

Kayne Anderson Energy Development Company Provides Unaudited Balance Sheet Information and Net Asset Value as of August 31, 2010

Houston, TX – September 29, 2010 – Kayne Anderson Energy Development Company (the “Company”) (NYSE:KED) today provided an unaudited summary balance sheet and announced its unaudited net asset value of \$196 million or \$19.14 per share as of August 31, 2010.

Kayne Anderson Development Company Balance Sheet August 31, 2010 (Unaudited)

	(in millions)	Per Share
Investments	\$ 240.9	\$ 23.53
Repurchase agreements and cash	7.3	0.72
Other assets	1.8	0.17
Total assets	250.0	24.42
Credit facility borrowings	52.0	5.08
Deferred tax liability	0.3	0.03
Other liabilities	1.7	0.17
Total liabilities	54.0	5.28
Net assets	\$ 196.0	\$ 19.14

The Company had 10.24 million common shares outstanding as of August 31, 2010.

As of August 31, 2010, long-term investments were comprised of Private MLPs (52%), Public MLPs (32%) and Debt Investments (16%), and the Company’s ten largest holdings by issuer were as follows:

	Investment	Public/ Private	Equity/ Debt	Sector	Amount (\$ millions)	Percent of Long-term Investments
1.	International Resource Partners LP	Private	Equity	Coal	\$74.3	30.8%
2.	Direct Fuels Partners, L.P.	Private	Equity	Midstream	27.6	11.5%
3.	VantaCore Partners LP	Private	Equity	Aggregates	24.2	10.0%
4.	Eagle Rock Energy Partners, L.P.	Public	Equity	Midstream/Upstream	10.6	4.4%
5.	Antero Resources Finance Corp.	Private	Debt	Upstream	9.8	4.1%
6.	Copano Energy, L.L.C.	Public	Equity	Midstream	6.7	2.8%
7.	Plains All American Pipeline, L.P.	Public	Equity	Midstream	6.2	2.6%
8.	ONEOK Partners, L.P.	Public	Equity	Midstream	5.3	2.2%
9.	Rosetta Resources Inc.	Public	Debt	Upstream	5.1	2.1%
10.	Energy Transfer Partners, L.P.	Public	Equity	Midstream	5.1	2.1%

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The Company is a non-diversified, closed-end investment company registered under the Investment Company Act of 1940. The Company's investment objective is to generate both current income and capital appreciation primarily through equity and debt investments. The Company will seek to achieve this objective by investing at least 80% of its net assets together with the proceeds of any borrowings (its "total assets") in securities of companies that derive the majority of their revenue from activities in the energy industry, including: (a) Midstream Energy Companies, which are businesses that operate assets used to gather, transport, process, treat, terminal and store natural gas, natural gas liquids, propane, crude oil or refined petroleum products; (b) Upstream Energy Companies, which are businesses engaged in the exploration, extraction and production of natural resources, including natural gas, natural gas liquids and crude oil, from onshore and offshore geological reservoirs; and (c) Other Energy Companies, which are businesses engaged in owning, leasing, managing, producing, processing and sale of coal and coal reserves; the marine transportation of crude oil, refined petroleum products, liquefied natural gas, as well as other energy-related natural resources using tank vessels and bulk carriers; and refining, marketing and distributing refined energy products, such as motor gasoline and propane to retail customers and industrial end-users.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This press release contains "forward-looking statements" as defined under the U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to materially differ from the Company's historical experience and its present expectations or projections indicated in any forward-looking statement. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; energy industry risk; commodity pricing risk; leverage risk; valuation risk; non-diversification risk; interest rate risk; tax risk; and other risks discussed in the Company's filings with the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Company undertakes no obligation to publicly update or revise any forward-looking statements made herein. There is no assurance that the Company's investment objectives will be attained.

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