



Covad Completes Nationwide Rollout of Business-Class VoIP

Covad VoIP Now Available in 900+ Cities

San Jose, Calif. (December 9, 2004)—Covad Communications Group (OTCBB: COVD), a leading provider of broadband voice and data communications, today announced it has completed the nationwide rollout of its business-class Covad VoIP (Voice over Internet Protocol). Covad VoIP is now available in 125 major metropolitan markets nationwide, which includes over 900 cities.

Covad VoIP truly integrates high-speed Internet and telephone service, and allows businesses to manage both data and voice calls with a single broadband connection.

“The entire Covad team has worked diligently to implement VoIP service into our nationwide network in a very short period of time,” said Charles Hoffman, president and chief executive officer of Covad. “Covad VoIP now offers small and medium businesses across the country an unparalleled suite of services and voice quality that business can rely on, and an attractive alternative to traditional local phone company service.”

Michael Lauricella, vice president of telecommunications practices, AMI: “All businesses should seriously consider what VoIP service can do for their business. Not only is there the potential to reduce costs but also the productivity benefits are profound. When considering a VoIP solution, look to a provider that can deliver business-class managed voice services over a nationwide network coupled with a robust portfolio of productivity enhancing features and capabilities.”

VoIP represents a dramatic transformation in telecommunications that leverages the power of the Internet to enable next generation communications capabilities. It uses a broadband Internet connection such as Covad’s nationwide DSL network to carry local and long distance voice calls instead of the public switched telephone network. This more efficient method of transport results in lower costs compared to traditional phone calls while providing more features and functionality.

“We are extremely pleased by the positive reaction to Covad VoIP in all of our markets around the country,” Hoffman said. “Customers like the fact that Covad VoIP offers reliability and quality, and can serve their needs nationwide rather than just in certain regions.”



Covad VoIP offers two services: Covad vPBX and Covad PBXi. Covad PBXi is designed to work seamlessly with existing PBX equipment. Covad vPBX is designed as a full PBX alternative. Covad and Covad's dealer network install the service, train users and provide complete customer support.

Covad's Dashboard brings an array of capabilities into one common user interface including local and long-distance services, visual fax and voice mail, Instant Messaging, audio and web conferencing, call logs, directory services, "Find me/Follow me" and other features, all managed from one place using one phone number. Covad currently offers several VoIP products custom-tailored small- to medium-sized businesses, and for enterprises needing a virtual Private Branch Exchange (PBX).

Features of Covad VoIP service include:

- Local and Long Distance telephone service
- Voice Optimized Access (VOA)—the ability to prioritize voice traffic over the network to ensure impeccable quality of voice service through Covad's network
- Nationwide coverage
- Automated provisioning capabilities
- Service backed by comprehensive service level agreements (SLAs)
- Covad Dashboard an easy-to-use, award winning Web based user interface
- Call logs
- Find Me, Follow Me functionality that allows a user to receive calls on multiple devices from the users VoIP phone number
- Unified visual voice and fax mail
- Voice and Web conferencing
- Automated Attendant

Covad's Voice over IP services can be ordered directly by calling 1-866-462-3269. For more information on Covad's Voice over IP service visit Covad's website: <http://www.covad.com>.



About Covad

Covad is a leading nationwide provider of broadband 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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