



Covad and Speakeasy Unveil Faster Consumer DSL Service

3.0/768 ADSL Offered For Less Than \$70 Per Month

San Jose, Calif. (January 28, 2004)—Covad Communications Group, Inc. (OTCBB: COVD), a leading national broadband service provider of high-speed Internet and network access, and Speakeasy (www.speakeasy.net), a national broadband provider, have collaborated to bring higher bandwidth broadband service to Speakeasy's power Internet users throughout Covad's nationwide network.

Speakeasy introduced a Covad-powered 3.0/768 DSL service, which is one of the most robust consumer DSL connections in the industry today. Combining one of the fastest download and upload speeds available, the 3.0/768 service offers much higher performance at a compelling price. Users can expect maximum downstream speeds to reach up to 3.0 Mbps, which is nearly eight times as fast as 384 kbps DSL and upstream speeds of up to 768 kbps or about six times faster than entry-level consumer DSL service. The 3.0/768 Speakeasy product will be offered throughout Covad's service area which includes 96 of the top Metropolitan Statistical Areas (MSAs).

"The 3.0/768 service is another example of how Covad makes broadband better by enhancing bandwidth choices for customers," said Charles Hoffman, Covad's president and chief executive officer. "By providing a variety of broadband flavors we are able to better address the needs of diverse Internet users throughout the country."

"We listened to our customers and created a compelling combination of price and performance that is geared towards today's power broadband users. Whether you are a hard core gamer, hosting a server, supporting a home or business network, or sharing your connection via WiFi, the 3.0/768 product can meet your needs," said Bruce Chatterley, Speakeasy's president and CEO. "We understand that the marketplace demands much more than the cable broadband 'status quo' and we are pleased to collaborate with Covad to deliver a competitive high performance broadband option for our customers."

Combining Covad's high-speed last-mile connection with Speakeasy's high-performance nationwide network enables Speakeasy to deliver the new 3.0/768



service with faster gaming response times (often measured by ping rates) than some entry-level consumer DSL services. Speakeasy accommodates power users with demanding broadband needs by offering advanced products to its customers, a wide range of value-added features, and industry-leading customer support.

Speakeasy's Basic 3.0/768 residential service is offered for \$69.95 per month for the first three months, \$99.95 thereafter. Business customers may select Speakeasy's Net Advantage 3.0/768 package, which provides additional benefits for small businesses for just \$119.95 per month. (Special offers apply to all orders placed by March 31, 2004)

Unlike some competitors, Speakeasy does not port block or limit bandwidth usage. Subscribers have the flexibility to run their own servers (including Linux and Macintosh); and have no restrictions on, or charges for, in-home wireless connections. The 3.0/768 packages are available to existing and new subscribers with a one-year service agreement:

RESIDENTIAL:

- **Basic 3.0/768**—Offering a range of dynamic and static IP options, multiple email addresses and up to 10mb of web space, the Basic plan is available for \$69.95 per month for the first 3 months, \$99.95/month thereafter for orders placed by March 31, 2004.
- **Gamers 3.0/768**—Offering distinct gamer-friendly services, this package includes at least two static IPs, 10mb of web space, eight email accounts and a year's free subscription to the Mercury FileShack gaming site (an annual savings of \$120). Price: \$69.95 per month for the first 3 months, \$109.95/month thereafter for orders placed by March 31, 2004.

BUSINESS:

Speakeasy business packages include superior connectivity, an industry-leading service level agreement, standard 56k dialup at no additional charge, Dedicated Business Account Managers, up-to-the-minute installation status via Total Account Control™, NAT by default, up to 32 IPs if needed (most services) and Primary and Secondary DNS services for up to five domains.

- **NetAdvantage 3.0/768**—For those small to medium-sized businesses that need versatile, full-feature broadband services, this package provides 100 free email



boxes @speakeasy.net with unlimited aliases; 150Mb of web storage (accessible via Shell or FTP on speakeasy.net domain; domain email hosting for up to 100 email addresses (you@yourcompany.com) for just \$69.95 per month for the first 3 months, \$119.95 per month thereafter for orders placed by March 31, 2004.

About Covad

Covad is a leading national broadband service provider of high-speed Internet and network access utilizing Digital Subscriber Line (DSL) technology. It offers DSL, T1, managed security, hosting, IP, dial-up services 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 operates the largest national DSL network with services currently available in 96 of the top Metropolitan Statistical Areas (MSAs). Covad's network currently covers more than 45 million homes and businesses and reaches approximately 45 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.

About Speakeasy

Founded in 1994, Speakeasy is the nation's largest independent broadband service provider. Combining a nationwide network, intelligent customer service along with pioneering technologies and product offerings, Speakeasy delivers a superior online experience for demanding broadband users. Speakeasy broadband is available in most metropolitan areas within the 48 contiguous states. Those interested in Speakeasy's broadband service can visit www.speakeasy.net or call 1.8.Speakeasy (24 hours a day, seven days a week).

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

The statements contained in this press release that are not historical facts are "forward-looking statements," including expectations regarding network expansion, increased revenue and the statements made by the president and chief executive officer and the assumptions underlying such statements. Actual events or results may differ materially as a result of risks facing Covad or actual results differing from the assumptions underlying such statements. Such risks and assumptions include, but are not limited to, future FCC rulemaking, Covad's ability to continue as a going



concern, to continue to service and support its customers, to successfully market its services to current and new customers, to manage the consolidation of sales to a fewer number of wholesale customers, to successfully migrate end users, Covad's ability to generate customer demand, to achieve acceptable pricing, to respond to competition, to develop and maintain strategic relationships, to manage growth, to receive timely payment from customers, to access regions and negotiate suitable interconnection agreements, all in a timely manner, at reasonable costs and on satisfactory terms and conditions, as well as regulatory, legislative, and judicial developments and the absence of an adverse result in litigation against Covad. Covad disclaims any obligation to update any forward-looking statement contained in this press release. All forward-looking statements are expressly qualified in their entirety by the "Risk Factors" and other cautionary statements included in Covad's SEC Annual Report on Form 10-K for the year ended December 31, 2002 and the 10-Q for the quarter ended September 30, 2003, along with Current Reports on Form 8-K filed from time to time with the SEC.

© 2006 Covad Communications Group.

###