

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089
		2015
		This Form is Open to Public Inspection

Part I	Annual Report Identification Information
For calendar plan year 2015 or fiscal plan year beginning <u>04/01/2015</u> and ending <u>03/31/2016</u>	
A This return/report is for:	☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) ____
B This return/report is:	☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description)

Part II	Basic Plan Information —enter all requested information
1a Name of plan <u>ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	1b Three-digit plan number (PN) ▶ <u>003</u> 1c Effective date of plan <u>04/01/1993</u>
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ADVANCED DRAINAGE SYSTEMS, INC.</u> <u>4640 TRUEMAN BOULEVARD</u> <u>HILLIARD, OH 43026-2438</u>	2b Employer Identification Number (EIN) <u>51-0105665</u> 2c Plan Sponsor's telephone number <u>800-733-7473</u> 2d Business code (see instructions) <u>326100</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	<u>Filed with authorized/valid electronic signature.</u>	<u>01/09/2017</u>	<u>SCOTT A. COTTRILL</u>
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: a Sponsor's name	4b EIN 4c PN
5 Total number of participants at the beginning of the plan year	5 4929
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 2885
a(2) Total number of active participants at the end of the plan year	6a(2) 3014
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 2187
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 5201
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....	6e 16
f Total. Add lines 6d and 6e	6f 5217
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 5193
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 208
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2P 2I	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)	
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Part III	Form M-1 Compliance Information (to be completed by welfare benefit plans)
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11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2015
		This Form is Open to Public Inspection.

For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016		
A Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 ADVANCED DRAINAGE SYSTEMS, INC.	D Employer Identification Number (EIN) 51-0105665	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a

 Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b

 If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
FIFTH THIRD BANK RETIREMENT SERVICE
31-1051736

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation
(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500

Schedule C (Form 5500) 2015 v.150123

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MORGAN STANLEY SMITH BARNEY, LLC

26-4310632

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	145121	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

THE NORTHERN TRUST COMPANY

36-1561860

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	109158	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WINSLOW CAPITAL MANAGEMENT, LLC

80 SOUTH EIGHT STREET
MINNEAPOLIS, MN 55402

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	68729	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CAMBIAR INVESTORS, LLC

84-1596610

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	65473	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

CALAMOS INVESTMENTS LLC

20-1768357

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	46365	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

HARDING LOEVNER LP

27-0684167

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	32075	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MADISON INVESTMENT ADVISORS, LLC

54-1815009

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	29990	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

LEGG MASON PRIVATE PORTFOLIO GROUP

20-5991122

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	17470	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

PRINCIPAL GLOBAL INVESTORS, INC

42-1479618

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28	NONE	16879	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016

A Name of plan <u>ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>ADVANCED DRAINAGE SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>51-0105665</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)
(Complete as many entries as needed to report all interests in DFEs)	

a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EMERGING MARKETS INDEX FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, N.A.</u>			
c EIN-PN <u>45-6138589-040</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>302443</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>EMERGING MARKETS FD FEBT</u>			
b Name of sponsor of entity listed in (a): <u>THE NORTHERN TRUST CO OF CONNECTICUT</u>			
c EIN-PN <u>06-6275604-012</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>277774</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>ALL COUNTRY WORLD IMI FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, N.A.</u>			
c EIN-PN <u>45-6138589-103</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>892609</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERNATIONAL EQUITY FUND FEBT</u>			
b Name of sponsor of entity listed in (a): <u>THE NORTHERN TRUST CO OF CONNECTICUT</u>			
c EIN-PN <u>06-6275604-014</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1680706</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE RUSSELL 1000 INDEX FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, N.A.</u>			
c EIN-PN <u>45-6138589-006</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>5609009</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLLECTIVE S&P 400 INDEX FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, N.A.</u>			
c EIN-PN <u>45-6138589-049</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1092510</u>	
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>GLTV DAILY 1-5YR LR BD INDEX FUND</u>			
b Name of sponsor of entity listed in (a): <u>NORTHERN TRUST INVESTMENTS, N.A.</u>			
c EIN-PN <u>45-6138589-123</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>1116008</u>	

