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GRUPO IUSACELL SA DE CV  
Form 6-K  
April 26, 2005

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 or 15d-16 UNDER  
THE SECURITIES EXCHANGE ACT OF 1934

For the month of April, 2005

GRUPO IUSACELL, S.A. de C.V.

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(Translation of registrant's name into English)

Montes Urales 460  
Col. Lomas de Chapultepec, Deleg. Miguel Hidalgo  
11000, Mexico D.F.

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(Address of principal executive office)

Indicate by check mark whether the registrant files or will fill annual reports  
under cover of Form 20-F or Form 40-F: Form 20-F  Form 40-F

Indicate by check mark whether the registrant by furnishing the information  
contained in this Form is also thereby furnishing the information to the  
Commission pursuant to Rule 12g-3-2(b) under the Securities and Exchange Act of  
1934. Yes  No

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Documents Furnished By the Registrant

1. Press Release of the Registrant dated April 22, 2005

FIRST QUARTER 2005 RESULTS 2

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the  
registrant has duly caused this report to be signed on its behalf by the  
undersigned thereunto duly authorized.

GRUPO IUSACELL, S.A. DE C.V.

Date: April 22, 2005

/s/ Fernando Cabrera  
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Name: Fernando Cabrera  
Title: Attorney in fact

/s/ Jose Luis Riera  
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Name: Jose Luis Riera

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Title: Attorney in fact

FIRST QUARTER 2005 RESULTS

3

[LOGO OF IUSACELL]  
Pensamos en ti

INVESTOR CONTACTS

Jose Luis Riera K.  
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5109-5927

J. Victor Ferrer V.  
Finance Manager  
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FIRST QUARTER 2005 RESULTS

MEXICO CITY, April 22, 2005 - Grupo Iusacell, S.A. de C.V. (NYSE: CEL) (BMV: CEL) (Iusacell or the Company) today announced unaudited financial results for the first quarter 2005/1/.

Grupo Iusacell showed a 21.6% increase in revenues, from Ps. 1,096 million in the first quarter of 2004 to Ps. 1,333 million in the first quarter of 2005.

During the same period, operating income before depreciation and amortization increased 92.9%, to Ps. 267 million, in comparison with the Ps. 138 million recorded in the same period the year before.

Grupo Iusacell closed the first quarter of 2005 with 1.55 million subscribers.

Highlights:

Million of Pesos/2/, except percentages

	1Q 2004	1Q 2005	Change %
Revenue (net of commissions)	1,096	1,333	21.6%
Total Cost	711	659	-7.3%
Total Operating Expenses	247	407	64.9%
Operating Income before Depreciation and amortization	138	267	92.9%
Net Loss	(361)	(365)	1.0%

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/2/ Constant March 31, 2005 pesos.

The 21.6% increase in revenues was primarily due to: (1) an increase in postpaid revenues as a result of an increase in minutes of use per subscriber, (2) an increase in revenues from airtime and value-added services, (3) a net increase of approximately 255,000 subscribers as compared to the first quarter of 2004, and (4) revenues derived from exchange of capacity services provided to Unefon.

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/1/ Unless otherwise noted, all monetary figures are expressed in Mexican pesos as of March 31, 2005 in accordance to Mexican GAAP. The symbols "Ps\$" and "US\$" refer to Mexican pesos and U.S. dollars, respectively.

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FIRST QUARTER 2005 RESULTS

4

Our total costs for the first quarter of 2005 decreased by 7.3% to Ps. 659 million compared to the Ps. 711 million recorded for the same period in the prior year. This decrease was primarily due to a reduction in the cost of handset subsidies resulting from a change in accounting policy regarding the recognition of postpaid subsidies, as more fully explained below.

Operating expenses during the first quarter of 2005 were Ps. 407 million, an increase of 64.9% as compared to the first quarter of 2004. This increase was mainly due to (1) an increase in personnel expenses due to the establishment of regional sales and customer service structures in line with our strategy of providing the best service to our clients, (2) an increase in advertising costs due to the launching of new products and special promotions, (3) an increase in external personnel expenses related to the opening of new distribution channels, and (4) an increase in doubtful receivables reserves.

