

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

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

**Date of Report (Date of earliest event reported): May 11, 2007**

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**Celsion Corporation**

(Exact Name of Registrant as Specified in Charter)

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**Delaware**  
(State or other jurisdiction  
of incorporation)

**000-14242**  
(Commission File Number)

**52-1256615**  
(IRS Employer  
Identification No.)

**10220-L Old Columbia Road, Columbia, Maryland**  
(Address of principal executive office)

**21046-2364**  
(Zip Code)

**Registrant's telephone number, including area code: (410) 290-5390**

**N/A**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communication 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 240.135-4(c))

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**Item 2.02. Results of Operations and Financial Condition**

On May 11, 2007, Celsion Corporation issued a press release reporting its financial results for the three- month periods ended March 31, 2007 (the “Earnings Release”). The Earnings Release is furnished as Exhibit 99.1 to this Current Report on Form 8-K. The information in this report shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section, and shall not be incorporated by reference into any registration statement pursuant to the Securities Act of 1933, as amended.

**Item 9.01. Financial Statements and Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated May 11, 2007, furnished pursuant to Item 2.02 of Form 8-K

**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.

**CELSION CORPORATION**

Date: May 11, 2007

By: /s/ Anthony P. Deasey  
Anthony P. Deasey  
Chief Executive Officer, Chief Operating Officer and  
Chief Financial Officer  
(Principal Financial and Chief Accounting Officer)

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## CELSION CORPORATION REPORTS FIRST QUARTER 2007 RESULTS

### Celsion reports 25% sales increase.

**Columbia, MD – MAY 11, 2007: CELSION CORPORATION (AMEX: CLN)** today announced financial results for its first quarter ended March 31, 2007. The Company reported revenue of \$2.9 million for the quarter, compared to \$2.4 million for the first quarter of 2006.

The Company recorded a net loss for the first quarter of \$2.4 million or \$0.22 per share compared to a net loss of \$3.0 or \$0.27 per share for the first quarter of 2006, excluding of a gain of \$1.1 million arising from the sale of its subsidiary, Celsion (Canada) Limited in January 2006. Including this gain the net loss for the first quarter of 2006 was \$1.8 million or \$0.17 per share. The reduced loss was primarily the result of higher gross margin due to transfer of production of disposable kits to a new lower cost supplier.

Michael H. Tardugno, Celsion's President and Chief Executive Officer, commented, "Prolieve revenues in the first quarter, while reflecting a cyclical reduction relative to the fourth quarter of 2006, continue to show strong, 25%, growth compared to the first quarter of 2006. Our gross margin also improved from 25.2% in the first quarter of 2006 to 47.4% in the first quarter of 2007. This continued market growth and gross profit improvement were largely instrumental in Boston Scientific's decision to exercise its option to purchase the Prolieve assets."

**About Celsion:** Celsion is dedicated to the development and commercialization of oncology drugs including tumor-targeting treatments using focused heat energy in combination with heat activated drug delivery systems.

Celsion has research, license or commercialization agreements with leading institutions such as the National Institutes of Health, Duke University Medical Center, University of Hong Kong, Cleveland Clinic, North Shore Long Island Jewish Health System.

Celsion has also developed a microwave based system, the Prolieve Thermodilatation<sup>®</sup> system, for the treatment of benign prostatic hyperplasia which is marketed in the United States under an exclusive distribution agreement with Boston Scientific Corporation. For more information on Celsion, visit our website: <http://www.celsion.com>.

Celsion wishes to inform readers that forward-looking statements in this release are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that such forward-looking statements involve risks and uncertainties including, without limitation, unforeseen changes in the course of research and development activities and in clinical trials by others; possible acquisitions of other technologies, assets or businesses; possible actions by customers, suppliers, competitors, regulatory authorities; and other risks detailed from time to time in the Company's periodic reports filed with the Securities and Exchange Commission.

Celsion Corporation  
Statements of Operations  
(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2006 (Unaudited)	2007 (Unaudited)
Revenues	\$ 2,346	\$ 2,923
Cost of Sales	1,754	1,536
Gross Margin	<u>592</u>	<u>1,387</u>
Operating Expenses		
Research & development	2,482	2,426
General and administrative	1,128	1,294
Total Operating Expenses	<u>3,610</u>	<u>3,720</u>
Loss from Operations	(3,018)	(2,333)
Other Income/(Expense)		
License fee amortization	143	143
Interest income (expense), net	(46)	(168)
Loss from investment in Celsion China Ltd.	(10)	—
Other	1,147	—
Net loss before income taxes	(1,784)	(2,358)
Income taxes	—	—
Net loss	<u>\$ (1,784)</u>	<u>\$ (2,358)</u>
Net loss per common share (basic and diluted)	<u>\$ (0.17)</u>	<u>\$ (0.22)</u>
Weighted average shares outstanding	<u>10,732</u>	<u>10,747</u>

Celsion Corporation  
Consolidated Condensed Balance Sheets  
(in thousands)

	December 31, 2006	March 31, 2007 (Unaudited)
<b>ASSETS</b>		
Current assets		
Cash, cash equivalents and short term investments	\$ 9,033	\$ 7,552
Accounts receivable	1,904	1,139
Inventory	2,831	2,900
Prepaid expenses	430	423
Escrow account—license fee	1,825	—
Total current assets	<u>16,023</u>	<u>12,014</u>
Property and equipment, net	515	478
Loan Receivable	583	601
Note receivable	1,082	1,120
Other assets	727	2,435
Total assets	<u>\$ 18,930</u>	<u>\$ 16,648</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable and accrued expenses	\$ 3,437	\$ 3,110
Deferred income	571	571
Total current liabilities	<u>4,008</u>	<u>3,681</u>
Loans Payable—Principal	15,000	15,000
Loans Payable—Interest	1,278	1,625
Deferred revenue	1,809	1,667
Other liabilities	36	35
Total liabilities	<u>22,131</u>	<u>22,008</u>
Stockholders' equity		
Common stock	107	108
Additional paid-in capital	87,179	87,377
Accumulated deficit	<u>(90,487)</u>	<u>(92,845)</u>
Total stockholders' equity	<u>(3,201)</u>	<u>(5,360)</u>
Total liabilities and stockholders' equity	<u>\$ 18,930</u>	<u>\$ 16,648</u>