

Press Release

S3 Investment Company Announces Appointment of Managing Director for Redwood Private Equity Fund

Issued Tuesday, June 8 at 9:00 am ET

DANVILLE, CA--(GLOBE NEWSWIRE)--Jun. 8, 2010--S3 Investment Company, Inc. (Other OTC: SIVC) and its wholly owned Redwood Capital subsidiary today announced the appointment of Richard Chiang, who has extensive experience in corporate finance, as Managing Director of the Redwood Asia Fund LP. The private equity fund was formed to facilitate faster capital response to the financing needs of Redwood Capital clients and greater participation in clients' future growth.

Before joining Redwood Asia Fund LP, Mr. Chiang was an Associate Director of Bear, Stearns & Co., Inc., where he managed over \$600 million in client assets, a Senior Vice President of Roth Capital Partners LLC, a Vice President of Wedbush Morgan Securities, Inc., an Associate at Lehman Brothers and an Associate Partner at BayPeak LLC, a private equity China financial advisory firm. He has over 15 years experience in areas of investment banking, fund management, corporate finance, sales and trading, venture services, and private wealth management. Mr. Chiang graduated from the University of California at Berkeley, The Walter A. Haas School of Business and the Goldman School of Public Policy with a degree in Business and Public Policy.

“We are extremely pleased that Richard Chiang accepted the offer to serve as Managing Director of the Redwood Asia Fund LP,” said S3 Investment Company Chairman and CEO Jim Bickel. “His Wall Street experience, and specifically his experience with APO and IPO candidates in China, makes him the ideal manager for this fund. We feel very fortunate to have him on the Redwood team and look forward to his contribution as the fund’s work begins in earnest.”

The Redwood Asia Fund LP is a growth capital, draw down, private equity fund focused primarily on the opportunities in the greater China region, including Mongolia. The fund plans to engage high growth, small and medium enterprises (SMEs) for investment. These SMEs must meet certain existing growth criteria through rapid organic growth or defined strategic acquisitions and the potential to becoming a public company through either an Initial Public Offering (IPO) or Alternative Public Offering (APO). These parameters generally include an exceptional growth record, potential for commanding a leading market share in their business, experienced top level management, auditable financials, and catalyst for future growth. The principal areas of interest are: agriculture, building products, business services, energy, technology/media, consumer products, environmental services, education, food and beverage, waste and recycling, and water and water services.

By creating a private equity fund, Redwood will have leverage by reducing the time it takes to close deals and obtaining more clientele in the process, which will enhance each client's ability to focus on growth and give Redwood a more complete overall solution to its client's needs.

The fund will allow Redwood the ability to expand our financing activities beyond the current scope, giving it the opportunity to seek out multiple projects with a higher potential return. The fund also gives Redwood an additional path to help its Chinese clients with creating a more solid time table for an APO/IPO event.

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.

Contacts

S3 Investment Company

Investor Relations

888-528-0883

investors@s3investments.com