



INVESTOR FACT SHEET  
NYSE : EL

ESTÉE  
LAUDER  
COMPANIES



ESTÉE LAUDER aramis CLINIQUE PRESCRIPTIVES LAB SERIES ORIGINS  
 TOMMY HILFINGER MAC Kiton LA MER SKINCARE FOR MEN SKINCARE FOR MEN  
 DONNA KARAN COSMETICS AVEDA JO MALONE LONDON Bumble and bumble. BOBBI BROWN  
 DARPIN PARIS AMERICAN BEAUTY FLIRT! GoodSkin Labs grassroots RESEARCH LABS  
 More than skincare, an Art. COACH Ermenegildo Zegna smashbox AERIN  
 TOM FORD BEAUTY Ojon PARFUMS EFFORTLESS BEAUTY

The New Miracle

CRÈME SOYEUSE DE LA MER™  
**LA MER**  
the moisturizing soft cream  
la crème soyeuse régénération intense

Introducing the Moisturizing Soft Cream, which delivers miraculous benefits. Its luxurious formula penetrates deeply to replenish moisture and strengthen skin. Renewed and energized, skin looks youthfully radiant.

LaMer.com



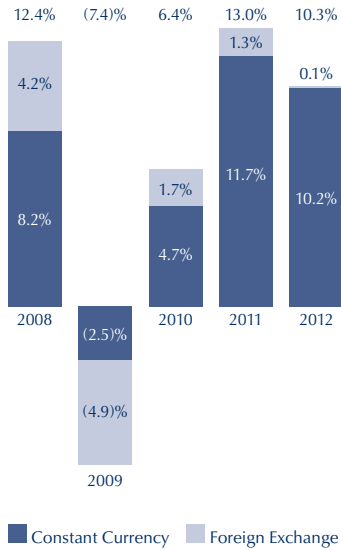
Bumble and bumble.

Bb. Straight  
BLOW DRY

Make short work of daily smoothing and frizz-fighting rituals with this heat-activated styling balm (and a brush).

5 FL OZ / 150 mL

## NET SALES GROWTH



## VISION

### The global leader in prestige beauty:

A well-diversified, brand-building powerhouse of unrivaled creativity and innovation.

## THE ESTÉE LAUDER COMPANIES' STRATEGY

The Company's strategy that began in fiscal 2010 builds on its core strengths as a superior brand builder and innovator, and more sharply focuses on execution capabilities and lowering its cost base. Performance goals through fiscal 2015 include:

- Grow share by increasing sales at least one percentage point higher than global prestige beauty every year
- Derive more than 60% of sales outside the United States
- Generate one percent of sales growth from acquisitions over the next three years
- Achieve operating margin of 15.5% to 16.0%, showing improvement annually
- Reduce days of inventory to 155 to 160 days
- Reduce costs by \$760 million to \$785 million (through fiscal 2013)
- Maintain ROIC of at least 22% to 23%

## BUILD CAPABILITIES

- Invest in our unique creativity and innovation skills
- Intensify global research and development toward the highest-priority opportunities, with a focus on developing locally relevant products
- Develop retailing capabilities to enhance the connection with the consumer
- Strengthen pull/push marketing initiatives; maximize returns on advertising and promotional spending
- Evolve our multi-pronged digital strategy, encompassing e-commerce, mobile commerce, digital and social media
- Strengthen competency in consumer insights
- Modernize systems to increase effectiveness and efficiency
- Adapt new processes and change management, which will be enabled by our Strategic Modernization Initiative

## SELECT STRATEGIC PRIORITIES

- Excel in creativity and innovation
- Lead in skin care and makeup
- Expand luxury portfolio
- Grow profitably in hair care and fragrance
- Focus on fast-paced emerging markets and their consumers, wherever they are
- Grow share in image-building core markets and fast-growing channels
- Win in travel retail and with traveling consumers, wherever they shop
- Drive core channels with improved business model
- Evolve High-Touch consumer experience across all channels
- Further improve low-margin brands
- Continue to expand margins by improving productivity and eliminating non-value-added costs





