

ESTEE LAUDER COMPANIES INC.



Company Overview

Estee Lauder Companies Inc. (“Estee Lauder”) is a global prestige beauty company engaged in the manufacturing, marketing, and distribution of skincare, makeup, fragrance, and hair care products. The company operates a diversified portfolio of premium brands distributed across department stores, specialty retailers, travel retail, and direct-to-consumer channels worldwide.

Operating segments are organized by product category and geographic region, with skincare representing the largest revenue contributor, followed by makeup, fragrance, and hair care. The company maintains strong exposure to international markets, particularly Asia-Pacific and travel retail.

Competitive positioning is anchored in brand equity, premium pricing power, global distribution scale, and innovation in skincare and luxury beauty. Estee Lauder benefits from long-standing relationships with high-end retailers and a strong presence in travel retail, which serves as both a profit center and brand acquisition channel.

Strategic focus centers on revitalizing organic growth through product innovation, expanding skincare and fragrance franchises, rebuilding Asia-Pacific momentum, optimizing inventory and cost structures, and accelerating direct-to-consumer and digital engagement.

Headquarters: New York, New York, United States

Number of employees: Approximately 48,000

1. Top 5 Competitors

- **L'Oréal** – Global beauty leader with broad exposure across mass, luxury, and dermatological segments.
- **Procter & Gamble** – Major player in beauty and personal care with strong scale and marketing capabilities.
- **Coty Inc.** – Focused on fragrances and color cosmetics with licensed luxury brands.
- **Shiseido Company** – Prestige beauty company with strength in skincare and Asian markets.
- **LVMH** – Luxury conglomerate with selective exposure to prestige beauty and fragrances.

2. Largest Institutional Shareholders

(Estimated from latest available institutional filings; percentages rounded.)

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Shareholder	% Ownership	Shares
Vanguard Group Inc.	~10.5%	~38M
BlackRock Inc.	~9.2%	~33M
State Street Corp.	~4.5%	~16M
Fidelity (FMR)	~4.1%	~15M
Capital World Investors	~3.8%	~14M
T. Rowe Price Associates	~2.6%	~9M
Geode Capital Management	~2.3%	~8M
Wellington Management	~2.0%	~7M
JPMorgan Asset Management	~1.8%	~6M
Norges Bank Investment Management	~1.5%	~5M

Top 10 Institutional Ownership: ~42–45%

Total Institutional Ownership: ~85–88%

3. Management Team

- **Fabrizio Freda** – President & Chief Executive Officer
- **Tracey T. Travis** – Executive Vice President & Chief Financial Officer
- **Jane Hertzmark Hudis** – Executive Vice President, Global Brand Strategy
- **Stéphane de La Faverie** – President, Executive Group
- **William P. Lauder** – Executive Chairman

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Management remains focused on brand reinvigoration, disciplined cost management, and long-term value creation through innovation and global expansion.

4. Revenue

Latest fiscal year:

- FY2025 revenue estimated at approximately **\$15.5–16.0 billion**, with skincare as the primary contributor.

Recent quarterly performance:

- Recent quarters reflected pressure from softer Asia-Pacific demand and travel retail normalization.
- Sequential improvement observed in inventory management and gross margin stabilization.

Forward outlook:

- FY2026 revenue expected to return to growth as China demand stabilizes, travel retail recovers, and new product launches gain traction.
- Margin recovery anticipated through pricing discipline and cost optimization initiatives.

Key revenue drivers:

- Skincare franchise growth
- Asia-Pacific demand recovery
- Travel retail normalization
- Premium pricing and brand mix
- Direct-to-consumer and digital expansion

5. Institutions with Buy Recommendations

- Goldman Sachs
- Morgan Stanley
- UBS
- Jefferies
- Barclays
- Deutsche Bank

Analysts highlight Estée Lauder's brand strength, long-term category growth, and operating leverage as demand normalizes.

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6. Analyst Sentiment Summary

Consensus rating: Buy

Target price range:

- **Low:** ~\$105
- **Median:** ~\$125
- **High:** ~\$145

Analyst sentiment reflects confidence in Estee Lauder's ability to restore organic growth, rebuild margins, and capitalize on long-term premium beauty demand, particularly in skincare and fragrance.

7. Insider Buying and Selling (Last 24 Months)

- Insider activity has been modestly net negative.
- Reported insider sales have primarily been related to compensation-linked equity vesting and scheduled trading plans.
- No material discretionary open-market insider buying has been disclosed.
- Insider behavior remains consistent with standard executive compensation practices and does not signal deteriorating fundamentals.