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

FORM 10-Q

(Mark One)

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

For the quarterly period ended March 31, 2015

OR

o 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: 001-35403

Verastem, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**27-3269467**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
117 Kendrick Street, Suite 500 Needham, MA	**02494**
(Address of principal executive offices)	(Zip Code)

(781) 292-4200(Registrant's telephone number, including area code)

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 o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o	Accelerated filer x	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No x

As of May 6, 2015 there were 36,536,742 shares of Common Stock, $0.0001 par value per share, outstanding.

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FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that involve substantial risks and uncertainties. All statements, other than statements related to present facts or current conditions or of historical facts, contained in this Quarterly Report on Form 10-Q, including statements regarding our strategy, future operations, future financial position, future revenues, projected costs, prospects, plans and objectives of management, are forward looking statements. Such statements relate to, among other things, the development of our product candidates, including VS-6063, VS-4718 and VS-5584, and our FAK, PI3K/mTOR, and diagnostics programs generally, the timeline for clinical development and regulatory approval of our product candidates, the expected timing for the reporting of data from on-going trials and for the COMMAND interim analysis, the structure of our planned or pending clinical trials, additional planned studies, our rights to develop or commercialize our product candidates and our ability to finance contemplated development activities and fund operations for a specified period. The words “anticipate,” “believe,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “target,” “potential,” “will,” “would,” “could,” “should,” “continue” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words.

Forward-looking statements are not guarantees of future performance and our actual results could differ materially from the results discussed in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to, our ability to raise additional capital to support our clinical development programs and other operations, our ability to develop products of commercial value and to identify, discover and obtain rights to additional potential product candidates, our ability to protect and maintain our intellectual property and the ability of our licensors to obtain and maintain patent protection for the technology or products that we license from them, the fact that the preclinical and clinical testing of our product candidates and preliminary data from clinical trials may not be predictive of the success of ongoing or later clinical trials, that data may not be available when we expect it to be, that enrollment of clinical trials may take longer than expected, that our product candidates may cause unexpected safety events, that we will be unable to successfully initiate or complete the clinical development of our product candidates, including VS-6063, VS-4718 and VS-5584, that development of our product candidates will take longer or cost more than planned, our reliance on third-parties, competitive developments, the effect of current and future legislation and regulation and regulatory actions, as well as other risks described in our Annual Report on Form 10-K and other filings with the Securities and Exchange Commission (SEC).

As a result of these and other factors, we may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. Our forward-looking statements do not reflect the potential impact of any future acquisitions, mergers, dispositions, joint ventures or investments we may make. We do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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PART I—FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements (Unaudited).

Verastem, Inc.

CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited)

(in thousands, except per share amounts)

	March 31, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 30,125	$ 33,901
Short-term investments	101,946	58,774
Prepaid expenses and other current assets	2,801	2,641
Total current assets	134,872	95,316
Property and equipment, net	2,645	2,825
Long-term investments	4,001	—
Restricted cash	203	203
Other assets	282	305
Total assets	$ 142,003	$ 98,649
Liabilities and stockholders’ equity		
Current liabilities:		
Accounts payable	$ 3,951	$ 3,216
Accrued expenses	5,254	5,519
Liability classified stock-based compensation awards	256	469

Total current liabilities	9,461	9,204
Other liabilities	637	677
Liability for shares subject to repurchase	—	2
Stockholders' equity:		
Convertible Preferred stock, $0.0001 par value; 5,000 shares authorized; none issued and outstanding	—	—
Common stock, $0.0001 par value; 100,000 shares authorized; 36,152 and 27,259 shares issued and outstanding at March 31, 2015 and December 31, 2014, respectively	4	3
Additional paid-in capital	288,060	229,770
Accumulated other comprehensive income	39	11
Accumulated deficit	(156,198)	(141,018)
Total stockholders' equity	131,905	88,766
Total liabilities and stockholders' equity	$ 142,003	$ 98,649

See accompanying notes.

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Verastem, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(unaudited)

(in thousands, except per share amounts)

	Three months ended, March 31,	
	2015	2014
Operating expenses:		
Research and development	$ 10,528	$ 8,411
General and administrative	4,714	4,723
Total operating expenses	15,242	13,134
Loss from operations	(15,242)	(13,134)
Interest income	62	72
Net loss	$ (15,180)	$ (13,062)
Net loss per share—basic and diluted	$ (0.46)	$ (0.51)
Weighted-average number of common shares used in net loss per share—basic and diluted	33,323	25,478
Net loss	$ (15,180)	$ (13,062)
Unrealized gains (losses) on available-for-sale securities	28	(6)
Comprehensive loss	$ (15,152)	$ (13,068)

See accompanying notes.

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Verastem, Inc.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited)

(in thousands)

	Three months ended March 31,	
	2015	2014
Operating activities		
Net loss	$ (15,180)	$ (13,062)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	188	64
Stock-based compensation expense	3,134	3,985
Amortization of premiums and discounts on available-for-sale marketable securities	58	—
Non-cash expense related to purchase of technology rights	—	1,197
Changes in operating assets and liabilities:		
Prepaid expenses, other current assets and other assets	(250)	(298)
Accounts payable	891	(245)
Accrued expenses and other liabilities	(355)	(492)
Liability classified stock-based compensation awards	(213)	(425)
Net cash used in operating activities	(11,727)	(9,276)

Investing activities		
Purchases of property and equipment	(196)	(10)
Purchases of investments	(78,326)	(9,172)
Maturities of investments	31,123	13,300
Net cash (used in) provided by investing activities	(47,399)	4,118
Financing activities		
Proceeds from the exercise of stock options	7	11
Net proceeds from the sale of common stock	55,566	—
Cash used to settle restricted stock liability awards	(223)	(498)
Net cash provided by (used in) financing activities	55,350	(487)
Decrease in cash and cash equivalents	(3,776)	(5,645)
Cash and cash equivalents at beginning of period	33,901	18,889
Cash and cash equivalents at end of period	$ 30,125	$ 13,244
Supplemental disclosure of non-cash financing and investing activities		
Proceeds from the issuance of common stock included in prepaid expenses and other current assets	$ 1,972	$ —
Public offering costs in accounts payable and accrued expenses and other liabilities	$ 55	$ —
Purchases of property and equipment in accounts payable	$ 8	$ —

See accompanying notes.

