

Kayne Anderson Energy Total Return Fund, Inc. Completes \$225 Million Private Placement of Senior Unsecured Notes

HOUSTON, TX – August 14, 2008 – Kayne Anderson Energy Total Return Fund, Inc. (the “Fund”) (NYSE: KYE) announced today that it has completed a private placement of \$225 million, aggregate principal amount, of senior unsecured fixed rate notes (the “Senior Unsecured Notes”) to institutional accredited investors. The proceeds from the private placement will be used to redeem all \$155.9 million of the Fund’s outstanding auction rate preferred stock (“ARP”) and to repay a portion of the borrowings under the Fund’s revolving credit facility. The Fund’s ARP will be redeemed on September 2 - 4, 2008. Investors in the private placement include Massachusetts Mutual Life Insurance Company, Prudential Capital Group, Sun Life Financial, and United of Omaha Life Insurance Company.

The table below sets forth the key terms of each series of the Senior Unsecured Notes:

Series	Principal Amount	Fixed Interest Rate	Maturity
A	\$53,000,000	5.65%	8/13/2011
B	35,000,000	5.90%	8/13/2012
C	137,000,000	6.06%	8/13/2013
Total	\$225,000,000		

The weighted average cost of the Senior Unsecured Notes is 5.94%.

“We are pleased with this cost-effective and long-term financing as it provides liquidity to the holders of our ARP and continues to provide the benefits of leverage to our common shareholders,” said Kevin McCarthy, CEO and President of the Fund.

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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