# Veeco Instruments

## Q3 2026 Financial Results Conference Call

November 4th, 2026



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**Non-GAAP Financial Measures**

This presentation also includes references to financial measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles in the United States of America ("GAAP"). These non-GAAP measures include, but are not limited to, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP net income and non-GAAP diluted earnings per share. Any non-GAAP financial measures used in this presentation are in addition to, and should not be considered superior to, or a substitute for, financial statements prepared in accordance with GAAP. Non-GAAP financial measures should not be considered in isolation or as an alternative to financial statements prepared in accordance with GAAP and are subject to significant inherent limitations. We believe these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Veeco's financial condition and results of operations. The non-GAAP measures presented herein should not be comparable to similar non-GAAP measures presented by other companies. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. A reconciliation of non-GAAP financial measures used in this presentation to the most directly comparable GAAP financial measures is included in the Appendix.

# CEO Overview

## Bill Miller, Ph.D.

# Q3 2026 Highlights

## Key Takeaways

1. Delivered solid financial results

2. Significant order wins in front-end semiconductor, advanced packaging, and silicon photonics

3. Advancement of our market-leading ion beam deposition technology, spanning all major markets
   - Expected path toward commercial adoption for IBD300

4. Executing manufacturing expansion plan; deliberate investments to support higher demand

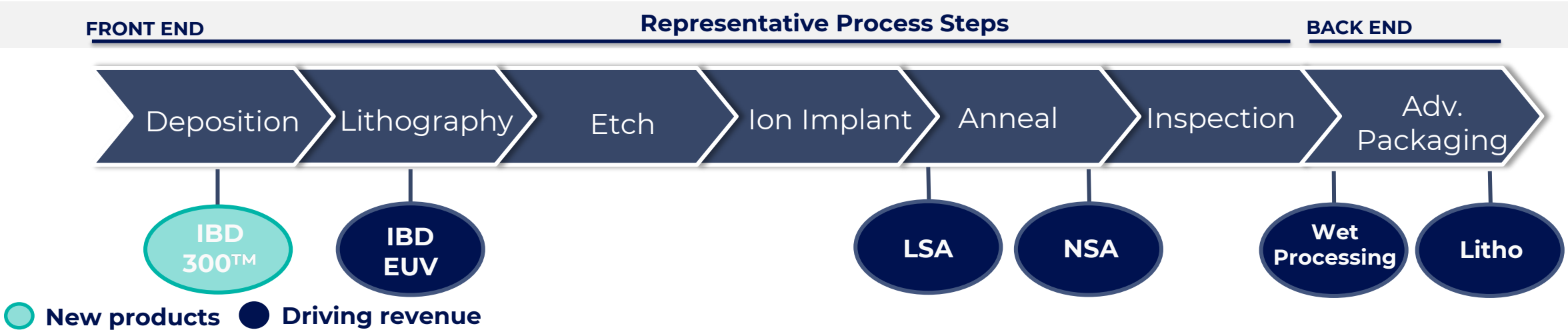
**Clear Path to Exceed $1 Billion in Full Year 2027**

