

Press Release

S3 Investment Company CEO Comments on Reporting Status through OTC Disclosure Service

Company has reached transparent category with “Current Information” designation

Issued Thursday, July 9, 9:10 am ET

DANVILLE, CA--(MARKET WIRE)--Jul. 9, 2009--S3 Investment Company, Inc. (Other OTC: SIVC) CEO Jim Bickel commented today on the completion of the last requirements to achieve full transparency with the Pink Sheets OTC Disclosure and News Service and, as a result, the company’s upgrade to the “Current Information” category at www.pinksheets.com.

Earlier this year, S3 identified the Pink Sheets OTC Disclosure and News Service as the channel it would use to post its current financial information and began the reporting process with the filing of annual reports with audited financials for the 2007 and 2008 fiscal years. The company has subsequently filed its periodic quarterly financial results through the service. The final steps needed were to submit a signed attorney letter agreement and post a required attorney opinion letter, and these were completed on June 30, 2009.

“We are pleased to have completed all of the steps required to be placed in the ‘Current Information’ designation through the OTC Disclosure and News Service,” said Mr. Bickel. “Transparency is a major focus of S3, and we believe that as our wholly owned Redwood Capital subsidiary begins to realize its full potential, reporting the company’s financial results will better enable potential shareholders to see the value proposition presented by S3 Investment Company. Reporting through the OTC Disclosure and News Service also demonstrates a high level of fiscal responsibility, since a majority of the costs associated with financial disclosure are eliminated by filing in this manner.”

Pink OTC Markets Inc., which operates www.pinksheets.com and related websites, provides the leading inter-dealer electronic quotation and trading system in the over-the-counter (OTC) securities market.

The requirements for achieving “Current Information” through the OTC Disclosure and News Service include subscribing to the service; publishing disclosure that complies with the guidelines contained in “Pink OTC Markets' Guidelines for Providing Adequate Current Information,” including the posting of quarterly and annual financial statements through the OTC Disclosure and News Service; publishing a quarterly letter from an attorney stating that the issuer's disclosure meets specified requirements and identifies the person responsible for the preparation of the financial statements; and maintaining an SEC registered transfer agent.

The quarterly and annual financial statements must be prepared in accordance with U.S. GAAP requirements but are not required to be audited.

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 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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