

**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): August 8, 2005**

**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**

(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))

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

On August 8, 2005, Celsion Corporation (the "Company") issued a press release reporting its financial results for the three- and six-month periods ended June 30, 2005 (the "Earnings Release"). The Earnings Release is being filed as exhibit 99.1 to this Current Report on Form 8-K.

**Item 9.01 Financial Statements and Exhibits**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Earnings Release dated August 8, 2005, 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: August 8, 2005

By: /s/ Anthony P. Deasey

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Executive Vice President, Chief Financial  
Officer and Chief Operating Officer

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**NEWSRELEASE**

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**CELSION™**

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

**Company Reports Revenue of \$2.9 Million for Quarter. Up 53% over First Quarter**

**Columbia, MD – August 8, 2005: CELSION CORPORATION (AMEX: CLN)** today announced financial results for its second quarter ended June 30, 2005. The Company reported revenue of \$2.9 million for the quarter, compared to \$0.4 million for the second quarter of 2004. Revenue increased 53% over first quarter 2005 revenue of \$1.9.

The Company recorded a net loss for the second quarter of \$2.6 million, or \$0.01 per basic and diluted share, compared to a net loss of \$1.7 million or \$0.01 per basic and diluted share for the comparable quarter in 2004. The increase in the net loss for the quarter was primarily due to non cash adjustments to stock related compensation resulting from the change in the stock price versus the comparable period.

Revenue for the six months ended June 30, 2005 was \$4.8 million compared to \$0.5 million in the comparable period in 2004. Net loss for the six months was \$5.0 million, or \$0.03 per basic and diluted share, compared to \$7.8 million, or \$0.05 per basic and diluted share in the first half of 2004

Dr. Lawrence Olanoff, Celsion's Chief Executive Officer, commented, "Having come on board as CEO at the end of July, I am pleased with the progress this business has made, reflected in the results for this quarter and for the year to date. Prolieve continues to perform very well and is exceeding expectations. We are also making good progress on our liver cancer Phase I study for ThermoDox in combination with radio frequency ablation."

-More-

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Celsion has research, license or commercialization agreements with leading institutions such as the National Institutes 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: <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  
Condensed Statements of Operations  
(in thousands, except per share amounts)  
(Unaudited)

	Three Months Ended June 30		Six Months Ended June 30	
	2004	2005	2004	2005
Revenues	\$ 443	\$ 2,896	\$ 543	\$ 4,767
Cost of Sales	349	1,926	424	3,199
Gross Margin	94	970	119	1,568
Operating Expenses				
Research & development	1,386	2,485	5,973	4,704
General & Administrative	367	1,072	1,936	1,838
Total Operating Expenses	1,753	3,557	7,909	6,542
Loss from Operations	(1,659)	(2,587)	(7,790)	(4,974)
Other Income/(Expense)				
License fee amortization	143	143	191	286
Interest income	59	64	100	125
Loss from investment in Celsion China Ltd	14	24	38	21
Net loss before income taxes	(1,471)	(2,404)	(7,537)	(4,584)
Income taxes	—	—	—	—
Net loss	\$ (1,471)	\$ (2,404)	\$ (7,537)	\$ (4,584)
Net loss per common share (basic and diluted)	\$ (0.01)	\$ (0.01)	\$ (0.05)	\$ (0.03)
Weighted average shares outstanding	160,302,355	160,898,206	156,764,532	160,850,846

Celsion Corporation  
Condensed Balance Sheets  
(in thousands)

	December 31 2004	June 30 2005
	(Unaudited)	(Unaudited)
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 10,484	\$ 5,316
Accounts receivable	783	962
Inventory	2,202	3,950
Prepaid expenses	679	620
Total current assets	14,148	10,848
Property and equipment, net	682	615
Investment in Celsion China, Ltd.	108	64
Escrow account - license fee	2,007	2,023
Other assets	107	72
Total assets	<u>\$ 17,052</u>	<u>\$ 13,622</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 819	\$ 1,656
Accrued expenses	738	1,296
Deferred income	571	571
Total current liabilities	2,128	3,523
Deferred revenue	2,952	2,667
Total liabilities	5,080	6,190
Stockholders' equity		
Common stock	1,608	1,609
Additional paid-in capital	84,581	84,648
Accumulated deficit	(74,217)	(78,825)
Total stockholders' equity	11,972	7,432
Total liabilities and stockholders' equity	<u>\$ 17,052</u>	<u>\$ 13,622</u>