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

FORM 10-Q

(Mark One)

[X] QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2003

or

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ___________to _________

Commission file number 000-14242

CELSION CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

DELAWARE	52-1256615
State or Other Jurisdiction of Incorporation or Organization	(I.R.S. Employer Identification No.)

10220-I OLD COLUMBIA ROAD, COLUMBIA, MARYLAND 21046-1705

(Address of Principal Executive Offices) (Zip Code)

Registrant's Telephone Number, Including Area Code (410) 290-5390

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes X No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes No X

AS OF AUGUST 13, 2003, THE REGISTRANT HAD OUTSTANDING 138,545,698 SHARES OF COMMON STOCK, $.01 PAR VALUE.

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PART I

FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

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CELSION CORPORATION

BALANCE SHEETS
June 30, 2003 and September 30, 2002

ASSETS

	June 30, 2003 (Unaudited)	September 30, 2002
Current assets:		
Cash	$5,500,510	$ 928,819
Other receivables	226,777	84,493
Finished goods inventory	297,135	68,210
Raw material inventory	348,208	314,371
Work in progress inventory	25,785	67,027
Prepaid expenses	144,447	47,255
Total current assets	6,542,862	1,510,175
Property and equipment - at cost:		
Furniture and office equipment	333,156	311,481
Laboratory and shop equipment	124,303	89,354
	457,459	400,835
Less accumulated depreciation	252,786	190,658
Net value of property and equipment	204,673	210,177
Other assets:		
Deposits	23,622	23,622
Prepaid inventory development costs	426,158	486,602
Patent licenses (net of amortization)	49,002	60,873
Total other assets	498,782	571,097
Total assets	7,246,317	$2,291,449

LIABILITIES AND STOCKHOLDERS' EQUITY

	June 30, 2003 (Unaudited)	September 30, 2002
Current liabilities:		
Accounts payable - trade	$ 801,678	$ 494,650
Other accrued liabilities	292,225	280,309
Total current liabilities	1,093,903	774,959
Stockholders equity:		
Common stock $.01 par value: 200,000,000 shares authorized, 124,443,471 and 92,417,556 shares issued and outstanding at June 30, 2003 and September 30, 2002, respectively	1,244,435	924,176
Series A 10% Convertible Preferred Stock -- $1,000 par value: 7,000 shares authorized, 1,147 and 1,131 shares issued and outstanding at June 30, 2003 and September 30, 2002, respectively	1,163,900	1,130,500
Series B 8% Convertible Preferred Stock-- $1,000 par value: 5,000 shares authorized, 1,120 and 1,591shares issued and outstanding at June 30, 2003 and September 30, 2002, respectively	984,057	1,396,285
Additional paid-in capital	56,306,820	41,885,610
Accumulated deficit	(53,546,798)	(43,820,081)
Total stockholders' equity	6,152,414	1,516,490
Total liabilities and stockholders' equity	$ 7,246,317	$ 2,291,449

See accompanying notes.

CELSION CORPORATION

STATEMENTS OF OPERATIONS

(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2003	2002	2003	2002
Operating expenses:				
General and administrative	$ 925,279	$ 987,306	$ 2,906,344	$ 3,526,959
Research and development	1,929,435	1,646,710	6,679,423	4,529,706
Total operating expenses	2,854,714	2,634,016	9,585,767	8,056,665
Loss from operations	(2,854,714)	(2,634,016)	(9,585,767)	(8,056,665)
Loss from disposal of property and equipment	--	--	--	(1,825)
Interest income	5,248	11,154	14,463	40,962
Loss before income taxes	(2,849,466)	(2,622,862)	(9,571,304)	(8,017,528)
Income taxes	--	--	--	--
Net loss	$ (2,849,466)	$ (2,622,862)	(9,571,304)	$ (8,017,528)
Beneficial conversion feature of Series B 8% Convertible Preferred Stock	--	(252,000)	--	(252,000)
Dividends on preferred stock	(49,546)	(35,645)	(155,412)	(80,909)
Net loss attributable to common stockholders	$ (2,899,012)	$ (2,910,507)	$ (9,726,716)	$ (8,350,437)
Net loss per common share (basic)	$ (0.03)	$ (0.03)	$ (0.09)	$ (0.10)
Weighted average shares outstanding ...	114,611,288	90,033,347	106,151,507	85,909,745

See accompanying notes.

