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GRUPO IUSACELL SA DE CV  
Form 6-K  
February 27, 2006

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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 February, 2006

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.

-----  
(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

Documents Furnished By the Registrant

1. Press Release of the Registrant dated February 24, 2006

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: February 24, 2006

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

/s/

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Name: Jose Luis Riera  
Title: Attorney in fact

2

IUSACELL REPORTS FOURTH QUARTER 2005 RESULTS

- EBITDA INCREASES 126% DURING 2005

- NET INCOME OF PS \$143 MILLION DURING 4TH QUARTER 2005

MEXICO CITY, Feb. 24 /PRNewswire-FirstCall/ -- Grupo Iusacell, S.A. de C.V. (BMV: CEL) reported an increase of 30% in revenues for the fourth quarter of 2005 and of 26% for the twelve months of 2005.

For the fourth quarter 2005, the Company recorded an operating income before depreciation and amortization of Ps \$269 million, compared with an operating loss before depreciation and amortization of Ps \$25 million for the fourth quarter of 2004. For 2005, Iusacell recorded an operating income before depreciation and amortization of Ps \$1,039 million, which represented an increase of 126% compared to the same period of 2004.

Iusacell recorded a net income for the quarter for the first time since the second quarter of 2001. Iusacell recorded a net income of Ps \$143 million for the fourth quarter of 2005 compared to a net loss of Ps \$375 million recorded during the same period of 2004.

Recent Events

Iusacell reaches an agreement to Restructure its Debt.

On January 23, 2006, Grupo Iusacell, S.A. de C.V. and its main operating subsidiary Grupo Iusacell Celular, S.A. de C.V. announced that they have reached an agreement in principle with the majority of their respective creditors to restructure their indebtedness.

Grupo Iusacell, S.A. de C.V.

Iusacell reached an agreement in principle with creditors representing a majority of the principal amount of its US\$350 million 14.25% notes due in 2006 to exchange such notes for new notes.

The new notes to be issued in exchange for the existing notes will be in a principal amount of US\$175 million and will bear interest at an annual rate of 10% with semi-annual interest payments in arrears (with Iusacell having the option to capitalize up to 40% of each interest payment).

Iusacell is planning to launch the exchange offer and consent solicitation on or before March 15, 2006. All existing notes tendered in the exchange offer will be cancelled upon the consummation of the transaction, and past due interest on the tendered existing notes will be forgiven. At December 31, 2005, the past due interest was approximately US\$150 million.

Grupo Iusacell Celular, S.A. de C.V.

Grupo Iusacell Celular, S.A. de C.V. reached an agreement in principle with creditors representing the majority of its secured debt also involving an exchange of the existing secured debt.

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The agreement in principle contemplates that the US\$190 million Existing Tranche A loan be exchanged for US\$190 million new first lien notes. Main terms of the new first lien notes would include a first lien on substantially all of Iusacell Celular's assets, in the terms and conditions of the existing lien, with interest at Libor + 400 basis points, payable quarterly, and final maturity 2010.

Further, under this agreement the US\$76 million Existing Tranche B loan and USD\$150 million existing senior notes would be exchanged for approximately \$203 million of new second lien notes. Main terms of the new second lien notes include a second lien on substantially all of the assets of Iusacell Celular, under the terms and conditions of the existing lien, interest at 10% per annum with semi-annual payments (the Company will have the option to capitalize up to 30% of each interest payment), and maturity in 2011. All existing senior notes tendered in the exchange offer will be cancelled upon the consummation of the transaction, and past due interest on the existing senior notes, which was approximately US\$44 million as of December 31, 2005, will be forgiven.

3

The New Notes, the New First Lien Notes and the New Second Lien Notes will be issued pursuant to an exemption from the registration requirements of the Securities Act of 1933. The exchange offers may be consummated as voluntary exchanges or through any other legal means available to the Company and Iusacell Celular, under applicable insolvency and business reorganization laws.

Bank of New York concluded the sale of the Company's shares corresponding to the ADRs of Iusacell.

On December 15, 2005, Iusacell reported that The Bank of New York (BoNY) concluded the sale on the Mexican Stock Exchange (BMV) of the Company's shares underlying the American Depositary Receipts (ADRs) that were not exchanged by shareholders within the period of time established, as part of the process of termination of the Company's ADR program in the U.S.