**Revenue**
**$209M**

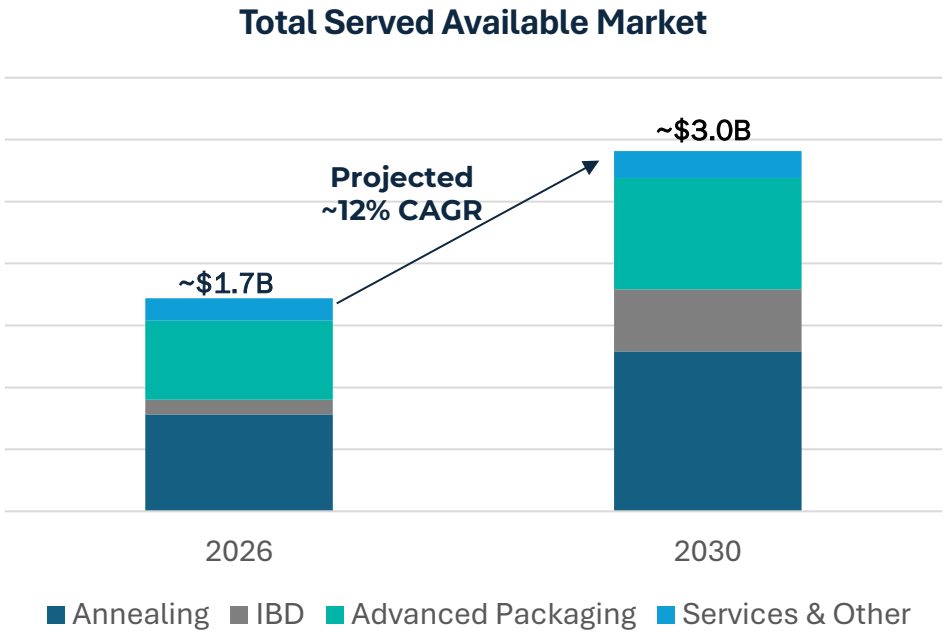
**Non-GAAP Operating Income**
**$25M**

**Non-GAAP EPS**
**0.36¢**

# Veeco's Critical Role in Semi Manufacturing & SAM Expansion



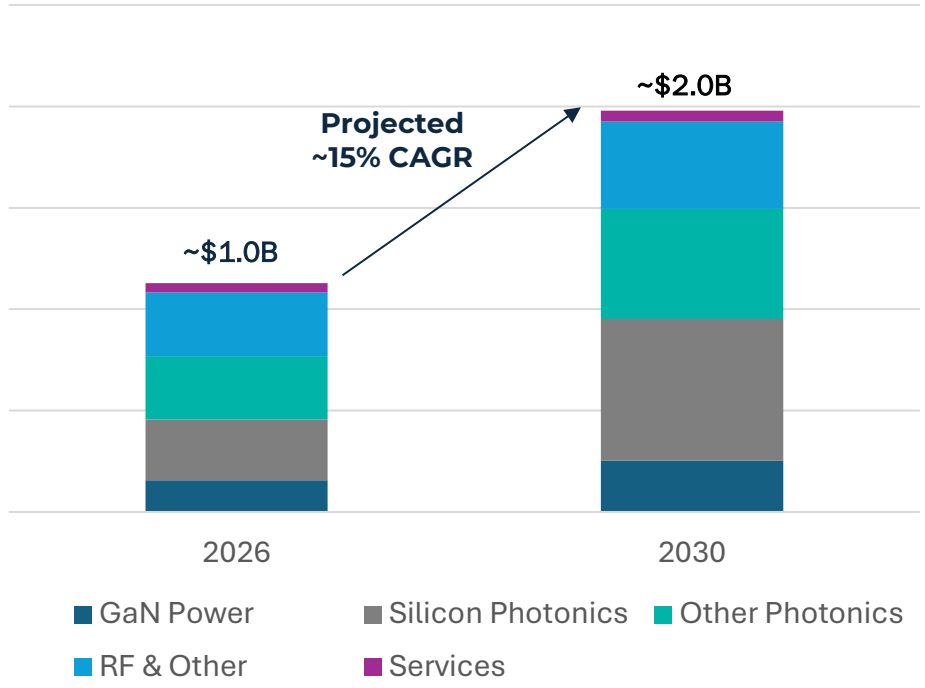

| Key Drivers | | 2026 | 2030 |
|---|---|---|---|
| **Annealing** | Laser Spike Annealing (LSA)<br>Nanosecond Annealing (NSA) | **~$800M** | **~$1.3B** |
| **Ion Beam Deposition** | IBD300™<br>Front End Semi<br>IBD Extreme Ultraviolet (EUV)<br>Mask Blanks & Pellicles | **~$120M** | **~$500M** |
| **Advanced Packaging** | Wet Processing and Lithography | **~$600M** | **~$1.0B** |



