



## **Covad VoIP First Business-Class VoIP Service Available with Voice-Optimized Access on T1 and SDSL**

### ***Covad Managed Voice and Data Bundle Up to 60% Less than Competitive Offers***

**San Jose, Calif. (March 8, 2005)** — Covad Communications Group, Inc. (OTCBB: COVD), a leading national provider of integrated voice and data communications, today announced Voice-Optimized Access (VOA) technology on T1 and SDSL available to 6 million small businesses in over 900 cities nationwide.

"Covad stands alone with the creation of the only managed, business-class VoIP service that's available nationwide," said David McMorrow, executive vice president of sales and marketing at Covad. "Voice Optimized Access further unlocks the value of our facilities-based network and enables Covad to manage the voice quality over both the 'last mile' and our entire nationwide network."

McMorrow continued, "This strategic development demonstrates Covad's continued commitment to creating solutions that provide small-to-medium businesses with competitively priced, innovative communications services."

Unlike consumer-class VoIP products which require the customer to 'bring their own access' and do not control the quality of the broadband underlying their voice service, Covad's VOA technology manages the quality of both voice and data services simultaneously. With Covad's VOA technology customers can conduct daily business activities such as multiple phone calls and accessing large data files concurrently, without compromising their voice quality.

Covad VoIP on T1 is up to 40% less than competitive offers and is built to meet the economic and communication needs of a company with up to 200 employees. Covad VoIP on SDSL is up to 60% less than competitive offers and is built to meet the economic and communication needs of small businesses that have 5-50 employees. Both services eliminate the need for expensive and space consuming PBX equipment.



Covad VoIP provides the following capabilities:

- **Find Me/Follow Me** — Instant Call Forwarding — Assign just one phone number per employee and incoming calls will find them, wherever and whenever they want to be found.
- **Click To Call** — Speed Dial with the Click of a Mouse — Connect automatically with your contacts, including your Microsoft® Outlook contacts list.
- **Visual Voicemail** — Find your most important messages instantly. View, prioritize and even mail your voice and fax messages.
- **Fax Mail** — Receive and forward faxes just like email. No more scrambling for lost faxes or re-faxing a fax. You can call your voicemail and redirect received faxes to any fax machine or email account.

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 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](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. Examples of "forward-looking statements" include our ability to successfully recruit and transition customers and to add increased distribution and reach into the small and medium



business VoIP market. 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, our ability to successfully transition partners and customers and compete with other providers of voice services, 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.

© 2006 Covad Communications Group.

###