CELSION CORPORATION
STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended June 30, 2003	Nine Months Ended June 30, 2002
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (9,571,304)	$ (8,017,528)
Non-cash items included in net loss:		
Depreciation and amortization	73,999	60,296
Common stock and stock options issued for compensation and other operating expenses	3,292,705	519,122
Legal settlement expense	--	476,724
Loss on disposal of property and equipment	--	1,825
Net changes in:		
Other receivables	(142,284)	1,169
Inventories	(221,520)	(123,195)
Prepaid expenses	(97,192)	(45,012)
Other current assets	--	(265,516)
Prepaid inventory development costs	60,444	--
Accounts payable-trade	307,028	375,332
Other accrued liabilities	11,916	55,478
Net cash used by operating activities	(6,286,208)	(6,961,305)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property and equipment	(56,624)	(43,898)
Net cash used by investing activities	(56,624)	(43,898)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds of stock issuances	10,914,523	7,615,008
Net cash provided by financing activities	10,914,523	7,615,008
NET INCREASE IN CASH	4,571,691	609,805
Cash at beginning of period	928,819	2,510,136
Cash at end of the period	$ 5,500,510	$ 3,119,941

See accompanying notes.

CELSION CORPORATION

NOTES TO FINANCIAL STATEMENTS

Note 1. Basis of Presentation

The accompanying unaudited condensed financial statements of Celsion Corporation (the "Company") have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments, consisting only of normal recurring accruals considered necessary for a fair presentation, have been included in the accompanying unaudited financial statements. Operating results for the three- and nine-month periods ended June 30, 2003 are not necessarily indicative of the results that may be expected for any other interim period or for the full year ending September 30, 2003. For further information, refer to the financial statements and notes thereto included in the Company's Annual Report on Form 10-K/A for the fiscal year ended September 30, 2002.

Note 2. Common Stock Outstanding and Per Share Information

For the three- and nine-month periods ended June 30, 2003 and 2002, per share data is based on the weighted average number of shares of common stock outstanding. Outstanding warrants and options which can be converted into common stock are not included, as their effect is anti-dilutive.

Note 3. New Accounting Pronouncements

In December 2002, the Financial Accounting Standards Boards (FASB) issued Statement of Financial Accounting Standards (SFAS) No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure" (SFAS No. 148) which amends Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation - Transition and Disclosure" (SFAS No. 123). SFAS No. 148 provides alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation and requires disclosures in annual and interim financial statements of the effects of stock-based compensation as reflected below.

In January 2003, the FASB issued interpretation No. 46 (FIN 46), Consolidation of Variable Interest Entities, which clarifies the application of Accounting Research Bulletin No. 51, Consolidated Financial Statements, relating to consolidation of variable interest entities (VIE). The provisions of FIN 46 are effective July 1, 2003, for VIE created on or before January 31, 2003, and immediately for VIE created after January 31, 2003. The Company has determined that the implementation of this standard will not have a material effect on its financial statements.

In January 2003, the Emerging Issues Task Force (EITF) of the FASB released issue No. 00-21, Revenue Arrangements with Multiple Deliverables, which is effective for revenue arrangements entered into on or after July 1, 2003. This issue addresses certain aspects of accounting for arrangements under which a company will perform multiple revenue-generating activities. Specifically, it addresses whether and/or how to separate multiple-deliverable arrangements and how to allocate revenue among those deliverables. The Company has determined that EITF issue No. 00-21 will not have a material effect on its financial statements.

In April 2003, the FASB issued SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, which is effective for contracts entered into or modified and hedging relationships designated after June 30, 2003. This Statement amends and clarifies financial accounting and reporting for derivative instruments including certain derivative instruments embedded in other contracts and for hedging activities under SFAS No. 133, Accounting for Derivatives Instruments and Hedging Activities. The Company has determined that the implementation of this standard will not have a material effect on its financial statements.

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity, which was effective May 31, 2003 for new or modified financial instruments and July 1, 2003 for existing financial instruments. This Statement addresses the classification and measurement of financial instruments with characteristics of both liabilities and equity. The Company has determined that the implementation of this standard will not have a material effect on its financial statements.

