

## **Kayne Anderson Energy Total Return Fund Announces Approval of a Stock Repurchase Program and the Release of its 2005 Annual Report**

Monday, January 30, 2006

Los Angeles, CA – (BUSINESS WIRE) – January 30, 2006 – (NYSE: KYE) Kayne Anderson Energy Total Return Fund, Inc. (the “Fund”) announced today that its Board of Directors has approved a program to purchase up to \$20 million of the Fund’s common stock. The repurchase program will continue until the earlier of (i) the repurchase of \$20 million of common stock, or (ii) April 30, 2006. The Fund will authorize its agents to make purchases in the open market when shares are trading at a discount of at least 7% to the Fund’s net asset value (“NAV”) per share and continue so long as there is not a material change in the discount to NAV per share. As of January 27, 2006, the Fund’s discount to NAV per share was 9.3%.

The Board has decided to implement the share repurchase program with the expectation it will increase stockholder value through the accretive nature of the purchases. Kevin McCarthy, Chief Executive Officer of the Fund stated, “We believe the purchase of shares at a substantial discount to NAV represents an attractive investment opportunity for the Fund. As we evaluate our investment opportunities, including the purchase of “private securities” at a discount to their market price, we believe that the purchase of KYE shares at similar discount levels is an attractive opportunity.”

The Fund also announced that it completed the preparation of its 2005 financial statements and has released its 2005 Annual Report. In connection with completing its fiscal 2005 audit, the Fund has revised downward its previously announced NAV by \$0.03 per share for November 2005 and \$0.04 per share for December 2005. As a result, the corrected NAV per share was \$24.13 as of November 30, 2005 and \$23.64 as of December 31, 2005. The NAV as of January 27, 2006 was \$25.02 per share. The 2005 Annual Report is available online at [www.kayneetr.com](http://www.kayneetr.com). Stockholders can also request a copy of the report from the Fund by calling (877) 657-3863.

The Fund is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940. The Fund’s investment objective is to obtain a high total return with an emphasis on current income by investing primarily in securities of companies engaged in the energy industry, principally including publicly-traded energy-related master limited partnerships and limited liability companies taxed as partnerships and their affiliates, energy-related U.S. and Canadian royalty trusts and income trusts and other companies that derive at least 50% of their revenues from operating assets used in, or providing energy-related services for, the exploration, development, production, gathering, transportation, processing, storing, refining, distribution, mining or marketing of natural gas, natural gas liquids (including propane), crude oil, refined petroleum products or coal.

This press release does not constitute an offer to sell or a solicitation to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer or solicitation or sale would be unlawful prior to registration or qualification under the laws of such state or jurisdiction.

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**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS:** This press release contains statements, estimates or projections that may constitute "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 differ from the company's historical experience and its present expectations or projections. 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 Fund's filings with the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date. The Fund undertakes no obligation to publicly update or revise any forward-looking statements. There is no assurance that the Fund's investment objectives will be attained.

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