Iusacell recorded an operating income before depreciation and amortization in the first quarter of 2005 of Ps. 267 million, a 92.9% increase as compared to the Ps. 138 million recorded in the first quarter of 2004. This increase was primarily due to the increase in revenues and decrease in costs described above.

The net loss of Ps. 365 million recorded in the first quarter of 2005 represented a slight increase when compared to the net loss of Ps. 361 million recorded in the same period the year before. This increase was primarily due to a Ps. 179 million increase in comprehensive financing cost due to a reduction in net monetary gain and a foreign exchange loss, offset by an increase in the operating income before depreciation and amortization and a reduction in the depreciation and amortization.

During the first quarter of 2005, the Company made investments of approximately US\$15 million, used primarily to expand the coverage and capacity of its 3-G network.

### RECENT EVENTS

#### CHANGES IN ACCOUNTING POLICIES

Beginning with the first quarter of 2005, the Company has made the following changes to its accounting policies:

1. Sales commissions not directly related to the activation of handsets are reclassified, and are now presented as a deduction in gross revenues instead of being recorded as sales expenses as was previously done. The purpose of this change is to match revenues directly with the costs that give rise to such revenues.
2. Income from the sale of fixed assets is reclassified and is now presented after operating income before depreciation and amortization. We consider that this item should not affect operating income as it is derived from an activity that is not part of the Company's core business.
3. The net cost of the handset subsidy (which is sales price, less cost of sale, commissions related to the activation and other costs) is presented as a single item, with the following alternatives:
  - i. The subsidy for postpaid handsets is deferred at the time of activation and is amortized on a straight-line based on the life of the contract with the client. In the past, the subsidy was recognized in the income statement at the time the handset was delivered to the client.

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ii. The policy related to the subsidy for prepay handsets has not changed, it continues being recognized in the income statement at the time the handset is delivered to the client .

FIRST QUARTER 2005 RESULTS

5

Iusacell received from the Mexican Federal Telecommunicactions Commission (COFETEL) the results of the auction of PCS frequencies Grupo Iusacell, through its subsidiary Iusacell PCS de Mexico, was allocated by the COFETEL 10 MHZ in the PCS regions 2, 3, 5, 6, 7, 8 and 9.

DEBT RESTRUCTURING

The Company continues negotiations with several of its creditors, seeking to obtain a comprehensive restructuring agreement as soon as possible.

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ABOUT IUSACELL

Grupo Iusacell, S.A. de C.V. (Iusacell, NYSE and BMV: CEL) is a wireless cellular and PCS service provider in Mexico encompassing a total of approximately 92 million POPs, representing approximately 90% of the country's total population. Independent of the negotiations towards the restructuring of its debt, Iusacell reinforces its commitment with customers, employees and suppliers and guarantees the highest quality standards in its daily operations offering more and better voice communication and data services through state-of-the-art technology, such as its new 3G network, throughout all of the regions in which it operate.

LEGAL DISCLAIMER

Grupo Iusacell, S.A. de C.V. quarterly reports and all other written materials may from time to time contain statements about expected future events and financial results that are forward-looking and subject to risks and uncertainties. For those statements, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Discussion of factors that may affect future results is contained in our filings with the Securities and Exchange Commission.

Attached are the Consolidated Income Statements of each of Grupo Iusacell, S.A. de C.V. and Grupo Iusacell Celular, S.A. de C.V. for the three-month March 31, 2005, and the Consolidated Balance Sheet of Grupo Iusacell, S.A. de C.V. and Grupo Iusacell Celular, S.A. de C.V. at March 31, 2005.

