



## **Covad Begins Receiving Broadband Orders from ACN As Part of Their Bundled Voice and Broadband Services**

### ***Through Line-Splitting Technology, Covad and ACN Provide Customers In 19 States with Additional Choice in Bundled Voice and Broadband Services***

**San Jose, CA, (April 5, 2004)**—Covad Communications Group, Inc. (OTCBB: COVD), a leading national broadband service provider of high-speed Internet and network access, announced today that it has started accepting broadband orders from ACN, a competitive local, long distance, wireless, Internet access, gas and electricity service provider for consumers and small businesses. ACN now offers local and long-distance telephone services bundled with Covad powered DSL broadband to their customers nationwide.

Under the terms of this line-splitting agreement, ACN will offer Covad Digital Subscriber Line (DSL) broadband connectivity as part of the ACN Advantage calling plan for consumers. ACN will purchase the local loop from incumbent phone companies and bundle its local and long distance services with Covad's DSL services. ACN customers will now be able to enjoy the benefits and convenience of purchasing bundled voice and broadband service from one provider.

The ACN Advantage DSL packages will be available in Arizona, California (SBC & Verizon territories), Colorado, Florida, Georgia, Illinois, Maryland, Michigan, Minnesota, Missouri, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Texas, Utah, Washington, Wisconsin and the territory of Washington DC.

"As a way to make broadband more available and affordable for residential users throughout the United States, Covad made the strategic decision to partner with ACN to deliver Covad-powered DSL service as part of ACN's local, long-distance and broadband bundle," said Charles Hoffman, president and chief executive officer of Covad. "Line-splitting technology broadens Covad's addressable market by making DSL services accessible to customers who currently use a competitive telecommunications provider, like ACN, for their local phone service."

"ACN has become a dominating force in the direct sales industry by simply providing consumers with a better alternative and a better value on services they already use every day," said Charles Barker, chief executive officer of ACN. "By working with



Covad, we're able to offer consumers an affordable alternative that combines local and long distance calling and DSL conveniently on one bill."

ACN has two DSL packages available to fit the needs of most home and very small business users. Choose ACN Advantage DSL for a plan that allows casual users to enjoy web surfing, online shopping, home banking, chatting and downloading at speeds 30 times faster than standard dial-up. This affordable plan is great for the single computer. Opt for ACN Advantage DSL Plus if you are a more frequent Internet user or require the additional speed needed for online gaming, streaming audio and video. With this complete plan you can even build your own home network by connecting multiple computers to the Internet.

Both ACN Advantage DSL plans offer

- modem and installation kit
- free technical support
- lightning-fast speed
- 10 email accounts,
- 15 MB of personal web space
- Customizable ACN Internet start-up page, [www.acn.net](http://www.acn.net), with access to the latest news, weather and sports

Customer service questions and support will be managed directly by ACN's technical support teams. In addition, these customers will conveniently receive one bill from ACN for their local, long distance and broadband services.

For further information on ACN Advantage DSL please visit [www.acninc.com](http://www.acninc.com).

A growing number of companies nationwide including EarthLink, Sprint, Speakeasy, MCI, and XO work with Covad to power their consumer and business offerings.

### **About Covad**

Covad is a leading national broadband service provider of high-speed Internet and network access utilizing Digital Subscriber Line (DSL) technology. It offers DSL, T1, hosting, managed security, IP and dial-up, and bundled voice and data services directly through Covad's network and through Internet Service Providers, value-



added resellers, telecommunications carriers and affinity groups to small and medium-sized businesses and home users. Covad services are currently available across the nation in 44 states and 235 Metropolitan Statistical Areas (MSAs) and can be purchased by more than 57 million homes and businesses, which represent over 50 percent of all US homes and businesses. Corporate headquarters is located at 110 Rio Robles San Jose, CA 95134. Telephone: 1-888-GO-COVAD. Web Site: [www.covad.com](http://www.covad.com).

**Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:**

The foregoing contains "forward-looking statements" which are based on management's current information and beliefs as well as on a number of assumptions concerning future events made by management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside Covad's control, that could cause actual results to differ materially from such statements. These risk factors include the impact of increasing competition, pricing pressures, consolidation in the telecommunications industry, uncertainty in telecommunications regulations and changes in technologies, among other risks. For a more detailed description of the risk factors that could cause such a difference, please see Covad's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. Covad disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This information is presented solely to provide additional information to further understand the results of Covad.

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