**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.

**1. Name and Address of Reporting Person:**
Carrai Phillip D
10680 TREENA STREET, SUITE 600
SAN DIEGO CA 92131

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

**3. Date of Earliest Transaction (Month/Day/Year):**
02/18/2020

**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>3. Code</th>
<th>4. Transaction Code (Instr. 8)</th>
<th>5. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)</th>
<th>6. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)</th>
<th>7. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)</th>
<th>8. Ownership Form: Beneficial Owner (B) or Indirect Beneficial Owner (I) (Instr. 4)</th>
<th>9. Nature of Indirect Beneficial Ownership (Instr. 4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock</td>
<td>02/18/2020</td>
<td>V</td>
<td>S</td>
<td>3,350</td>
<td>20,464.82</td>
<td>D</td>
<td>94,036</td>
<td>D</td>
</tr>
</tbody>
</table>

| Common Stock                   |                                    |        |                               |                                   |                                         |                             |                                        |                                          |

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

| 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 Derivative Security 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. 3 and 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|------------------------------------------|------------------------------------------------------|-----------------------------------|------------------------------------------|-------------------------------|-------------------------------|----------------------------------------|----------------------------------------|----------------------------------------|------------------------------------------|
|                                         |                                                      |                                    |                                          |                               |                               |                                        |                                        |                                        |                                          |

| Common Stock                           | 46,644                                               | I                                  |                                 |                               |                               |                                        |                                        |                                        |                                          |

**Explanation of Responses:**
1. This transaction was effected pursuant to a 10b5-1 trading plan adopted by the reporting person.
2. The price reported in Column 4 is a weighted average price. These shares were sold in multiple transactions at prices ranging from $20.35 to $20.64 inclusive. The reporting person undertakes to provide to Issuer, any security holder of Issuer, or the staff of the SEC, upon request, full information regarding the number of shares sold at each separate price within the ranges set forth in this footnote to this Form 4.
3. Includes 11,073 shares purchased through Issuer's Employee Stock Purchase Plan and approximately 159 shares held through Issuer's 401(k) Plan.

**Signature:**
Phillip D. Carrai, by Eva Yee, Attorney-In-Fact
02/19/2020

**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.