Note 4. Fair Value Accounting for Stock Plans

The Company continues to account for its stock option and employee stock purchase plans under the recognition and measurement principles of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees," and related Interpretations. No stock-based employee compensation expense related to the Company's stock option and stock purchase plans is reflected in net loss, as all options granted under those plans had an exercise price equal to the market value of the underlying common stock on the date of grant. The following table illustrates the effect on net loss and loss per share if the Company had applied the fair value recognition provisions of SFAS No. 123 to stock-based employee compensation.

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2003	2002	2003	2002
Net loss attributable to common stockholders, as reported	$ (2,899,012)	$ (2,910,507)	$ (9,726,716)	$ (8,350,437)
Add: Stock-based employee compensation expense included in reported net loss, net of related tax effects	783,250	--	783,250	--
Deduct: Total stock-based employee compensation expense determined using the fair value based method for all awards, net of related tax effects	(822,861)	--	(1,098,333)	(980,962)
Pro forma net loss	$ (2,938,623)	$ (2,910,507)	$(10,041,799)	$ (9,331,399)
Loss per shares:				
Basis - as reported	$ (0.03)	$ (0.03)	$ (0.09)	$ (0.10)
Basic - pro forma	$ (0.03)	$ (0.03)	$ (0.09)	$ (0.11)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

FORWARD-LOOKING STATEMENTS

Statements and terms such as "expect", "anticipate", "estimate", "plan", "believe" and words of similar import, regarding the Company's expectations as to the development and effectiveness of its technologies, the potential demand for its products, and other aspects of its present and future business operations, constitute forward- looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Although the Company believes that its expectations are based on reasonable assumptions within the bounds of its knowledge of its business and operations, the Company cannot guarantee that actual results will not differ materially from its expectations. In evaluating such statements, readers should specifically consider the various factors contained in the Company's Annual Report on Form 10-K/A for the fiscal year ended September 30, 2002, including, without limitation, unforeseen changes in the course of research and development activities and in clinical trials; possible changes in cost and timing of development and testing, capital structure, and other financial items; changes in approaches to medical treatment; introduction of new products by others; possible acquisitions of other technologies, assets or businesses; and possible actions by customers, suppliers, competitors and regulatory authorities. These and other risks and uncertainties could cause actual results to differ materially from those indicated by such forward-looking statements, including those set forth in "Management's Discussion and Analysis of Financial Condition and Results of Operations--Risk Factors" contained in the Company's Annual Report on Form 10-K/A for the fiscal year ended September 30, 2002, as well as those set forth below and elsewhere in this Report.

GENERAL

Since inception, the Company has incurred substantial operating losses. The Company expects operating losses to continue and possibly increase in the near term and for the foreseeable future as it continues its product development efforts, conducts clinical trials and undertakes marketing and sales activities for new products. The Company's ability to achieve profitability is dependent upon its ability successfully to integrate new technology into its thermotherapy systems, conduct clinical trials, obtain governmental approvals, and manufacture, market and sell its new products. Major obstacles facing the Company over the last several years have included inadequate funding, a negative net worth, and the slow development of the thermotherapy market due to technical shortcomings of the thermotherapy equipment available commercially. The Company has not continued to market its older thermotherapy system, principally because of the system's inability to provide heat treatment for other than surface and sub-surface tumors, and has concentrated its efforts on a new generation of thermotherapy products.

RESULTS OF OPERATIONS

Comparison of Three Months Ended June 30, 2003
and Three Months Ended June 30, 2002

There were no product sales for the three months ended June 30, 2003 and 2002. No product revenues are expected until the Company's equipment incorporating new technologies receives the necessary approvals from governmental regulatory agencies and the Company begins to market such equipment. The new equipment is currently in pivotal Phase II clinical testing.

General and administrative expense decreased by 6% to $925,279 for the three months ended June 30, 2003, from $987,306 for the comparable period in 2002. The decrease of $62,027 is the result a decrease in consulting expenses compared to 2002, offset by recognition of compensation expense related to employee stock options.

