

GRUPO RADIO CENTRO SA DE CV  
Form 6-K  
April 27, 2005

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**Securities and Exchange Commission**  
Washington, D.C. 20549

**FORM 6-K**

**Report of Foreign Issuer  
Pursuant To Rule 13a-16 or 15d-16  
of The Securities Exchange Act of 1934**

For the month of April, 2005

Commission File Number 1-12090

**GRUPO RADIO CENTRO, S.A. de C.V.**

*(Translation of Registrant's name into English)*

**Constituyentes 1154, Piso 7  
Col. Lomas Altas, México D.F. 11954**  
*(Address of principal office)*

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

(Check One) 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 information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

(Check One) Yes  No

(If  Yes is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b). 82- .)

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**SIGNATURES**

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

Date: April 26, 2005

GRUPO RADIO CENTRO, S.A. de C.V.  
(Registrant)

By:           /s/ PEDRO BELTRÁN NASR          

Name: Pedro Beltrán Nasr  
Title: Chief Financial Officer

*For Immediate Release*

**April 26, 2005**

**Grupo Radio Centro Reports First Quarter 2005 Results**

Mexico City, April 26, 2005 - Grupo Radio Centro, S.A. de C.V. (NYSE: RC, BMV: RCENTRO-A) (the Company), one of Mexico's leading radio broadcasting companies, announced today its results of operations for the three months ended March 31, 2005. All figures were prepared in accordance with generally accepted accounting principles in Mexico and have been restated in constant pesos as of March 31, 2005.

Due to the termination of the news program previously provided by a third party, which took place on March 3, 2004, the Company was able to increase its productivity, however for the first quarter of 2005, broadcasting revenue was Ps. 106,391,000, representing a decrease of 12.5% compared to Ps. 121,620,000 reported for the same period of 2004. This decrease was mainly due to the loss of revenue from the abovementioned broadcasting news programs, which the Company ceased receiving after the cancellation of these news broadcasts at the end of the first quarter of 2004.

The Company's broadcasting expenses (excluding depreciation, amortization and corporate, general and administrative expenses) for the first quarter of 2005 were Ps. 86,363,000, representing a decrease of 26.4% compared to Ps. 117,380,000 reported for the same period of 2004. This decrease was mainly attributable to lower production costs resulting from the termination of news programming produced by a third party at the end of the first quarter of 2004.

For the first quarter of 2005, the Company reported broadcasting income (i.e., broadcasting revenue minus broadcasting expenses, excluding depreciation, amortization and corporate, general and administrative expenses) of Ps. 20,028,000, an amount which more than quadrupled the broadcasting income of Ps. 4,240,000 reported for the same period in 2004. This increase was mainly attributable to the decrease in the aforementioned Company's broadcasting expenses, which more than offset the reduction in broadcasting revenues.

Depreciation and amortization for the first quarter of 2005 amounted to Ps. 9,735,000, a 60.0% decrease compared to Ps. 24,367,000 reported for the same period of 2004. This decrease was caused by the implementation of a new accounting principle in Mexico (Bulletin B-7 *Adquisición de Negocios*). As a result, the Company no longer amortizes goodwill as of January 1, 2005, but instead tests goodwill for impairment at least once a year. In accordance with the requirements of Bulletin B-7, the Company performed an analysis for impairment of goodwill as of December 31, 2004 and concluded that no impairment adjustment was necessary. This new Mexican accounting principle is in accordance with U.S. GAAP.

For the first quarter of 2005, the Company's corporate, general and administrative expenses were Ps. 4,284,000, compared to Ps. 7,641,000 reported for the same period of 2004. This 43.9% decrease was due to the discontinuance of expenses previously related to a news production contract that the Company formerly had with a third party, which was terminated at the end of the first quarter of 2004.

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The Company reported operating income of Ps. 6,009,000 for the first quarter of 2005, compared to operating loss of Ps. 27,768,000 reported for the same period of 2004. The increase in operating income resulted primarily from (i) the implementation of a new accounting principle that eliminates amortization of goodwill and (ii) a reduction in broadcast expenses, which together more than offset the decrease in broadcasting revenues.

The Company's comprehensive financing cost for the first quarter of 2005 was Ps. 6,144,000, compared to a comprehensive financing cost of Ps. 3,567,000 reported for the same period of 2004. This increase of 72.2% was primarily attributable to (i) an increase in interest expense during the first quarter of 2005 that resulted principally from the Company recording interest relating to a contingent liability provision recorded at the end of 2003, and (ii) a foreign currency exchange loss, net of Ps. 589,000 for the first quarter of 2005 compared to a foreign currency exchange gain, net of Ps. 1,732,000 for the same period of 2004. This was a result of the depreciation of the peso against the U.S. dollar during the first quarter of 2005.

For the first quarter of 2005, other expenses, net, were Ps. 9,033,000, a slight decrease compared to Ps. 10,684,000 reported for the same period in 2004. This decrease was mainly due to the inclusion in other income, of income from a special promotional event of the Company in the first quarter of 2005.

