

Demsey John  
Form 4  
September 04, 2009

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**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 \*  
Demsey John

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)

THE ESTEE LAUDER COMPANIES INC., 767 FIFTH AVENUE

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

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Group President

(Street)  
NEW YORK, NY 10153

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

(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		
Class A Common Stock	09/02/2009		A <sup>(1)</sup>	2,962 <sup>(1)</sup>	\$ 0	D	
Class A Common Stock	09/02/2009		F <sup>(2)</sup>	1,229	\$ 34.21	D	

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

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SEC 1474 (9-02)

displays a currently valid OMB control number.

**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	67,500	(3) 09/02/2019	Class A Common Stock 67,500
Restricted Stock Units (Share Payout)	\$ 0	09/02/2009		A	11,723	(4) (4)	Class A Common Stock 11,723
Restricted Stock Units (Share Payout)	\$ 0	09/03/2009		A	7,259	(4) (4)	Class A Common Stock 7,259

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

Demsey John  
THE ESTEE LAUDER COMPANIES INC.  
767 FIFTH AVENUE  
NEW YORK, NY 10153

Group President

## Signatures

John Demsey, 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 9,157 shares of Class A Common Stock.
- (2) Represents the withholding of shares for tax purposes in connection with the payout of the PSUs.
- (3) Stock options granted pursuant to Fiscal 2002 Share Incentive Plan in respect of 22,500 shares exercisable from and after January 1, 2011; 22,500 shares exercisable from and after January 1, 2012; 22,500 shares exercisable from and after January 1, 2013.  
Assuming continued employment, the restricted stock units granted on September 2, 2009 and September 3, 2009 will vest and be paid out as follows: 6,085 on November 1, 2010, 8,989 on October 31, 2011, and 3,908 on October 31, 2012, or in each case the first day
- (4) 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.

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.