May 12, 2009

Celsion Reports First Quarter 2009 Financial Results and Business Update

ThermoDox(R) Oncology Drug Moves Closer to Commercialization

COLUMBIA, Md., May 12, 2009 (BUSINESS WIRE) -- Celsion Corporation (NASDAQ:CLSN), a leading oncology drug development company, today announced financial results for its first quarter ended March 31, 2009.

"We have made substantial progress moving our lead oncology drug ThermoDox closer to commercialization," commented Michael H. Tardugno, Celsion's President and Chief Executive Officer. "Enrollment in our global Phase III primary liver cancer study is accelerating. We now have 33 clinical sites activated to date, with plans to increase the number of sites to 65 by the end of 2009. We expect to substantially complete patient enrollment in this trial within the first quarter of 2010. Our pivotal Phase I/II recurrent chest wall breast cancer clinical trial is enrolling patients at four clinical sites, and importantly, our first patient has been treated. We expect to complete patient enrollment for this study in the second quarter of 2010. Our financial resources are sufficient to advance our current programs, and we remain focused and are committed to delivering timely clinical results and regulatory approval for ThermoDox and the promise that it holds for treating difficult cancers."

Financial Results

For the first quarter ended March 31, 2009, Celsion reported a net loss of $3.6 million, or $0.35 per diluted share, compared to a net loss of $4.1 million, or $0.40 per diluted share, for the first quarter of 2008. The Company ended the quarter with a total of $19.3 million of cash, receivables and short-term investments.

Recent Company Highlights

- Initiated the DIGNITY study, an open-label, dose-escalating pivotal Phase I/II study of ThermoDox in combination with hyperthermia to treat recurrent chest wall (RCW) breast cancer
- Received orphan drug designation for ThermoDox for the treatment of primary liver cancer; entitles Celsion to seven years of market exclusivity following FDA approval
- Published Phase 1 ThermoDox clinical results in primary liver cancer in the peer-reviewed medical journal Expert Opinion on Pharmacology
- Celsion's proprietary thermosensitive liposome technology and ThermoDox was the subject of three presentations at the Society for Thermal Medicine Annual Meeting
- Duke University reported promising Phase I interim data evaluating ThermoDox for the treatment of RCW breast cancer

The Company is holding a conference call to provide a business update and discuss the first quarter 2009 results at 11:00 a.m. Eastern Time on Tuesday, May 12, 2009. To participate in the call, interested parties may dial 877.604.2080 (U.S./Canada) or 706-902-1383 (International) and use Conference ID: 98823295 to register ten minutes before the call is scheduled to begin. The call will also be broadcast live on the Internet at**http://www.celsion.com.**

The call will be archived for replay on May 12, 2009 at 2:00 P.M. ET and will remain available until Monday, May 18, 2009. The replay can be accessed at 800-642-1687 or 706-645-9291 using Conference ID: #98823295. The call will also be available on the Company's website, http://www.celsion.com, for 30 days after 2:00 P.M. on Tuesday, May 12, 2009.

About ThermoDox

ThermoDox in combination with hyperthermia has the potential to provide local tumor control and improve quality of life. ThermoDox is a proprietary heat-activated liposomal encapsulation of doxorubicin, an approved and frequently used oncology drug for the treatment of a wide range of cancers including breast cancer. Localized mild hyperthermia (40-42 degrees Celsius) releases the entrapped doxorubicin from the liposome. This delivery technology enables high concentrations of doxorubicin to be deposited preferentially in a targeted tumor.

For primary liver cancer, ThermoDox is being evaluated in a 600 patient global Phase III study at 40 clinical sites under an FDA Special Protocol Assessment. The study is designed to evaluate the efficacy of ThermoDox in combination with RFA when compared to patients who receive RFA alone as the control. The primary endpoint for the study is progression-free survival. For recurrent chest wall breast cancer, ThermoDox is being evaluated in a pivotal Phase I/II open-label, dose-escalating trial that is designed to measure durable local complete response at the tumor site. Celsion expects to enroll approximately 100 patients across the United States. Additional information on these ThermoDox clinical studies may be found at http://www.clinicaltrials.gov

ThermoDox(R) is a registered trademark of Celsion Corporation

About Celsion

Celsion is a leading oncology company dedicated to the development and commercialization of innovative cancer drugs including tumor-targeting treatments using focused heat energy in combination with heat-activated drug delivery systems. Celsion has research, license, or commercialization agreements with leading institutions such as the National Institutes of Health, Duke University Medical Center, University of Hong Kong, Cleveland Clinic, and the North Shore Long Island Jewish Health System.

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
(Unaudited)
(in thousands except for per share amounts)

	Three Months Ended March 31,	
	2009	**2008**
Operating expenses:		
Research and development	$ 2,943	$ 2,967
General and administrative	688	1,176
Total operating expenses	3,631	4,143
Loss from operations	(3,631)	(4,143)
Other income (expense), net	14	61
Net Loss	$ (3,617)	$ (4,082)
Basic and diluted net loss per common share	$ (0.35)	$ (0.40)
Basic and diluted weighted average shares outstanding	10,190	10,143

Celsion Corporation
Balance Sheets
(in thousands except for per share amounts)

ASSETS	**March 31, 2009 (unaudited)**	**December 31, 2008**
Current assets		
Cash and cash equivalents	$ 1,920	$ 3,456
Short term investments available for sale	2,346	4,061
Due from Boston Scientific Corporation	15,000	15,000
Prepaid expenses and other receivables	161	306
Total current assets	19,427	22,823
Property and equipment	207	223
Other assets		
Note receivable	221	221

Deposits and other assets	347	363
Patent licensing fees	56	58
Total other assets	624	642
Total assets	$ 20,258	$ 23,688
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable - trade	$ 1,861	$ 1,187
Indemnity reserve	527	1,053
Other accrued liabilities	1,376	1,459
Note payable - current portion	59	235
Total current liabilities	3,823	3,934
Other liabilities - noncurrent	26	28
Total liabilities	3,849	3,962
Stockholders' equity		
Common stock - $0.01 par value (250,000 shares authorized; 10,856 and 10,816 shares outstanding at March 31, 2009 and December 31, 2008, respectively)	108	108
Additional paid-in capital	89,483	89,183
Accumulated deficit	(70,541)	(66,924)
Subtotal	19,050	22,367
Less: Treasury stock - at cost	(2,641)	(2,641)
Total stockholders' equity	16,409	19,726
Total liabilities and stockholders' equity	$ 20,258	$ 23,688

SOURCE: Celsion Corporation

Investor:
Celsion Corporation
Sean Moran, 410-290-5390
Senior Vice President and Chief Financial Officer
smoran@celsion.com
or
The Trout Group
Marcy Nanus, 646-378-2927