The Company reported a loss before provisions for income tax and employee profit sharing of Ps. 9,168,000 for the first quarter of 2005, compared to a loss before provisions for income tax and employee profit sharing of Ps. 42,019,000 for the same period of 2004.

For the first quarter of 2005, the Company recorded provisions for income tax and employee profit sharing of Ps. 44,000. No provisions for income tax and employee profit sharing were recorded for the first quarter of 2004 primarily due to the loss before provisions reported for that period.

As a result of the foregoing, the Company had a net loss for the first quarter of 2005 of Ps. 9,212,000, compared to a net loss of Ps. 42,019,000 reported for same period of 2004.

**Other Matters:**

From March 31, 2004 to March 31, 2005, the Company's total bank debt decreased from Ps. 236.1 million to Ps. 169.8 million as a result of scheduled payments.

**Company Description:**

Grupo Radio Centro owns and/or operates 14 radio stations. Of these 14 radio stations, Grupo Radio Centro operates 11 in Mexico City. The Company's principal activities are the production and broadcasting of musical and entertainment programs, talk shows, news and special events programs. Revenue is primarily derived from the sale of commercial airtime. In addition to the Organización Radio Centro radio stations, the Company also operates Grupo RED radio stations and Organización Impulsora

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de Radio (OIR), a radio network that acts as the national sales representative for, and provides programming to, Grupo Radio Centro-affiliated radio stations.

**Note on Forward Looking Statements:**

This release may contain projections or other forward-looking statements related to Grupo Radio Centro that involve risks and uncertainties. Readers are cautioned that these statements are only predictions and may differ materially from actual future results or events. Readers are referred to the documents filed by Grupo Radio Centro with the United States Securities and Exchange Commission, specifically the most recent filing on Form 20-F, which identifies important risk factors that could cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements are based on information available to Grupo Radio Centro on the date hereof, and Grupo Radio Centro assumes no obligation to update such statements.

In Mexico:

Pedro Beltran / Alfredo Azpeitia

**Grupo Radio Centro, S.A. de C.V.**

Tel: (5255) 5728-4800 Ext. 7018

aazpeitia@grc.com.mx

In NY:

Maria Barona / Peter Majeski

**i-advize Corporate Communications, Inc.**

Tel: (212) 406-3690

grc@i-advize.com.mx

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**GRUPO RADIO CENTRO, S.A. DE C.V.**  
**CONSOLIDATED UNAUDITED BALANCE SHEETS**  
 as of March 31, 2005 and 2004  
 in Mexican Pesos ( Ps. ) with purchasing power as of March 31, 2005  
 (figures in thousands of P s. and U.S. dollars ( U.S. \$<sup>(1)</sup>))

|  | March 31               |                  |                  |
|--|------------------------|------------------|------------------|
|  | 2005                   |                  | 2004             |
|  | U.S. \$ <sup>(1)</sup> | Ps.              | Ps.              |
| <b><u>ASSETS</u></b>                           |                        |                  |                  |
| <b>Current assets:</b>                         |                        |                  |                  |
| Cash and temporary investments                 | 3,656                  | 41,290           | 100,543          |
| <b>Accounts receivable:</b>                    |                        |                  |                  |
| Broadcasting , net                             | 12,662                 | 143,020          | 163,728          |
| Other  | 451                    | 5,096            | 7,236            |
| Income tax recoverable                         | 1,807                  | 20,410           | 11,302           |
|  | <b>14,920</b>          | <b>168,526</b>   | <b>182,266</b>   |
| Guarantee deposit                              | 0                      | 0                | 6,009            |
| Prepaid expenses                               | 1,138                  | 12,854           | 8,020            |
| <b>Total current assets</b>                    | <b>19,714</b>          | <b>222,670</b>   | <b>296,838</b>   |
| Long-term accounts receivable                  | 1,264                  | 14,272           | 0                |
| Property and equipment, net                    | 42,761                 | 482,949          | 494,422          |
| Deferred charges, net                          | 1,177                  | 13,295           | 12,684           |
| Excess of cost over book value of subsidiaries | 65,525                 | 740,047          | 790,423          |
| Other assets                                   | 285                    | 3,220            | 3,296            |
| <b>Total assets</b>                            | <b>130,726</b>         | <b>1,476,453</b> | <b>1,597,663</b> |
| <b><u>LIABILITIES</u></b>                      |                        |                  |                  |
| <b>Current:</b>                                |                        |                  |                  |
| Notes payable                                  | 5,013                  | 56,618           | 59,035           |
| Advances from customers                        | 3,706                  | 41,856           | 60,605           |
| Other accounts payable and accrued expenses    | 2,866                  | 32,373           | 69,930           |
| Taxes payable                                  | 1,214                  | 13,716           | 18,143           |
| Contingent Liabilities                         | 21,893                 | 247,266          | 244,418          |
| <b>Total current liabilities</b>               | <b>34,692</b>          | <b>391,829</b>   | <b>452,131</b>   |
| <b>Long-Term:</b>                              |                        |                  |                  |
| Deferred income tax                            | 3,228                  | 36,458           | 26,785           |
| Notes payable                                  | 10,026                 | 113,237          | 177,107          |
| Reserve for labor obligations                  | 2,929                  | 33,076           | 29,144           |
| <b>Total liabilities</b>                       | <b>50,875</b>          | <b>574,600</b>   | <b>685,167</b>   |

