

Press Release

S3 Investment Company Announces Work with Additional Redwood Capital Clients in China

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DANVILLE, CA--(MARKET WIRE)--Mar. 24, 2009--S3 Investment Company, Inc. (Other OTC: SIVC) and its wholly owned Redwood Capital subsidiary today announced that in addition to its ongoing advisory work with Boyuan Construction Group, Inc., which recently began trading on the TSX Venture Exchange, Redwood Capital continues to assist additional client companies in China with acquisition transactions that are expected to result in their entry into the North American capital markets.

Redwood Capital's current clients conduct business in a variety of industries, including construction, building supplies, health care, and education.

"Redwood Capital is in various stages with each of its active clients, and we look forward to advancing the progress of our next expected entry into the North American capital markets until another closed transaction is achieved," commented Jim Bickel, CEO of S3 Investments, Inc. "Each successfully closed transaction results in additional asset value for the company, with the value of the stock received becoming an asset on the books of S3's wholly owned subsidiary."

Boyuan Construction Group, Inc., a leading builder of commercial, residential and municipal infrastructure projects in China's fast-growing regions of the Yangtze River Delta and the city of Sanya on Hainan Island, recently completed the CDN\$48.75 million acquisition of SND Energy Ltd. through a reverse-takeover transaction. Boyuan Construction is now traded on the TSX Venture Exchange under the symbol BOY. Redwood Capital acted as Chinese merchant banking advisor to Boyuan Construction for this transaction and received 330,219 Acquisition Common Shares in consideration for its services.

About S3 Investment Company, Inc.

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.

Contacts

For S3 Investment Company
Gemini Financial Communications, Inc.
A. Beyer

(951) 677-8073

investors@s3investments.com