

ESTEE LAUDER COMPANIES INC
 Form 4
 August 15, 2008

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)

3. Date of Earliest Transaction (Month/Day/Year)
 08/14/2008

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

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	08/14/2008		M ⁽¹⁾	30,000 A	\$ 43.1	31,615.84	D
Class A Common Stock	08/14/2008		S ⁽¹⁾	30,000 D	\$ 50.5	1,615.84	D
Class A Common Stock	08/14/2008		M ⁽¹⁾	25,000 A	\$ 43.6875	26,615.84	D

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 September 7, 2007 and amended on February 4, 2008.
- (2) Stock options granted pursuant to the Fiscal 2002 Share Incentive Plan in respect of 10,000 shares exercisable from and after January 1, 2006; 10,000 shares exercisable from and after January 1, 2007; and 10,000 shares exercisable from and after January 1, 2008.
- (3) Stock options granted pursuant to the Fiscal 1999 Share Incentive Plan in respect of 8,333 shares exercisable from and after January 1, 2002; 8,333 shares exercisable from and after January 1, 2003; and 8,334 shares exercisable from and after January 1, 2004.
- (4) Not applicable.
- (5) The Reporting Person also has options to purchase at various prices 137,501 shares of Class A Common Stock of which 25,000 are currently exercisable.

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.