



Covad Wins *Communications Solutions*' 2005 "Product of the Year" Award and Announces Unlimited Domestic Monthly Minutes for VoIP Customers Using PBXi Plus

San Jose, Calif. (May 22, 2006) – Covad Communications Group, Inc. (AMEX: DVW), a leading national provider of integrated voice and data communications, announced today that its PBXi Plus business-class Voice over IP (VoIP) product has just received a 2005 Product of the Year Award from Technology Marketing Corporation's *Communications Solutions* magazine. Covad also announced that it has made this award winning service even better by providing its new and existing PBXi Plus customers with unlimited domestic monthly minutes*.

"With this enhancement, PBXi Plus becomes an even better fit for how small and medium businesses use VoIP," said John Grady, director of product management for Covad. "PBXi Plus provides customers who have already invested in a premises-based telephone solution an unbeatable value combination: award winning VoIP technology, the quality of service (QOS) of Covad's nationwide network, a seamless installation experience and no upfront charges."

Covad's PBXi Plus targets small businesses and distributed enterprises that have existing on-premises phone equipment. The product integrates seamlessly with business phone systems because the business is able to retain its original handsets, phone numbers and equipment. PBXi Plus requires no upfront expense: Covad provides a professional installation and Cisco 2431 router at no charge. Full e911 service is included.

PBXi Plus runs over Covad's Voice-Optimized Access (VOA) T1 lines. VOA allows Covad to manage the quality of both voice and data services simultaneously, and enables our customers to realize significant cost savings, while eliminating the expense of maintaining separate voice and data networks.

The product is based on the Covad hosted platform and supports the functionality of the customer's existing PBX system, but adds other valuable features, including new online management and configuration capabilities. Covad also offers a hosted business-class VoIP product, Covad vPBX, for customers who are replacing existing premises-based solutions in favor of the convenience and reliability of a fully-managed VoIP solution.

No action is required for existing PBXi Plus customers to take advantage of the increase in monthly minutes: the service plan upgrade will be reflected in their June invoices.

*Minutes are capped at 101,000 minutes per month per site. Covad charges approximately \$0.025 per minute for any usage above the 101,000 minute cap.

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[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, wireless broadband, 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" 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 expectations regarding the success of Covad's PBXi Plus products. 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 ability of Covad to sell and deliver its services efficiently, to effectively compete with other providers of voice and broadband services, and to maintain an efficient cost structure, as well as potential changes in telecommunications regulations, 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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