



Philips and Celsion Announce Research Agreement to Develop New Cancer Treatment That Combines Ultrasound, Drug Delivery Technology

Multi-year agreement will explore the potential for using ThermoDox(R) in combination with high intensity focused ultrasound to treat solid and diffuse tumors; solution designed to target inaccessible tumors, lessen side-effects

ANDOVER, Mass. and COLUMBIA, Md., Oct 16, 2008 (BUSINESS WIRE) -- Royal Philips Electronics (NYSE: PHG; AEX: PHI) and Celsion Corporation (NASDAQ: CLSN) today announced the signing of a joint research agreement focusing on a new cancer treatment that combines Philips' ultrasound technology with Celsion's drug delivery solution to target tumors with high concentrations of a cancer-fighting drug.

Under the terms of the agreement, Philips and Celsion will collaborate to explore the potential for using Philips' investigational magnetic resonance imaging (MRI)-guided high intensity focused ultrasound (HIFU) system in combination with Celsion's leading drug candidate, ThermoDox(R), to treat a broad range of cancers. The research uses the HIFU system to position doxorubicin, an approved and frequently used anti-cancer drug, and to create a mild hyperthermia that releases the drug directly into the tumor. The result would be the ability to treat tumors that would otherwise be inaccessible.

The Philips HIFU system is designed to precisely control and deliver energy non-invasively to targeted tissues. HIFU is being researched to evaluate its use in activating Celsion's temperature-sensitive liposome technology to release encapsulated chemotherapy drugs such as doxorubicin. Doxorubicin is the potent anticancer agent in ThermoDox(R). By using Philips' HIFU technology to deliver targeted, localized activation temperatures, Philips' and Celsion's research will explore the potential for ThermoDox(R) to non-invasively treat a number of solid tumor cancers that may be susceptible to the combination of a high concentration of doxorubicin and concurrent hyperthermia.

"Localized drug delivery is being evaluated to determine the potential for increasing the potency of drugs in their target regions with equal or less toxicity to critical organs," said Falko Busse, vice president and chief technology officer, MR, for Philips Healthcare. "The Philips MR-HIFU system could be a powerful tool to deliver these thermally activated drugs. Our volumetric heating with feedback technology is being designed to allow control of both the tissue temperature and the heating area. We are very excited about this research collaboration with Celsion in the promising field of localized drug delivery."

"We are very pleased to be working with Philips, a recognized world leader in healthcare technology. Philips' vision and commitment to the advancement of effective cancer treatment is inspirational and consistent with that of Celsion's overarching mission to bring the promise of temperature-sensitive liposomal technology to effectively treat difficult cancers," added Michael H. Tardugno, Celsion's president and chief executive officer, commented. "Moreover, Philips' MRI-guided HIFU technology has the potential to heat a defined area while providing a real-time visualization of the heated area through the use of MRI."

Philips and Celsion are conducting research to test two premises. First, ThermoDox(R) has the potential to eliminate cancer cells that may otherwise remain viable and be responsible for secondary tumors by using HIFU to aid in releasing the concentrated drug within and around the margins of the heated area. Second, using HIFU in the low temperature activation mode in combination with ThermoDox(R) has the potential to provide a means to deliver high concentrations of chemotherapeutics to multiple sites at virtually any location in the body.

Tardugno concluded, "If our thesis proves to be correct, the Celsion-Philips tumor targeting combination has the potential to shift the paradigm for the treatment of primary and metastatic disease."

About ThermoDox(R)

ThermoDox(R) is Celsion's proprietary heat-sensitive liposomal encapsulation of doxorubicin, an approved and frequently used anti-cancer drug used in the treatment of various 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.

About Celsion

Celsion is dedicated to the development and commercialization of oncology 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, North Shore Hospital-Albert Einstein Medical School.

For more information on Celsion, visit: <http://www.celsion.com>.

About Royal Philips Electronics

Royal Philips Electronics of the Netherlands (NYSE: PHG, AEX: PHI) is a diversified Health and Well-being company, focused on improving people's lives through timely innovations. As a world leader in healthcare, lifestyle and lighting, Philips integrates technologies and design into people-centric solutions, based on fundamental customer insights and the brand promise of "sense and simplicity". Headquartered in the Netherlands, Philips employs approximately 128,000 employees in more than 60 countries worldwide. With sales of USD 42 billion (E27 billion) in 2007, the company is a market leader in cardiac care, acute care and home healthcare, energy efficient lighting solutions and new lighting applications, as well as lifestyle products for personal well-being and pleasure with strong leadership positions in flat TV, male shaving and grooming, portable entertainment and oral healthcare. News from Philips is located at www.philips.com/newscenter.

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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