
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 21, 2011

EQUUS TOTAL RETURN, INC.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction
Of Incorporation)

814-00098
(Commission File
Number)

76-0345915
(IRS Employer
Identification No.)

Eight Greenway Plaza, Suite 930, Houston, Texas

(Address of Principal Executive Offices)

77046
(Zip Code)

Registrant's telephone number, including area code: (713) 529-0900

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-k filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement.

On April 20, 2011, Equus Total Return, Inc. ("Equus" or the "Fund") entered into a material definitive agreement with Khan Investments Ltd., ("Khan") a holder of certain bonds issued by Orco Germany S.A., a société anonyme organized under the laws of Luxembourg ("Orco Germany"). The agreement between Equus and Khan provides for the purchase from Khan by the Fund of 5,704 Orco Germany bonds in exchange for 850,000 shares of Equus common stock.

Also on April 21, 2011, the Fund entered into a material definitive agreement with Kekovia Enterprises Company Limited, ("Kekovia") also a holder of Orco Germany bonds. The agreement between Equus and Kekovia provided for the purchase from Kekovia by the Fund of 5,704 Orco Germany bonds in exchange for 850,000 shares of Equus common stock.

For purposes of this Current Report, the shares of common stock issued by the Fund to Khan and Kekovia described above are collectively referred to herein as the "Shares," the Orco Germany bonds purchased by the Fund from Khan and Kekovia are collectively referred to as the "Bonds" and the transactions with Khan and Kekovia embodying the purchase of the Bonds and issuance of the Shares are collectively referred to as the "Investments."

The Bonds, which each have a face value of €676.00, bear interest at the rate of 4% per annum and are traded on the Luxembourg Stock Exchange under the international securities identification number (ISIN) XS0302623953, were originally issued on May 30, 2007 and mature on May 30, 2012. The value of the Shares issued to Khan and Kekovia were computed with reference to the Fund's net asset value per share of \$4.29 as reported in the Fund's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 18, 2011.

Item 3.02 Unregistered Sales of Equity Securities.

Pursuant to the Investments made by the Fund as described in Item 1.01 above, the Fund issued 850,000 shares of its common stock to each of Khan and Kekovia. Neither of Khan nor Kekovia are "U.S. Persons" as defined in Section 903 of the Securities Act of 1933 ("Securities Act") and no solicitation was made and no underwriting discounts were given or paid in connection with these transactions. The Fund believes that the issuance of Shares in connection with the Investments was exempt from registration with the Securities and Exchange Commission pursuant to Section 4(2) of the Securities Act.

Item 8.01 Other Events.

On April 27, 2011, the Fund issued a press release announcing the Investments. The text of the press release is included as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press release issued on April 27, 2011 by Equus Total Return, Inc.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Equus Total Return, Inc.

Date: April 27, 2011

By: /s/ Kenneth I. Denos

Kenneth I. Denos

Secretary



Contact:

Patricia Baronowski
Pristine Advisers, LLC
(631) 756-2486

Equus Acquires \$7.3 million of Orco Germany S.A. Bonds

Fund Purchases Bonds in Exchange for Equus Shares at Net Asset Value

HOUSTON, TX – April 27, 2011 – Equus Total Return, Inc. (NYSE: EQS) (“Equus” or the “Fund”) today announced that it has entered into two separate transactions involving the purchase of an aggregate of 11,408 bonds (“Bonds”) issued by Orco Germany S.A. (“Orco Germany”), a commercial and multi-family residential real estate holding company and developer based in Berlin. The consideration provided to the selling bondholders consists of an aggregate of 1,700,000 newly issued shares of common stock of the Fund valued at \$4.29 per share, which is the Fund’s most recently reported net asset value per share. Expressed in dollar terms, the consideration is worth approximately \$7.3 million.

The Bonds, which accrue at an interest rate of 4% per annum and mature on May 30, 2012, are being purchased from existing Orco Germany bondholders at a purchase price of €446.16 per Bond, which represents a discount of 34% from their face value of €676.00. The Bonds are scheduled to be redeemed at maturity at 125% of their face value, or €845.00 per bond.

Orco Germany is a subsidiary controlled by Orco Property Group S.A., a Paris-based commercial and multi-family residential real estate holding company and developer with properties and operations throughout Eastern Europe. With gross assets of €867 million and a commercial property portfolio comprising 856,000 square meters of rentable space, Orco Germany is the largest commercial landowner in Berlin. The shares of Orco Germany are traded on the Prime Standard of the Frankfurt Stock Exchange under the international securities identification number (“ISIN”) LU0251710041. The bonds of Orco Germany are traded on the Luxembourg Stock Exchange under the ISIN XS0302623953.

“We believe that the investment in the bonds of Orco Germany represents an affirmative step forward for Equus in securing income-producing investments that possess favorable yield characteristics,” said John Hardy, Executive Chairman of Equus. “Moreover, the discount at which we will acquire the Bonds, and the premium with which they will be redeemed, in approximately 13 months, represents a valuable opportunity for the Fund to achieve a solid return. By structuring the transaction in this manner, we have preserved the Fund’s cash resources, which will be available to make additional investments.”

A fairness opinion in respect to the purchase of the Bonds was provided to the Fund from Horwath Audit France, an independent member of Crowe Horwath International, which is ranked

among the top 10 global accounting networks with 2010 revenues exceeding \$2.8 billion, and more than 140 independent accounting and advisory services firms, with 640 offices and 27,963 professionals and staff in more than 100 countries around the world.

About Equus

The Fund is a business development company that trades as a closed-end fund on the New York Stock Exchange, under the symbol "EQS". Additional information on the Fund may be obtained from the Fund's website at www.equuscap.com.

This press release may contain certain forward-looking statements regarding future circumstances. These forward-looking statements are based upon the Fund's current expectations and assumptions and are subject to various risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements including, in particular, the risks and uncertainties described in the Fund's filings with the SEC. Actual results, events, and performance may differ. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as to the date hereof. The Fund undertakes no obligation to release publicly any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. The inclusion of any statement in this release does not constitute an admission by the Fund or any other person that the events or circumstances described in such statements are material.