# Compound Semi Projected SAM Growth

| Key Drivers | | 2026 | 2030 |
|---|---|---|---|
| **Silicon Photonics (InP Lasers)** | • Lumina® MOCVD InP platform<br>• WaferEtch® and WaferStorm® systems<br>• Spector® IBD for laser diode facets coatings | **~$300M** | **~$700M** |
| **Other Photonics** | • Lumina® MOCVD platform for red MicroLED and solar cells<br>• Propel® 300 for GaN on Si MicroLED for AR / VR and optical communications | **~$300M** | **~$550M** |
| **GaN Power** | • Propel® single wafer MOCVD platform for 200mm and 300mm GaN<br>• Propel® 300mm GaN on Si evaluation system at leading IDM customer<br>• Received Propel® 300mm pilot line order in 2H '25 | **~$150M** | **~$250M** |

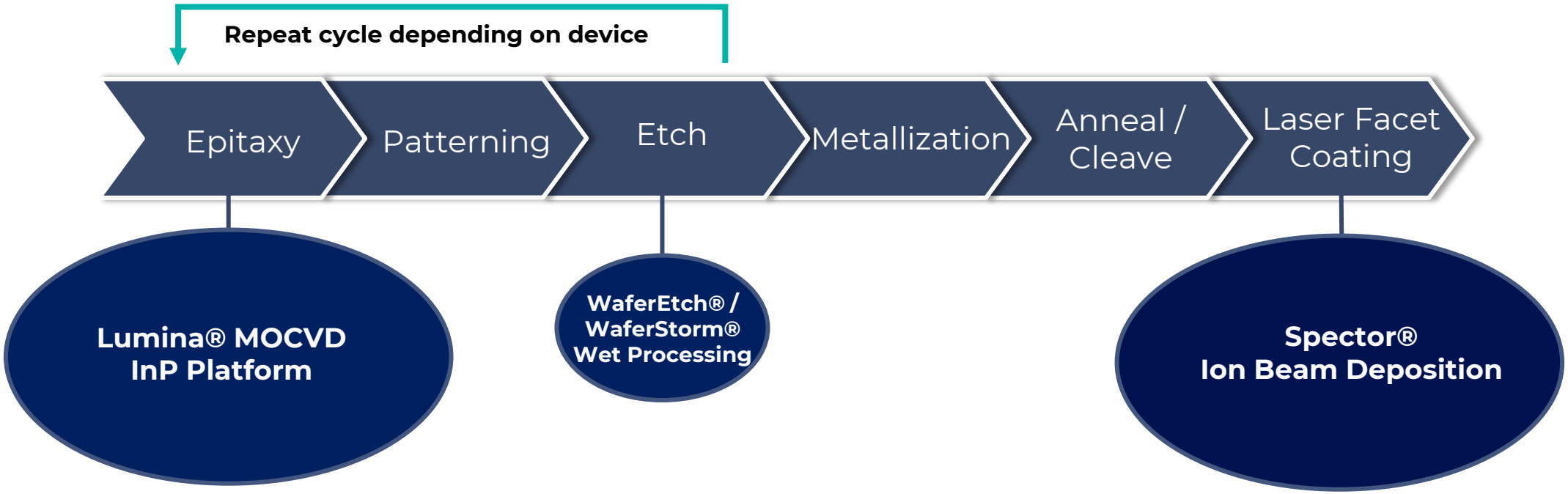
## Total Served Available Market




**Veeco's Technology Supports AI, Power Efficiency, and Advanced Connectivity, which are Reshaping the Industry**

Source: Veeco Served Available Market based on TrendFocus, Gartner, Yole Group and internal analysis

