

INCENTRA

SOLUTIONS, INC.

1140 Pearl Street, Boulder, Colorado 80302

Contacts for Incentra Solutions:

Allen & Caron Inc.
Jill Bertotti (investors)
jill@allencaron.com
Len Hall (financial media)
len@allencaron.com
(949) 474-4300

Incentra Solutions, Inc.
Anthony DiPaolo
Chief Financial Officer
adipaolo@incentrasolutions.com
(720) 566-5000

INCENTRA SOLUTIONS REPORTS 2008 FIRST QUARTER RESULTS

*Year-over-Year Revenues Increase 93%; Operating Profit for Third Consecutive Quarter;
Services Revenue Up 58%; Product Revenue Up 101%*

Boulder, CO, May 1, 2008 – Incentra Solutions, Inc. (OTCBB: ICNS), a provider of complete IT services and solutions to enterprises and managed service providers in North America and Europe, today announced results for its first quarter ended March 31, 2008. Total revenues for the 2008 first quarter increased 93 percent to \$48.2 million, up from \$25.0 million for the 2007 first quarter.

Services revenue in this year's first quarter was \$7.1 million, up 58 percent from \$4.5 million in the 2007 first quarter, and Product revenue increased 101 percent to \$41.1 million from \$20.5 million in the prior year's first quarter. The 2008 first quarter included revenue from the acquisitions of Helio Solutions (Helio) and Sales Strategies, Inc (SSI), which were completed late in the third quarter of 2007.

Chairman and CEO Thomas P. Sweeney said that operating profit for the first quarter of 2008 increased for the third consecutive quarter to \$301,000 compared to a loss of \$423,000 in the first quarter of 2007. "The contribution of operating profits by the most recent acquisitions as well as the increasing volume of services delivered were important factors in the achievement of our third consecutive quarter of increasing operating profit," Sweeney added.

"I am also pleased to report that driven by increases in sales of our higher margin First Call and Enhanced First Call maintenance programs, and Managed Services offerings, our base of recurring services revenue in this year's first quarter continued to grow, increasing 36 percent year-over-year," Sweeney said. "We expect to see continued solid increases in this important revenue stream throughout this year and beyond."

Sweeney said that the Company continues to make solid progress in its drive to become the preeminent complete solutions provider to the mid-tier IT market in North America and, as appropriate, it will focus on expanding its business and geographic footprint.

Chief Financial Officer Anthony DiPaolo said, "The integration of the acquired businesses has proceeded well. We are not only seeing contributions to margins, but also our efforts to integrate and streamline processes and operations have allowed us to significantly reduce SG&A costs as a percentage of revenue. SG&A costs, excluding non-cash items were 19 percent of revenue in the first quarter of 2008, down from 27 percent in the first quarter of 2007."

Net loss applicable to common shareholders for the 2008 first quarter decreased to \$2.8 million, or a loss per share of \$0.10, from \$2.9 million, or a loss per share of \$0.22, for the 2007 first quarter. Basic and diluted weighted average shares outstanding for the 2008 first quarter were 26,405,110, compared with 13,250,298 in the prior year first quarter. The year-over-year increase in shares principally reflects the issuance of shares associated with the acquisitions of Helio and SSI, and issuance of shares in payment of fees related to those acquisitions.

President and Chief Operating Officer Shawn O'Grady said, "The strength of our business proposition is evident in the growing acceptance of our service and product offerings. Service revenue is up 58 percent as a result of our continued focus on the delivery of higher margin services inclusive of professional services, first call services and managed storage and security services. Expanded marketing programs and the larger footprint afforded by our acquisitions have resulted in significant increases in new customers and booked business. Our expanding pipeline of business shows that the synergistic benefits of our service offerings and expansion of product offerings will continue to support increasing revenue during 2008. We expect that this will result in increasing margins during 2008."

MORE-MORE-MORE

INCENTRA SOLUTIONS REPORTS 2008 FIRST QUARTER RESULTS

Page 2-2-2

Overall gross margins in this year's first quarter, which included the effects of the Company's acquisition of Helio and SSI, increased 55 percent to \$9.0 million compared to \$5.8 million in the year earlier period. Gross margin as a percentage of revenue was 19 percent in the first quarter of 2008 compared to 23 percent in the first quarter of 2007. Services gross margin in the first quarter of 2008 was 26 percent, compared to 32 percent in the prior year first quarter. Product gross margin in the quarter was 17 percent compared to 22 percent in the 2007 first quarter.

