



Press Release

Source: S3 Investment Company

S3 Investment Company Announces Subscription to OTC Disclosure Service to Begin Financial Reporting Process

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DANVILLE, CA--(MARKET WIRE)--Feb. 17, 2009--S3 Investment Company, Inc. (Other OTC: SIVC) today announced that the company has subscribed to the Pink Sheets OTC Disclosure and News Service so it can maintain transparency by reporting its quarterly and annual financial information through the service. The company has completed the necessary paperwork, submitted it to Pink OTC Markets Inc., which operates www.pinksheets.com and related websites, paid the required fee, and has received its log-in information for filing financial statements.

By reporting its quarterly and annual financial information through the Pink Sheets OTC Disclosure and News Service, the company will be placed in the “Current Information” designation at www.pinksheets.com. The Current Information designation falls in the “Transparent” category as defined by the Pink Sheets. Pink OTC Markets Inc. provides the leading inter-dealer electronic quotation and trading system in the over-the-counter (OTC) securities market.

“We have completed this first necessary step as outlined by the Pink Sheets to be included in its ‘Current Information’ category,” commented Jim Bickel, CEO of S3 Investment Company. “As we work to support the business of our Redwood Capital subsidiary and the expected close of additional transactions for its Chinese client companies, maintaining transparency will be an important factor so that S3 can be accurately valued as a public company.

“We will continue to keep our shareholders updated as we move forward in the process of reporting through the Pink OTC Markets system,” Mr. Bickel added.

Subscribing to the OTC Disclosure and News Service is the first step to comply with the guidelines contained in “Pink OTC Markets' Guidelines for Providing Adequate Current Information.” Subsequent steps that S3 intends to take include the posting of quarterly and annual financial statements through the OTC Disclosure and News Service, publishing a quarterly letter from an attorney stating that the issuer's disclosure meets specified requirements and identifies the person responsible for the preparation of the financial statements, and maintaining an SEC registered transfer agent.

The quarterly and annual financial statements will be prepared in accordance with U.S. GAAP requirements but are not required to be audited.

S3 will post the required disclosure on pinksheets.com. Pink OTC Markets will verify that the company's quarterly or annual report, in addition to the attorney letter regarding completeness of disclosure, has been posted within 75 days after each quarter ended and within 120 days after each fiscal year-end.

Additional information on the Pink Sheets OTC Disclosure and News Service and more details on the requirements for Current Information status can be found <http://www.pinksheets.com/pink/otcguide/categories.jsp>.

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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