

ESTEE LAUDER COMPANIES INC
 Form 4
 February 23, 2007

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 LEONARD A

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)
 02/22/2007

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

THE ESTEE LAUDER COMPANIES INC., 767 FIFTH AVENUE

(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 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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | | (A) or (D) | Price | | |
| | | | | Code | V | Amount | |
| Class A Common Stock | 02/22/2007 | | M ⁽¹⁾ | 33,300 | A | \$ 24.75 | 4,652,469 D |
| Class A Common Stock | 02/22/2007 | | S ⁽¹⁾ | 33,300 | D | \$ 46.6469 ⁽²⁾ | 4,619,169 D |
| Class A Common Stock | 02/23/2007 | | M ⁽¹⁾ | 33,300 | A | \$ 24.75 | 4,652,469 D |

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| | | | | | | | | | |
|----------------------------|------------|--|------------------|--------|---|----------------------|-----------|---|--|
| Class A Common Stock | 02/23/2007 | | S ⁽¹⁾ | 33,300 | D | \$ 47.3006 (2) | 4,619,169 | D | |
| Class A Common Stock | | | | | | | 2,829,302 | I | by LAL Family Partners L.P. (2) |
| Class A Common Stock | | | | | | | 390,000 | I | By Evelyn H. Lauder (2) |

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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 Underlying Securities (Instr. 3 and 4) | Amount Number Shares | |
|---|--|---|---|--------------------------------------|--|--|--|----------------------------|-------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Option (Right to Buy) | \$ 24.75 | 02/22/2007 | | M ⁽¹⁾ | 33,300 | 01/01/2001 ⁽³⁾ | 07/01/2007 | Class A Common Stock | 33, |
| Option (Right to Buy) | \$ 24.75 | 02/23/2007 | | M ⁽¹⁾ | 33,300 | 01/01/2001 ⁽³⁾ | 07/01/2007 | Class A Common Stock | 33, |
| Class B Common Stock | (5) | | | | | (5) | (5) | Class A Common Stock | 42,70 |
| Class B Common Stock | (5) | | | | | (5) | (5) | Class A Common Stock | 40, |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LAUDER LEONARD A THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVENUE NEW YORK, NY 10153 | X | X | Chairman | |
| LAUDER EVELYN H THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVENUE NEW YORK, NY 10153 | | | Sr. Corporate Vice President | |

Signatures

Leonard A. Lauder, by Charles E. Reese, II,
Attorney-in-fact

02/23/2007

**Signature of Reporting Person

Date

Evelyn H. Lauder, by Charles E. Reese, II,
Attorney-in-fact

02/23/2007

**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) The exercise of stock options and the sale of the underlying shares of Class A Common Stock were made pursuant to a plan intended to comply with Rule 10b5-1(c), previously entered into on August 18, 2006.
- (2) See Exhibit 99.1.
- (3) The options that were exercised were part of a grant of options that became exercisable in three tranches in respect of 333,333 on January 1, 2001, 333,333 on January 1, 2002, and 333,334 on January 1, 2003.
- (4) Not applicable.

(5) 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.