As previously explained in press releases issued by the Company, ADR holders had 60 days - from September 20 through November 20, 2005 -- to exchange ADRs for shares traded on the BMV. As of November 21, 2005, BoNY started selling the shares corresponding to ADRs that were not exchanged. The period for the sale of shares by BoNY has concluded, and there are no remaining shares corresponding to ADRs exchanged in the 60-day period.

### Consolidated Financial Results Revenues

Revenues in the fourth quarter of 2005 grew 30% to Ps \$1,740 million, compared to Ps \$1,338 million in the same period 2004. For the twelve months of 2005, revenues increased 26% to Ps \$6,122 million compared to Ps \$4,862 million recorded in the same period last year. The increase is primarily due to growth in postpaid revenues mainly due to an increase in the subscriber base, as well as higher revenues from value added services. Grupo Iusacell closed the fourth quarter of 2005 with 1.80 million subscribers.

### Costs and Expenses

During the quarter, total costs increased 7% to Ps \$1,048 million compared to Ps \$976 million recorded in the fourth quarter of 2004. Operating expenses increased 9% to Ps \$424 million compared to Ps \$387 million recorded in the fourth quarter the prior year. When comparing twelve-month figures, the Company recorded a 9% increase in total cost to Ps \$3,382 million for 2005 from Ps \$3,093 million for 2004 as well as a 30% increase in operating expenses to Ps

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\$1,700 million for 2005 from Ps \$1,309 million for 2004.

The increase in total costs, for the quarter of 2005 as compared to the same period in 2004 is primarily due to an increase in interconnection and technical expenses offset in part by a decrease in handset subsidy costs.

The increase in operating expenses for the quarter of 2005 as compared to the same period in 2004, mainly reflects an increases in personnel expenses due to an increase in the number of full-time and part-time employees, the creation of regional sales and customer care structures in line with our strategy of providing the best service to our clients, and an increase in professional fees mainly related with the debt restructure.

### Operating income before depreciation and amortization

Iusacell recorded an operating income before depreciation and amortization during the fourth quarter of 2005 of Ps \$269 million, compared to Ps \$25 million of operating loss before depreciation and amortization recorded in the same period the preceding year. When comparing twelve-month figures, the Company recorded an increase in operating income before depreciation and amortization of 126% to Ps \$1,039 million for 2005 compared to Ps \$461 million for 2004 the prior.

4

### Net Income

Iusacell recorded a net income of Ps\$143 million during the fourth quarter of 2005, reverting the net loss of Ps\$375 million recorded in the same period the preceding year. This increase is due mainly to the increase in operating income before depreciation and amortization described above, as well as an increase in gain from monetary position. When comparing twelve-month figures, the Company recorded a reduction in net loss of 66% to Ps\$706 million for 2005 as compared to Ps\$2,055 million for 2004.

### CAPEX

In the fourth quarter of 2005, the Company invested approximately US\$16 million, mainly for the expansion of coverage and capacity of Iusacell's 3-G network and EV-DO (Evolution Data Only) services. For the full year Iusacell invested approximately US\$64 million.

### About Iusacell

Grupo Iusacell, S.A. de C.V. (Iusacell, BMV: CEL) is a wireless cellular and PCS service provider in Mexico with a national footprint. 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. A discussion of factors that may affect future results is contained in our filings with the Securities and Exchange Commission.

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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 and twelve-month periods ended December 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 December 31, 2005.

**Contacts:**

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5

GRUPO IUSACELL, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	4Q04		4Q05		Change
	-----		-----		-----
<b>QUARTERLY INCOME STATEMENT</b>					
Gross Revenues	106%	1,420	105%	1,833	413
Commissions	(6)%	(83)	(5)%	(93)	(10)
Net Revenues	100%	1,338	100%	1,740	403
Cost of services	51%	685	46%	793	108
Handset Subsidy	22%	291	15%	255	(36)
Total Cost	73%	976	60%	1,048	72
Gross Profit	27%	362	40%	692	330
Operating Expenses	29%	387	24%	424	37
Depreciation and Amortization	35%	469	23%	401	(68)
Total Expenses	64%	856	47%	825	(31)
Operating Loss	(37)%	(494)	(8)%	(133)	362
Operating Profit before Depreciation and Amortization	(2)%	(25)	15%	269	294
Loss from sale of fixed assets and other expenses	4%	52	1%	10	(42)
Comprehensive Financing Cost					
Interest Expense - Net	(22)%	(299)	(17)%	(289)	10
Exchange gain (loss)	18%	238	11%	189	(49)
Gain from net monetary position	10%	129	19%	337	207
	5%	68	14%	237	168

