

ESTEE LAUDER COMPANIES INC
Form 4
October 18, 2005

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 *
LAUDER RONALD S

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)
10/18/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
Chairman Clinique Labs, LLC

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)	
			Code	V	Amount	(A) or (D)	Price	
Class A Common Stock	10/18/2005		C ⁽¹⁾		250,000	A	\$ 0 307,553	D
Class A Common Stock	10/18/2005		J ⁽²⁾		250,000	D	\$ 0 57,553 ⁽³⁾	D
Class A Common Stock							3,182 ⁽⁴⁾	I

By Descendants of RSL 1966 Trust

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

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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		6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
					Acquired (A)	Disposed of (D)			
Class B Common Stock	\$ 0 ⁽⁵⁾	10/18/2005		C	250,000		(6) (6)	Class A Common Stock	250,000
Class B Common Stock	\$ 0 ⁽⁵⁾						(6) (6)	Class A Common Stock	3,182
Class B Common Stock	\$ 0 ⁽⁵⁾						(6) (6)	Class A Common Stock	40,220

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LAUDER RONALD S THE ESTEE LAUDER COMPANIES INC. 767 FIFTH AVENUE NEW YORK, NY 10153	X	X	Chairman Clinique Labs, LLC	

Signatures

Ronald S. Lauder, by Robin S. Elkowitz,
Attorney-in-fact

10/18/2005

__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)

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On October 18, 2005, the Reporting Person converted 250,000 shares of Class B Common Stock into an equal number of shares of Class A Common Stock.

- (2) Delivery of shares by Reporting Person to satisfy, in part, stock loans entered into prior to the Issuer's initial public offering.
 - (3) The Reporting Person has a short position of 894,986 shares of Class A Common Stock established prior to the Issuer's initial public offering.
 - (4) The Reporting Person disclaims beneficial ownership of these shares to the extent he does not have a pecuniary interest in such securities.
 - (5) There is no exercise or conversion price for the Class B Common Stock. It is convertible into shares of Class A Common Stock on a one-to-one basis.
- 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.
- (6)

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.