a Name of MTIA, CCT, PSA, or 103-12 IE: **SMALL CAP FUND FEBT****b** Name of sponsor of entity listed in (a): **THE NORTHERN TRUST CO OF CONNECTICUT**

c EIN-PN 06-6275604-008	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 1134824
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a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE AGGREGATE BOND INDEX FU****b** Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-029	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2426041
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a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE SHORT-TERM INVESTMENT FU****b** Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-084	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 455070
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a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE DIVERSIFIED FRONTIER MAR****b** Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-124	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
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a Name of MTIA, CCT, PSA, or 103-12 IE: **COLLECTIVE GLOBAL REAL ESTATE INDEX****b** Name of sponsor of entity listed in (a): **NORTHERN TRUST INVESTMENTS, N.A.**

c EIN-PN 45-6138589-082	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 973672
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection
For calendar plan year 2015 or fiscal plan year beginning <u>04/01/2015</u> and ending <u>03/31/2016</u>		
A Name of plan <u>ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ADVANCED DRAINAGE SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>51-0105665</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a	0	348
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)		
	(2) Participant contributions	1b(2)		
	(3) Other.....	1b(3)	115101	99082
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	2188506	3975835
	(2) U.S. Government securities.....	1c(2)	4399992	3436685
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)	9348132	6903844
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)	5823474	4781543
	(B) Common	1c(4)(B)	32327355	27950889
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)		
	(9) Value of interest in common/collective trusts.....	1c(9)	17395444	15960665
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	11345056	12134619
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
	(15) Other	1c(15)	0	51350

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	565345645	405792365
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	648288705	481087225

Liabilities

g Benefit claims payable	1g	6609573	5909296
h Operating payables	1h		
i Acquisition indebtedness	1i	16786297	16286297
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	23395870	22195593

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	624892835	458891632
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		0
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	906	
(B) U.S. Government securities	2b(1)(B)	75596	
(C) Corporate debt instruments	2b(1)(C)	172327	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	231	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		249060
(2) Dividends: (A) Preferred stock	2b(2)(A)	4699636	
(B) Common stock	2b(2)(B)	522266	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	266126	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		5488028
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	33992170	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	35390728	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		-1398558
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	-141335278	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		-141335278

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		-158655
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-588586
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		-137743989

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	26501884	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		26501884
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		46020
i Administrative expenses: (1) Professional fees	2i(1)	109189	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)	422102	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		531291
j Total expenses. Add all expense amounts in column (b) and enter total	2j		27079195

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-164823184
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		1178019

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unqualified **(2)** ☐ Qualified **(3)** ☐ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☐ Yes ☒ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: GBQ PARTNERS LLC

(2) EIN: 20-2122306

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

	Yes	No	N/A	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X		
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X		

	Yes	No	N/A	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X		
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X		
e Was this plan covered by a fidelity bond?	X			10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X		
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X		
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X			
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X		
l Has the plan failed to provide any benefit when due under the plan?		X		
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X		
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.				
o Did the plan trust incur unrelated business taxable income?				
p Were in-service distributions made during the plan year?				

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
 If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No Amount:

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
ADVANCED DRAINAGE SYSTEMS, INC. PROFIT SHARING RETIREMENT TRUST	51-0105665	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☐ Yes ☐ No ☐ Not determined

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2015 This Form is Open to Public Inspection.
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For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016

A Name of plan <u>ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>ADVANCED DRAINAGE SYSTEMS, INC.</u>	D Employer Identification Number (EIN) <u>51-0105665</u>

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	<u>0</u>
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>31-1358013</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year.....	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part)
----------------	--

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☐ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____	If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.	☐ Increase	☐ Decrease	☐ Both	☐ No
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Part IV	ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☒ No
11 a Does the ESOP hold any preferred stock?	☒ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☒ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☒ Yes	☐ No

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Schedule R (Form 5500) 2015
v. 150123

