

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): February 27, 2006

Celsion Corporation

(Exact Name of Registrant as Specified in Charter)

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)

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))

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

Item 2.02 Results of Operations and Financial Condition.

On February 28, 2006, Celsion Corporation (the "Company") issued a press release regarding its financial results for the quarter ended December 31, 2005 and the fiscal year ended December 31, 2005. The Company hereby furnishes, as an exhibit to this Current Report on Form 8-K, a copy of such press release.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Effective at 5:00 p.m. Eastern Time on February 27, 2006, the Company amended its Certificate of Incorporation to effect a one-for-15 reverse split of the Company's issued and outstanding shares of common stock (the "Common Stock"). As of that date, each fifteen shares of the Company's issued and outstanding shares of Common Stock were automatically combined, converted and changed into one share of Common Stock of the Company (the "Reverse Split"). No fractional shares will be issued as a result of the Reverse Split. Instead, the Company will pay cash in lieu of fractional shares based on the average closing price of the Company's Common Stock for the five trading days prior to the effective date of the Reverse Split. The result will be rounded to the nearest one cent, with half-pennies rounded to the even number. A copy of the Certificate of Amendment is filed as an exhibit to this Current Report on Form 8-K. The Company issued a press release on February 27, 2006 to announce the Reverse Split. A copy of that press release is filed as an exhibit to this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
3.1	Certificate of Amendment of the Certificate of Incorporation of Celsion Corporation effective February 27, 2006
99.1	Press Release issued by Celsion Corporation on February 27, 2006
99.2	Press Release issued by Celsion Corporation on February 28, 2006

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: February 28, 2006

By: /s/ Anthony P. Deasey

Anthony P. Deasey
Executive Vice President, Chief Financial Officer and
Chief Operating Officer

Exhibit Index

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Delaware
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "CELSION CORPORATION", FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF FEBRUARY, A.D. 2006, AT 10:56 O'CLOCK A.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF AMENDMENT IS THE TWENTY-SEVENTH DAY OF FEBRUARY, A.D. 2006, AT 5 O'CLOCK P.M.

[SEAL]

/s/ Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

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060185065

AUTHENTICATION: 4550383
DATE: 02-27-06

**CERTIFICATE OF AMENDMENT
OF THE
CERTIFICATE OF INCORPORATION
OF
CELSION CORPORATION**

Celsion Corporation (the "Corporation"), a corporation duly organized and existing under the General Corporation Law of the State of Delaware, does, by Lawrence S. Olanoff, M.D., its President, hereby certify that:

1. The name of the Corporation is Celsion Corporation. The original Certificate of Incorporation of the Corporation was filed with the Secretary of State of the State of Delaware on May 17, 2000. A Certificate of Ownership and Merger was filed with the Secretary of State of the State of Delaware on August 17, 2000. Certificates of Designation designating Series A, Series B and Series C Preferred Stock were filed with the Secretary of State of the State of Delaware on August 17, 2000, May 29, 2002 and August 20, 2002, respectively, and Certificate, of Amendment were so filed on June 5, 2001, November 8, 2002 and May 25, 2004.

2. Pursuant to Sections 141(b) and 242 of the General Corporation Law of the State of Delaware, at a regular meeting duly convened and held on February 22, 2005, the Board of Directors of the Corporation found that the following proposed amendment of the Certificate of Incorporation of the Corporation was advisable and directed that such proposed amendment be submitted for consideration and action thereon by the stockholders of the Corporation as an annual meeting of stockholders called pursuant to notice given in accordance with Section 222 of the General Corporation Law of the State of Delaware:

The first paragraph of Article Fourth of the Certificate of Incorporation of the Corporation, as amended, shall be deleted in its entirety and the following two paragraphs shall be substituted therefor:

The total number of shares of all classes of stock which the Corporation shall have authority to issue is two hundred fifty million one hundred thousand (250,100,000) shares, consisting of (i) two hundred fifty million (250,000,000) shares of Common Stock, par value \$0.01 per share ("Common Stock"), and (ii) one hundred thousand (100,000) shares of Preferred Stock, par value \$0.01 per share ("Preferred Stock"). The Preferred Stock may be issued from time to time in one or more series.

At the time that this Certificate of Amendment becomes effective pursuant to the General Corporation Law of the State of Delaware (the "Effective Time"), each fifteen (15) shares of the Corporation's Common Stock then issued and outstanding (the "Old Common Stock" shall, automatically and without any action on the part of the respective holders thereof, be combined, converted and changed into one (1) share of Common Stock of the Corporation; *provided, however*, that the Corporation shall issue no fractional shares as a result of the actions set forth herein but shall instead pay cash consideration to the holder of any such fractional share in accordance with the next succeeding sentence and, *provided further*, that neither the number of shares of Common Stock authorized pursuant to the first sentence of this Article Fourth nor the par value of such shares shall be altered. As contemplated by the preceding sentence, a holder who otherwise would be entitled to receive a fraction of a share of Common Stock shall, in lieu thereof, receive the fair market value thereof, determined by multiplying the number of shares of Old Common Stock resulting in such fraction by the average of the closing sales prices of the Old Common Stock as reported by the The American Stock Exchange on the five (5) trading days prior to the date on which this Certificate of

