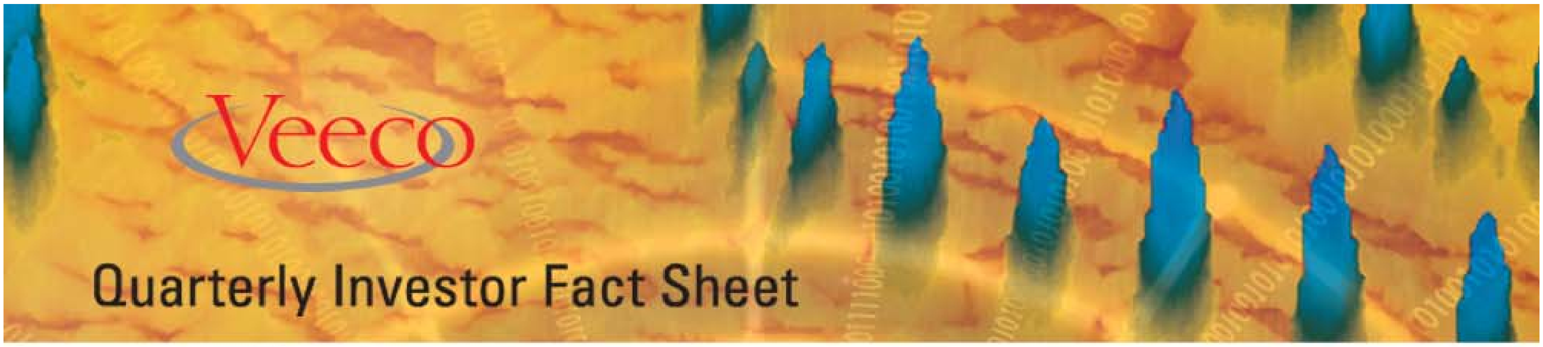
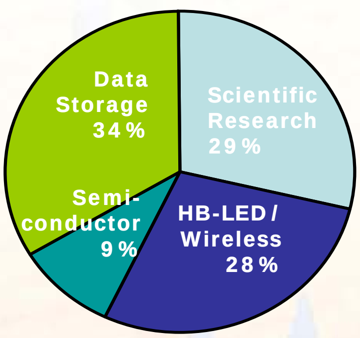


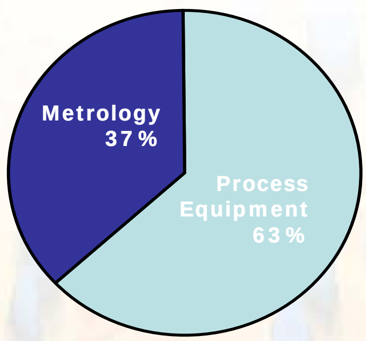
Veeco Instruments Inc. **February 11, 2008**

Veeco is a leading provider of Process Equipment and Metrology solutions used by manufacturers in the data storage, semiconductor, wireless, lighting and solar industries. These industries help create a wide range of information age technology and products, such as portable music players, cell phones, PDAs, digital video recorders, backlighting for computers and TVs, architectural and automotive lighting, solar cells and much more. Our products are also critical enabling instruments used in the advancement of scientific research, life sciences and nanotechnology. Veeco's Process Equipment tools help create nanoscale devices and our Metrology tools are used to measure at the nanoscale. Veeco partners with our global customers to deliver the enabling technology, experience and support they need to succeed around the world and around the clock.

