



**Press Release**

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## **S3 Investment Company Issues June 2008 Newsletter, Which Reviews Redwood Capital Subsidiary Participation in China International Private Equity Forum**

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*Newsletter Includes CEO Greeting Addressing Status of Redwood Capital Clients*

DANVILLE, CA--(MARKET WIRE)--Jun. 23, 2008--S3 Investment Company, Inc. (Other OTC: SIVC) and its wholly owned Redwood Capital subsidiary, which assists private Chinese companies in accessing the U.S. capital markets through reverse mergers into public companies, today issued the company's June 2008 investor newsletter, which highlights the recent participation of Redwood Capital at a major investment event in China.

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

The newsletter reviews how Redwood Capital exhibited at the China International Private Equity Forum, which was held at the Tianjin International Exhibition Centre and Tianjin Grand Theatre in Tianjin, China on June 9 - 12, 2008. The booth was staffed 9 hours per day for 3 days by several Redwood Capital staff members who distributed new multi-lingual brochures specially created for the event. In excess of 30 companies meeting Redwood Capital's APO (Alternative Public Offering) criteria were interviewed and prioritized for follow-up after the forum.

At the event, Daniel J. McClory, Managing Director of Hunter Wise Financial Group and a member of Redwood Capital's investment committee, participated in a panel discussion, which addressed the subject, "The Role of Intermediaries in Identifying and Completing Deals in China," a topic closely related to Redwood Capital's function in reverse merger/acquisition transactions.

The June newsletter also includes a greeting from Jim Bickel, chairman and chief executive officer of S3, in which he addresses the relative lack of recent updates regarding Redwood Capital clients. In the greeting, he wrote, "Management would like nothing more than to have weekly updates, but due to the nature of these types of transactions, we cannot rely on having news on the status of these clients on any type of regular basis. Of course, we do hope to have information so that shareholders know that each transaction is moving forward toward a successful close, but the reality is that there may very little to report as due diligence is undertaken, business plans are created, market strategies are formulated, financial data is collected and analyzed, and any number of additional tasks are being completed. This is the

type of work that our very capable staff at Redwood Capital works extremely hard to complete for each of Redwood's client companies."

Mr. Bickel went on to report, "I am only addressing this issue so that shareholders do not come to believe that unless there are press releases announcing every step of a client's transaction, that no progress is being made. Beyond the current clients, we still see significant deal flow of private Chinese companies introduced to Redwood Capital as prospective clients. The recent China International Private Equity Forum held in Tianjin, China, which is discussed at length in this newsletter, has delivered numerous new contacts and several additional Chinese companies that may be ideal candidates for Alternative Public Offering transactions."

Mr. Bickel closed his newsletter greeting by stating, "S3 management is very aware that the company has had the good fortune to attract a devoted following of stockholders. We want our shareholders to know that we appreciate the support we have received and will continue to work diligently and tirelessly to build value that translates into tangible benefit for S3 stockholders."

The entire address can be viewed in the newsletter, by visiting, <http://www.s3investments.com/media/news/>.

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>) is a holding company with two subsidiaries doing business in the China market. S3 holds a 100% equity interest in Redwood Capital (<http://www.redwoodcapinc.com>), which assists private Chinese companies in accessing U.S. capital markets by utilizing a network of investment banking relationships to achieve reverse merger transactions, and a 51% equity interest in SINO UJE (<http://www.sinouje.com>), a non-stocking distributor of medical and industrial high-tech products to markets throughout China.

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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