



Press Release

Source: S3 Investment Company

S3 Investment Company CEO Appointed Chairman of Board of Directors

Issued Tuesday January 9, 9:16 am ET

TEMECULA, CA--(MARKET WIRE)--Jan. 09, 2007--S3 Investment Company, Inc. (Other OTC: SEIH), a holding company with two subsidiaries doing business in the China market, today announced that chief executive officer Jim Bickel has been appointed to the position of chairman of the company's Board of Directors. At a meeting of the Board on January 5, 2007, the company accepted the resignation of Chris Bickel as chairman of the Board of Directors, and to fill the vacancy created by the resignation, appointed Jim Bickel to the position of Chairman. The Board of Directors now consists of Jim Bickel, Gary Nerison and Douglas Perkins, a majority of whom are still independent.

“When Chris resigned his position as chief executive officer almost one year ago, he agreed to stay on as chairman while he simultaneously assisted with the further development of S3's subsidiary businesses operating in China,” commented Jim Bickel. “He has played an important role in S3's transition from an investment fund to an operating company. We appreciate all of his effort over the past two plus years and wish him well in his future endeavors.”

“S3 is now focused on translating the success we have facilitated in its subsidiary businesses to building a strong, performing public company with steadily improving financials and return for shareholders. Our initial success in showing 2006 fiscal year-end revenues and profits, especially considering the company's tremendous debt and other liabilities just 2 years ago, has been somewhat noteworthy. However, as I have repeatedly stated since my appointment to the position of chief executive officer, our focus is to elevate S3's position in the public markets. With our continued focus on additional growth in our subsidiary businesses operating in China, as well as our burgeoning relationships with strong financial and market related partners in both the U.S. and China, we believe we are on the path to achieving that goal.”

Mr. Bickel has scheduled a January 2007 trip to China in order to monitor the progress of new product roll-outs for its SINO UJE subsidiary and the implementation of increased investment banking services for its Redwood Capital subsidiary. Prominent on this trip will be meetings in Hong Kong with Chief Capital, which has worked with Redwood Capital as it assists private Chinese companies to access the U.S. capital markets through reverse merger transactions.

To sign up to receive information by email directly from S3 Investment Company when new press releases, investor newsletters, SEC filings or other information is disclosed, please visit <http://www.s3investments.com/ealert.php>.

About S3 Investment Company

S3 Investment Company, Inc. (<http://www.s3investments.com>) is a holding company with two subsidiaries doing business in the China market. S3 holds a 100% equity interest in Redwood Capital (<http://www.redwoodcapinc.com>), which assists private Chinese companies in accessing U.S. capital markets by utilizing a network of investment banking relationships, and a 51% equity interest in SINO UJE (<http://www.sinouje.com>), a non-stocking distributor of medical and industrial high-tech products to markets throughout China. SINO UJE has been granted exclusive distribution rights in China to medical and industrial products manufactured by leading companies in Europe, North America and Japan. These products are marketed to end-users, including major Chinese hospitals and private companies in a variety of fields, as well as original equipment manufacturers (OEMs), such as Phillips, Siemens and GE, that package the products with their technologies.

Any statements contained herein related to future events are forward-looking statements and are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned not to place undue reliance on forward-looking statements. S3 Investment Company, Inc. undertakes no obligation to update any such statements to reflect actual events.

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