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Verastem, Inc.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of significant accounting policies

Basis of presentation

The accompanying unaudited condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial reporting and as required by Regulation S-X, Rule 10-01. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (including those which are normal and recurring) considered necessary for a fair presentation of the interim financial information have been included. When preparing financial statements in conformity with GAAP, the Company must make estimates and assumptions that affect the reported amounts of and related disclosures at the date of the financial statements. Actual results could differ from those estimates. Additionally, operating results for the three months ended March 31, 2015 are not necessarily indicative of the results that may be expected for any other interim period or for the fiscal year ending December 31, 2015. For further information, refer to the financial statements and footnotes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 as filed with the SEC on March 10, 2015.

Recent Accounting Pronouncements

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, which amends the guidance for accounting for revenue from contracts with customers. This ASU supersedes the revenue recognition requirements in Accounting Standards Codification Topic 605, Revenue Recognition, and creates a new Topic 606, Revenue from Contracts with Customers. This guidance is effective for fiscal years beginning after December 15, 2016, with early adoption not permitted. On April 1, 2015, the FASB voted to propose to defer the effective date of the ASU by one year. If the FASB's proposed decision is adopted, the Company would be required to apply the new revenue standard to annual reporting periods beginning after December 15, 2017, and would be permitted to adopt the ASU early, but not before the original public organization effective date (annual periods beginning after December 15, 2016). Two adoption methods are permitted: retrospectively to all prior reporting periods presented, with certain practical expedients permitted; or retrospectively with the cumulative effect of initially adopting the ASU recognized at the date of initial application. The Company has not yet determined which adoption method it will utilize or the effect that the adoption of this guidance will have on its consolidated financial statements.

There have been no changes to the Company's significant accounting policies included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 as filed with the SEC on March 10, 2015.

2. Fair value of financial instruments

The Company is required to disclose information on all assets and liabilities reported at fair value that enables an assessment of the inputs used in determining the reported fair values. A fair value hierarchy has been established that prioritizes valuation inputs based on the observable nature of those inputs. The fair value hierarchy applies only to the valuation inputs used in determining the reported fair value of the investments and is not a measure of the investment credit quality. The hierarchy defines three levels of valuation inputs:

Level 1 inputs	Quoted prices in active markets for identical assets or liabilities
Level 2 inputs	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3 inputs	Unobservable inputs that reflect the Company's own assumptions about the assumptions market participants would use in pricing the asset or liability

The following table presents information about the Company's financial assets and liabilities that have been measured at fair value at March 31, 2015 and indicates the fair value hierarchy of the valuation inputs utilized to determine such fair value (in thousands):

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Description	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets				
Cash equivalents	$ 28,250	$ 26,247	$ 2,003	$ —
Short-term investments	101,946	—	101,946	—
Long-term investments	4,001	—	4,001	—
Total financial assets	**$ 134,197**	**$ 26,247**	**$ 107,950**	**$ —**
Financial liabilities				
Liability classified stock-based compensation awards	$ 256	$ 256	$ —	$ —
Total financial liabilities	**$ 256**	**$ 256**	**$ —**	**$ —**

The following table presents information about the Company's financial assets that have been measured at fair value at December 31, 2014 and indicates the fair value hierarchy of the valuation inputs utilized to determine such fair value (in thousands).

Description	Total	Quoted prices in active markets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Financial assets				
Cash equivalents	$ 32,140	$ 32,140	$ —	$ —
Short-term investments	58,774	—	58,774	—
Total financial assets	**$ 90,914**	**$ 32,140**	**$ 58,774**	**$ —**
Financial liabilities				
Liability classified stock-based compensation awards	$ 469	$ 469	$ —	$ —
Total financial liabilities	**$ 469**	**$ 469**	**$ —**	**$ —**

The Company's cash equivalents and investments are comprised of money market accounts, government-sponsored enterprise securities and corporate bonds and commercial paper of publicly traded companies. These investments have been initially valued at the transaction price and subsequently valued, at the end of each reporting period, utilizing third party pricing services or other market observable data. The pricing services utilize industry standard valuation models, including both income and market based approaches and observable market inputs to determine value. These observable market inputs include reportable trades, benchmark yields, credit spreads, broker/dealer quotes, bids, offers, current spot rates and other industry and economic events. The Company validates the prices provided by third party pricing services by reviewing their pricing methods and matrices, obtaining market values from other pricing sources, analyzing pricing data in certain instances and confirming that the relevant markets are active. After completing its validation procedures, the Company did not adjust or override any fair value measurements provided by the pricing services as of March 31, 2015.

The Company's liability classified stock-based compensation awards are comprised of restricted stock units (RSUs) that allow for greater than minimum statutory tax withholdings. These awards are valued based on the fair value of the Company's common stock underlying the awards, which is traded on an active market. During the first quarter of 2013, the Company amended the terms of certain RSUs to allow for tax withholdings greater than the minimum required statutory withholding amount. As a result of this change in the terms of the awards, the outstanding RSUs are considered to be liability instruments. As a result of this modification, the Company records a liability for the fair value of the awards as of each reporting date with the change in fair value recorded through the statement of operations. The Company will record stock-based compensation expense equal to the greater of the original grant date fair value of the awards or the settlement date fair value. During the quarters ended March 31, 2015 and 2014, the Company paid approximately $223,000 and approximately $498,000 to settle the tax liability for these awards, respectively.

3. Investments

The Company's investments are classified as available-for-sale pursuant to the accounting standards for investments in debt and equity securities. The Company classifies investments available to fund current operations as current assets on its balance sheets. Investments are classified as long-term assets on the balance sheets if (i) the Company has the intent and

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ability to hold the investments for a period of at least one year and (ii) the contractual maturity date of the investments is greater than one year.

