

# KRATOS DEFENSE & SECURITY SOLUTIONS, INC.

Reported by  
**MILLS THOMAS E IV**

## **FORM 4**

(Statement of Changes in Beneficial Ownership)

Filed 01/19/17 for the Period Ending 01/17/17

Address	4820 EASTGATE MALL . SAN DIEGO, CA 92121
Telephone	858-812-7300
CIK	0001069258
Symbol	KTOS
SIC Code	3760 - Guided Missiles And Space Vehicles And Parts
Industry	Aerospace & Defense
Sector	Industrials
Fiscal Year	12/25

# FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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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 OF SECURITIES

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

<b>1. Name and Address of Reporting Person *</b>  <b>MILLS THOMAS E IV</b>  (Last) (First) (Middle)  <b>4820 EASTGATE MALL, SUITE 200</b>  (Street)  <b>SAN DIEGO, CA 92121</b>  (City) (State) (Zip)	<b>2. Issuer Name and Ticker or Trading Symbol</b>  <b>KRATOS DEFENSE &amp; SECURITY SOLUTIONS, INC. [ KTOS ]</b>	<b>5. Relationship of Reporting Person(s) to Issuer</b> (Check all applicable)  <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> <b>X</b> Officer (give title below) <input type="checkbox"/> Other (specify below) <b>President, MS Division</b>
<b>3. Date of Earliest Transaction (MM/DD/YYYY)</b>  <p align="center"><b>1/17/2017</b></p>		<b>6. Individual or Joint/Group Filing (Check Applicable Line)</b>  <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person
<b>4. If Amendment, Date Original Filed (MM/DD/YYYY)</b>		

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

1. Title of Security (Instr. 3)	2. Trans. Date	2A. Deemed Execution Date, if any	3. Trans. 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	1/17/2017		F		1786	(1)	D	\$7.4	71397	(2)	D

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

1. Title of Derivate Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Trans. Date	3A. Deemed Execution Date, if any	4. Trans. 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		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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V		(A)	(D)	Date Exercisable	Expiration Date				

**Explanation of Responses:**

- ( ) Shares withheld in a net transaction to satisfy the minimum tax liability, in accordance with Issuer's trading policies, in connection with shares vested January 1) 3, 2017 from a restricted stock unit grant originally reported in Table I on Form 3 filed August 12, 2013 and released January 17, 2017.
- ( ) Includes 10,190 shares purchased through Issuer's Employee Stock Purchase Plan and 7,844 shares held in Issuer's 401(k) Plan.

**Reporting Owners**

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MILLS THOMAS E IV 4820 EASTGATE MALL SUITE 200 SAN DIEGO, CA 92121			<b>President, MS Division</b>	

**Signatures**

**Thomas E. Mills, by Eva Yee, Attorney-In-Fact**

**1/19/2017**

\*\*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.

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