

Press Release

S3 Investment Company Posts Quarterly Report with Consolidated Financial Statements Showing Increased Revenues, Profit, and Asset Value

Issued Tuesday, Feb. 16, 9:36 am ET

DANVILLE, CA--(MARKET WIRE)--Feb. 16, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) has posted its consolidated financial report for the period ended December 31, 2009, which shows increases in revenues, assets and gross profit over the same period of the previous year, on the Pink Sheets OTC Disclosure and News Service.

The consolidated financials show improvement in virtually every significant category over the six months ended December 31, 2008. Revenues and gross profit have increased, while operating expenses have been reduced.

Assets reported for the six-month period ended December 31, 2009 have increased by over \$1.1 million compared with the six-month period ended June 30, 2009. Total liabilities for the six-month period have decreased by over \$550,000 from the previous six-month period.

The full report can be viewed by visiting the Pink Sheets website at www.pinksheets.com and entering the company's stock trading symbol in the appropriate field. By posting the required information to the Pink Sheets OTC Disclosure and News Service, S3 will maintain its "Current Information" status at www.pinksheets.com.

"We are pleased to have filed the consolidated financial report from our most recently completed fiscal quarter, so shareholders can see the progress that we have reported over the last several months," said S3 Investment Company Chairman and CEO Jim Bickel. "As we post this information, which shows another quarter of improved financial performance for S3, we also expect to have some additional news regarding Redwood Capital clients in the near future."

S3's wholly owned Redwood Capital subsidiary assists private Chinese companies in accessing the North American capital markets by utilizing a network of investment banking relationships to achieve reverse merger transactions and assisting with the process of raising additional capital for clients that are already publicly traded.

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, Inc.

S3 Investment Company, Inc. (<http://www.s3investments.com>) and its Redwood Group International subsidiary are focused on facilitating the success of two subsidiaries operating in the China market. Redwood Capital, Inc. assists 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>. Redwood Medical, Inc. assists companies seeking to import and distribute Western medical technologies and products into the China market.

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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