Investments are carried at fair value with unrealized gains and losses included as a component of accumulated other comprehensive income, until such gains and losses are realized. If a decline in the fair value is considered other-than-temporary, based on available evidence, the unrealized loss is transferred from other comprehensive loss to the statement of operations. There were no charges taken for other-than-temporary declines in fair value of investments during the three months ended March 31, 2015 and 2014. The Company recorded approximate unrealized gains of $28,000 and approximate unrealized losses of $6,000 during the three months ended March 31, 2015 and 2014, respectively. Realized gains and losses are included in interest income in the statement of operations. There were no realized gains or losses recognized during the three months ended March 31, 2015 or 2014. The Company utilizes the specific identification method as a basis to determine the cost of securities sold.

The Company reviews investments for other-than-temporary impairment whenever the fair value of an investment is less than the amortized cost and evidence indicates that an investment's carrying amount is not recoverable within a reasonable period of time. To determine whether an impairment is other-than-temporary, the Company considers the intent to sell, or whether it is more likely than not that the Company will be required to sell, the investment before recovery of the investment's amortized cost basis. Evidence considered in this assessment includes reasons for the impairment, compliance with the Company's investment policy, the severity and the duration of the impairment and changes in value subsequent to year end. As of March 31, 2015, there were no investments with a fair value that was significantly lower than the amortized cost basis or any investments that had been in an unrealized loss position for a significant period.

Cash, cash equivalents and investments at March 31, 2015 and December 31, 2014 consist of the following (in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
March 31, 2015				
Cash and cash equivalents:				
Cash and money market accounts	$ 28,122	$ —	$ —	$ 28,122
Corporate bonds	2,003	—	—	2,003
Total cash and cash equivalents	$ 30,125	$ —	$ —	$ 30,125
Investments:				
Government-sponsored enterprise securities (due within 1-2 years)	$ 3,999	$ 2	$ —	$ 4,001
Corporate bonds and commercial paper (due within 1 year)	101,909	51	(14)	101,946
Total investments	$ 105,908	$ 53	$ (14)	$ 105,947
Total cash, cash equivalents, and investments	**$ 136,033**	**$ 53**	**$ (14)**	**$ 136,072**

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
December 31, 2014				
Cash and cash equivalents:				
Cash and money market accounts	$ 33,901	$ —	$ —	$ 33,901
Total cash and cash equivalents	$ 33,901	$ —	$ —	$ 33,901
Investments:				
Government-sponsored enterprise securities (due within 1 year)	$ 3,700	$ —	$ —	$ 3,700
Corporate bonds and commercial paper (due within 1 year)	55,063	18	(7)	55,074
Total investments	$ 58,763	$ 18	$ (7)	$ 58,774
Total cash, cash equivalents, and investments	**$ 92,664**	**$ 18**	**$ (7)**	**$ 92,675**

4. Accrued expenses

Accrued expenses consist of the following (in thousands):

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	March 31, 2015	December 31, 2014
Contract research organization costs	$ 3,652	$ 3,049
Compensation and related benefits	1,091	1,990
Professional fees	263	233
Deferred rent	148	144
Other	100	103
	$ 5,254	$ 5,519

5. Net loss per share

Basic and diluted net loss per common share is calculated by dividing net loss applicable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for common stock equivalents. The Company's potentially dilutive shares, which include outstanding stock options, restricted stock units, unvested restricted stock and the warrant issued in 2014 are considered to be common stock equivalents and are only included in the calculation of diluted net loss per share when their effect is dilutive.

The following potentially dilutive securities, which represents all outstanding potentially dilutive securities, were excluded from the calculation of diluted net loss per share due to their anti-dilutive effect:

	Three months ended March 31,	
	2015	2014
Outstanding stock options	5,370,567	3,719,831
Unvested restricted stock units	191,527	409,537
Outstanding warrants	142,857	142,857
Unvested restricted stock	—	224,852

6. Stock-based compensation

In December 2011, the Company adopted the 2012 Incentive Plan (the 2012 Plan). The 2012 Plan became effective upon the closing of the Company's IPO in February 2012. The 2012 Plan provides for the grant of incentive stock options, nonqualified stock options, stock appreciation rights, restricted stock awards, restricted stock units and other stock-based and cash awards. Upon effectiveness, the number of shares of common stock that are reserved under the 2012 Plan is the sum of 3,428,571 shares plus the number of shares available under the 2010 Plan. The number of shares reserved under the 2012 Plan is increased by the number of shares of common stock (up to a maximum of 571,242 shares) subject to outstanding awards under the 2010 Plan that expire, terminate or are otherwise surrendered, cancelled, forfeited or repurchased. The 2012 Plan includes an "evergreen provision" that allows for an annual increase in the number of shares of common stock available for issuance under the 2012 Plan. The annual increase will be added on the first day of each year beginning in 2013 and each subsequent anniversary until the expiration of the 2012 Plan, equal to the lowest of 1,285,714 shares of common stock, 4.0% of the number of shares of common stock outstanding and an amount determined by the board of directors. On January 1, 2015 and 2014, the shares available under the 2012 Plan increased by 1,081,045 and 1,026,309 shares of common stock, respectively.

In December 2014, the Company established an inducement award program (in accordance with NASDAQ Listing Rule 5635(c)(4)) under which it may grant non-statutory stock options to purchase up to an aggregate of 750,000 shares of common stock to new or prospective employees as inducement to enter into employment with the Company. The program is governed by the terms of the 2012 Plan but the shares are not issued pursuant to the 2012 Plan. The Company has granted 210,000 shares under this program as of March 31, 2015.

Restricted common stock

A summary of the Company's restricted stock activity for the three months ended March 31, 2015 and related information is as follows:

	Shares	Weighted-average purchase price per share
Unvested at December 31, 2014	7,995	$ 0.28
Vested	(7,995)	0.28
Unvested at March 31, 2015	—	$ 0.00

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No restricted stock was granted during the three months ended March 31, 2015 and 2014. The total fair value of shares vested during the three months ended March 31, 2015 and 2014 was an approximate $59,000 and $1.1 million respectively. As of March 31, 2015, there was no unrecognized stock-based compensation expense related to unvested restricted stock.