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Loss before taxes	(28)%	(374)	7%	114	488
Tax Provisions	1%	16	1%	17	2
Equity in income (loss) of subsidiaries	(1)%	(14)	0%	--	14
Extraordinary item	(0)%	(6)	0%	--	6
Minority interest	0%	3	1%	12	9
Net income (loss)	(28)%	(375)	8%	143	517

6

GRUPO IUSACELL, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	12M04		12M05		Change
	-----		-----		-----
ACCUMULATED INCOME STATEMENT					
Gross Revenues	107%	5,188	106%	6,507	1,319
Commissions	(7)%	(326)	(6)%	(385)	(59)
Net Revenues	100%	4,862	100%	6,122	1,260
Cost of services	45%	2,197	45%	2,729	532
Handset Subsidy	18%	896	11%	654	(243)
Total Cost	64%	3,093	55%	3,382	289
Gross Profit	36%	1,770	45%	2,740	970
Operating Expenses	27%	1,309	28%	1,700	392
Depreciation and Amortization	42%	2,027	26%	1,567	(460)
Total Expenses	69%	3,336	53%	3,267	(68)
Operating Loss	(32)%	(1,566)	(9)%	(528)	1,039
Operating Profit before Depreciation and Amortization	9%	461	17%	1,039	579
Loss from sale of fixed assets and other expenses	4%	203	(1)%	(33)	(236)
Comprehensive Financing Cost					
Interest Expense - Net	(23)%	(1,119)	(18)%	(1,122)	(3)
Exchange gain (loss)	1%	72	9%	574	502
Gain from net monetary position	10%	482	7%	450	(32)

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	(12)%	(565)	(2)%	(98)	467
Loss before taxes	(40)%	(1,928)	(11)%	(659)	1,269
Tax Provisions	(3)%	(161)	(1)%	(55)	106
Equity in income (loss) of subsidiaries	(0)%	(14)	0%	--	14
Extraordinary item	1%	42	0%	--	(42)
Minority interest	0%	5	0%	8	2
		--			
Net loss	(42)%	(2,055)	(12)%	(706)	1,350

7

GRUPO IUSACELL, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	12M04		12M05		Change
	-----		-----		-----
Cash and cash equivalents	4	0%	40	0%	35
Customers	350	3%	312	3%	(38)
Due from related parties	43	0%	178	2%	135
Advanced payments and other receivables	325	3%	297	3%	(28)
Unamortized handset subsidy	--	0%	441	4%	441
Inventories	340	3%	59	1%	(281)
Current assets	1,062	9%	1,326	12%	264
Fixed assets	7,308	64%	6,289	58%	(1,019)
Goodwill - Net	1,856	16%	1,856	17%	--
Other assets	1,112	10%	1,353	13%	241
					--
Total assets	11,338	100%	10,824	100%	(514)
Short-term debt	9,128	81%	8,406	78%	(722)
Accrued interest	1,685	15%	2,331	22%	646
Short-term liabilities with financial cost	10,813	95%	10,737	99%	(76)
Suppliers	340	3%	431	4%	91
Related parties	365	3%	324	3%	(40)
Unaccrued air time	161	1%	117	1%	(45)
Accumulated expenses and other payables	819	7%	999	9%	179

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Short-term liabilities without financial cost	1,686	15%	1,871	17%	185
SHORT-TERM LIABILITIES	12,499	110%	12,608	116%	109
LONG-TERM LIABILITIES	26	0%	1	0%	(25)
Advances from customers	--		291	3%	291
STOCKHOLDERS' EQUITY	(1,187)	(10)%	(2,076)	(19)%	(889)
LIABILITIES + EQUITY	11,338	100%	10,824	100%	(514)

8

GRUPO IUSACELL CELULAR, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	4Q04		4Q05		Change
	-----		-----		-----
QUARTERLY INCOME STATEMENT					
Gross Revenues	106%	1,493	105%	1,885	392
Commissions	(6)%	(83)	(5)%	(93)	(10)
Net Revenues	100%	1,410	100%	1,792	382
Cost of services	50%	706	45%	814	108
Handsets' subsidy	21%	291	14%	255	(35)
Total Cost	71%	996	60%	1,069	73
Gross Profit	29%	413	40%	723	310
Operating Expenses	27%	380	23%	406	26
Depreciation and Amortization	30%	429	20%	363	(66)
Total Expenses	57%	809	43%	769	(40)
Operating Loss	(28)%	(395)	(3)%	(46)	349
Operating Profit before Depreciation and Amortization	2%	34	18%	317	283
(Loss) profit from sale of fixed assets and other	(4)%	(58)	1%	11	69
Comprehensive Financing Cost					
Interest Expense - Net	(10)%	(139)	(7)%	(134)	5
Exchange gain (loss)	8%	120	5%	93	(27)
Gain from net					