Research and development expense increased by 17% to $1,929,435 for the current quarter from $1,646,710 for the three months ended June 30, 2002. The increase of $282,725 in the current quarter was the result of recognition of compensation expense related to employee stock options.

The net increase in expenditures discussed above resulted in an increase in the loss from operations for the three month period ended June 30, 2003 of $220,698, or 8%, to $2,854,714 from $2,634,016 in the comparable period during the prior fiscal year.

Interest income net of interest expense decreased by 53% to $5,248 for the quarter ended June 30, 2003 from $11,154 during the comparable quarter in 2002. The decrease of $5,906 was due to a combination of lower average cash balances and lower average interest rates. Preferred stock dividends increased by 39% to $49,546 for the quarter ended June 30, 2003 from $35,645 in the comparable period during the prior fiscal year. The increase of $13,901 in the current quarter was due to the issuance of 2,000 shares of Series B 8% Convertible Preferred Stock in June 2002, the dividends on which were reflected for only a portion of the quarter ended June 30, 2002.

Comparison of Nine Months Ended June 30, 2003
and Nine Months Ended June 30, 2002

There were no product sales for the nine months ended June 30, 2003 and 2002. No product revenues are expected until the Company's equipment incorporating new technologies receives the necessary approvals from governmental regulatory agencies and the Company begins to market such equipment. The new equipment is currently in pivotal Phase II clinical testing.

General and administrative expense decreased by 18% to $2,906,344 for the nine months ended June 30, 2003, from $3,526,959 for the comparable period in 2002. The decrease of $620,615 was primarily due to the fact that, during the nine months ended June 30, 2002, the Company incurred costs associated with settlement of its then ongoing lawsuit with Warren C. Stearns and his associates. Under the terms of the settlement, Celsion issued to the Stearns group certain common stock purchase warrants that were at issue in the litigation, together with additional warrants as compensation for relinquishment of certain anti-dilution rights under the disputed warrants and $265,000 in cash to reimburse Stearns for costs incurred up to the settlement date. In addition, during that nine-month period in 2002, the Company accrued remaining amounts due to Spencer J. Volk, its former President and Chief Executive Officer, under the terms of the agreement governing his retirement. Finally, during the nine months ended June 30, 2002, the Company incurred consulting costs related to the exploration of the feasibility of setting up a business in China (including Hong Kong, Taiwan and Macao). Such expenses were non-recurring items.

Research and development expense increased by 47% to $6,679,423 for the current nine-month period from $4,529,706 for the nine months ended June 30, 2002. The increase of $2,149,717 was the result of (1) a payment of $2,175,014 to Duke University pursuant to an obligation under the License Agreement between the Company and Duke University, which was satisfied by the issuance of 3,805,366 shares of the Company's common stock to Duke University on January 16, 2003. (2) recognition of compensation expense related to employee stock options partially offset by a reduction in clinical trial costs.

The net increase in expenditures discussed above resulted in an increase in the loss from operations for the nine-month period ended June 30, 2003 of $1,529,102, or 19%, to $9,585,767 from $8,056,665 in the comparable period during the prior fiscal year.

Interest income net of interest expense decreased by 65% to $14,463 for the nine-month period ended June 30, 2003 from $40,962 during the comparable period in 2002. The decrease of $26,499 was due to a combination of lower average cash balances and lower average interest rates. Preferred stock dividends increased by 92% to $155,412 for the nine-month period ended June 30, 2003 from $80,909 in the comparable period the prior year. The increase of $74,503 in the current period was due to the issuance of 2,000 shares of Series B 8% Convertible Preferred Stock in June 2002.

LIQUIDITY AND CAPITAL RESOURCES

Since inception, our expenses have significantly exceeded our revenues, resulting in an accumulated deficit of $53,546,798 at June 30, 2003. We have incurred negative cash flows from operations since our inception and have funded our operations primarily through the sale of equity securities. As of June 30, 2003, we had cash of $5,500,510 and total current assets of $6,542,862, compared with current liabilities of $1,093,903, resulting in a working capital surplus of $5,448,959. As of September 30, 2002, we had $928,819 in cash and total current assets of $1,510,175, compared with current liabilities of $774,959, which resulted in a working capital surplus of $735,216 at fiscal year end. Net cash used in the Company's operating activities was $6,286,208 for the nine months ending June 30, 2003.

