



Press Release

Source: S3 Investment Company

S3 Investment Company Releases July 2008 Newsletter Edition, Which Includes Update on Schedule for Closed Reverse Merger Transactions Involving Redwood Capital Subsidiary

Issued Wednesday July 23, 9:33 am ET

DANVILLE, CA--(MARKET WIRE)--Jul. 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 released the company's July 2008 investor newsletter, which includes a recent update by S3 CEO Jim Bickel, in which he outlined the anticipated schedule for closed Redwood Capital transactions for the remainder of the 2008 calendar year.

In the update, Mr. Bickel stated that he expected one reverse merger transaction to close in or around September and the other is anticipated to close in the October-November timeframe. The company expects to further update that timeline in the coming weeks.

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

The newsletter also includes an article on the company's attendance at the Reverse Merger Conference 2008 held on June 18 – 19, 2008 in Los Angeles, California. Mr. Bickel and Redwood Capital's Director of Research, Matthew Totty, attended the event, which was advertised as the largest educational and networking event for professionals in the business. The two-day conference covered all of the technical issues relating to reverse mergers, self-underwriting, and other alternative routes to the public market.

Also included in the newsletter is a review of Mr. Bickel's most recent trip to China to participate in meetings with existing Redwood Capital clients, to meet with additional prospective clients, and to prepare Redwood's pipeline of prospective clients for the 2009 calendar year.

S3 expects to provide a report on Mr. Bickel's trip within the next several days.

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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