

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

FORM 10-Q/A

(Mark One)

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

For the Quarterly Period ended March 31, 1999

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)

Maryland

52-1256615

-----  
State or other jurisdiction of (I.R.S. Employer Identification No.)  
incorporation or organization

10220-I Old Columbia Road  
Columbia, Maryland

21046-1705

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(Address of principal executive offices) (Zip Code)

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

Securities registered pursuant to Section 12(b) of the Act: None

Securities registered pursuant to Section 12(g) of the Act: Common Stock, par  
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value \$.01 per share  
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(Title of Class)

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

As of March 31, 1999, the Registrant had outstanding 45,850,136 shares  
of Common Stock, \$.01 par value.

CELSION CORPORATION  
STATEMENTS OF CASH FLOWS  
(Unaudited)

Six Months Ended March 31

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1999 1998

Cash flows from operating activities:

Net (loss) income \$ (1,160,894) \$ (1,914,181)

Noncash items included in net (loss) income:

Depreciation and amortization 14,246 9,947

Net changes in:

|                                                  |             |             |
|--------------------------------------------------|-------------|-------------|
| Accounts receivable                              | (150)       | (27,241)    |
| Inventories                                      | --          | (58,268)    |
| Prepaid expenses                                 | 57,931      | (210)       |
| Other current assets                             | --          | (18,449)    |
| Accounts payable-trade                           | (337,704)   | 209,420     |
| Accrued interest payable - related parties       | 233         | (143,205)   |
| Accrued interest payable - other                 | (108,074)   | 36,639      |
| Accrued compensation                             | 137,731     | 28,501      |
| Accrued professional fees                        | --          | (63,204)    |
| Other accrued liabilities and deferred revenue   | 9,665       | 5,033       |
| Net cash (used) provided by operating activities | (1,387,016) | (1,935,218) |
| Cash flows from investing activities:            |             |             |
| Purchase of property and equipment               | --          | 26,394      |
| Investment in patents                            | --          | (10,000)    |
| Net cash provided (used) by investing activities | --          | 16,394      |
| Cash flows from financing activities:            |             |             |
| Payment on notes payable (net)                   | (154,041)   | (89,522)    |
| Payment on capital leases (net)                  | (542)       | --          |
| Proceeds of stock issuances                      | 1,678,768   | 1,853,876   |
| Net cash provided by financing activities        | 1,524,185   | 1,764,354   |
| Net increase (decrease) in cash                  | 137,169     | (154,470)   |
| Cash at beginning of period                      | 54,920      | 267,352     |
| Cash at end of the period                        | 192,089     | \$ 112,882  |
|                                                  | =====       | =====       |

See accompanying notes.

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: June 12, 1999

CELSION CORPORATION

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(Registrant)

By:/s/ Spencer J. Volk

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Spencer J. Volk  
President and Chief Executive Officer

By:/s/ John Mon

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John Mon  
Treasurer and Chief Accounting Officer