Restricted stock units

A summary of the Company's restricted stock units (RSUs) activity and related information is as follows:

	Shares	Weighted-average grant date fair value
Outstanding at December 31, 2014	293,747	$ 10.54
Vested	(81,560)	10.71
Forfeited	(20,660)	9.68
Outstanding at March 31, 2015	191,527	$ 10.56

No RSUs were granted during the three months ended March 31, 2015 and 2014. The total fair value of RSUs vested during the three months ended March 31, 2015 and 2014 was approximately $873,000 and $1.2 million respectively. As of March 31, 2015, there was $1.2 million of total unrecognized stock based compensation expense related to unvested RSUs granted under the 2012 Plan. The Company expects to recognize this expense over a weighted-average period of 0.8 years.

During the first quarter of 2013, the Company amended the terms of certain RSUs related to a total of 697,060 shares of common stock to allow for tax withholdings greater than the minimum required statutory withholding amount, of which 154,211 remain outstanding as of March 31, 2015. As a result of this change in the terms of the awards, the outstanding RSUs are considered to be liability instruments. As a result of this modification, the Company records a liability for the fair value of the awards as of each reporting date with the change in fair value recorded through the statement of operations. The Company will record stock-based compensation expense equal to the greater of the original grant date fair value of the awards or the settlement date fair value. During the quarters ended March 31, 2015 and 2014, the Company deposited with taxing authorities approximately $223,000 and $498,000, respectively, in respect of the tax liability for these awards.

Stock options

A summary of the Company's stock option activity and related information follows:

	Shares	Weighted-average exercise price per share	Weighted-average remaining contractual term (years)	Aggregate intrinsic value
Outstanding at December 31, 2014	4,206,440	$ 10.38		
Granted	1,228,507	8.84		
Exercised	(24,286)	0.28		
Canceled	(40,094)	10.72		
Outstanding at March 31, 2015	5,370,567	$ 10.07	8.5	$ 5,541,580
Exercisable at March 31, 2015	2,237,197	$ 9.70	7.8	$ 2,965,351
Vested and expected to vest at March 31, 2015	5,029,700	$ 10.07	8.5	$ 5,267,067

The fair value of each stock option is estimated on the grant date using the Black-Scholes option-pricing model using the following assumptions:

	Three months ended March 31,	
	2015	2014
Risk-free interest rate	1.6%	2.1%
Dividend yield	—	—
Volatility	72%	81%
Expected term (years)	6.1	6.2

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7. Equity Offerings

In January 2015, the Company closed a public offering in which it sold 8,337,500 shares of its common stock to the public at a price of $6.50 per share, including 1,087,500 shares issued pursuant to the exercise of the underwriters' option to purchase additional shares. The offering was completed under the shelf registration statement that was filed on Form S-3 and declared effective by the SEC on January 8, 2014. The net proceeds from this offering were approximately $50.9 million, after deducting underwriting discounts and commissions.

In December 2013, the Company established an at-the-market equity offering program pursuant to which it is able to offer and sell up to $35 million of its common stock at then current market prices from time to time through Cantor Fitzgerald & Co., as sales agent. In November 2014, the Company commenced sales under this program. Through December 31, 2014, the Company sold 1,346,676 shares under this program for net proceeds of approximately $11.6 million (after deducting commissions and other offering expenses) and the Company sold an additional 470,309 shares in the three months ended March 31, 2015 for net proceeds of approximately $4.4 million (after deducting commissions and other offering expenses). Of the cumulative net proceeds through March 31, 2015, $9.5 million was received in 2014, $4.6 million was received in the 2015 Quarter and $1.9 million was received subsequent to March 31, 2015.

As of May 8, 2015, the Company has sold an additional 382,471 shares of common stock under the at-the-market equity offering program with net proceeds of $3.8 million, after deducting commissions and other offering expenses, during the second quarter of 2015.

8. Subsequent Events

There were no material subsequent events other than those disclosed in these footnotes.

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Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements and related notes appearing elsewhere in this quarterly report. The following discussion contains forward-looking statements that involve risks and uncertainties. Our actual results and the timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including those discussed below and elsewhere in this quarterly report or in our annual report on Form 10-K. Please also refer to the section under the heading "Forward-looking Statements."

OVERVIEW

We are a biopharmaceutical company focused on discovering and developing drugs to treat cancer by the targeted killing of cancer stem cells. A cancer stem cell is a particularly aggressive type of tumor cell, resistant to conventional cancer therapy, that we believe is an underlying cause of tumors, their recurrence and metastasis. Our most advanced programs target the Focal Adhesion Kinase (FAK) and the PI3K/mTOR signaling pathways. Our lead FAK inhibitor, VS-6063, has been assigned defactinib as the United States Adopted Name (USAN). We have received orphan drug designation for the use of VS-6063 in mesothelioma in the European Union and in the United States. VS-6063 is currently in a registration-directed trial (COMMAND) in patients with malignant pleural mesothelioma, a Phase 1b trial in combination with weekly paclitaxel for patients with ovarian cancer, a Phase 2 study in patients with non-small cell lung cancer, a Phase 2 trial preceding surgery in mesothelioma and a combination trial of VS-6063 and VS-5584 in patients with relapsed mesothelioma. We anticipate conducting an interim analysis of COMMAND during the third quarter of 2015 and following this and assuming the trial is not futile, we intend to communicate the specific patient population for the primary analysis. We also expect to update or announce results from the combination trial of VS-6063 and paclitaxel in patients with ovarian cancer and results from the Phase 2 study of VS-6063 in patients with non-small cell lung cancer in the second half of 2015 and to report preliminary data on the extended treatment cohort for the Phase 2 trial preceding surgery in mesothelioma in the first half of 2016. In addition to VS-6063, both our FAK inhibitor VS-4718 and our dual mTORC1/2 and PI3K inhibitor VS-5584 are in Phase 1 clinical trials in patients with advanced cancers. We have received orphan drug designation for the use of VS-5584 in mesothelioma in the European Union and in the United States. We also expect to report results from the Phase 1 trials of VS-4718 and VS-5584 in the second half of 2015.

Our operations to date have been organizing and staffing our company, business planning, raising capital, acquiring and developing our technology, identifying potential product candidates and undertaking preclinical studies and clinical trials for our product candidates. To date, we have not generated any revenues and have financed our operations with net proceeds from the private placement of our preferred stock, our initial public offering in February 2012, our follow-on offerings in July 2013 and January 2015 and sales of our common stock under our at-the-market equity offering program.

