lynch
Brett Hodess, 1 415 676 3546

Merriman Curhan & Ford
David Duley, 1 971 544 3601

Needham & Company
Robert Maire, 1 212 705 0481

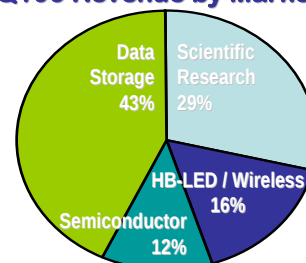
Punk Ziegel & Company
JoAnne Feeney, Ph.D., 1 212 891 5204

Susquehanna Financial Group
Daniel Berenbaum, 1 212 514 4893

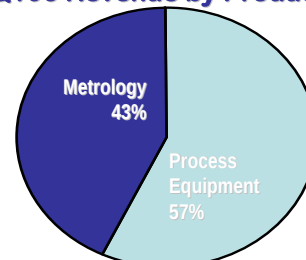
Thomas Weisel
Douglas Reid, 1 212 271 3841

W.R. Hambrecht
John Roy, 1 617 892 6123

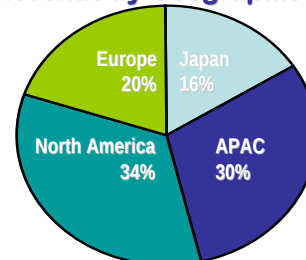
Q106 Revenue by Market



Q106 Revenue by Product



Q106 Revenue by Geographic Region



Veeco Instruments Inc. Nasdaq VECO

Corporate Office 100 Sunnyside Boulevard, Suite B, Woodbury, New York 11797
Tel 1 516 677 0200 Fax 1 516 677 0380 Email investorrelations@veeco.com

Contacts

Debra Wasser, Senior Vice President, Investor Relations, Extension 1472
Donna Cusa, Investor Relations, Extension 1403

To the extent that this document discusses expectations about market conditions, market acceptance and future sales of Veeco's products, Veeco's future financial performance, future disclosures, or otherwise makes statements about the future, such statements are forward-looking and are subject to a number of risks and uncertainties that could cause actual results to differ materially from the statements made. These factors include the challenges of volatility in end market conditions and the cyclical nature of the data storage, semiconductor, HB-LED/wireless and scientific research markets, risks associated with integrating acquired businesses and the acceptance of new products by individual customers and by the marketplace and other factors discussed in the Business Description and Management's Discussion and Analysis sections of Veeco's Annual Report on Form 10-K for the year ended December 31, 2005, subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K. Veeco does not undertake any obligation to update any forward-looking statements to reflect future events or circumstances after the date of such statements. In addition, this presentation may review non-GAAP financial measures. For GAAP reconciliation, please refer to the reconciliation section in this presentation as well as Veeco's financial press releases and 10K and 10Q filings available on www.veeco.com