# Veeco's Critical Role in Compound Semi: Indium Phosphide Laser Solutions




● Size of bubble represents approximate market opportunity

**Veeco Provides Differentiated Solutions for Key Steps in manufacturing InP Lasers Driven by AI Infrastructure**

**Cumulative at least $2B Total Market Opportunity over the next several years**

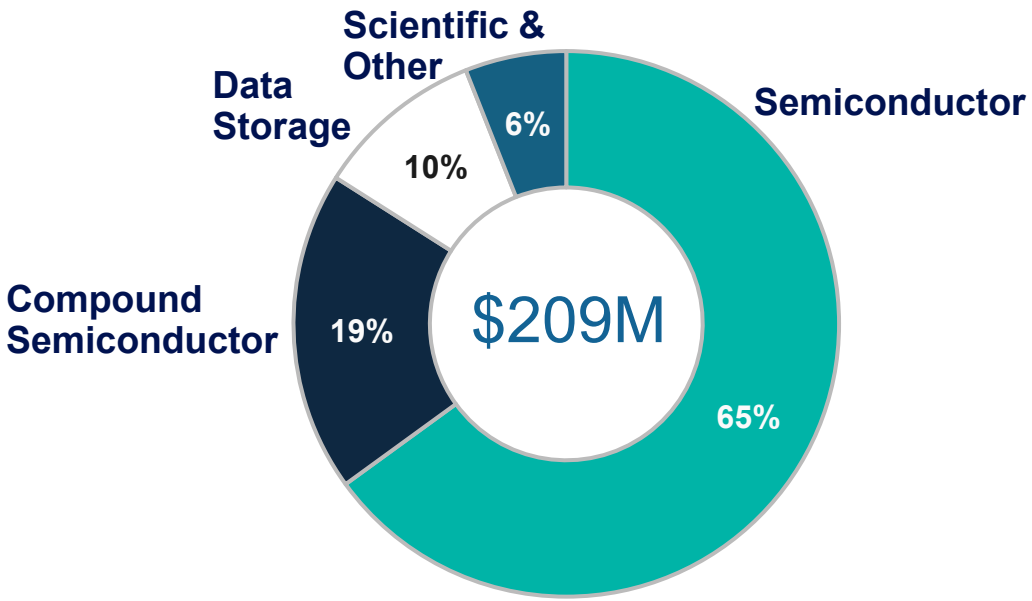
Source: Veeco Total Market Opportunity based on TrendFocus, Gartner, Yole Group and internal analysis

# CFO Overview

## John Kiernan

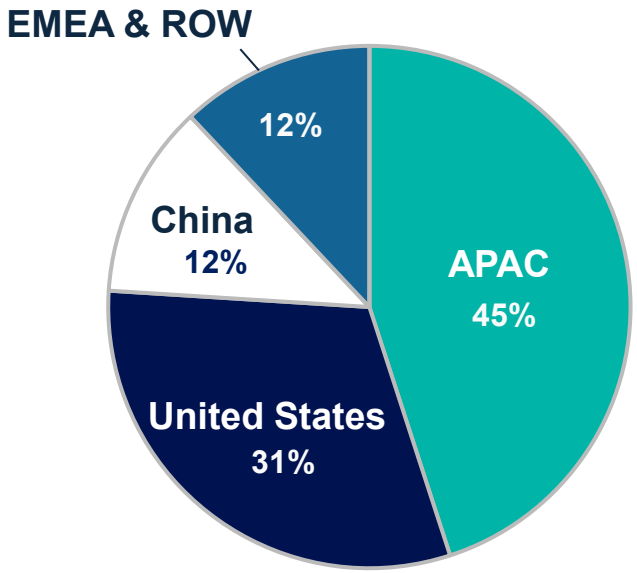
# Q3 2026 Revenue by Market & Region

## Revenue by Market




| Revenue Trend ($M) | Q3 25 | Q2 26 | Q3 26 |
|---|---|---|---|
| Semiconductor | 118 | 131 | 135 |
| Compound Semi | 11 | 21 | 40 |
| Data Storage | 10 | 22 | 20 |
| Scientific & Other | 27 | 20 | 14 |
| Total | 166 | 193 | 209 |