"The decreases in gross margin as a percentage of revenue were expected as the gross margins of the acquired companies were lower than Incentra's. As we execute on our integration plan, we expect to see gross margins rise for the acquired companies and the combined company to pre-acquisition levels," O'Grady added.

Outlook for 2008:

Exclusive of any acquisitions, Incentra continues to expect 2008 revenue to be between \$200 million and \$220 million, approximately 35 to 50 percent higher than revenue in 2007, and the Company believes it will be cash positive for the year. Excluding funds which may be required under a possible redemption associated with the Company's Series A Preferred Stock, Incentra believes its combined operating and non-operating cash flows, cash on-hand and working capital facilities are sufficient to support its business operations and growth plans for 2008.

Conference Call Information

As previously announced, management will host a conference call to be broadcast live on the Internet at 11:30 a.m. (Eastern time) on May 1, 2008. The dial-in number for the call from locations in North America is 1-800-762-8908, and for callers outside North America, the dial-in number for the call is 1-480-629-9031. You may also access the live webcast on the Company/Investors section of the Company's website, www.incentrasolutions.com, under "Conference Call and Webcasts." Additionally, an archive of the conference call will be available on this site.

About Incentra Solutions, Inc.

Incentra Solutions, Inc. (www.incentrasolutions.com) (OTCBB:ICNS) is a provider of complete IT services and solutions to enterprises and managed service providers in North America and Europe. Incentra's complete solution includes managed services, professional services, hardware and software products with the Company's First Call and Enhanced First Call support services, IT outsourcing solutions and financing options.

Incentra Solutions Forward Looking Statements

Certain information discussed in this press release may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and the federal securities laws. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, it can give no assurance that its expectations will be achieved. Readers are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements are inherently subject to unpredictable and unanticipated risks, trends and uncertainties such as the Company's inability to accurately forecast its operating results; the Company's potential inability to achieve profitability or generate positive cash flow; the availability of financing; and other risks associated with the Company's business. For further information on factors which could impact the Company and the statements contained herein, reference should be made to the Company's filings with the Securities and Exchange Commission, including Annual Reports on Form 10-KSB, Quarterly Reports on Form 10-QSB and Current Reports on Form 8-K. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

TABLES FOLLOW

Operating Profit Reconciliation

<i>All amounts in (000's)</i>	Three Months Ended March 31,	
	2008	2007
	<hr/>	<hr/>
Loss from continuing operations before accretion of preferred stock	\$ (2,115)	\$ (2,305)
Depreciation and amortization	854	794
Interest expense, net (cash portion)	896	300
Interest expense (non-cash portion)	530	323
Taxes	-	26
Non-cash stock-based compensation	<hr/> 136	<hr/> 439
Operating profit ¹ (loss)	<hr/> <hr/> \$ 301	<hr/> <hr/> \$ (423)

Operating Profit¹ : Earnings before interest, taxes, depreciation, amortization, and before stock-based compensation charges and loss on early extinguishment of debt.

MORE-MORE-MORE

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

March 31, 2008

(UNAUDITED)

All amounts except shares and per share amounts in (000's)

	Three Months Ended March 31,	
	2008	2007
	<u> </u>	<u> </u>
REVENUES:		
Products	\$ 41,144	\$ 20,482
Services	7,081	4,490
TOTAL REVENUE	48,225	24,972
COST OF REVENUES:		
Products	33,965	16,066
Services	5,232	3,071
TOTAL COST OF REVENUES	39,197	19,137
GROSS MARGIN	9,028	5,835
Product - \$	7,179	4,416
Services - \$	1,849	1,419
Product - %	17%	22%
Services - %	26%	32%
SG&A	9,755	7,533
OPERATING LOSS	(727)	(1,698)
Other income (expense):		
Interest expense, net	(1,426)	(623)
Other (expense) income, net	38	30
NET LOSS	(2,115)	(2,291)
Accretion of convertible redeemable preferred stock to redemption amount	(654)	(654)
NET LOSS APPLICABLE TO COMMON SHAREHOLDERS	\$ (2,769)	\$ (2,945)
Weighted average number of common shares outstanding - basic and diluted	26,405,110	13,250,298
Basic and diluted net loss per share applicable to common shareholders:		
Net loss per share--basic and diluted	\$ (0.10)	\$ (0.22)

####