During the nine months ended June 30, 2003, we have expended approximately $9,585,767 for clinical testing of our breast cancer, Benign Prostatic Hyperplasia (BPH) and prostate cancer treatment systems, as well as corporate overhead. For all of fiscal year 2003, we expect to expend a total of approximately $12,500,000 for such clinical testing and overhead, which we expect to fund from our current resources. The foregoing amounts are estimates based upon assumptions as to the availability of funding, the scheduling of institutional clinical research and testing personnel, the timing of clinical trials and other factors, not all of which are fully predictable. Accordingly, estimates and timing concerning projected expenditures and programs are subject to change.

On October 15, 2002, Celsion completed a private placement resulting in net proceeds of approximately $775,000 and, on November 12, 2002, Celsion completed a private placement generating approximately $300,000 in net proceeds. On December 31, 2002, we received further funding through a private placement of $425,000 and issuance of a note in the amount of $500,000 payable to Boston Scientific Corporation. In the nine-month period ended June 30, 2003, Celsion received $4,414,523 in cash upon exercise of stock purchase warrants and options

On January 21, 2003, Celsion reached an agreement with Boston Scientific Corporation under which Boston Scientific will market and distribute the Company's BPH treatment system. In connection with this agreement, Boston Scientific purchased 9,375,354 shares of Celsion common stock for an initial investment of $5,000,000 and agreed to invest an additional $10 million in a combination of equity and licensing fees upon Celsion meeting certain milestones. The initial investment was sufficient to repay the $500,000 note issued to Boston Scientific on December 31, 2002 and is expected to be sufficient to fund the Company's operations through the end of fiscal year 2003. Further investments by Boston Scientific would contribute to Celsion's funding requirements for the future.

In July 2003, Celsion received an additional $765,550 in cash upon exercise of stock purchase warrants and options. Celsion also completed a private placement in July 2003, generating $7,317,346 in gross proceeds.

Our dependence on raising additional capital will continue at least until we are able to begin marketing our new technologies. Our future capital requirements and the adequacy of our financing depend upon numerous factors, including the successful commercialization of our Microwave Uretheroplasty(TM) and breast cancer treatment systems, progress in other product development efforts, progress with pre-clinical studies and clinical trials, the cost and timing of production arrangements, the development of effective sales and marketing activities, the cost of filing, prosecuting, defending and enforcing intellectual property rights, competing technological and market developments and the development of strategic alliances for the marketing of our products. We will be required to obtain such funding through equity or debt financing, strategic alliances with corporate partners and others, or through other sources not yet identified. We do not have any committed sources of financing, and cannot guarantee that additional funding will be available in a timely manner, on acceptable terms, or at all. If adequate funds are not available, we may be required to delay, scale back or eliminate certain aspects of our operations or attempt to obtain funds through unfavorable arrangements with partners or others that may require us to relinquish rights to certain of our technologies, product candidates, products or potential markets or which otherwise may be materially unfavorable to us. Furthermore, if we cannot fund our ongoing development and other operating requirements, particularly those associated with our obligation to conduct clinical trials under our licensing agreements, we will be in breach of our commitments under these licensing agreements and could therefore lose our license rights, which could have material adverse effects on our business.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK.

Not applicable.

ITEM 4. CONTROLS AND PROCEDURES

We have conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934) under the supervision of our Chief Executive Officer and Chief Financial Officer as of the end of the fiscal quarter covered by this Quarterly Report on Form 10-Q. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2003, our disclosure controls and procedures were effective to ensure that information required to be disclosed in reports that Celsion files or submits under the Exchange Act is recorded, processed, summarized and reported in a timely manner. In designing, implementing and evaluating our disclosure controls and procedures, our management recognizes that any controls and procedures, no matter how well designed and implemented, may not be effective in all circumstances. However, we believe that our disclosure controls and procedures provide reasonable assurance of achieving the desired disclosure control objectives.

There have not been any significant changes in our internal controls or in other factors subsequent to the date the evaluation was completed that could significantly affect such controls and no corrective actions have been required with regard to significant deficiencies and material weaknesses.