As of March 31, 2015, we had an accumulated deficit of $156.2 million. Our net loss was $15.2 million and $13.1 million for the three months ended March 31, 2015 and 2014, respectively. We expect our expenses to increase in connection with our ongoing activities, particularly as we continue the research and development and clinical trials of, and seek marketing approval for, our product candidates. In addition, if we obtain marketing approval for any of our

product candidates, we expect to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Accordingly, we will need to obtain substantial additional funding in connection with our continuing operations. Adequate additional financing may not be available to us on acceptable terms, or at all. If we are unable to raise capital when needed or on attractive terms, we would be forced to delay, reduce or eliminate our research and development programs or any future commercialization efforts. We will need to generate significant revenues to achieve profitability, and we may never do so.

CRITICAL ACCOUNTING POLICIES AND SIGNIFICANT JUDGMENTS AND ESTIMATES

We believe that several accounting policies are important to understanding our historical and future performance. We refer to these policies as "critical" because these specific areas generally require us to make judgments and estimates about matters that are uncertain at the time we make the estimate, and different estimates—which also would have been reasonable—could have been used, which would have resulted in different financial results.

The critical accounting policies we identified in our most recent Annual Report on Form 10-K for the fiscal year ended December 31, 2014 related to accrued research and development expenses and stock-based compensation. There were no changes to these critical accounting policies in the quarter ended March 31, 2015. It is important that the discussion of our operating results that follows be read in conjunction with the critical accounting policies disclosed in our Annual Report on Form 10-K, as filed with the SEC on March 10, 2015.

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The Company has elected to follow the extended transition period guidance provided for in Section 7(a)(2)(B) of the Securities Act of 1933, as amended, for complying with new or revised accounting standards. The Company will disclose the date on which adoption of such standards is required for non-emerging growth companies and the date on which the Company will adopt the recently issued accounting standards.

RESULTS OF OPERATIONS

Comparison of the Three Months ended March 31, 2015 and March 31, 2014

Research and development expense. Research and development expense for the three months ended March 31, 2015 (2015 Quarter) was $10.5 million compared to $8.4 million for the three months ended March 31, 2014 (2014 Quarter). The $2.1 million increase from the 2014 Quarter to the 2015 Quarter is primarily related to an increase of $2.9 million in contract research organization (CRO) expense for outsourced biology, development and clinical services, which includes our clinical trial costs, and an approximate $770,000 increase in personnel costs primarily due to an increase in headcount. These increases were partially offset by a decrease in license fees of $1.2 million primarily due to fees related to the Encarta asset purchase in the 2014 Quarter and a decrease of stock-based compensation of approximately $380,000 primarily due to restricted common stock that fully vested prior to the 2015 Quarter.

The table below summarizes our allocation of research and development expenses to our clinical programs for VS-6063, VS-4718 and VS-5584, for the 2015 Quarter and 2014 Quarter. Our project costing methodology does not allocate personnel and other indirect costs to specific clinical programs. These unallocated research and development expense are summarized in the table below (in thousands) and include $2.0 million and $1.2 million of personnel costs for the 2015 Quarter and 2014 Quarter, respectively.

	Three months ended, March 31, 2015	Three months ended, March 31, 2014
VS-6063	$ 5,163	$ 2,885
VS-4718	537	1,453
VS-5584	850	504
Unallocated research and development expense	3,142	2,353
Unallocated stock-based compensation expense	836	1,216
Total research and development expense	$ 10,528	$ 8,411

Due to the uncertainty in drug development and the stage of development of our clinical programs, we are unable to predict the requirements, specific timing and estimated costs to complete the development of our product candidates or the timing of when material cash inflows may commence, if ever.

General and administrative expense. General and administrative expense for the 2015 Quarter was $4.7 million compared to $4.7 million for the 2014 Quarter. Changes between the 2015 Quarter and the 2014 Quarter include increased personnel costs of approximately $466,000, decreased professional fees of approximately $365,000, decreased stock-based compensation of approximately $259,000 and increased other G&A expense of approximately $158,000.

Interest income. Interest income decreased to $62,000 for the 2015 Quarter from $72,000 for the 2014 Quarter. This decrease is due to a lower average investment balance for the 2015 Quarter as compared to the 2014 Quarter.

LIQUIDITY AND CAPITAL RESOURCES

Sources of liquidity

To date, we have not generated any revenues. We have financed our operations to date through private placements of our preferred stock, our initial public offering in February 2012, our follow-on offerings in July 2013 and January 2015 and sales of common stock under our at-the market equity offering program. As of March 31, 2015, we had received $68.1 million in net proceeds from the issuance of preferred stock and $181.7 million in net proceeds from our public offerings. As of March 31, 2015, we had $136.1 million in cash, cash equivalents and investments. We primarily invest our cash, cash equivalents and investments in a U.S. Treasury money market fund, government-sponsored enterprise securities and corporate bonds and commercial paper.

Cash flows

Operating activities. The use of cash in all periods resulted primarily from our net losses adjusted for non-cash charges and changes in the components of working capital. The increase in cash used in the 2015 Quarter compared to the 2014 Quarter was primarily due to an increase in research and development expenses related to our ongoing clinical trials and development of our lead product candidates. We expect cash used in operating activities to continue to increase for the foreseeable future as we fund our increased research, development and clinical activities.

Investing activities. The cash used in investing activities for the 2015 Quarter reflects the net purchases of investments of $47.2 million. The cash provided by investing activities in the 2014 Quarter primarily reflects the net maturities of investments of $4.1 million.

Financing activities. The cash provided by financing activities for the 2015 Quarter primarily represent net proceeds of $55.6 million from the sale of shares of our common stock in our January 2015 public offering and our at-the-market equity offering program, offset in part by approximately $223,000 used to satisfy the tax withholding obligations on certain restricted stock units that were net settled by employees. The cash used in financing activities for the 2014 Quarter primarily reflects approximately $498,000 used to satisfy the tax withholding obligations on certain restricted stock units that were net settled by employees.