FIRST QUARTER 2005 RESULTS

6

GRUPO IUSACELL CONSOLIDATED BALANCE SHEET  
COMPARISON OF FIRST QUARTER 2005 WITH FIRST QUARTER 2004  
(figures in thousands of constant March 31, 2005 Pesos)

	1Q04		1Q05	
	-----		-----	
ASSETS				
Current Assets				
Cash and marketable securities	3,224	0%	3,289	0
Accounts receivable, net	596,526	5%	343,882	3

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Related parties	92,382	1%	112,378	1
Recoverable taxes and other	246,985	2%	488,235	5
Inventories	295,576	2%	154,533	1
TOTAL CURRENT ASSETS	1,234,693	10%	1,102,317	10
Property and equipment, net	7,813,248	64%	6,859,353	63
Excess of cost of investments in subsidiaries over book value, net	1,979,139	16%	1,810,908	17
Other assets	1,138,988	9%	1,063,352	10
TOTAL ASSETS	12,166,068	100%	10,835,930	100
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				
Accrued liabilities	1,679,358	14%	2,962,757	27
Related parties	54,180	0%	241,731	2
Accounts payable	588,862	5%	299,230	3
Short-term debt	9,239,930	76%	8,849,659	82
TOTAL CURRENT LIABILITIES	11,562,330	95%	12,353,377	114
Noncurrent liabilities	96,872	1%	25,241	0
TOTAL LIABILITIES	11,659,202	96%	12,378,618	114
Minority interest	-43,256	0%	-89,934	-1
Shareholders' Equity				
Capital stock	7,872,256	65%	7,878,374	73
Legal reserve	22,125	0%	22,125	0
Capital contributions	1,549,145	13%	1,549,145	14
Net income (loss)	-361,126	-3%	-364,846	-3
Accumulated earnings from prior years	-8,761,772	-72%	-10,767,046	-99
Excess from restatement of shareholders's equity	229,494	2%	229,494	2
TOTAL SHAREHOLDERS' EQUITY	550,122	5%	-1,452,754	-13
TOTAL LIABILITIES AND SHAREHOLDERS'S EQUITY	12,166,068	100%	10,835,930	100

FIRST QUARTER 2005 RESULTS

7

GRUPO IUSACELL CONSOLIDATED INCOME STATEMENT  
COMPARISON OF FIRST QUARTER 2005 WITH FIRST QUARTER 2004  
(figures in thousands of constant March 31, 2005 Pesos)

	1Q04		1Q05	
	-----		-----	
REVENUE				
Service	1,201,338	109.6%	1,434,320	107.6%
Commissions	(105,250)	-9.6%	(101,341)	-7.6%
NET REVENUE	1,096,088	100.0%	1,332,979	100.0%
Cost of services	459,006	41.9%	583,048	43.7%
Handsets subsidy	252,048	23.0%	76,132	5.7%
TOTAL COSTS	711,054	64.9%	659,180	49.5%
GROSS PROFIT	385,034	35.1%	673,799	50.5%

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Sales & advertising expenses	173,730	15.9%	281,098	21.1
General and administrative expenses	72,890	6.7%	125,701	9.4
TOTAL OPERATING EXPENSES	246,620	22.5%	406,799	30.5
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	138,414	12.6%	267,000	20.0
Depreciation and amortization	517,674	47.2%	384,997	28.9
OPERATING LOSS	(379,260)	-34.6%	(117,997)	-8.9
(Profit) loss from fixed assets sales	(99,216)	-9.1%	169	0.0
Other (income) expense	-	0.0%	32,396	2.4
Interest expense, net	256,721	23.4%	265,370	19.9
Foreign exchange loss (gain)	(54,565)	-5.0%	19,728	1.5
Gain from monetary position	(179,302)	-16.4%	(83,110)	-6.2
INTEGRAL FINANCING COST	22,854	2.1%	201,988	15.2
LOSS BEFORE TAXES	(302,898)	-27.6%	(352,550)	-26.4
Equity participation in net loss (income) of subsidiaries	25	0.0%	-	0.0
Taxes	57,913	5.3%	13,678	1.0
LOSS BEFORE MINORITY INTEREST	(360,836)	-32.9%	(366,228)	-27.5
Minority interest	290	0.0%	(1,382)	-0.1
NET LOSS	(361,126)	-32.9%	(364,846)	-27.4

FIRST QUARTER 2005 RESULTS

8

GRUPO IUSACELL CELULAR CONSOLIDATED BALANCE SHEET  
COMPARISON OF FIRST QUARTER 2005 WITH FIRST QUARTER 2004  
(figures in thousands of constant March 31, 2005 Pesos)

