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Covad and Purecom Sign Wholesale Agreement

Nationwide VoIP provider to offer its small business and residential customers Covad DSL and T1 services

San Jose, Calif. (December 11, 2007) – Covad Communications Group, Inc. (AMEX: DVW), a leading national provider of integrated voice and data communications, today announced that it has signed a wholesale agreement with Purecom, an industry leader in small business communication services. This strategic partnership with Covad will enable Purecom to offer competitively-priced, high-speed broadband packages to meet its growing customer demand. Purecom will begin marketing Covad T1, SDSL, ADSL and ADSL2+ service to small businesses and residential subscribers nationwide, alongside its existing VoIP, Email, Web Hosting and flagship Hosted PBX services.

Under the wholesale partnership, Purecom will benefit from Covad's ADSL service, offering downstream data speeds of up to 6.0 Megabits per second (Mbps). As Purecom rolls out Covad ADSL2+ and T1 services, its customers will be able to choose data speeds of up to 15.0 Mbps. These services are designed to meet the increasing needs of consumers and small businesses for high-speed broadband to run advanced applications such as voice services, streaming video, and online gaming. Purecom will sell these services in all cities served by Covad's nationwide, facilities-based network.

"We look forward to our partnership with Covad, a proven leading provider of DSL and T1 services," said Daryl Sanders, founder and president of Purecom, LLC. "Covad's high-speed broadband services, combined with Purecom's VoIP, Email and Web services, enable us to offer our customers a complete small-office communications package at a very affordable price."

Purecom combines business-class broadband Internet access with VoIP, Email, Web Hosting and other value-added services such as domain name registration, DNS hosting and SSL certificates. The company markets its suite of communication services to small businesses and residential subscribers seeking simple, reliable, and affordable voice and data solutions for their home or office.

"A wholesale partnership with Purecom enables Covad to leverage its investment in its next-generation broadband network," said Jeff Rider, Covad vice president of business development. "This agreement underscores Covad's position as the partner of choice for telecommunications providers seeking innovative and business-class broadband services."

Covad is the 'easy to do business with' choice for partners who benefit from the company's streamlined provisioning and ordering systems, scalable, cost-efficient support infrastructure, and nationwide, facilities-based network. Covad has the nation's largest ADSL2+ network and offers partners a broad portfolio of DSL and T1 services, including bonded T1, as well as line-powered voice access.

For more information on becoming a Covad partner, visit www.covad.com/partners/join.html. For more information on Purecom services, visit www.purecom.com.

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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, broadband wireless, 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" 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 Purecom's expected sales of Covad services. 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 our ability to rapidly expand and deploy these services, changes in Purecom's strategy 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.

About Purecom:

Purecom is a leading broadband voice, data and IT service provider that delivers business-class communication services to consumers and small businesses throughout the United States. Purecom helps small businesses succeed by offering simple, easy-to-use voice and data solutions that increase productivity and cut communication costs. Purecom's suite of services includes Broadband Internet Access, Broadband Voice (VoIP), Hosted PBX, Email, Web Hosting and Domain Name services. For more information, visit www.purecom.com. Corporate headquarters is located at 910 15th Street, Suite 761, Denver, CO 80202. Companies interested in

learning more about Purecom should contact info@purecom.com or call 1-800-330-0968.