



Veeco Instruments Inc.

Investor Fact Sheet | February 12, 2007

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.

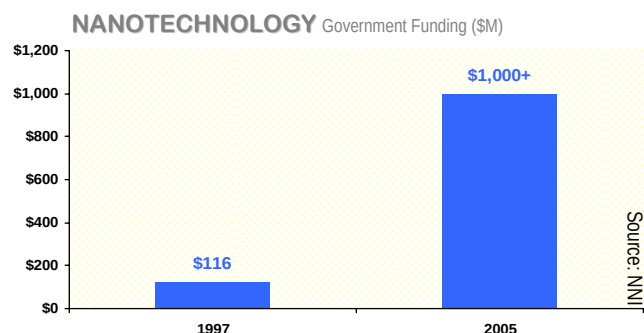
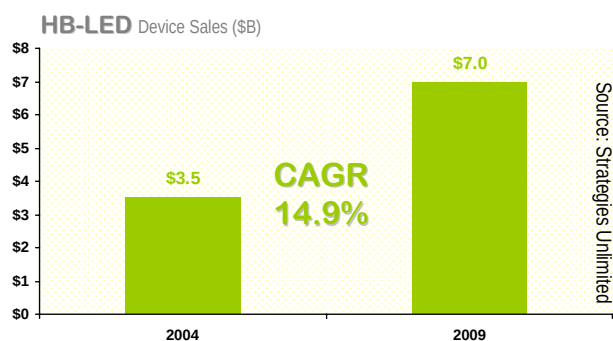
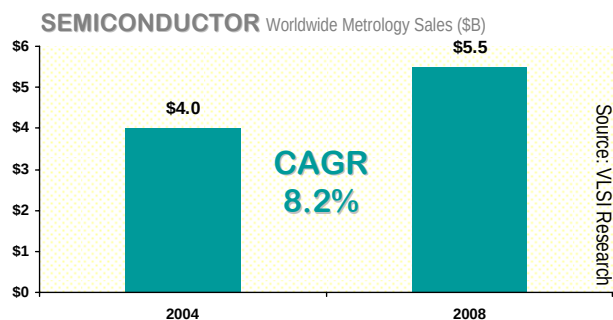
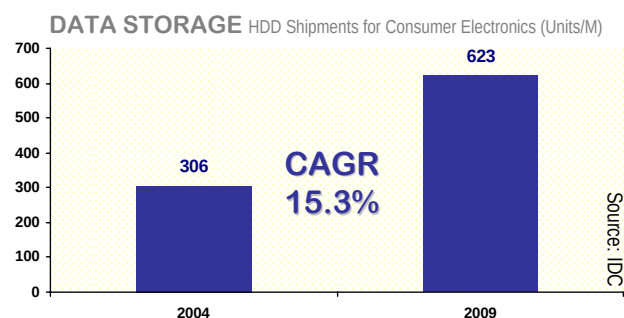
In 2006, Veeco's revenues increased 8% to \$441.0 million and EBITA increased 38% to nearly \$40 million. Veeco experienced double-digit revenue growth in 2006 in both the Data Storage and High-Brightness LED markets. In 2007 the company will continue to focus on launching high margin new products, improving its operational efficiency and other initiatives to continue to maximize its profitability.

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;
- 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.

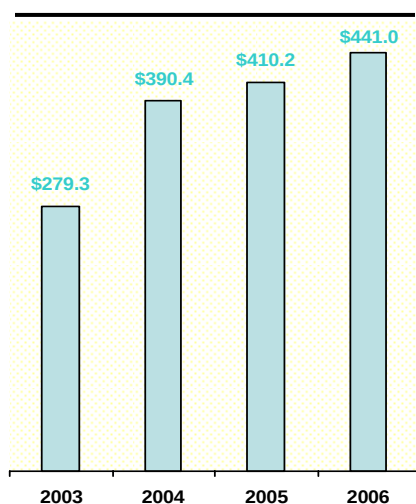
Veeco is well positioned to benefit from the continued growth of new wireless digital consumer electronics products based on the convergence of embedded data storage, full-color HB-LED displays and semiconductor technology. We also remain at the forefront of research being conducted at nanoscience centers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

