

Press Release

## **S3 Investment Company Announces Release of May 2009 Investor Newsletter Reviewing New Redwood Capital Clients**

Issued Thursday, May 7, 10:35 am ET

DANVILLE, CA--(MARKET WIRE)--May 7, 2009--S3 Investment Company, Inc. (Other OTC: SIVC) today announced the release of the May 2009 edition of the company's shareholder newsletter reviewing recent milestones reached by S3's wholly owned subsidiary, Redwood Capital, Inc., including the signing of two new client agreements.

A PDF version of S3's May 2009 newsletter can be viewed on the company's website at <http://www.s3investments.com/media/news/>.

The newsletter reviews Redwood Capital's merchant banking advisory agreement with a pharmaceutical company based in China, the purpose of which is to raise the company US\$12 million for expansion. The company is currently listed in the U.S. public markets and achieved \$34 million in revenues and more than \$7 million in after-tax net income for fiscal year 2008.

Previous to that agreement, S3 had announced that Redwood Capital had been retained to assist with the process of raising capital for a company doing business in China's construction materials and supply industry.

These two new clients represent a new business channel for Redwood Capital, as they are both already listed in the U.S. public markets.

The newsletter also highlights a trip by S3 CEO Jim Bickel to China where he is meeting with existing Redwood Capital clients, new clients that are now under contract and several potential clients that are in various stages of pre-contract due diligence. During his trip, Mr. Bickel is also expected to meet with Asian funds that may do business with Redwood Capital and its client companies in China.

Before Mr. Bickel left for China, he was featured in a live interview with Investment Nation, an online investors' forum, during which he addressed questions from shareholders regarding the company's recent achievements, current projects and future plans. The topics he addressed during the session are reviewed in the newsletter.

To sign up to receive information by email directly from S3 Investment Company when new press releases, investor newsletters 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 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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