## Revenue by Region




| Revenue Trend ($M) | Q3 25 | Q2 26 | Q3 26 |
|---|---|---|---|
| APAC | 82 | 70 | 95 |
| USA | 27 | 59 | 65 |
| China | 46 | 48 | 25 |
| EMEA & ROW | 12 | 16 | 25 |
| Total | 166 | 193 | 209 |

Amounts may not calculate precisely due to rounding.

# Q3 2026 Operating Results

| In millions (except per share amounts) | GAAP Q2 26 | GAAP Q3 26 | Non-GAAP Q2 26 | Non-GAAP Q3 26 | Non-GAAP Q3 26 Guidance (as of Aug. 5th, 2026) |
|---|---|---|---|---|---|
| Revenue | $193.5 | $209.4 | $193.5 | $209.4 | $200M - $220M |
| Gross Profit | 74.8 | 80.4 | 76.4 | 81.8 | |
| Gross Margin | 38.7% | 38.4% | 39.5% | 39.1% | 41% - 42% |
| Operating Expenses | 63.0 | 66.3 | 53.3 | 56.6 | $57M - $58M |
| Operating Income | 11.9 | 14.1 | 23.1 | 25.2 | |
| Net Income | 11.9 | 13.6 | 21.8 | 24.1 | $23M - $33M |
| Diluted Earnings Per Share | 0.18 | 0.21 | 0.33 | 0.36 | $0.35 - $0.49 |
| Diluted Shares | 66.8 | 66.2 | 66.8 | 66.2 | |

Amounts may not calculate precisely due to rounding. A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.

# Balance Sheet and Cash Flow Highlights

| $ millions | Q2 2026 | Q3 2026 |
|---|---|---|
| Cash & Short-Term Investments | 429 | 483 |
| Accounts Receivable | 148 | 154 |
| Inventories | 292 | 308 |
| Accounts Payable | 57 | 68 |
| Long-Term Debt | 227 | 227 |
| Cash Flow from Operations | 51 | 58 |
| Capital Expenditures | 4 | 4 |
| DSO (days) | 69 | 66 |
| DIO (days) | 218 | 211 |
| DPO (days) | 44 | 48 |

Amounts may not calculate precisely due to rounding. A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.

# Q4 & FY 2026 Outlook

| | Q4 2026 | | FY 2026 | |
|---|---|---|---|---|
| | GAAP | Non-GAAP | GAAP | Non-GAAP |
| **Revenue** | $230M - $260M | $230M - $260M | $790M - $820M | $790M - $820M |
| **Gross Margin** | 42% - 44% | 43% - 44% | 39% - 40% | 40% |
| **Operating Expenses** | $73M - $75M | $64M – $66M | $261M - $262M | $222M - $224M |
| **Net Income** | $23M – $36M | $34M - $47M | $48M - $62M | $89M - $102M |
| **Diluted Earnings Per Share** | $0.34 – $0.53 | $0.50 - $0.70 | $0.72- $0.92 | $1.32 - $1.52 |

A reconciliation of GAAP to Non-GAAP financial measures can be found in the backup section of this presentation.

