1. Name and Address of Reporting Person: **DEMARCIO ERIC M**
   - (Last) 10680 TREENA STREET, SUITE 600
   - (First) SAN DIEGO CA 92131
   - (Middle) President & CEO

2. Issuer Name and Ticker or Trading Symbol: **KRATOS DEFENSE & SECURITY SOLUTIONS, INC. [KTOS]**

3. Date of Earliest Transaction (Month/Day/Year): 01/04/2019

4. If Amendment, Date of Original Filed (Month/Day/Year):

5. Relationship of Reporting Person(s) to Issuer (Check all applicable):
   - Director
   - 10% Owner
   - President & CEO

6. Individual or Joint/Group Filing (Check Applicable Line):
   - Form filed by One Reporting Person

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

<table>
<thead>
<tr>
<th>1. Title of Security (Instr. 3)</th>
<th>2. Transaction Date (Month/Day/Year)</th>
<th>2A. Deemed Execution Date, if any (Month/Day/Year)</th>
<th>3. Transaction Code (Instr. 8)</th>
<th>4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</th>
<th>5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>7. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Stock Units (1)</td>
<td>01/04/2019</td>
<td></td>
<td>A</td>
<td>150,000 (A)</td>
<td>150,000 (D)</td>
<td>D</td>
<td>V (A) or (D) Price</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>1. Title of Derivative Security (Instr. 3)</th>
<th>2. Conversion or Exercise Price of Derivative Security</th>
<th>3. Transaction Date (Month/Day/Year)</th>
<th>3A. Deemed Execution Date, if any (Month/Day/Year)</th>
<th>4. Transaction Code (Instr. 8)</th>
<th>5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)</th>
<th>6. Date Exercisable (Month/Day/Year)</th>
<th>7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)</th>
<th>8. Price of Derivative Security (Instr. 5)</th>
<th>9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)</th>
<th>10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>11. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Stock Units (1)</td>
<td>01/04/2019</td>
<td>A</td>
<td>150,000 (A)</td>
<td>150,000 (D)</td>
<td>150,000 (D)</td>
<td>Common Stock</td>
<td>150,000 (D)</td>
<td>$0 (D)</td>
<td>150,000 (D)</td>
<td>D (D)</td>
<td>V (A) or (D) Price</td>
</tr>
</tbody>
</table>

**Explanation of Responses:**
1. Each Restricted Stock Unit (RSU) represents a contingent right to receive one share of Issuer's common stock.
2. RSUs vest 100% on the fifth anniversary of the date of grant, unless earlier vested or terminated pursuant to the terms of the RSU agreement.
3. Eric M. DeMarco, by Eva Yee, Attorney-In-Fact 01/08/2019
**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).


**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.**