



Covad Announces Completion of a 2004 Network Expansion Initiative

Covad's Nationwide Network Now Available to Over 50 Million Homes and Businesses

San Jose, Calif. (October 19, 2004)—Covad Communications Group, Inc. (OTCBB: COVD), a leading national provider of integrated voice and data communications, today announced completion of its 2004 network expansion initiative enabling more than 5 million homes and businesses with the ability to order Covad DSL, frame access, T1 and business-class Covad VoIP services.

Covad completed the installation of additional broadband operating equipment in approximately 232 central offices across the nation earlier this month. The final count represents a 16 percent increase in central offices activated over original projections.

Covad's nationwide network previously covered more than 45 million U.S. homes and business in 96 of the top Metropolitan Statistical Areas (MSAs). The additional central offices give Covad the ability to reach over 50 million homes and businesses in 110 of the top MSAs.

"This is the largest network expansion Covad has completed since 2000. We have increased the number of businesses and households we are able to provide with broadband and VoIP, benefiting both our direct and wholesale strategic initiatives," said Charles Hoffman, president and chief executive officer. "We delivered on our network expansion promise on time and well under budget, improving the company's overall operating efficiency."

Covad 2004 Network Expansion Initiative Completed in the Following Markets

Albuquerque, NM	Grand Rapids, MI	Phoenix, AZ
Atlanta, GA	Houston, TX	Portland, OR
Austin, TX	Jacksonville, FL	Raleigh, NC
Baltimore, MD	Los Angeles, CA	San Antonio, TX
Boston, MA	Louisville, KY	San Diego, CA
Charlotte, NC	Miami, FL	San Francisco, CA
Chicago, IL	Milwaukee, WI	Seattle, WA
Cleveland, OH	Nashville, TN	St. Louis, MO
Columbus, OH	New Orleans, LA	Tampa, FL



Dallas, TX
Dayton, OH
Denver, CO
Detroit, MI

New York, NY
Norfolk, VA
Orlando, FL
Philadelphia, PA

Tucson, AZ
Washington, DC

Central office locations were selected by utilizing several key factors including potential for growth, market demographics, partner need, and neighboring central office performance. This cost-conscious approach helps to expand Covad's addressable market to increase revenue and subscriber count. Furthermore, augmenting Covad's business-class VoIP and broadband network enables the company to more efficiently utilize its core ATM network.

As part of an existing agreement with New Edge Networks, Covad broadband services are currently available across the nation in 44 states and 235 Metropolitan Statistical Areas (MSAs) and can be purchased by more than 62 million homes and businesses, which represents over 50 percent of all US homes and businesses.

Hoffman added, "We are committed to providing choice in the telecommunications marketplace; now millions of customers have Covad as an option when choosing the broadband or business-class Covad VoIP service that best fits their needs."

For more information on Covad broadband and business-class VoIP services throughout the nation, contact Covad directly by visiting www.covad.com or by calling 1-800-636-3500.

About Covad

Covad is a leading nationwide provider of integrated voice and data communications. The company offers DSL, Voice Over IP, T1, Web 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 broadband 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.



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

The foregoing contains "forward-looking statements", such as the number of metropolitan areas where Covad VoIP will be available, 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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