

KUNES RICHARD W  
Form 4  
September 03, 2010

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

OMB APPROVAL  
OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

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 \*  
KUNES RICHARD W

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

5. Relationship of Reporting Person(s) to Issuer  
(Check all applicable)  
 Director  10% Owner  
 Officer (give title below)  Other (specify below)  
EVP and CFO

(Last) (First) (Middle)

THE ESTEE LAUDER COMPANIES INC., 767 FIFTH AVENUE

3. Date of Earliest Transaction (Month/Day/Year)  
09/01/2010

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 10153

(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	09/01/2010		A <sup>(1)</sup>	4,420 (1)	A \$ 0	27,042	D
Class A Common Stock	09/01/2010		F <sup>(2)</sup>	2,043	D \$ 57.5	24,999	D
Class A Common Stock						6,440	I Shares held by spouse

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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)

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)	\$ 58.08	09/01/2010		A	71,435	(3) 09/01/2020	Class A Common Stock 71,435
Restricted Stock Units (Share Payout)	\$ 0	09/01/2010		A	12,385	(4) (4)	Class A Common Stock 12,385

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
KUNES RICHARD W THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVENUE NEW YORK, NY 10153			EVP and CFO	

## Signatures

Richard W. Kunes, by Spencer G. Smul  
attorney-in-fact  
Date: 09/03/2010

\_\_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 21, 2007. Aggregate target payout for the opportunities was 4,420 shares of Class A Common Stock.

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- (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 23,811 shares exercisable from and after January 1, 2012; 23,812 shares exercisable from and after January 1, 2013; and 23,812 shares exercisable from and after January 1, 2014.

Assuming continued employment, the restricted stock units granted on September 1, 2010 will vest and be paid out as follows: 4,128 on October 31, 2011, 4,128 on October 31, 2012, and 4,129 on October 31, 2013, or in each case the first day thereafter that shares may be sold pursuant to company policy. Assuming continued employment, the restricted stock units held by the Reporting Person will vest and

- (4) be paid out as follows: 10,365 on November 1, 2010, 13,060 on October 31, 2011, 7,602 on October 31, 2012 and 4,129 on October 31, 2013, 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.

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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