

ESTEE LAUDER COMPANIES INC  
 Form 4  
 September 12, 2008

**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)  
 09/11/2008

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

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)
				(A) or (D)	Price		
				Code	V	Amount	

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

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SEC 1474 (9-02)

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

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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 Number Shares
Option (Right to Buy)	\$ 52.83	09/11/2008		A		150,000		(1)	09/11/2018	Class A Common Stock	150,000
Restricted Stock Units (Share Payout)	\$ 0	09/11/2008		A		26,207		(2)	(2)	Class A Common Stock	26,207
Class B Common Stock	(3)							(3)	(3)	Class A Common Stock	3,262,800
Class B Common Stock	(3)							(3)	(3)	Class A Common Stock	1,914,600
Class B Common Stock	(3)							(3)	(3)	Class A Common Stock	1,343,800

## 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	Chief Executive Officer	

## Signatures

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

09/12/2008

\_\_\_\_\_  
\*\*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) Stock options granted pursuant to Fiscal 2002 Share Incentive Plan in respect of 50,000 shares exercisable from and after January 1, 2010; 50,000 shares exercisable from and after January 1, 2011; 50,000 shares exercisable from and after January 1, 2012.

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- (2) Assuming continued employment, the restricted stock units will vest and be paid out as follows: 8,735 on November 2, 2009, 8,736 on November 1, 2010, and 8,736 on October 31, 2011, 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.

- (3) 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.