Amendment is filed with the Secretary of State of the State of Delaware. Each stock certificate that, immediately prior to the Effective Time, represented shares of Old Common Stock (then outstanding shall, from and after the Effective Time, automatically and without the necessity of presenting the same for exchange, represent that number of whole shares of Common Stock outstanding after the Effective Time into which the shares of Old Common Stock represented by such certificate shall have been reclassified (as well as the right to receive cash in lieu of any fractional shares of Common Stock as set forth above); *provided, however*, that each holder of record of a certificate that represented shares of Old Common Stock shall receive, upon surrender of such certificate, a new certificate representing the number of whole shares of Common Stock into which the shares of Old Common Stock represented by such certificate shall have been reclassified, as well as any cash in lieu of fractional shares of Common Stock to which such holder may be entitled pursuant to this Article Fourth.

3. Pursuant to Section 242 of the General Corporation Law of the State of Delaware, the holders of a majority of the issued and outstanding shares of capital stock of the Corporation entitled to vote on the matter voted in favor of, approved and adopted, the foregoing proposed amendment of the Certificate of Incorporation of the Corporation, as amended, at an annual meeting of stockholders duly convened and held on May 19,2005.

4. The foregoing amendment of the Certificate of Incorporation of the Corporation, as amended, was duly adopted in accordance with the provisions of Sections 141 and 242 of the General Corporation Law of the State of Delaware.

5. This Certificate of Amendment shall become effective at 5.00 p.m. Eastern Time on February 27th, 2006.

The Corporation has caused this Certificate of Amendment to be signed and executed in its corporate name by its President and attested to by its Secretary, who declare, affirm, acknowledge and certify, under the penalties of perjury, that this is their free set and deed and that the facts stated herein are true as of the 20th day of February, 2006.

ATTEST

CELSION CORPORATION,
a Delaware corporation

By: _____
/s/ Anthony P. Deasey
Anthony P. Deasey
Secretary

By: _____
/s/ Lawrence S. Olanoff
Lawrence S. Olanoff, M.D.
President

For Further Information Contact:

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CELSION ANNOUNCES 1-FOR-15 REVERSE STOCK SPLIT

**Stockholder-Approved Split Designed to Improve Capital Structure; Split-Adjusted Trading to
 Begin on February 28, 2006**

COLUMBIA, MD., February 27, 2006: Celsion Corporation (AMEX: CLN) today announced that its Board of Directors has authorized a one-for-fifteen reverse split of its common stock, which was approved by Celsion stockholders at the Annual Meeting of Stockholders on May 19, 2005. This reverse stock split is being executed as part of Celsion's strategy to become a fully integrated drug development company. The reverse stock split will be effective on February 28, 2006, when Celsion's common stock will begin trading at the split-adjusted level.

Dr. Lawrence Olanoff, Celsion's Chief Executive Officer said, "This action marks the completion of another milestone in Celsion's planned transformation from a medical device company into a fully integrated drug development company. We have demonstrated our ability to initiate and execute a development program for our heat activated liposomal doxorubicin drug, ThermoDox™, including starting human clinical studies in two cancer indications and the recruitment of an experienced drug development management team. However, we believe that these achievements as well as the successful commercialization of our Prolieve ThermoDilatation® system and the funding of the ThermoDox development program are not reflected in our current valuation. Our current capital structure, as a result of multiple past equity raises, has become an effective barrier to new investors. We are confident that this reorganization of our capital structure will provide increased interest for institutional and new investors, improve stock liquidity, reduce administrative costs, and ultimately benefit our current stockholders."

The number of shares of Celsion common stock issued and outstanding will be reduced from approximately 161,900,000 shares as of February 27, 2006, to approximately 10,727,000 shares post-split. The number of shares reserved for issuance under the Employee Stock Plan will also be reduced proportionately. No fractional shares will be issued in connection with the reverse stock split. Shareholders who would be entitled to fractional shares will receive cash payments in lieu of receiving fractional shares. Celsion's transfer agent will contact stockholders of record after February 28 to arrange for the exchange of stock certificates; however, one may sell shares without having exchanged the pre-split certificate.

ABOUT CELSION: Celsion Corporation, based in Columbia, Maryland, is a biotechnology company dedicated to the development and commercialization of heat activated treatment systems for cancer.

Celsion has research, license or commercialization agreements with leading institutions such as the National Institute of Health, Duke University Medical Center, Massachusetts Institute of Technology, Harbor UCLA Medical Center, Montefiore Medical Center and Memorial Sloan-Kettering Cancer Center in New York City,

Celsion Corporation 10220-L Old Columbia Road, Columbia MD 21046-2364 T 410.290-5390 F 410.290.5394

Roswell Park Cancer Institute in Buffalo, New York, and Duke University. For more information on Celsion, visit our website: 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.

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**CELSION CORPORATION REPORTS FOURTH QUARTER
2005 FINANCIAL RESULTS**

Company Reports Revenue of \$4.4 Million for Quarter. Net Loss reduced by 30%.