# Q&A

# Backup & Financial Tables

# Historical Revenue by End-Market

| $M | 2022 | 2023 | | | | 2024 | | | | | 2025 | | | | | 2026 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 | Q4 | FY | Q1 | Q2 | Q3 |
| **Semi** | 369.4 | 93.1 | 106.3 | 98.2 | 115.2 | 412.7 | 120.4 | 109.9 | 124.1 | 112.1 | 466.6 | 123.8 | 123.9 | 118.3 | 110.5 | 476.6 | 109.0 | 130.7 | 135.3 |
| **Compound Semi** | 121.2 | 21.2 | 24.1 | 25.7 | 16.3 | 87.3 | 21.0 | 18.2 | 15.6 | 22.8 | 77.6 | 14.4 | 14.2 | 10.9 | 20.1 | 59.6 | 18.8 | 20.5 | 40.2 |
| **Data Storage** | 87.5 | 21.5 | 13.9 | 34.0 | 19.1 | 88.5 | 18.0 | 34.0 | 32.8 | 14.1 | 98.9 | 6.7 | 12.4 | 10.0 | 10.2 | 39.2 | 10.2 | 22.2 | 20.0 |
| **Scientific & Other** | 68.0 | 17.7 | 17.4 | 19.6 | 23.4 | 78.0 | 15.1 | 13.8 | 12.4 | 33.0 | 74.2 | 22.4 | 15.7 | 26.7 | 24.2 | 88.9 | 20.3 | 20.1 | 13.9 |
| **Total** | 646.1 | 153.5 | 161.6 | 177.4 | 173.9 | 666.4 | 174.5 | 175.9 | 184.8 | 182.1 | 717.3 | 167.3 | 166.1 | 165.9 | 165.0 | 664.3 | 158.3 | 193.5 | 209.4 |

Amounts may not calculate precisely due to rounding.

# 2029 Convertible Notes Outstanding

*As of September 30, 2026*

| Convertible Notes Due September 2029 | Principal Amount | Carrying Value | Coupon | Annual Cash Interest | Annual Non-Cash Interest | Initial Conversion Price |
|---|---|---|---|---|---|---|
| | $230M | $227M | 2.875% | $6.6M | $1.1M | $29.22 |

## Effect of Convertible Notes on Diluted EPS (GAAP and Non-GAAP)*

| Average Stock Price per Common Share | Incremental Dilutive Shares (in thousands) |
|---|---|
| $29.00 | - |
| $30.00 | 205 |
| $35.00 | 1,300 |
| $40.00 | 2,121 |
| $45.00 | 2,760 |
| $50.00 | 3,271 |
| $55.00 | 3,689 |
| $60.00 | 4,037 |
| $65.00 | 4,332 |
| $70.00 | 4,585 |
| $75.00 | 4,804 |
| $80.00 | 4,996 |

* The Company is required to settle the principal amount of the 2029 Convertible Notes in cash,and has the option to settle the excess above principal in any combination of cash or shares. As such, only “in-the-money” shares above the implied conversion price of $29.22 are added to the diluted share count, and there is no interest expense add-back to the numerator for purposes of calculating diluted EPS.

# Note on Reconciliation Tables

These tables include financial measures adjusted for the impact of certain items; these financial measures are therefore not calculated in accordance with U.S. generally accepted accounting principles (“GAAP”). These Non-GAAP financial measures exclude items such as: share-based compensation expense; charges relating to restructuring initiatives; non-cash asset impairments; certain other non-operating gains and losses; and acquisition-related items such as transaction costs, non-cash amortization of acquired intangible assets, incremental transaction-related compensation, and certain integration costs.

These Non-GAAP financial measures may be different from Non-GAAP financial measures used by other companies. Non-GAAP financial measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. By excluding these items, Non-GAAP financial measures are intended to facilitate meaningful comparisons to historical operating results, competitors' operating results, and estimates made by securities analysts. Management is evaluated on key performance metrics including Non-GAAP Operating Income, which is used to determine management incentive compensation as well as to forecast future periods.

These Non-GAAP financial measures may be useful to investors in allowing for greater transparency of supplemental information used by management in its financial and operational decision-making. In addition, similar Non-GAAP financial measures have historically been reported to investors; the inclusion of comparable numbers provides consistency in financial reporting. Investors are encouraged to review the reconciliation of the Non-GAAP financial measures used in this news release to their most directly comparable GAAP financial measures.

