FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940 5. Relationship of Reporting Person(s) to Issuer 2. Issuer Name and Ticker or Trading Symbol 1. Name and Address of Reporting Person* (Check all applicable) **KRATOS DEFENSE & SECURITY** Cervantes de Burgreen Maria Director 10% Owner **SOLUTIONS, INC.** [KTOS] Officer (give title Other (specify X below) below) (Last) (First) (Middle) 3. Date of Earliest Transaction (Month/Day/Year) VP & Corporate Controller 4820 EASTGATE MALL 01/04/2017 **SUITE 200** 4. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) (Street) X Form filed by One Reporting Person **SAN DIEGO** 92121 CA Form filed by More than One Reporting Person (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 2A. Deemed 4. Securities Acquired (A) or 1. Title of Security (Instr. 3) 2. Transaction 5. Amount of 6. Ownership 7. Nature of Indirect Beneficial **Execution Date** Transaction Disposed Of (D) (Instr. 3, 4 and ecurities Form: Direct (Month/Day/Year) 5) Beneficially (D) or Indirect Code (Instr. if any (Month/Day/Year) 8) Owned Following (I) (Instr. 4) Ownership (Instr. 4) Reported Transaction(s) (Instr. 3 and 4) (A) or (D) ν Price Code Amount Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities) 1. Title of 3A. Deemed 5. Number 6. Date Exercisable and 7. Title and Amount 8. Price of 11. Nature 3. Transaction 9. Number of 10. Transaction Derivative Conversion Execution Date, Expiration Date (Month/Day/Year) of Securities Underlying Derivative derivative Ownership of Indirect (Month/Day/Year) if any Derivative Security or Exercise Beneficial Code (Instr. Security Securities Form: Ownership (Instr. 3) Price of (Month/Day/Year) 8) Securities Derivative Security (Instr. 5) Beneficially Direct (D) Acquired
(A) or
Disposed
of (D) (Instr. (Instr. 3 and 4) (Instr. 4) Derivative Owned Security **Following** (I) (Instr. 4) Reported Transaction(s) (Instr. 4)

Explanation of Responses:

(2)

Restricted

Stock Units

1. 12,500 Restricted Stock Units (RSUs) vest 100% on the five year anniversary of the date of grant, unless earlier vested or terminated pursuant to the terms of the RSU agreement. The other 12,500 RSUs vest 20% upon each 10% increase in the closing market price of the Issuer's common stock measured from the RSU grant date through the 10-year anniversary of the RSU grant date, unless earlier vested or terminated pursuant to the terms of the RSU agreement (provided that such increase in the closing market price of common stock is sustained for twenty consecutive trading days).

Date

Exercisable

(1)

(D)

(A)

25,000

Expiration

(1)

Title

Common

Stock

2. Each RSU represents a contingent right to receive one share of Issuer's common stock.

01/04/2017

Maria Cervantes de Burgreen, by Eva Yee, Attorney-In-Fact

Amount Number

Shares

25,000

\$0

01/05/2017

25 000

D

** 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).

Code

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.