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| <b>STOCKHOLDERS EQUITY</b>                       |                |                  |                  |
|--|----------------|------------------|------------------|
| Capital stock                                    | 100,410        | 1,134,048        | 1,134,078        |
| Retained (deficit) earnings                      | (16,069)       | (181,486)        | (170,849)        |
| Provision for repurchase of shares               | 3,548          | 40,076           | 40,066           |
| Accumulated effect of deferred income tax        | (8,492)        | (95,907)         | (95,907)         |
| Surplus on restatement of capital                | 406            | 4,585            | 4,585            |
| Minority interest                                | 48             | 537              | 523              |
|  |                |                  |                  |
| <b>Total stockholders equity</b>                 | <b>79,851</b>  | <b>901,853</b>   | <b>912,496</b>   |
|  |                |                  |                  |
| <b>Total liabilities and stockholders equity</b> | <b>130,726</b> | <b>1,476,453</b> | <b>1,597,663</b> |

(1) Peso amounts have been translated into U.S. dollars, solely for the convenience of the reader, at the rate of P s. 11.2942 per U.S. dollar, the rate on March 31, 2005.

**GRUPO RADIO CENTRO, S.A. DE C.V.**  
**CONSOLIDATED UNAUDITED STATEMENTS OF INCOME**  
**for the three-month period ended March 31, 2005 and 2004 expressed**  
**in Mexican Pesos ( Ps. ) with purchasing power as of March 31, 2005**  
**(figures in thousands of Ps. and U.S. dollars ( U.S. \$<sup>1</sup> ) except per Share and per ADS amounts)**

|  | March 31              |                |                 |
|--|-----------------------|----------------|-----------------|
|  | 2005                  |                | 2004            |
|  | U.S.\$ <sup>(1)</sup> | Ps.            | Ps.             |
| Broadcasting revenue <sup>(2)</sup>  | 9,420                 | 106,391        | 121,620         |
| Broadcasting expenses, excluding depreciation, amortization and corporate expenses | 7,647                 | 86,363         | 117,380         |
| <b>Broadcasting income</b>   | <b>1,773</b>          | <b>20,028</b>  | <b>4,240</b>    |
| Depreciation and amortization  | 862                   | 9,735          | 24,367          |
| Corporate general and administrative expenses                                      | 379                   | 4,284          | 7,641           |
| <b>Operating income (loss)</b>   | <b>532</b>            | <b>6,009</b>   | <b>(27,768)</b> |
| Comprehensive financing income (cost):   |                       |                |                 |
| Interest expense   | (719)                 | (8,142)        | (6,636)         |
| Interest income <sup>(2)</sup>   | 52                    | 583            | 179             |
| Gain (loss) on foreign currency exchange, net                                      | (52)                  | (589)          | 1,732           |
| Gain (loss) on net monetary position   | 177                   | 2,004          | 1,158           |
|  | (542)                 | (6,144)        | (3,567)         |
| Other expenses, net  | (800)                 | (9,033)        | (10,684)        |
| <b>Loss before provisions</b>  | <b>(810)</b>          | <b>(9,168)</b> | <b>(42,019)</b> |
| Provisions for income tax & employee profit sharing                                | 4                     | 44             | 0               |
| <b>Net loss</b>  | <b>(814)</b>          | <b>(9,212)</b> | <b>(42,019)</b> |
| <b>Net loss applicable to:</b>   |                       |                |                 |
| Majority interest  | (814)                 | (9,217)        | (42,006)        |
| Minority interest  | 0                     | 5              | (13)            |
|  | (814)                 | (9,212)        | (42,019)        |
| Net income (loss) per Series A Share <sup>(3)</sup>                                | (0.003)               | (0.035)        | (1.912)         |
| Net income (loss) per ADS <sup>(3)</sup>   | (0.028)               | (0.317)        | (17.205)        |
| Weighted average common shares outstanding (000 s) <sup>(3)</sup>                  |                       | 162,537        | 162,685         |

<sup>(1)</sup> **Peso amounts have been translated into U.S. dollars, solely for the convenience of the reader, at the rate of Ps. 11.2942 per U.S. dollar, the rate on March 31, 2005.**

<sup>(2)</sup> **Broadcasting revenue for a particular period includes (as a reclassification of interest income) interest earned on funds received by the Company pursuant to advance sales of commercial air time to the extent that the underlying funds were earned by the Company during the period in question. Advances from advertisers are recognized as broadcasting revenue only when the corresponding commercial air time has been transmitted. Interest earned and treated as broadcasting revenue for the first quarter of 2005 and 2004 was Ps. 106,000 and Ps. 574,000, respectively.**

<sup>(3)</sup>



**Earnings per share calculations are made for the last twelve months as of the date of the income statement, as required by the Mexican Stock Exchange.**

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