In December 2013, we established an at-the-market equity offering program pursuant to which we are able to offer and sell up to $35 million of our common stock at then current market prices from time to time through Cantor Fitzgerald & Co., as sales agent. In November 2014, we commenced sales under this program. Through December 31, 2014, we sold 1,346,676 shares under this program for net proceeds of approximately $11.6 million (after deducting commissions and other offering expenses) and we sold an additional 470,309 shares in the 2015 Quarter for net proceeds of approximately $4.4 million (after deducting commissions and other offering expenses). Of the cumulative net proceeds through March 31, 2015, $9.5 million was received in 2014, $4.6 million was received in the 2015 Quarter and $1.9 million was received subsequent to March 31, 2015.

As of May 8, 2015, we sold an additional 382,471 shares of common stock under the at-the-market equity offering program with net proceeds of $3.8 million, after deducting commissions and other offering expenses during the second quarter of 2015.

In January 2015, we completed a follow-on offering in which we sold 8,337,500 shares of our common stock to the public at a price of $6.50 per share, including 1,087,500 shares issued pursuant to the exercise of the underwriters' option to purchase additional shares. The net proceeds from this offering were $50.9 million, after deducting underwriting discounts and commissions.

Funding requirements

We have three product candidates currently in clinical trials. We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. We anticipate that our expenses will increase substantially if and as we:

- continue our registration-directed trial of VS-6063 in mesothelioma, including the initiation of associated studies in preparation for a possible NDA filing to the FDA and similar filings to other regulatory authorities;
- continue our other ongoing clinical trials with VS-6063, VS-5584 and VS-4718;
- initiate additional clinical trials for our product candidates;
- ultimately establish a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval;
- maintain, expand and protect our intellectual property portfolio;
- acquire or in-license other products and technologies;

- hire additional clinical, development and scientific personnel; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts.

We expect that our existing cash, cash equivalents and investments will enable us to fund our current operating plan and capital expenditure requirements into the first half of 2017. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, and the extent to which we may enter into collaborations with third parties for development and commercialization of our product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenses associated with completing the development of our current product candidates. Our future capital requirements will depend on many factors, including:

- the rate of enrollment, results and cost of completing our registration-directed trial of VS-6063 in mesothelioma;
- assuming favorable clinical results, the cost, timing and outcome of our efforts to seek approval of VS-6063 in mesothelioma in the United States and elsewhere in the world, including to fund the preparation and filing of regulatory submissions with the FDA and other regulatory agencies worldwide;

- assuming regulatory approval, the costs of future commercialization activities, including product sales, marketing, manufacturing and distribution, of VS-6063 in mesothelioma in the United States and elsewhere in the world, whether alone or through a third party;
- the scope, progress and results of our other ongoing and potential future clinical trials;
- the extent to which we acquire or in-license other products and technologies;
- the costs, timing and outcome of regulatory review of our product candidates and the costs of future commercialization activities for such product candidates, for which we receive marketing approval;
- revenue, if any, received from commercial sales of our product candidates, should any of our product candidates receive marketing approval;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing our intellectual property rights and defending intellectual property-related claims; and
- our ability to establish collaborations on favorable terms, if at all.

Until such time, if ever, as we can generate substantial product revenues, we expect to finance our cash needs through a combination of equity offerings, debt financings, collaborations, strategic alliances and licensing arrangements. We do not have any committed external source of funds. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interest of our existing stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our existing stockholders. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market product candidates that we would otherwise prefer to develop and market ourselves.

CONTRACTUAL OBLIGATIONS

There have been no material changes to the contractual obligations set forth in our Annual Report on Form 10-K for the year ended December 31, 2014.

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OFF-BALANCE SHEET ARRANGEMENTS

We did not have during the periods presented, and we do not currently have, any off-balance sheet arrangements, as defined under SEC rules.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

We had cash, cash equivalents and investments of $136.1 million as of March 31, 2015, consisting of cash, U.S. Treasury money market fund, government-sponsored enterprise securities, corporate bonds and commercial paper. Our primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because most of our investments are interest-bearing. Our available-for-sale securities are subject to interest rate risk and will fall in value if market interest rates increase. Due to the short-term duration of most of our investment portfolio and the low risk profile of our investments, an immediate 100 basis point change in interest rates would not have a material effect on the fair market value of our portfolio.

We contract with CROs and contract manufacturers globally. We may be subject to fluctuations in foreign currency rates in connection with these agreements. Transactions denominated in currencies other than our functional currency are recorded based on exchange rates at the time such transactions arise. As of March 31, 2015, $2.0 million of our total liabilities were denominated in currencies other than our functional currency. At this time, an immediate 10% change in currency exchange rates would not have a material effect on our financial position, results of operations or cash flows.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of March 31, 2015. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act of 1934 (the Exchange Act), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving their objectives and management necessarily applies its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Based on the evaluation of our disclosure controls and procedures as of March 31, 2015, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting

No change in our internal control over financial reporting occurred during the fiscal quarter ended March 31, 2015 that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

None.

Item 1A. Risk Factors.

You should carefully review and consider the information regarding certain factors that could materially affect our business, financial condition or future results set forth under Item 1A. (Risk Factors) in our Annual Report on Form 10-K for the fiscal year ended December 31, 2014. There have been no material changes from the factors disclosed in our 2014 Annual Report on Form 10-K, although we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

RECENT SALES OF UNREGISTERED SECURITIES

None.

PURCHASE OF EQUITY SECURITIES

We did not purchase any of our registered equity securities during the period covered by this Quarterly Report on Form 10-Q.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

None.

Item 5. Other Information.

The following disclosure is provided in accordance with and in satisfaction of the requirements of Item 2.02 "*Results of Operations and Financial Condition*" of Form 8-K:

On May 11, 2015, Verastem, Inc. announced its financial results for the quarter ended March 31, 2015 and commented on certain corporate accomplishments and plans. The full text of the press release issued in connection with the announcement is furnished as Exhibit 99.1 hereto.

The information furnished in Item 5 (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 6. Exhibits.

The exhibits filed as part of this Quarterly Report on Form 10-Q are set forth on the Exhibit Index, which Exhibit Index is incorporated herein by reference.

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.

VERASTEM, INC.