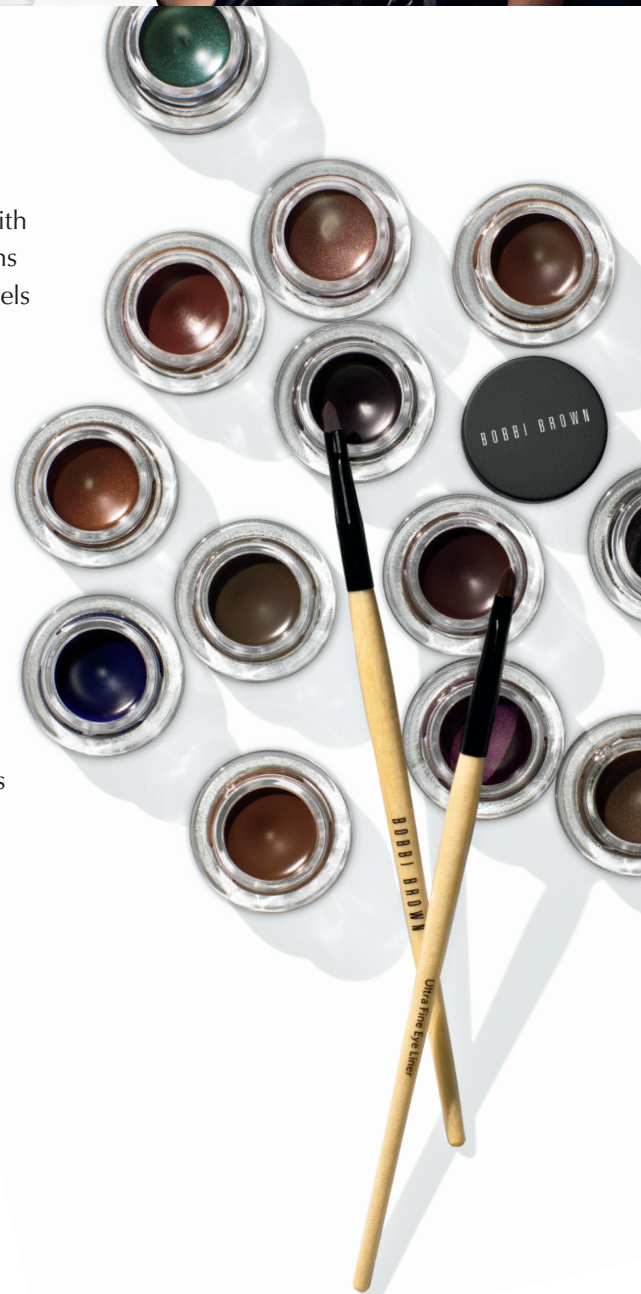
Double Wear Makeup  
New shades for every skintone.

Non-stop wear. Flawless—even through heat and humidity.  
Comfortable. Oil-free. Oil-controlling.

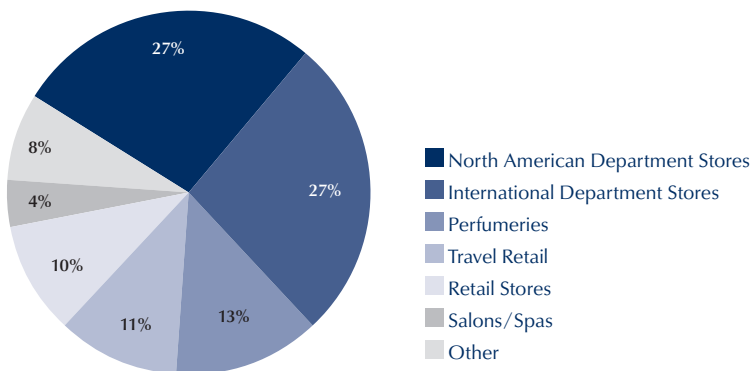
ESTÉE LAUDER

### FISCAL 2012 HIGHLIGHTS

- Made excellent progress executing long-term strategy for sustainable growth and increased profitability
- Achieved sales growth in all geographic regions and product categories with double-digit gains in skin care and makeup and the Europe and Asia regions
- Strong double-digit sales growth recorded in travel retail and online channels
- Net sales in the Americas and skin care each exceeded \$4 billion, while travel retail sales topped \$1 billion
- Grew net sales at double the rate of prestige beauty worldwide and gained share in many large markets within the Company's distribution
- Generated record net sales, gross margin, operating margin, net earnings, earnings per share and cash flow from operations
- Cut expenses by \$145 million through cost savings initiatives
- Improved operating margin by 120 basis points
- Operating income surpassed \$1.3 billion and cash flow from operations exceeded \$1.1 billion
- Implemented a two-for-one stock split and raised the annual dividend 40 percent per share
- Successfully deployed Strategic Modernization Initiative into more markets