	1Q04		1Q05	
	-----		-----	
ASSETS				
Current Assets				
Cash and marketable securities	2,288	0%	1,532	0
Accounts receivable, net	588,736	6%	344,543	4
Related parties	265,880	2%	287,904	3
Recoverable taxes and other	247,454	2%	426,204	4
Inventories	295,576	3%	154,533	2
TOTAL CURRENT ASSETS	1,399,934	13%	1,214,716	13
Property and equipment, net	7,006,911	66%	6,291,560	66
Excess of cost of investments in subsidiaries over book value, net	1,784,825	17%	1,626,000	17
Other assets	466,287	4%	440,385	5
TOTAL ASSETS	10,657,957	100%	9,572,661	100
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current Liabilities				

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Accrued liabilities	627,569	6%	1,343,156	14
Related parties	85,165	1%	242,744	3
Accounts payable	492,647	5%	271,760	3
Short-term debt	4,847,226	45%	4,642,492	48
TOTAL CURRENT LIABILITIES	6,052,607	57%	6,500,152	68
Noncurrent liabilities	690	0%	479	0
TOTAL LIABILITIES	6,053,297	57%	6,500,631	68
Minority interest	-43,256	0%	-89,934	-1
Shareholders' Equity				
Capital stock	17,559,214	165%	17,559,214	183
Legal reserve	31,266	0%	31,266	0
Capital contributions	108,191	1%	108,191	1
Net income (loss)	-271,117	-3%	-323,284	-3
Accumulated earnings from prior years	-12,004,893	-113%	-13,438,678	-140
Excess from restatement of shareholder's equity	-774,745	-7%	-774,745	-8
TOTAL SHAREHOLDERS' EQUITY	4,647,916	44%	3,161,964	33
TOTAL LIABILITIES AND SHAREHOLDERS'S EQUITY	10,657,957	100%	9,572,661	100

FIRST QUARTER 2005 RESULTS

9

GRUPO IUSACELL CELULAR CONSOLIDATED INCOME STATEMENT  
COMPARISON OF FIRST QUARTER 2005 WITH FIRST QUARTER 2004  
(figures in thousands of constant March 31, 2005 Pesos)

	1Q04		1Q05	
	-----		-----	
REVENUE				
Service	1,241,850	109.3%	1,456,771	107.5%
Commissions	(105,250)	-9.3%	(101,341)	-7.5%
NET REVENUE	1,136,600	100.0%	1,355,430	100.0%
Cost of services	465,594	41.0%	722,748	53.3%
Handsets subsidy	252,048	22.2%	76,132	5.6%
TOTAL COSTS	717,642	63.1%	798,880	58.9%
GROSS PROFIT	418,958	36.9%	556,550	41.1%
Sales & advertising expenses	173,280	15.2%	280,816	20.7%
General and administrative expenses	69,569	6.1%	121,188	8.9%
TOTAL OPERATING EXPENSES	242,849	21.4%	402,004	29.7%
OPERATING INCOME BEFORE DEPRECIATION AND AMORTIZATION	176,109	15.5%	154,546	11.4%
Depreciation and amortization	477,332	42.0%	348,428	25.7%
OPERATING LOSS	(301,223)	-26.5%	(193,882)	-14.3%
(Profit) loss from fixed assets sales	(71,613)	-6.3%	169	0.0%
Other (income) expense	-	0.0%	32,399	2.4%

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Interest expense, net	95,722	8.4%	110,138	8.1
Foreign exchange loss (gain)	(21,091)	-1.9%	9,495	0.7
Gain from monetary position	(85,684)	-7.5%	(34,928)	-2.6
INTEGRAL FINANCING COST	(11,053)	-1.0%	84,705	6.2
LOSS BEFORE TAXES	(218,557)	-19.2%	(311,155)	-23.0
Equity participation in net loss (income) of subsidiaries	25	0.0%	-	0.0
Taxes	52,245	4.6%	13,511	1.0
LOSS BEFORE MINORITY INTEREST	(270,827)	-23.8%	(324,666)	-24.0
Minority interest	290	0.0%	(1,382)	-0.1
NET LOSS	(271,117)	-23.9%	(323,284)	-23.9

FIRST QUARTER 2005 RESULTS

10