End-Market Industry Forecasts

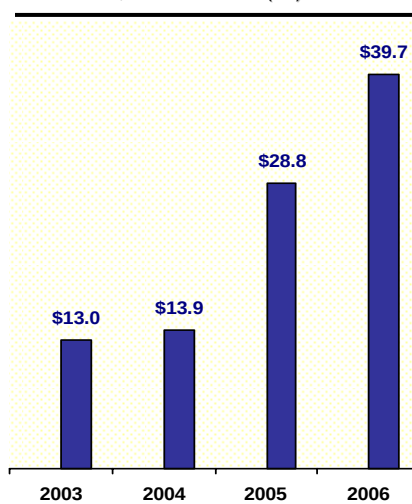


Four Year Financial Results

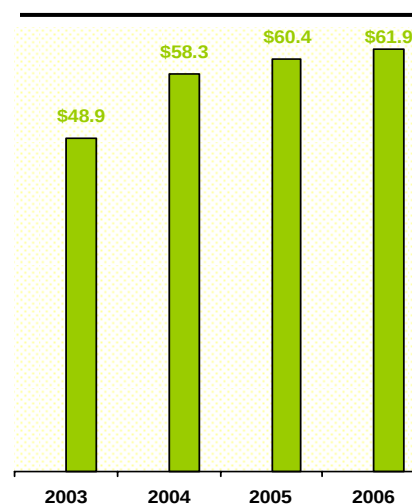
SALES (\$M)



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



RESEARCH & DEVELOPMENT (\$M)



Q406 Highlights

- Revenues were \$123.1M, up 9% versus Q405.
- Bookings were \$109.1M, up 6% from Q405.
- Net income was \$7.6M, \$0.24 per share (GAAP) compared to net income of \$2.7M, or \$0.09 per share last year.
- Veeco's first quarter results were in line with guidance provided in October 2006.

Q406 and YE 2006 Financial Highlights

(\$M except EPS)

	Q4		Fiscal Year	
	2006	2005	2006	2005
Bookings	\$109.1	\$102.7	\$493.8	\$404.8
Sales	\$123.1	\$112.8	\$441.0	\$410.2
Oper. income	\$10.2	\$6.7	\$22.5	\$11.1
EBITA*	\$14.3	\$11.9	\$39.7	\$28.8
EPS*	\$0.28	\$0.22	0.74	\$0.46

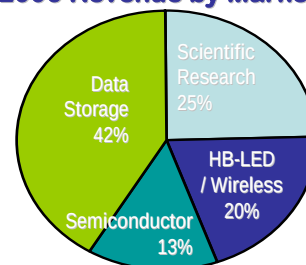
* See Earnings Per Share (EPS) reconciliation to GAAP in Q406 Press Release

Veeco Analyst Coverage

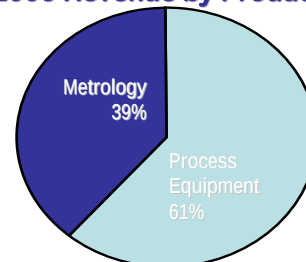
Bank of America Securities
Mark Fitzgerald. 1 415 627 2355
Bear Stearns
Mike Winters. 1 415-772-3251
Brean Murray
Mark Miller. 1 925 648 2692
Citigroup Smith Barney
Tim Arcuri. 1 415 951 1734
D.A. Davidson
Matt Petkun. 1 503 603 3056
FTN Midwest Securities Corp.
JoAnne Feeney. 1 212 418 6728

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
Thomas Weisel
Douglas Reid. 1 212 271 3841

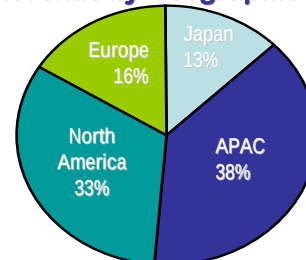
2006 Revenue by Market



2006 Revenue by Product



2006 Revenue by Geographic Region



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