Quarterly Investor Fact Sheet

February 9, 2009

LED & Solar Process Equipment • Data Storage Process Equipment • Metrology



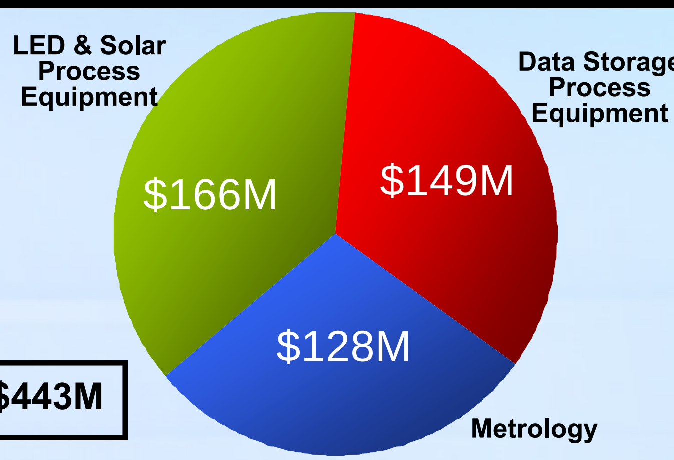



Veeco manufactures enabling solutions for customers in the HB-LED, solar, data storage, semiconductor, scientific research and industrial markets We have leading technology positions in our three businesses: LED & Solar Process Equipment, Data Storage Process Equipment, and Metrology.

2008 Financial Highlights

($M)

- Revenue up 10% to $443M from $402M in 2007
- Operational Expenditure flat at $157M
- EBITA increased by 163% from $11M in 2007 to $28M in 2008
- Significantly improved balance sheet: generated cash and paid down debt



Total Revenues: $443M

2008 Business Highlights

LED & Solar: Increased growth and profit in "green" equipment business (largest Veeco segment)
Data Storage: Realigned business efforts by consolidating overhead and locations and increased outsourcing
Metrology Instrumentation: Refocused business with new leadership to execute operational turnaround

Q4 2008 and Year-End 2008 Financial Highlights

($M except EPS)	Q4 '08	Q4 '07	Change	2008	2007	Change
Revenue	110.3	106.8	+3%	442.8	402.5	+10%
Orders	88.5	114.9	-23%	424.4	451.6	-6%
Gross Margin*	40%	38%	+2pts	41%	40%	+1pt
Gross Profit*	43.6	40.5	+8%	181.0	162.3	+12%
Net Loss*	(72.0)	(9.4)		(71.1)	(17.4)	
EBITA*	6.2	4.1	+51%	28.5	10.8	+163%
Non-GAAP EPS*	$0.11	$0.07		$0.51	$0.17	

*Note: See press release for detailed charges and GAAP reconciliation
Q4 results include significant impairment charge necessitated by decline in market capitalization and weak business conditions






Business Outlook & End Market Conditions

LED & Solar: Q4 ’08 bookings better than expected. $44m included multi-system orders for LED & Solar

Data Storage: Customers have frozen CAPEX; Q4 2008 bookings of $14M included no system orders; some “technology buy” opportunities exist

Metrology: Relatively stable environment for industrial and research market products. Q3 2008 bookings flat at $31M; weak conditions continue in data storage and semiconductor

Q1 2009 Outlook:

- LED & Data Storage customers push-out $30M of revenue from Q1 2009 – nearly half of $147M backlog currently forecasted for 2H 2009 revenue
- Orders expected to be weaker than Q4 2008
- Revenue Guidance: $60 – 70M
- Non-GAAP EPS ($0.25) – ($0.17) – see website for GAAP reconciliation

Restructuring Program Highlights

Move to an organizational structure that enables near-term return to profitability and 15% EBITA after market recovery

- 26% reduction in work force
- Centralized supply chain and operational organizations
- Reduce manufacturing sites from 8 to 4 by end of 2009
- Increase outsourcing: lower expenses and improve variable cost structure
- Decrease number of individual Veeco business units
- Significantly cut discretionary spending

Summary

- Track record of solid-execution in challenging 2008
- Swift action to restructure Veeco
- Scalable operational model capable of delivering solid profitability
- Aligned to multi-year technology growth opportunities, particularly in LED & Solar and Metrology Instruments

Veeco Analyst Coverage / Contact Information

Avian Securities LLC.
Andrew Abrams
212 232 0178

BA-Merrill Lynch
Brett Hodess
415 676 3546

Citigroup Smith Barney
Tim Arcuri
415 951 1734

D.A. Davidson
Matt Petkun
503 603 3056

FTN Midwest Securities Corp.
JoAnne Feeney, Ph.D.
212 418 6728

Janney Montgomery Scott, LLC
John Roy
646 840 4606

Sidoti & Company, LLC
Kelly Anderson
212 297 0001

Veeco Instruments Inc.
Nasdaq: VECO
Corporate Office: Terminal Drive, Plainview, 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, x1472

To the extent that this news release discusses expectations 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 risks 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, 2007 and in our subsequent quarterly reports on Form 10-Q, current reports on Form 8-K and press releases. Veeco does not undertake any obligation to update any forward-looking statements to reflect future events or circumstances after the date of such statements.