# Supplemental Information—GAAP to Non-GAAP Reconciliation

| $ millions | Q2 26 | Q3 26 |
|---|---|---|
| Net sales | $193.5 | $209.4 |
| GAAP gross profit | 74.8 | 80.4 |
| GAAP gross margin | 38.7% | 38.4% |
| Add: Share-based comp | 1.6 | 1.4 |
| Non-GAAP gross profit | $76.4 | $81.8 |
| Non-GAAP gross margin | 39.5% | 39.1% |

| $ millions | Q2 26 | Q3 26 |
|---|---|---|
| GAAP Net income | $11.9 | $13.6 |
| Add: Share-based comp | 9.2 | 8.4 |
| Add: Amortization | 0.6 | 0.4 |
| Add: Merger related expenses | 1.5 | 2.3 |
| Add: Interest expense (income) | (1.2) | (1.8) |
| Add: Tax expense (benefit) | 1.2 | 2.2 |
| Non-GAAP operating income | $23.1 | $25.2 |

| $ millions, except per share amounts | Q2 26 | Q3 26 |
|---|---|---|
| GAAP Basic weighted average shares | 61.1 | 61.1 |
| GAAP Diluted weighted average shares | 66.8 | 66.2 |
| GAAP Basic EPS | $0.19 | $0.22 |
| GAAP Diluted EPS | $0.18 | $0.21 |
| GAAP Net income | $11.9 | $13.6 |
| Add: Share-based comp | 9.2 | 8.4 |
| Add: Amortization | 0.6 | 0.4 |
| Add: Merger related expenses | 1.5 | 2.3 |
| Add: Non-cash interest expense | 0.3 | 0.3 |
| Add: Tax adjustment from GAAP to Non-GAAP | (1.7) | (0.9) |
| Non-GAAP net income | 21.8 | 24.1 |
| Non-GAAP basic EPS | $0.36 | $0.39 |
| Non-GAAP diluted EPS | $0.33 | $0.36 |
| Non-GAAP basic weighted average shares | 61.1 | 61.1 |
| Non-GAAP diluted weighted average shares | 66.8 | 66.2 |

| $ millions | Q2 26 | Q3 26 |
|---|---|---|
| GAAP operating expenses | $63.0 | $66.3 |
| Share-based compensation | (7.6) | (7.0) |
| Amortization | (0.6) | (0.4) |
| Merger related expenses | (1.5) | (2.3) |
| Non-GAAP operating expenses | $53.3 | $56.6 |

Amounts may not calculate precisely due to rounding.

# Q3 2026 Actual: GAAP to Non-GAAP Reconciliation

| $ millions | GAAP | Non-GAAP Adjustments: Share-Based Compensation | Non-GAAP Adjustments: Amortization | Non-GAAP Adjustments: Other | Non-GAAP |
|---|---|---|---|---|---|
| Net Sales | $209.4 | | | | $209.4 |
| Gross Profit | 80.4 | 1.4 | — | — | 81.8 |
| Gross Margin | 38.4% | | | | 39.1% |
| Operating Expenses | $66.3 | (7.0) | (0.4) | (2.3) | $56.6 |
| Operating Income | $14.1 | 8.4 | 0.4 | 2.3 | $25.2 |
| Net Income | $13.6 | 8.4 | 0.4 | 1.6 | $24.1 |

| Other Non-GAAP Adjustments | |
|---|---|
| Merger related expenses | 2.3 |
| Subtotal | 2.3 |
| Non-cash Interest Expense | 0.3 |
| Non-GAAP tax adjustment | (0.9) |
| Total Other | $1.6 |

| Income per Diluted Common Share | GAAP | Non-GAAP |
|---|---|---|
| Net Income available to common shareholders | $13.6 | $24.1 |
| Basic weighted average common shares | 61.1 | 61.1 |
| Add: Dilutive effect of share-based awards | 1.8 | 1.8 |
| Add: Dilutive effect of 2029 Convertible Senior Notes | 3.3 | 3.3 |
| Diluted weighted average common shares | 66.2 | 66.2 |
| Basic income per common share | $0.22 | $0.39 |
| Diluted income per common share | $0.21 | $0.36 |

Amounts may not calculate precisely due to rounding.