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐
19	If the total number of participants is 1,000 or more, complete lines (a) through (c)
	a Enter the percentage of plan assets held as: Stock: <u>0.0</u> % Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
	b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
	c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan?	☐ Yes	☐ No
20b If "Yes," how does the 401(k) plan satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under sections 401(k)(3) and 401(m)(2)?	☐ Design-based safe harbor method	☐ ADP/ACP test
20c If the ADP/ACP test is used, did the 401(k) plan perform ADP/ACP testing for the plan year using the "current year testing method" for nonhighly compensated employees (Treas. Reg sections 1.401(k)-2(a)(2)(ii) and 1.401(m)-2(a)(2)(ii))?	☐ Yes	☐ No
21a Check the box to indicate the method used by the plan to satisfy the coverage requirements under section 410(b):	☐ Ratio percentage test	☐ Average benefit test
21b Does the plan satisfy the coverage and nondiscrimination tests of sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules?	☐ Yes	☐ No
22a Has the plan been timely amended for all required tax law changes?	☐ Yes	☐ No ☐ N/A
22b Date the last plan amendment/restatement for the required tax law changes was adopted ____/____/____. Enter the applicable code _____. (See instructions for tax law changes and codes).		
22c If the plan sponsor is an adopter of a pre-approved master and prototype (M&P) or volume submitter plan that is subject to a favorable IRS opinion or advisory letter, enter the date of that favorable letter ____/____/____ and the letter's serial number _____.		
22d If the plan is an individually-designed plan and received a favorable determination letter from the IRS, enter the date of the plan's last favorable determination letter ____/____/____.		
23 Is the Plan maintained in a U.S. territory (i.e., Puerto Rico (if no election under ERISA section 1022(i)(2) has been made), American Samoa, Guam, the Commonwealth of the Northern Mariana Islands or the U.S. Virgin Islands)?	☐ Yes	☐ No

• **Financial Statements**
• with Supplemental Information
•

• **Advanced Drainage**
• **Systems, Inc. Employee**
• **Stock Ownership Plan**
•

• March 31, 2016 and 2015
•



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To the Plan Administrator of
Advanced Drainage Systems, Inc.
Employee Stock Ownership Plan
Columbus, Ohio

Independent Auditor's Report

We have audited the accompanying financial statements of Advanced Drainage Systems, Inc. Employee Stock Ownership Plan (the Plan), which comprise the statements of net assets available for benefits as of March 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

To the Plan Administrator of
Advanced Drainage Systems, Inc.
Employee Stock Ownership Plan
Page 2

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of March 31, 2016 and 2015, and the changes in net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedule of assets (held at end of year) as of March 31, 2016 is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is the responsibility of the Plan's management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

GBQ Partners LLC

Columbus, Ohio
January 9, 2017

ADVANCED DRAINAGE SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Statements of Net Assets Available for Benefits
March 31, 2016 and 2015

2016			2015		
Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
Allocated	Unallocated		Allocated	Unallocated	
\$ 75,294,860	\$ -	\$ 75,294,860	\$ 82,943,060	\$ -	\$ 82,943,060
136,897,269	268,895,096	405,792,365	190,757,576	374,588,069	565,345,645
212,192,129	268,895,096	481,087,225	273,700,636	374,588,069	648,288,705
-	(16,286,297)	(16,286,297)	-	(16,786,297)	(16,786,297)
\$ 212,192,129	\$ 252,608,799	\$ 464,800,928	\$ 273,700,636	\$ 357,801,772	\$ 631,502,408

The accompanying notes are an integral part of the financial statements.

ADVANCED DRAINAGE SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Statements of Changes in Net Assets Available for Benefits
For the Years Ended March 31, 2016 and 2015