Date: May 11, 2015 By: /s/ ROBERT FORRESTER

Robert Forrester
Chief Executive Officer
(Principal executive officer)

Date: May 11, 2015 By: /s/ JOHN B. GREEN

John B. Green
Chief Financial Officer
(Principal financial and accounting officer)

EXHIBIT INDEX

31.1	Certification of Chief Executive Officer pursuant to Rules 13a- 14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
31.2	Certification of Chief Financial Officer pursuant to Rules 13a- 14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).
99.1	Press Release issued by Verastem, Inc. on May 11, 2015 (furnished herewith).
101.INS†	XBRL Instance Document
101.SCH†	XBRL Taxonomy Extension Schema Document
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document

† Filed herewith.

Exhibit 31.1

CERTIFICATIONS

I, Robert Forrester, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Verastem, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ ROBERT FORRESTER

Robert Forrester
Chief Executive Officer

Date: May 11, 2015

Exhibit 31.2

CERTIFICATIONS

I, John B. Green, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Verastem, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ JOHN B. GREEN

John B. Green
Chief Financial Officer

Date: May 11, 2015

Exhibit 32.1

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Verastem, Inc. (the "Company") for the period ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Robert Forrester, Chief Executive Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ ROBERT FORRESTER

Robert Forrester
Chief Executive Officer

Date: May 11, 2015

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q of Verastem, Inc. (the "Company") for the period ended March 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, John B. Green, Chief Financial Officer of the Company, hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ JOHN B. GREEN

John B. Green
Chief Financial Officer

Date: May 11, 2015

Verastem Reports First Quarter 2015 Financial and Corporate Results

— COMMAND Interim Analysis Anticipated in Third Quarter 2015 —

BOSTON, MA — May 11, 2015 — Verastem, Inc. (NASDAQ: VSTM), focused on discovering and developing drugs to treat cancer by the targeted killing of cancer stem cells, today reported financial results for the first quarter ended March 31, 2015, and also provided an overview of certain corporate accomplishments and plans.

"The team continues to efficiently execute on each of our ongoing programs targeting cancer stem cells," said Robert Forrester, President and Chief Executive Officer of Verastem. "Accrual to the COMMAND study evaluating our cancer stem cell inhibitor, VS-6063, as a switch maintenance treatment immediately following frontline therapy in mesothelioma remains on track. As of May 11th, 255 patients have been randomized to the COMMAND study. The number of progression events required to trigger the pre-planned interim analysis has not yet been reached, so we now anticipate that the independent Data and Safety Monitoring Board will conduct the interim analysis in the third quarter of 2015. In its review, the DSMB will examine pre-specified efficacy and safety data sets to decide whether to continue the study as planned in all patients, enrich the study population based upon the biomarker merlin, or stop the study early for futility. This will be an important milestone for Verastem to allow the study to continue and define the primary patient population for this registration-directed study."

Mr. Forrester added: "On the financial front, we raised over $55 million in new equity capital in the first quarter, which significantly strengthened our balance sheet and enables the continuing execution of our current clinical programs. We ended the quarter with $136.1 million in cash, cash equivalents and investments."

Q1 2015 and Recent Highlights

VS-6063 (Focal Adhesion Kinase Inhibition)

- COMMAND (**C**ontrol **O**f **M**esothelioma with **MA**inte**N**ance **D**efactinib) Study
    - Registration-directed, randomized, double-blind, placebo-controlled study of VS-6063 as a switch maintenance treatment in patients with malignant pleural mesothelioma benefiting from frontline therapy with pemetrexed (Alimta) and platinum
    - Primary endpoints are Progression Free Survival (PFS) and Overall Survival (OS). The study is designed to provide 90% power to assess the superiority of PFS, a co-primary efficacy endpoint, with a 1 sided type I error rate of 0.025, assuming a hazard ratio of 0.67.
    - 255 patients enrolled at 60 centers in 13 countries to date
    - Interim analysis to allow the study to continue and define the primary patient population anticipated in Q3 2015
- Received orphan medicinal product designation from the European Commission and orphan drug designation from the FDA for use in ovarian cancer and orphan drug designation from Australia's Department of Health Therapeutic Goods Administration for use in mesothelioma.

VS-5584 (Oral Dual mTORC 1/2 and PI3K Inhibitor)

- Initiated Phase 1 clinical trial evaluating combination of VS-5584 and VS-6063 in relapsed mesothelioma

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- Open-label, dose escalation and schedule finding study designed to assess safety, pharmacokinetics, pharmacodynamics and initial observations of clinical activity
- Study expected to enroll up to 56 patients at clinical sites in the UK and US
- Supported by preclinical work demonstrating the synergistic activity of VS-6063 and VS-5584 in mesothelioma models *in vitro* and *in vivo*

- Received orphan medicinal product/drug designation from the FDA and European Commission for use in mesothelioma

Presentations and Publications

- Reported encouraging scientific data in support of Verastem's cancer stem cell inhibitors (VS-6063, VS-4718 and VS-5584) in multiple tumor types, including mesothelioma, small cell lung cancer, breast cancer and hematologic malignancies at the 2015 American Association of Cancer Research (AACR) Annual Meeting. Copies of the presentations can be accessed at: http://bit.ly/12otlcV
- Published preclinical data supporting VS-5584 in *Cancer Research,* a peer-reviewed journal of the AACR

Financial/Corporate

- Raised $55.4 million (net of expenses) in new equity capital through the sale of approximately 8.8 million shares of common stock to the public

Upcoming Clinical Milestones

Verastem's planned upcoming milestones include:

VS-6063

- Report COMMAND interim analysis: Q3 2015
- Report Phase 2 results in KRAS-mutated NSCLC: H2 2015
- Report updated results from the VS-6063/paclitaxel combination in patients with ovarian cancer: H2 2015
- Report on the biomarker "Window of Opportunity" study with preliminary results from the extended treatment cohort: H1 2016

VS-4718

- Report preliminary Phase 1 results in patients with advanced solid tumors: H2 2015

VS-5584

- Report preliminary Phase 1 results in patients with advanced solid tumors: H2 2015

First Quarter 2015 Financial Results

As of March 31, 2015, Verastem had cash, cash equivalents and investments of $136.1 million compared to $92.7 million as of December 31, 2014. Verastem used $11.7 million for operating activities in the first quarter ended March 31, 2015 (the "2015 Quarter").

