

Press Release

S3 Investment Company Announces Ongoing Work by Redwood Capital Subsidiary for Additional SFDA Approvals for First Product to be Distributed in China

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DANVILLE, CA--(MARKET WIRE)--Mar. 8, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) today announced that the company's Redwood Medical subsidiary, which distributes Western medical technologies and products into the China market, is currently working on additional State Food and Drug Administration (SFDA) approvals for the first product it has signed to distribute in China.

Redwood Medical has entered into an exclusive distribution agreement with Abaxis Inc., a U.S.-based medical products company manufacturing point-of-care blood analysis systems for the China market, for distribution of its Piccolo xpress testing device. The Piccolo xpress product has already received SFDA approval, and under terms of its agreement with Abaxis, Redwood Medical will distribute the Piccolo xpress device and its disposable discs throughout China. The additional SFDA approval is being pursued for the reagents associated with the Piccolo xpress disposable discs.

Redwood Medical was formed in 2009 to meet the increased demand for the best available medical technologies for a growing number of hospital and clinics in China.

"As we continue to focus on the business of Redwood Capital subsidiary, specifically the close of current client transactions and the signing of new clients, our Redwood Medical staff is working with Abaxis to achieve SFDA approvals on the reagents for the Piccolo xpress. This product has tremendous potential in the China market, and we look forward to the additional regulatory approval so that Redwood Medical can implement the most productive distribution program possible," commented S3 Investment Company Chairman and CEO Jim Bickel.

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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