	2016			2015		
	Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
Additions to Net Assets Attributed to:						
Dividend income	\$ 1,424,758	\$ 2,945,492	\$ 4,370,250	\$ 661,650	\$ 1,437,180	\$ 2,098,830
Net appreciation of sponsor's preferred stock	-	-	-	86,806,385	192,952,183	279,758,568
Dividends on unallocated shares	2,531,336	-	2,531,336	824,482	-	824,482
Redeposit of dividend checks, net	27,995	-	27,995	73,124	-	73,124
Allocation of sponsor preferred stock - fair value	8,860,684	-	8,860,684	16,251,841	-	16,251,841
Net appreciation of common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	-	-	-	5,857,394	-	5,857,394
Total additions	12,844,773	2,945,492	15,790,265	110,474,876	194,389,363	304,864,239
Deductions from Net Assets Attributed to:						
Interest expense	-	46,020	46,020	-	40,324	40,324
Dividends on unallocated shares	-	2,531,336	2,531,336	-	824,482	824,482
Distributions to participants:						
Dividends	1,292,894	-	1,292,894	534,025	-	534,025
Redemption of shares by sponsor company	18,084,382	-	18,084,382	6,132,622	-	6,132,622
Payments from common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	7,124,608	-	7,124,608	6,137,827	-	6,137,827
Diversified investments transferred to profit sharing plan	1,178,019	-	1,178,019	143,572	-	143,572
Allocation of 541,938 shares in 2016 and 737,045 shares in 2015 of preferred stock of sponsor company - fair value:						
For compensation	-	8,728,819	8,728,819	-	16,124,212	16,124,212
For dividend payments	131,865	-	131,865	127,625	-	127,625
Investment manager fees	531,291	-	531,291	634,695	-	634,695
Net depreciation of sponsor's preferred stock	44,636,608	96,832,290	141,468,898	-	-	-
Net depreciation of common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	1,373,613	-	1,373,613	-	-	-
Total deductions	74,353,280	108,138,465	182,491,745	13,710,366	16,989,018	30,699,384
Net (decrease) increase in net assets available for benefits	(61,508,507)	(105,192,973)	(166,701,480)	96,764,510	177,400,345	274,164,855
NET ASSETS AVAILABLE FOR BENEFITS:						
Beginning of year	273,700,636	357,801,772	631,502,408	176,936,126	180,401,427	357,337,553
End of year	\$ 212,192,129	\$ 252,608,799	\$ 464,800,928	\$ 273,700,636	\$ 357,801,772	\$ 631,502,408

The accompanying notes are an integral part of the financial statements.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements

March 31, 2016 and 2015

Plan Description

The following description of the Advanced Drainage Systems, Inc. Employee Stock Ownership Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan agreement for a complete description of the Plan's provisions.

General

Advanced Drainage Systems, Inc. (the "Company" or the "Sponsor"), established the Plan effective as of April 1, 1993. The Plan operates as a qualified leveraged employee stock ownership plan (ESOP) and is designed to comply with Section 401(a) and Section 4957(e)(7) and the regulations thereunder of the Internal Revenue Code of 1986 (the "Code"), as amended, and is subject to the applicable provisions of the Employee Retirement Income Security Act of 1974, as amended. The Plan is administered by a committee (the "ESOP Committee") consisting of no less than two people appointed by the Sponsor's board of directors. The trust department of Fifth Third Bank, Columbus, Ohio, is the Plan's trustee (the "Trustee").

The Plan was funded on September 30, 1993, when the common shareholders of the Company exchanged 44,170,488 common shares for 44,170,488 shares of 2.5% cumulative convertible voting preferred stock. The Plan then purchased 44,170,488 shares of the Company's newly created 2.5% convertible preferred stock from these shareholders for \$34,500,276. To finance the purchase of the preferred stock, the Plan received a \$5,000,000 contribution from the Company's profit-sharing plan (nonleveraged), as well as a 30-year term loan of \$29,500,276 from the Company (leveraged).

Nonleveraged shares are shares purchased with the \$5,000,000 contribution from the profit-sharing plan. Leveraged shares are shares purchased with the 30-year term loan from the Company.

The loan is to be paid back through a combination of Company contributions and preferred stock dividends on unallocated shares. As the Plan makes each payment of principal and interest, an appropriate percentage of stock will be allocated to eligible employees' accounts in accordance with applicable regulations under the Code. The borrowing is collateralized by the unallocated shares of stock. The Company has no rights to encumber the shares once they are allocated to the participants under the Plan. Accordingly, the financial statements of the Plan for the years ended March 31, 2016 and 2015, present separately the assets and liabilities and changes therein pertaining to:

- a. The accounts of employees with vested rights (partial or full) in allocated stock (allocated)
- b. Stock not yet allocated to employees (unallocated)

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Plan Description (continued)

General (continued)

Effective April 1, 2014, in consideration of the Company's registration as a public entity and Initial Public Offering (IPO) which closed on July 24, 2014, Section 3.4 of the Employee Stock Ownership Trust was amended to change the manner in which the distribution of a Participant's ESOP Account is to be made. Post-IPO, the Company's common stock, par value \$0.01 per share, will be "registration-type class of securities" (as such term is defined in Code Section 409(e)(4)). Therefore, as a result of this amendment, the Trustee will no longer have the put right to put back its shares to the Company. Participants will receive common stock, converted at the rate of 0.7692 shares for each share of convertible preferred stock. Previously, distributions of convertible preferred stock were settled in cash.