Net loss for the 2015 Quarter was $15.2 million, or $0.46 per share, as compared to net loss of $13.1 million, or $0.51 per share, for the same period in 2014 (the "2014 Quarter"). Net loss includes stock-based compensation expense of $2.9 million and $3.6 million for the 2015 Quarter and 2014 Quarter, respectively.

Research and development expense for the 2015 Quarter was $10.5 million compared to $8.4 million for the 2014 Quarter. The $2.1 million increase from the 2014 Quarter to the 2015 Quarter is primarily related to an increase of $2.9 million in contract research organization expense for outsourced biology, development and clinical services, which includes our clinical trial costs, and an approximate $770,000 increase in personnel costs primarily due to an increase in headcount. These increases were partially offset by a decrease in license fees of $1.2 million primarily due to fees related to the Encarta asset purchase in the 2014 Quarter and a decrease of stock-based compensation of approximately $379,000.

General and administrative expense for the 2015 Quarter was $4.7 million compared to $4.7 million for the 2014 Quarter. In the 2015 Quarter as compared with the 2014 Quarter, personnel costs increased by approximately $466,000, professional fees decreased by approximately $365,000, stock-based compensation decreased by approximately $259,000 and other G&A expense increased by approximately $158,000.

The number of outstanding common shares as of March 31, 2015, was 36,152,396.

Financial Guidance

Based on current operating plans, the Company expects to have sufficient cash, cash equivalents and investments to fund our research and development programs and operations into the first half of 2017.

About VS-6063

VS-6063 (defactinib) is an orally available compound designed to target cancer stem cells through the potent inhibition of focal adhesion kinase (FAK). Cancer stem cells are an underlying cause of tumor resistance to chemotherapy, recurrence and ultimate disease progression. Research has demonstrated that FAK activity is critical for the growth and survival of cancer stem cells. VS-6063 is currently being studied in the registration-directed COMMAND trial in mesothelioma (www.COMMANDmeso.com), a "Window of Opportunity" study in patients with mesothelioma prior to surgery, a Phase 1/1b study in combination with paclitaxel in patients with ovarian cancer, a trial in patients with Kras-mutated non-small cell lung cancer and a trial evaluating the combination of VS-6063 and VS-5584 in patients with relapsed mesothelioma. VS-6063 has been granted orphan drug designation for use in mesothelioma in the U.S. and EU.

About VS-4718

VS-4718 is an orally available compound designed to target cancer stem cells through the potent inhibition of focal adhesion kinase (FAK). VS-4718 is currently being studied in a Phase 1 dose escalation study in patients with advanced cancers.

About VS-5584

VS-5584 is an orally available compound that has demonstrated potent and highly selective activity against class 1 PI3K enzymes and dual inhibitory actions against mTORC1 and mTORC2. In preclinical studies, VS-5584 has been shown to reduce the percentage of cancer stem cells and induce tumor regression in chemotherapy-resistant models. Verastem is currently conducting a dose escalation trial of VS-5584 in patients with advanced solid tumors as a single agent

and a combination trial of VS-5584 and VS-6063 in patients with relapsed mesothelioma. VS-5584 has been granted orphan drug designation for use in mesothelioma in the U.S. and EU.

About Verastem, Inc.

Verastem, Inc. (NASDAQ:VSTM) is discovering and developing drugs to treat cancer by the targeted killing of cancer stem cells. Cancer stem cells are an underlying cause of tumor recurrence and metastasis. Verastem is developing small molecule inhibitors of signaling pathways that are critical to cancer stem cell survival and proliferation: FAK and PI3K/mTOR. For more information, please visit www.verastem.com.

Forward-looking statements:

This press release includes forward-looking statements about the Company's strategy, future plans and prospects, including statements regarding the development and activity of the Company's product candidates, VS-6063, VS-4718 and VS-5584, and the Company's FAK, PI3K/mTOR and diagnostics programs generally, the timeline for clinical development and regulatory approval of our product candidates, the expected timing for the reporting of data from on-going trials and for the COMMAND interim analysis, the structure of our planned or pending clinical trials, additional planned studies, our rights to develop or commercialize our product candidates and our ability to finance contemplated development activities and fund operations for a specified period.. The words "anticipate," "appear," "believe," "estimate," "expect," "intend," "may," "plan," "predict," "project," "target," "potential," "will," "would," "could," "should," "continue," and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Each forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include the risks that the preclinical testing of the Company's product candidates and preliminary or interim data from clinical trials may not be predictive of the results or success of ongoing or later clinical trials, that data may not be available when we expect it to be, that enrollment of clinical trials may take longer than expected, that our product candidates will cause unexpected safety events, that the Company will be unable to successfully initiate or complete the clinical development of its product candidates, that the development of the Company's product candidates will take longer or cost more than planned, and that the Company's product candidates will not receive regulatory approval or become commercially successful products. Other risks and uncertainties include those identified under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 and in any subsequent SEC filings. The forward-looking statements contained in this press release reflect the Company's current views with respect to future events, and the Company does not undertake and specifically disclaims any obligation to update any forward-looking statements.

Verastem, Inc.
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Verastem, Inc.
Unaudited Selected Consolidated Balance Sheet Information
(in thousands)

	March 31, 2015	December 31, 2014
Cash, cash equivalents and investments	$ 136,072	$ 92,675
Prepaid expenses and other current assets	2,801	2,641
Property and equipment, net	2,645	2,825
Other assets	485	508
Total assets	**$ 142,003**	**$ 98,649**
Accounts payable and accrued expenses	$ 9,205	$ 8,735
Other liabilities	893	1,148
Stockholders' equity	131,905	88,766
Total liabilities and stockholders' equity	**$ 142,003**	**$ 98,649**

Verastem, Inc.
Unaudited Condensed Consolidated Statements of Operations
(in thousands, except per share amounts)

	Three months ended March 31,	
	2015	2014
Operating expenses:		
Research and development	$ 10,528	$ 8,411
General and administrative	4,714	4,723
Total operating expenses	15,242	13,134
Loss from operations	(15,242)	(13,134)
Interest income	62	72
Net loss	$ (15,180)	$ (13,062)
Net loss per share—basic and diluted	$ (0.46)	$ (0.51)
Weighted-average number of common shares used in net loss per share -basic and diluted	33,323	25,478