PART II
OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

There are currently no legal proceedings that are not within the normal course of business.

ITEM 2. CHANGES IN SECURITIES AND USE OF PROCEEDS.

During the fiscal quarter ended June 30, 2003, the Company issued the following securities without registration under the Securities Act of 1933, as amended (the "Securities Act"):

During the quarter, the Company issued a total of 683,608 shares of its common stock to the holders of shares of its Series A 10% Convertible Preferred Stock and Series B 8% Convertible Preferred Stock upon conversion of 43 shares of Series A Convertible Preferred Stock and 308 shares of Series B Convertible Preferred Stock. These common shares are restricted stock, endorsed with the Company's standard restricted stock legend, with a stop transfer instruction recorded by the transfer agent. Accordingly, the Company views the shares issued as exempt from registration under Sections 4(2) and/or 4(6) of the Securities Act.

During the quarter, from time to time the Company also issued a total of 91,504 shares of its common stock to three outside consultants for services valued at $39,500. These shares are restricted stock, endorsed with the Company's standard restricted stock legend, with stop transfer instructions recorded by the transfer agent. Accordingly, the Company views the shares issued as exempt from registration under Sections 4(2) and/or 4(6) of the Securities Act.

At various times during the quarter, the Company issued a total of 11,013,069 shares of its common stock for a cash consideration of $4,281,006 to holders of stock purchase warrants upon exercise of such warrants. These shares are restricted stock, endorsed with the Company's standard restricted stock legend, with stop transfer instructions recorded by the transfer agent. Accordingly, the Company views the shares issued as exempt from registration under Sections 4(2) and/or 4(6) of the Securities Act.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

Not applicable.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS.

None.

ITEM 5 OTHER INFORMATION.

Not applicable.

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) Exhibits.

11	Computation of Earnings Per Share.
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(b) Reports on Form 8-K.

None.

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 thereunto duly authorized.

DATE: August 14, 2003

CELSION CORPORATION

Registrant

By: /s/ Augustine Y. Cheung

Augustine Y. Cheung
President and Chief Executive Officer

By: /s/Anthony P. Deasey

Anthony P. Deasey
Executive Vice President-Finance and Administration
(Principal Financial and Chief Accounting Officer)

EXHIBIT 11

CELSION CORPORATION
COMPUTATION OF EARNINGS PER SHARE

	Three Months Ended June 30,		Nine Months Ended June 30,	
	2003	2002	2003	2002
Net loss attributable to common stockholders	$(2,899,012)	$(2,874,862)	$(9,726,716)	$(8,350,437)
Net (loss) income per common share*	$(0.03)	$(0.03)	$(0.09)	$(0.10)
Weighted average shares outstanding	114,611,288	90,033,347	106,151,507	85,909,745

* Common stock equivalents have been excluded from the calculation of net loss per share as their inclusion would be anti-dilutive.

EXHIBIT 31.1

CELSION COROPRATION
CERTIFICATION

I, Augustine Y. Cheung, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Celsion Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ Augustine Y. Cheung

Augustine Y. Cheung
Chief Executive Officer
Celsion Corporation

EXHIBIT 31.2

CELSION COROPRATION
CERTIFICATION

I, Anthony P. Deasey, certify that

1. I have reviewed this quarterly report on Form 10-Q of Celsion Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 14, 2003

/s/ Anthony P. Deasey

Anthony P. Deasey
Chief Financial Officer
Celsion Corporation

EXHIBIT 32.1

CELSION CORPORATION
CERTIFICATION
PURSUANT TO 18 UNITED STATES CODE ss. 1350

The undersigned hereby certifies that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2003 of Celsion Corporation (the "Company") filed with the Securities and Exchange Commission on the date hereof fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Augustine Y. Cheung

Augustine Y. Cheung
Chief Executive Officer

August 14, 2003

EXHIBIT 32.2

CELSION CORPORATION
CERTIFICATION
PURSUANT TO 18 UNITED STATES CODE ss. 1350

The undersigned hereby certifies that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2003 of Celsion Corporation (the "Company") filed with the Securities and Exchange Commission on the date hereof fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Anthony P. Deasey

Anthony P. Deasey
Chief Financial Officer

August 14, 2003