### FISCAL 2012 NET SALES BY DISTRIBUTION CHANNEL

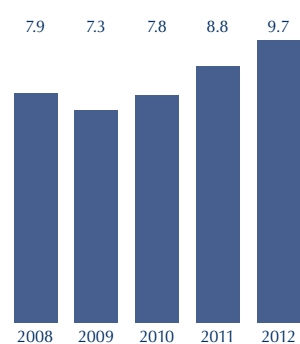


## FINANCIAL HIGHLIGHTS

YEAR ENDED JUNE 30	2012	2011	2010
Dollars in millions, except per share data			
Net sales	\$9,714	\$8,810	\$7,796
Gross profit margin	79.5%	78.0%	76.5%
Operating income	1,312	1,089	790
Operating margin	13.5%	12.4%	10.1%
Operating margin before restructuring activities	14.2%	13.0%	11.2%
Net earnings*	857	701	478
Diluted net earnings per share*	2.16	1.74	1.19
Diluted net earnings per share before restructuring activities and other charges*	2.27	1.85	1.37
Cash flow from operations	1,127	1,027	957

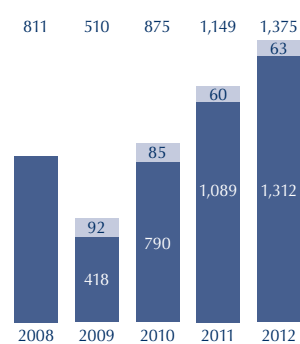
### NET SALES

\$ in billions



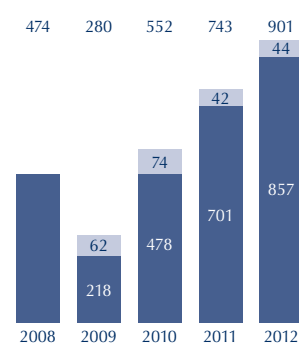
### OPERATING INCOME

\$ in millions

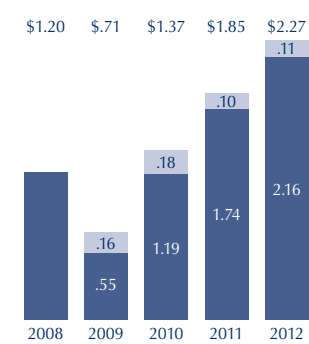


### NET EARNINGS\*

\$ in millions



### DILUTED NET EARNINGS PER SHARE\*



■ As reported ■ Restructuring and/or special charges \*Attributable to The Estée Lauder Companies Inc.

**\$9.7** Billion

**\$1,312** Million

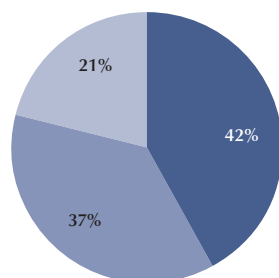
**\$857** Million

**\$2.16** Per Share

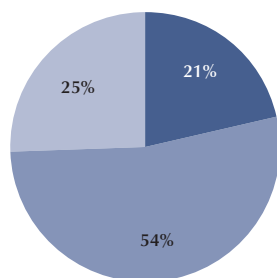
Fiscal 2012, 2011, 2010 and 2009 include returns and charges associated with restructuring activities related to the Company's long-term, multi-faceted cost savings program of \$63.2 million, \$59.4 million, \$84.7 million and \$91.7 million, respectively, equal to \$.11, \$.10, \$.14 and \$.16 per diluted share, respectively. These charges equate to 70, 60, 110 and 130 basis points of operating margin for fiscal 2012, 2011, 2010 and 2009, respectively. Fiscal 2010 also includes a charge for the extinguishment of debt of \$27.3 million, equal to \$.04 per diluted share.

### FISCAL 2012 RESULTS BY GEOGRAPHIC REGION

Net Sales



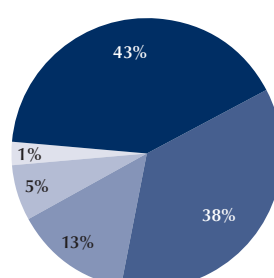
Operating Income



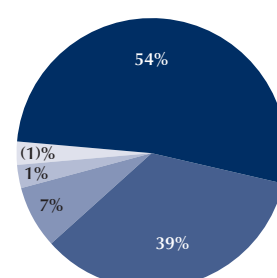
■ Americas ■ Europe/Middle East/Africa ■ Asia/Pacific

### FISCAL 2012 RESULTS BY PRODUCT CATEGORY

Net Sales



Operating Income (Loss)



■ Skin Care ■ Makeup ■ Fragrance ■ Hair Care ■ Other

## CONTACT INFORMATION

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