# Q4 2026 Guidance

($ millions, except per share amounts)

**Reconciliation of GAAP to non-GAAP Financial Data**

| | | Non-GAAP Adjustments | | | |
|---|---|---|---|---|---|
| | GAAP | Share-Based Compensation | Amortization | Other | Non-GAAP |
| Net Sales | $230–$260 | | | | $230–$260 |
| Gross Profit | 97–114 | 2 | — | — | 99–116 |
| Gross Margin | 42%–44% | | | | 43%–44% |
| Operating Expenses | $73–$75 | (8) | — | (1) | $64–$66 |
| Operating Income | $24–$39 | 10 | — | 1 | $35–$50 |
| Net Income | $23–$36 | 10 | — | 1 | $34–$47 |
| Income per Diluted Share | $0.34–$0.53 | | | | $0.50–$0.70 |

| Reconciliation of GAAP Net Income to non-GAAP Operating Income | |
|---|---|
| GAAP Net Income | $23–$36 |
| Share-Based Compensation | 10 |
| Merger related expenses | 1 |
| Interest expense (income) | (2) |
| Income tax expense (benefit) | 3-5 |
| Non-GAAP Operating Income | $35–$50 |

| Income per Diluted Common Share | | |
|---|---|---|
| | GAAP | Non-GAAP |
| Net income available to common shareholders | $23–$36 | $34–$47 |
| Basic weighted average common shares | 61 | 61 |
| Add: Dilutive effect of share-based awards | 2 | 2 |
| Add: Dilutive effect of 2029 Convertible Senior Notes | 3 | 3 |
| Diluted weighted average common shares | 66 | 66 |
| Income per diluted common share | $0.34-$0.53 | $0.50-$0.70 |

Amounts may not calculate precisely due to rounding.

# FY 2026 Guidance

($ millions, except per share amounts)

**Reconciliation of GAAP to non-GAAP Financial Data**

| | | Non-GAAP Adjustments | | | |
|---|---|---|---|---|---|
| | GAAP | Share-Based Compensation | Amortization | Other | Non-GAAP |
| Net Sales | $790–$820 | | | | $790–$820 |
| Gross Profit | 309–325 | 6 | — | — | 315–331 |
| Gross Margin | 39%–40% | | | | 40%–40% |
| Operating Expenses | $261–$262 | (30) | (2) | (7) | $222–$224 |
| Operating Income | $48–$63 | 36 | 2 | 7 | $93–$108 |
| Net Income | $48–$62 | 36 | 2 | 2 | $89–$102 |
| Income per Diluted Share | $0.72–$0.92 | | | | $1.32–$1.52 |

| Reconciliation of GAAP Net Income to non-GAAP Operating Income | |
|---|---|
| GAAP Net Income | $48–$62 |
| Share-Based Compensation | 36 |
| Amortization | 2 |
| Merger related expenses | 7 |
| Interest expense (income) | (6) |
| Income tax expense (benefit) | 6-7 |
| Non-GAAP Operating Income | $93–$108 |

| Income per Diluted Common Share | | |
|---|---|---|
| | GAAP | Non-GAAP |
| Net income available to common shareholders | $48–$62 | $89–$102 |
| Basic weighted average common shares | 61 | 61 |
| Add: Dilutive effect of share-based awards | 2 | 2 |
| Add: Dilutive effect of 2029 Convertible Senior Notes | 3 | 3 |
| Diluted weighted average common shares | 66 | 66 |
| Income per diluted common share | $0.72-$0.92 | $1.32-$1.52 |

Amounts may not calculate precisely due to rounding.