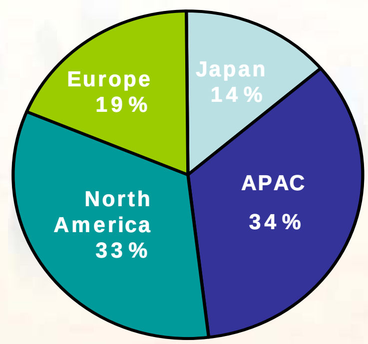
2007 Revenue by Market



2007 Revenue by Product



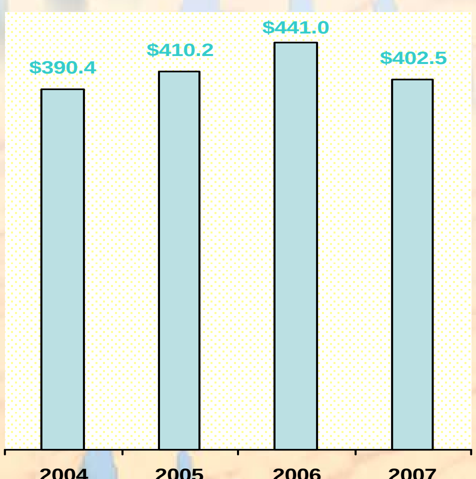
2007 Revenue by Geographic Region



2007 Highlights

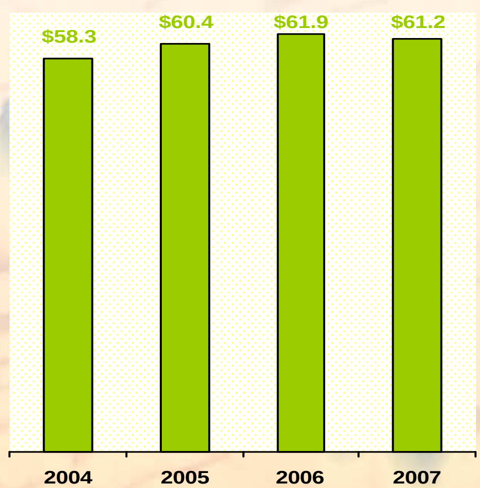
2007 was a disappointing year for Veeco, with revenues declining 9% from $441 million in 2006 to $402.5 million in 2007. While the Company reported strong revenue growth last year in LED/wireless, which was up 25% and scientific research, up 5%, data storage and semiconductor revenues were down 25% and 35% respectively. Veeco's EBITA was $10.8 million, down significantly from the prior year, impacted by the weak volumes and gross margin declines in several key businesses.

Four Year Financial Results



SALES ($M)

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



RESEARCH & DEVELOPMENT ($M)

Performance Improvement Programs

In mid 2007, John Peeler joined Veeco as its new CEO and has initiated a turnaround plan focused on the following key initiatives:

1. Directing Veeco's resources to the best growth opportunities
2. Strengthening the global sales and services organization
3. Improving profitability in the short term through expense reduction, gross margin improvement and cost containment activities
4. Ensuring that each of Veeco's product businesses within Process Equipment and Metrology are executing well
5. Improving Veeco's business processes to increase effectiveness, predictability and profitability.

Fourth Quarter 2007 Highlights

- Veeco's fourth quarter revenues of $106.8 million and earnings per share of $0.07 excluding certain items were a recovery from the third quarter trough level;
- Orders of $114.9 million were at the high end of Veeco's guidance;
- Veeco made significant progress on profit improvement programs including:
  - A 7.5% reduction in force;
  - Consolidation of corporate headquarters into one of its other sites is currently underway;
  - Right-sizing of data storage business including product line rationalization and site consolidation.
- Veeco is also investing in certain areas to fund the Company's future growth including:
  - Increasing R&D expenditures in LED, Solar and Nanotechnology product lines;
  - Investing in its global field sales and service organization, including the hiring of a new global leader;
  - Strengthening the management team.

Q4 '07 and 2007 Financial Highlights

	Q4		Full Year	
($M except EPS)	2007	2006	2007	2006
Bookings	$114.9	$109.1	$451.6	$493.8
Sales	$106.8	$123.1	$402.5	$441.0
Op. (Loss) Income	($8.6)	$10.2	($12.1)	$22.5
EBITA*	$4.1	$14.3	$10.8	$39.7
EPS* (non-GAAP)	$0.07	$0.29	$0.17	$0.75

*See Earnings Per Share (EPS) reconciliation to GAAP in Q4 '07 Press Release

Outlook

Veeco expects that 2008 will be a recovery year in both revenue and profits. Veeco's goal is for revenue growth at a minimum of 10% and for operating spending to decline as a percentage of sales.

• Veeco is currently experiencing positive growth trends for MOCVD and MBE technologies in the HB-LED/wireless market as well as early penetration in solar applications.
• In data storage, Veeco is well-aligned to its customers' technology requirements and right-sized for improved profitability.
• While softness in the semiconductor market continues, Veeco's newly launched InSight™ 3DAFM offers Veeco opportunities for growth.
• The Company also anticipates strength in the scientific research/industrial market to continue, driven by several new instrumentation products.

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