

## FOR IMMEDIATE RELEASE

### Kayne Anderson Energy Total Return Fund, Inc. Enters into New \$200 Million Revolving Credit Facility and Files Notice with SEC to Redeem \$125 Million in Auction Rate Preferred Stock

HOUSTON, TX – May 29, 2008 – Kayne Anderson Energy Total Return Fund, Inc. (the “Fund”) (NYSE: KYE) announced that yesterday it entered into a new \$200 million revolving credit facility (“New Facility”) with the Custodial Trust Company (“CTC”) and that the Fund has filed with the Securities and Exchange Commission a notice of its intention to redeem \$125 million or 44.5% of its outstanding auction rate preferred stock (“ARPs”) on a pro-rata basis using borrowings against this New Facility.

The table below sets forth redemption amounts for each series of ARPs and anticipated redemption dates. The ARPs will be redeemed at their par value of \$25,000 per share. Since the amount of ARPs to be redeemed is less than the total amount outstanding, the redemption will be implemented on a pro rata basis across all series of ARPs. The Fund continues to examine options for refinancing the remainder of its ARPs and expects that such refinancing could occur within the next several months. Such expectations are based on market conditions and other factors beyond the Fund’s control, and there is no assurance that the remainder of the ARPs will be refinanced.

Series	CUSIP	Total Amount Outstanding	Amount to be Redeemed	Total Notes Outstanding	Notes to be Redeemed	Expected Redemption Date
A	48660P203	\$100,000,000	\$41,675,000	4,000	1,667	July 2, 2008
B	48660P302	80,875,000	41,675,000	3,235	1,667	July 3, 2008
C	48660P401	100,000,000	41,650,000	4,000	1,666	June 30, 2008
<b>Total</b>		<b>\$280,875,000</b>	<b>\$125,000,000</b>	<b>11,235</b>	<b>5,000</b>	

The New Facility has a 364-day commitment terminating on May 27, 2009 that may be extended for additional non-overlapping 364-day periods if mutually agreed upon by both the Fund and CTC. The Fund’s previous \$200 million secured revolving credit facility with CTC was uncommitted. The New Facility will initially be a secured facility, but will become unsecured if the Fund issues unsecured senior notes to refinance its ARPs.

Outstanding loan balances under the New Facility will accrue interest daily at a rate equal to the one-month LIBOR plus 1.25 percent if secured, and the one-month LIBOR plus 1.65 percent if unsecured. The Fund will pay a fee equal to a rate of 0.5 percent per annum on any unused amounts of the New Facility.

The Fund had approximately \$3 million outstanding under its credit facility as of May 27, 2008.

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*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.*

*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 Fund'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 Fund'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 Fund undertakes no obligation to publicly update or revise any forward-looking statements made herein. There is no assurance that the Fund's investment objectives will be attained.*

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