

| OMB APPROVAL                                 |           |
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

|  |         |          |  |  |  |   |  |  |
|--|---------|----------|--|--|--|---|--|--|
| 1. Name and Address of Reporting Person*<br><u>Goodwin Benjamin M.</u> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><u>KRATOS DEFENSE &amp; SECURITY SOLUTIONS, INC. [ KTOS ]</u> |  |  | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br>Director 10% Owner<br><input checked="" type="checkbox"/> Officer (give title below) Other (specify below)<br><u>President, PSS Division</u> |  |  |
| (Last)   | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><u>04/26/2016</u>  |  |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br>Form filed by More than One Reporting Person                                   |  |  |
| <u>4820 EASTGATE MALL</u>  |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)   |  |  |   |  |  |
| (Street)   | (City)  | (State)  | (Zip)  |  |  |   |  |  |
| <u>SAN DIEGO CA 92121</u>  |         |          |  |  |  |   |  |  |
| (City)   | (State) | (Zip)    |  |  |  |   |  |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |        | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|--------|---|--|---|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price  |   |  |   |
| Common Stock                    | 04/26/2016                           |  | M                              |   | 3,000 <sup>(2)</sup>  | A          | \$0    | 45,489 <sup>(4)</sup>   | D  |   |
| Common Stock                    | 04/26/2016                           |  | F                              |   | 1,100 <sup>(3)</sup>  | D          | \$5.06 | 44,389 <sup>(4)</sup>   | D  |   |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |       | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |       |
|--|--|--------------------------------------|--|--------------------------------|---|--|-------|--|-----------------|---|--|--|---|--|-------|
|  |  |                                      |  | Code                           | V | (A)  | (D)   | Date Exercisable   | Expiration Date |   |  |  |   |  | Title |
| Restricted Stock Units                     | (1)  | 04/26/2016                           |  | M                              |   |  | 3,000 | (2)  | (2)             | Common Stock  | 3,000                                      | \$0  | 21,000  | D  |       |

**Explanation of Responses:**

- Each Restricted Stock Unit ("RSU") represents a contingent right to receive one share of Issuer's common stock.
- RSUs were granted and previously reported on a Form 4 filed January 5, 2016. Of these RSUs, 3,000 were released on April 26, 2016.
- Shares withheld for payment of minimum tax liability, in accordance with Issuer's trading policies, in connection with shares released as reported in this Form 4.
- Includes 1,199 shares purchased through Issuer's Employee Stock Purchase Plan.

Benjamin M. Goodwin, by Eva Yee, Attorney-In-Fact 04/28/2016

\*\* Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.