



Hughes Network Systems Selects Covad To Offer DSL to Enterprise Markets

San Jose, Calif. (July 26, 2005)—Covad Communications Group, Inc. (OTCBB: COVD), a leading nationwide provider of integrated voice and data services, and Hughes Network Systems, LLC (Hughes), a leading provider of broadband satellite products and services, today announced that Covad has been selected as a primary DSL broadband supplier for Hughes' recently announced DIRECWAY® Unified Broadband service offering. Through this relationship, Hughes is now able to offer mid-tier and large enterprise customers managed network service solutions, including both satellite broadband and Covad's DSL offerings.

Under the agreement, Covad will wholesale both its ADSL (asymmetrical digital subscriber line) and SDSL (symmetrical digital subscriber line) services to Hughes. With Covad's broadband services available in its portfolio, Hughes customers will be able to select satellite or DSL broadband services, or both, at each of their locations depending on their business needs.

"Working with Covad and utilizing its extensive nationwide DSL broadband network is a key component of the Hughes DIRECWAY Unified Broadband offering," said Mike Cook, senior vice president of sales and marketing for the North American division at Hughes. "This relationship allows us to address, within a single managed network infrastructure, the entire market for broadband services by offering the ideal combination of wireline and satellite technologies."

"We are pleased to grow our wholesale relationships to include Hughes Network Systems, reflecting Covad's commitment to optimizing our nationwide network," said Charles Hoffman, president and chief executive officer of Covad. "With this new agreement, Hughes will benefit from new revenue opportunities, while its customers enjoy the experience of Covad's broadband services."

About Hughes Network Systems

Hughes Network Systems, LLC (Hughes) is the world's leading provider of broadband satellite network solutions for businesses and consumers, with more than 800,000 systems ordered or shipped to customers in 85 countries. Hughes pioneered the development of high-speed satellite Internet access services and IP-based networks,



which it markets globally under the DIRECWAY® brand. DIRECWAY terminals are based on the IPoS (IP over Satellite) global standard, approved by TIA, ETSI, and the ITU standards organizations.

Headquartered outside Washington, D.C., in Germantown, Maryland, USA, Hughes maintains sales and support offices worldwide. SkyTerra Communications, Inc. (OTCBB:SKYT) and The DIRECTV Group, Inc. (NYSE:DTV) each own 50% of HNS. SkyTerra is its managing member. For additional information, please visit www.hns.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.

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DIRECWAY is a trademark of The DIRECTV Group, Inc.

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