

ESTEE LAUDER COMPANIES INC

Form 10-Q

May 06, 2011

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended March 31, 2011

OR

Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from to

Commission file number: 1-14064

The Estée Lauder Companies Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of

incorporation or organization)

767 Fifth Avenue, New York, New York

(Address of principal executive offices)

11-2408943

(I.R.S. Employer Identification No.)

10153

(Zip Code)

212-572-4200

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

At April 27, 2011, 120,343,190 shares of the registrant's Class A Common Stock, \$.01 par value, and 76,232,041 shares of the registrant's Class B Common Stock, \$.01 par value, were outstanding.

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Table of Contents**PART I. FINANCIAL INFORMATION****ITEM 1. Financial Statements****THE ESTÉE LAUDER COMPANIES INC.****CONSOLIDATED STATEMENTS OF EARNINGS****(Unaudited)**

	Three Months Ended March 31		Nine Months Ended March 31	
	2011	2010	2011	2010
	(In millions, except per share data)			
Net Sales	\$ 2,165.7	\$ 1,860.0	\$ 6,749.4	\$ 5,955.7
Cost of Sales	482.6	444.6	1,511.8	1,415.1
Gross Profit	1,683.1	1,415.4	5,237.6	4,540.6
Operating expenses				
Selling, general and administrative	1,415.9	1,276.6	4,136.9	3,708.7
Restructuring and other special charges	21.8	12.5	39.6	40.0
Goodwill impairment	29.3		29.3	16.6
Impairment of other intangible assets	7.0		7.0	29.0
Total operating expenses	1,474.0	1,289.1	4,212.8	3,794.3
Operating Income	209.1	126.3	1,024.8	746.3
Interest expense, net	15.8	18.2	48.0	57.7
Earnings before Income Taxes	193.3	108.1	976.8	688.6
Provision for income taxes	68.2	50.2	316.2	231.2
Net Earnings	125.1	57.9	660.6	457.4
Net earnings attributable to noncontrolling interests	(0.4)	(0.4)	(0.9)	(3.0)
Net Earnings Attributable to The Estée Lauder Companies Inc.	\$ 124.7	\$ 57.5	\$ 659.7	\$ 454.4
Net earnings attributable to The Estée Lauder Companies Inc. per common share				
Basic	\$.63	\$.29	\$ 3.35	\$ 2.30
Diluted	.62	.28	3.28	2.27
Weighted average common shares outstanding				

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Basic	197.7	198.0	197.0	197.4
Diluted	202.0	201.8	201.1	200.1
Cash dividends declared per common share	\$	\$	\$	\$
			.75	.55

See notes to consolidated financial statements.