Columbia, MD., FEBRUARY 28, 2005: CELSION CORPORATION (AMEX: CLN) today announced financial results for its fourth quarter ended December 31, 2005. The Company reported revenue of \$4.4 million for the quarter, compared to \$1.4 million for the fourth quarter of 2004.

The Company recorded a net loss for the fourth quarter of \$2.1 million or \$0.20 per share, compared to a net loss of \$3.1 million or \$0.29 per share for the comparable quarter in 2004. The increase in revenues and reduction in the net loss for the quarter and full year was primarily due to income generated from the sale of Prolieve™ control units and catheters.

Revenue for the year ended December 31, 2005 was \$12.3 million compared to revenue of \$2.5 million in the comparable period in 2004. Net loss for the year was \$8.7 million, or \$0.81 per share, compared to a net loss of \$14.0 million, or \$1.32 per share in 2004.

Dr. Lawrence Olanoff, Celsion's Chief Executive Officer, commented, "Prolieve sales in the quarter were strong, exceeding our guidance of \$4 million, and gross margin on product sales increased from 31.8% to 37.3%. For 2005, overall, Prolieve sales were five times those generated in 2004. The increasing profit contribution from Prolieve combined with a reduction in expenses enabled us to reduce our operating loss for the year by 38%. For the fourth quarter of 2005 our cash burn was less than \$1 million dollars principally due to the margin earned on Prolieve sales and a reduction of our inventory of disposables. Overall we are very pleased with our results for 2005 which reflect continued solid growth in the Prolieve franchise. We anticipate that our annual sales revenue from Prolieve for 2006 could approach \$15 million with a continuing improvement in gross margin. We expect that sales in the first quarter of 2006 will be significantly higher than the corresponding quarter in 2005; however, they will be less than those recorded in the fourth quarter of 2005 which included catheter kit shipments to Boston Scientific to build safety stock to cover the transition to our new disposable manufacturer. In parallel, our ThermoDox drug development program continues to advance in an ongoing Phase I liver cancer trial and a Phase I dose escalation study in recurrent chest wall breast cancer which is soon to be open for enrollment at Duke University Medical Center."

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Celsion has research, license or commercialization agreements with leading institutions such as the National Institute of Health, Duke University Medical Center, Massachusetts Institute of Technology, Harbor UCLA Medical Center, Montefiore Medical Center and Memorial Sloan-Kettering Cancer Center in New York City, Roswell Park Cancer Institute in Buffalo, New York, and Duke University. For more information on Celsion, visit our website: 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
Consolidated Condensed Statements of Operations
(in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2004 (Unaudited)	2005 (Unaudited)	2004 (Audited)	2005 (Unaudited)
Revenues	\$ 1,424	\$ 4,348	\$ 2,507	\$ 12,320
Cost of Sales	1,204	2,728	2,101	8,113
Gross Margin	220	1,620	406	4,207
Operating Expenses				
Research & development	2,588	3,081	11,533	10,079
General and administrative	932	761	3,471	3,409
Total Operating Expenses	3,520	3,842	15,004	13,488
Loss from Operations	(3,300)	(2,222)	(14,598)	(9,281)
Other Income/(Expense)				
License fee amortization	143	143	476	572
Interest income (expense), net	64	(16)	230	120
Loss from investment in Celsion China Ltd.	(44)	(29)	(92)	(96)
Net loss before income taxes	(3,137)	(2,124)	(13,984)	(8,685)
Income taxes	—	—	—	—
Net loss	\$ (3,137)	\$ (2,124)	\$ (13,984)	\$ (8,685)
Net loss per common share (basic and diluted)	\$ (0.29)	\$ (0.20)	\$ (1.32)	\$ (0.81)
Weighted average shares outstanding ('000's)	10,715	10,727	10,584	10,725

Celsion Corporation
Consolidated Condensed Balance Sheets
(in thousands)

	December 31,	
	2004 (Audited)	2005 (Unaudited)
ASSETS		
Current assets		
Cash and cash equivalents	\$ 10,484	\$ 2,313
Short term investments	—	6,000
Accounts receivable	783	765
Inventory	2,202	3,326
Prepaid expenses	679	437
Total current assets	<u>14,148</u>	<u>12,841</u>
Property and equipment, net	682	571
Investment in Celsion China, Ltd.	108	12
Escrow account - license fee	2,007	2,053
Other assets	107	402
Total assets	<u>\$ 17,052</u>	<u>\$ 15,879</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 819	\$ 1,996
Accrued expenses	738	1,328
Deferred income	571	571
Total current liabilities	<u>2,128</u>	<u>3,895</u>
Loans Payable - principal and accrued interest	—	6,178
Deferred revenue	2,952	2,381
Total liabilities	<u>5,080</u>	<u>12,454</u>
Stockholders' equity		
Common stock	1,608	1,608
Additional paid-in capital	84,581	84,719
Accumulated deficit	(74,217)	(82,902)
Total stockholders' equity	<u>11,972</u>	<u>3,425</u>
Total liabilities and stockholders' equity	<u>\$ 17,052</u>	<u>\$ 15,879</u>