

Press Release

S3 Investment Company Announces New Client for Redwood Capital Subsidiary

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DANVILLE, CA--(MARKET WIRE)--Feb. 23, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) today announced a new client for its wholly owned Redwood Capital subsidiary. The new client signed by Redwood Capital, which assists private Chinese companies in accessing the North American capital markets by achieving reverse merger transactions, operates in China's beef and cattle market.

“We are pleased to announce another new client for our Redwood Capital subsidiary and look forward to another successful close this year,” commented S3 Investment Company Chairman and CEO Jim Bickel. “Much of the work for this client has already been completed, so, while a specific timeline is impossible to predict, we do not expect the process of achieving a successful close to be as lengthy as it is for some new Redwood clients. We anticipate providing some additional information on this company and the market within which it operates very shortly.”

Over the past 12 months, Redwood Capital has participated in successful reverse merger and equity financing transactions for Chinese companies, including Boyuan Construction Group, now traded on the TSX Venture Exchange under the symbol BOY and China listed on the Over-the-Counter Bulletin Board under the symbol CHNC. The value of the stock payments received from these transactions is reflected in the company's consolidated financial reports posted at www.otcmarkets.com.

“As we have seen with the previous Redwood Capital transactions, each successful close results in additional asset value for S3 on its consolidated balance sheet, so a new client, especially one that has already progressed through the much of the due diligence and preparatory work, is very good news for both Redwood Capital and S3,” Mr. Bickel added.

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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