

ESTEE LAUDER COMPANIES INC  
 Form 4  
 September 04, 2009

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL  
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
 Lauder William P

2. Issuer Name and Ticker or Trading Symbol  
 ESTEE LAUDER COMPANIES INC [EL]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 09/02/2009

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Executive Chairman

THE ESTEE LAUDER COMPANIES INC., 767 FIFTH AVE.

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

NEW YORK, NY 10036

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Class A Common Stock	09/02/2009		A <sup>(1)</sup>	8,887 <sup>(1)</sup> A \$ 0	49,614 <sup>(2)</sup>	D	
Class A Common Stock	09/02/2009		F <sup>(3)</sup>	3,687 D \$ 34.21	45,927 <sup>(2)</sup>	D	
Class A Common Stock					5,234	I	By children of William P. Lauder

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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Option (Right to Buy)	\$ 34	09/02/2009		A	88,652	(4) 09/02/2019	Class A Common Stock 88,652
Restricted Stock Units (Share Payout)	\$ 0	09/02/2009		A	14,706	(5) (5)	Class A Common Stock 14,706
Restricted Stock Units (Share Payout)	\$ 0	09/03/2009		A	24,495	(5) (5)	Class A Common Stock 24,495
Class B Common Stock	(6)					(6) (6)	Class A Common Stock 3,262,800
Class B Common Stock	(6)					(6) (6)	Class A Common Stock 1,914,600
Class B Common Stock	(6)					(6) (6)	Class A Common Stock 1,343,800
Class B Common Stock	(6)					(6) (6)	Class A Common Stock 22,870

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Lauder William P THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVE. NEW YORK, NY 10036	X	X	Executive Chairman	

## Signatures

William P. Lauder, by Charles E. Reese, II,  
Attorney-in-fact

09/04/2009

\*\*Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Reflects payout of performance share units ("PSUs") granted to Reporting Person on September 20, 2006. Aggregate target payout for the opportunities was 27,471 shares of Class A Common Stock.

(2) Also, reflects the disposition by William P. Lauder of 228,258 shares of Class A Common Stock on September 3, 2009, in a transaction exempt under Rule 16a-12.

(3) Represents the withholding of shares for tax purposes in connection with the payout of the PSUs.

(4) Stock options granted pursuant to Fiscal 2002 Share Incentive Plan in respect of 29,550 shares exercisable from and after January 1, 2011; 29,551 shares exercisable from and after January 1, 2012; 29,551 shares exercisable from and after January 1, 2013.

(5) Assuming continued employment, the restricted stock units granted on September 2, 2009 and September 3, 2009 will vest and be paid out as follows: 12,251 on November 1, 2010, 22,048 on October 31, 2011, and 4,902 on October 31, 2012, or in each case the first day thereafter that shares may be sold pursuant to company policy. Upon payout, shares will be withheld to cover minimum statutory tax obligations. Restricted stock units are accompanied by dividend equivalent rights that will be payable in cash at the time of payout of the related shares.

(6) There is no exercise or conversion price for the Class B Common Stock. Shares of Class B Common Stock may be converted immediately on a one-for-one basis by the holder and are automatically converted into Class A Common Stock on a one-for-one basis upon transfer to a person or entity that is not a "Permitted Transferee" or soon after a record date for a meeting of stockholders where the outstanding Class B Common Stock constitutes less than 10% of the outstanding shares of Common Stock of the Issuer.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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