

Kayne Anderson Energy Total Return Fund, Inc. Confirms Payment of Quarterly Dividend/Distribution as Scheduled and Announces Repayment of its Revolving Credit Facility in Full

Houston, TX – (MARKET WIRE) – October 10, 2008 – Kayne Anderson Energy Total Return Fund, Inc. (the Fund”) (NYSE:KYE) announced today that it has paid as scheduled its \$0.54 per share quarterly dividend/distribution for the quarter ended August 31, 2008. Cash payments to Shareholders who did not elect to participate in the Fund’s Dividend Reinvestment Plan were made today. On Thursday, the day on which the dividend was set aside for payment, the Asset Coverage Ratio for the purposes of the Investment Company Act of 1940 Act (the “1940 Act”) was 315% based on closing market prices on Wednesday, October 8, 2008.

In addition, the Fund announced today that it repaid in full the amount outstanding (\$41 million) on its unsecured revolving credit facility on Thursday, October 9, 2008. The Fund decided to utilize its cash on hand to repay debt and keep in compliance with 1940 Act Asset Coverage Ratios in light of extreme volatility in the MLP market.

“We have been working diligently to maintain asset coverage ratios for the purposes of both the 1940 Act and the covenants on our Senior Notes. While this has not been easy in such a difficult market, we want to assure our shareholders and noteholders that we are striving hard to meet the needs of both by maintaining our coverage ratios while selling as few securities as possible into this market,” said Kevin McCarthy, CEO of the Fund.

The Fund is a non-diversified, closed-end management investment company registered under the Investment Company Act of 1940 whose common stock is traded on the NYSE. 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 forwardlooking 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 indicated in any forward-looking statements. These risks include, but are not limited to, changes in economic and political conditions; regulatory and legal changes; MLP industry risk; leverage risk; valuation 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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