



**Press Release**

**Source: S3 Investment Company**

## **S3 Investment Company Files S-1 Registration Statement with Two-Year Audited Financial Statements**

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*Company plans to issue revenue forecast and additional details on conditions in the China market*

DANVILLE, CA--(MARKET WIRE)--Nov. 18, 2008--S3 Investment Company, Inc. (Other OTC: SIVC) and its wholly owned Redwood Capital subsidiary today announced the filing of a Registration Statement on Form S-1 with the Securities and Exchange Commission. The filing is part of the company's efforts to become fully reporting and file for a listing on the Over-the-Counter Bulletin Board market.

The S-1 Registration Statement includes annual reports with audited financials for the 2007 and 2008 fiscal years. After the Form S-1 Registration Statement becomes effective, the company expects to file its periodic quarterly and year-end financial statements in the required timeframes to maintain fully reporting status.

"The filing of the S-1 is an extremely important step in the company's efforts to significantly upgrade its status in the public markets and so that its true value can begin to be reflected in the trading price of its common stock," stated Chairman and Chief Executive Officer Jim Bickel. "Considerable time and effort has already been expended to bring the company this far, including the hiring of a Controller to manage the process of bringing our financials up to date and compiling the information for the S-1. Our Controller has done a fantastic job to facilitate the completion of this filing and will continue to work with our legal and auditing team to ensure that the S-1 becomes effective as soon as possible."

"The reason for all of this effort and commitment of resources is to provide our shareholders increased transparency into the operations of S3 and its Redwood Capital subsidiary. Redwood Capital has approximately 10 projects in process or under review, of which it expects to close between 3 and 5 over the next twelve months. At an estimated \$2 million profit per project, closing these projects is estimated to bring the company into profitability in the coming fiscal year. Despite the turmoil in the U.S. market, Redwood Capital's business outlook remains strong."

Redwood Capital is a specialist in providing private and public capital for Chinese companies through the simultaneous listing on a North American stock market and PIPE (Private Investment in Public Equity) financing. Its services are designed to prepare, assist and manage client companies through the various stages of the process of an initial public offering or a

reverse merger into a publicly traded shell, concurrent capital funding, a progression to a major North American market listing, and multiple Registered Follow-On Offerings for additional growth capital.

“In this very trying time in the global financial markets, China is the fastest growing economy in the world. Despite the current global economic conditions, the impact to China has been relatively minimal. In addition to providing financial forecasting for the company in the near future, we also anticipate providing detailed information as to why China is an ideal market in which Redwood Capital will focus its efforts,” Mr. Bickel added.

A link to the company’s SEC filings can be found in the Corporate Profile section of the S3 corporate website at <http://www.s3investments.com/corporate/>.

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/investors/>.

#### About S3 Investment Company

S3 Investment Company, Inc. (<http://www.s3investments.com>) and its wholly owned Redwood Capital subsidiary are focused on assisting private Chinese companies in accessing the North American capital markets by utilizing a network of investment banking relationships to achieve reverse merger transactions. For more information, please visit <http://www.redwoodcapinc.com>.

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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