



Covad Communications Group To Announce Fourth Quarter Financial Results

DSL Subscribers Increased by 8,300 lines; VoIP stations grew to 20,500

San Jose, Calif. (February 1, 2005) — Covad Communications Group, Inc. (OTCBB: COVD), a leading national provider of integrated voice and data communications, will announce its fourth quarter 2004 results in late February. Call details will be released prior to the call.

Key operating statistics for the fourth quarter of 2004 include:

- Covad added over 8,300 digital subscriber lines (DSL) during the fourth quarter, bringing total lines in service on December 31, 2004 to 533,200 lines, a three percent increase from 517,000 at the end of 2003.
- Covad ended the fourth quarter with 567 Voice over IP (VoIP) business customers representing approximately 20,500 VoIP stations.
- Covad ended the fourth quarter of 2004 with approximately \$153.5 million (unaudited) in cash, cash equivalents and short-term investments. Fourth quarter of 2004 net usage of cash, cash equivalents and short-term investments was approximately \$12.3 million.

“During the fourth quarter we completed the nationwide rollout of Covad VoIP and have now recorded sales of Covad Voice over IP service in 29 states,” said Charles Hoffman, chief executive officer of Covad. “We are very pleased with the momentum we’re building in both the DSL and VoIP markets, and with the positive response we’re receiving to Covad VoIP from customers around the country.”

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" regarding expected financial and operating results, such as expectations regarding revenue, subscriber counts, broadband and VoIP subscription billings, net loss, EBITDA losses and changes in cash, cash equivalents and short term investments, as well as other matters, 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, and 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-K/A, 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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