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monetary position	1%	8	5%	84	77
	(1)%	(11)	2%	44	55
Loss before taxes	(33)%	(465)	0%	9	473
Tax Provisions	1%	20	1%	18	(2)
Equity in income (loss) of subsidiaries	(1)%	(14)	0%	--	14
Extraordinary item	0%	--	0%	--	--
Minority interest	0%	3	1%	12	9
Net income (loss)	(32)%	(456)	2%	38	494

9

GRUPO IUSACELL CELULAR, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	12M04		12M05		Change
	-----		-----		-----
ACCUMULATED INCOME STATEMENT					
Gross Revenues	106%	5,360	106%	6,679	1,319
Commissions	(6)%	(326)	(6)%	(385)	(59)
Net Revenues	100%	5,034	100%	6,295	1,260
Cost of services	45%	2,283	46%	2,917	635
Handsets' subsidy	18%	896	10%	654	(242)
Total Cost	63%	3,178	57%	3,571	393
Gross Profit	37%	1,856	43%	2,724	868
Operating Expenses	25%	1,283	26%	1,660	377
Depreciation and Amortization	37%	1,863	23%	1,417	(446)
Total Expenses	62%	3,146	49%	3,076	(69)
Operating Loss	(26)%	(1,290)	(6)%	(353)	937
Operating Profit before Depreciation and Amortization	11%	573	17%	1,064	490
(Loss) profit from sale of fixed assets and other	1%	61	(0)%	(24)	(85)
Comprehensive Financing Cost					
Interest Expense - Net	(9)%	(462)	(8)%	(503)	(41)
Exchange gain (loss)	1%	31	4%	279	248
Gain from net					

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monetary position	3%	176	2%	119	(57)
	(5)%	(256)	(2)%	(106)	150
Loss before taxes	(29)%	(1,484)	(8)%	(482)	1,002
Tax Provisions	(3)%	(139)	(1)%	(54)	86
Equity in income (loss) of subsidiaries	(0)%	(14)	0%	--	14
Extraordinary item	0%	--	0%	--	--
Minority interest	0%	5	0%	8	2
Net income (loss)	(32)%	(1,632)	(8)%	(528)	1,104

10

GRUPO IUSACELL CELULAR, S.A. DE C.V. AND  
SUBSIDIARIES  
MILLIONS OF MEXICAN PESOS OF DECEMBER 31,  
2005 PURCHASING POWER  
(UNAUDITED FIGURES)

	12M04		12M05		Change	
	-----	-----	-----	-----	-----	-----
Cash and cash equivalents	2	0%	20	0%	18	n.
Customers	340	3%	313	3%	(27)	
Due from related parties	516	5%	654	7%	138	
Advanced payments and other receivables	259	3%	242	2%	(18)	
Unamortized handset subsidy	-	0%	441	5%	441	n.
Inventories	340	3%	59	1%	(281)	(
Current assets	1,458	14%	1,728	18%	270	
Fixed assets	6,700	65%	5,668	58%	(1,032)	(
Goodwill - Net	1,667	16%	1,667	17%	--	
Other assets	461	4%	715	7%	254	
Total assets	10,285	100%	9,777	100%	(508)	
Suppliers	328	3%	368	4%	40	
Accumulated expenses and other payables	1,152	11%	1,343	14%	191	
Related parties	516	5%	540	6%	24	
Short-term debt	4,789	47%	4,410	45%	(379)	
Short-term liabilities	6,784	66%	6,661	68%	(123)	
Long-term debt	0	0%	0	0%	(0)	
TOTAL LIABILITIES	6,785	66%	6,661	68%	(123)	
DEFERRED CREDITS						
Advances from customers	--	0%	291	3%	291	n.

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STOCKHOLDERS' EQUITY	3,501	34%	2,825	29%	(675)
LIABILITIES + EQUITY	10,285	100%	9,777	100%	(508)

SOURCE Grupo Iusacell, S.A. de C.V.

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02/24/2006

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