



May 8, 2006

## Celsion Corporation Reports First Quarter 2006 Results

Columbia, MD - MAY 8, 2006: CELSION CORPORATION (AMEX: CLN) today announced financial results for its first quarter ended March 31, 2006. The Company reported revenue of \$2.4 million for the quarter, compared to \$1.9 million for the first quarter of 2005.

The Company recorded a net loss for the first quarter of \$1.8 million or \$0.17 per share, inclusive of a gain of \$1.1 million arising from the sale of its subsidiary, Celsion (Canada) Limited in January 2006. Excluding this gain, the net loss for the quarter was \$2.9 million or \$0.27 per share compared to \$2.2 million or \$0.21 per share for the comparable quarter in 2005. The increased loss was the result of higher interest costs and stock compensation costs associated with the adoption of SFAS 123®.

Dr. Lawrence Olanoff, Celsion's Chief Executive Officer, commented, "As we had previously indicated, first quarter revenues although strong compared to the first quarter of 2005, were lower than the fourth quarter of 2005. The decrease compared to the fourth quarter 2005, which was primarily due to Boston Scientific building an inventory of catheter related disposable supplies in the fourth quarter of 2005, to cover the transition to a new disposable manufacturer, was also effected by start-up problems at the new supplier. These problems are being thoroughly investigated and we hope to resume shipments before the end of June. As a result, we expect that sales in the second quarter will also be below expectations but we remain confident that, as Prolieve continues to be well accepted in the market, we will meet our previous guidance that Celsion's 2006 annual sales revenue from Prolieve could approach \$15 million."

**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, Roswell Park Cancer Institute in Buffalo, New York, and Duke University. For more information on Celsion, visit our website: [www.celsion.com](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. In addition, Celsion's receipt of the royalty payments in connection with the sale of Celsion (Canada) depends upon the ability of Celsion (Canada) to develop the APA technology and bring products to market. This involves, among other risks of a new enterprise, financing, regulatory and market acceptance risks.

