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 *
   Fendley Steven S.
   (Last) (First) (Middle)
   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)
   01/04/2019

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

5. Relationship of Reporting Person(s) to Issuer
   (Check all applicable)
   X Director
   10% Owner
   Officer (give title below)
   President, US Division

6. Individual or Joint/Group Filing (Check Applicable Line)
   X Form filed by One Reporting Person
   Form filed by More than 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</td>
<td>01/04/2019</td>
<td>A</td>
<td>(A) 50,000</td>
<td>(D) 50,000</td>
<td>Common Stock 50,000</td>
<td>D</td>
<td>0 50,000</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.

Steven S. Fendley, by Eva Yee, Attorney-In-Fact 01/08/2019

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.