On July 2, 2014, an authorized committee of the board of directors, with prior requisite stockholder approval, authorized an increase in the number of shares of common stock to 148,270,500 at par value of \$0.01 and an increase in the number of shares of convertible preferred stock to 47,070,000 at a par value of \$0.01. On the same date, an authorized committee of the board of directors, with prior requisite stockholder approval, approved a 4.707-for-1 stock split of the Company's common stock and convertible preferred stock, which became effective July 11, 2014. The effect of the split on the number of sponsor company convertible preferred shares held, the guaranteed value of such shares, and changes in net assets available for Plan benefits was not required to be applied retroactively to the periods presented.

Eligibility

Full-time employees of the Company who have reached the age of 18 are generally eligible to participate in the Plan on March 31 after six months of service.

Contributions

The Company is obligated to make contributions to the Plan that, when aggregated with the Plan's dividends and interest earnings, equal the amount necessary to enable the Plan to make its regularly scheduled payments of principal and interest due on its term loan to the Company. As the Plan makes annual payments of principal and interest, an appropriate percentage of preferred stock is allocated to eligible employees' accounts in accordance with applicable regulations under the Code. Any discretionary contributions made to the Plan by the Company may be used to (1) repay the loan, (2) hold in cash or other investments, or (3) buy additional Company stock.

Company contributions are held and managed by the Trustee, who invests cash received, interest, and dividend income and makes distributions to participants. The Trustee also administers the payment of interest and principal on the loan, which is reimbursed to the Trustee through contributions as determined by the Company.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Plan Description (continued)

Vesting

Participants become vested in their unallocated shares as follows:

Years of Service	Vesting Percentage
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or greater	100%

Participants' allocated share of preferred stock from the \$5,000,000 contribution from the Company's profit-sharing plan is fully vested, which was made when the Plan was created in 1993.

Allocation of Contributions, Investment Income, Appreciation in Value and Forfeitures

The Company's contributions are allocated to eligible participants' accounts based on the ratio of each eligible participant's compensation for the year to total compensation for all participants.

The investment income and unrealized appreciation (depreciation) in value are allocated to the applicable participant accounts based on the ratio of each participant's account balance to the total of all participant account balances at the Plan's year-end.

Required dividends on the allocated shares are allocated based on each participant's stock account balance. Required dividends on the unallocated shares are used to service the Plan's debt, unless directed otherwise by the ESOP Committee as described above.

Forfeitures resulting from termination of participants who are less than 100% vested are reallocated proportionately among remaining participants at the Plan's year-end. Forfeitures reallocated in 2016 and 2015 were \$481,156 and \$703,522, respectively.

Voting Rights

The Company stock held in the allocated portion of the Plan will normally be voted by the Trustee as directed by the ESOP Committee. However, in certain circumstances, the participants in the Plan will have the right to direct the vote of the Trustee. The Trustee will vote any unallocated shares of Company stock and allocated shares of Company stock for which no participant instructions were received in the same proportion as the allocated Company stock for which instructions have been received is voted.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Plan Description (continued)

Distributions

No distributions from the Plan, other than cash dividends on nonleveraged shares and discretionary cash dividends on leveraged shares, will be made until a participant retires, dies (in which cash payment shall be made to his or her beneficiary or, if none, his or her legal representatives), or otherwise terminates employment with the Company.

Payment of Benefits

Upon retirement, disability, death or vested termination, a participant or designated beneficiary may elect to receive the amount in their account in the form of cash or Company stock with any fractional shares paid in cash.

Diversification

Upon attainment of age 50 and seven years of participation in the Plan, participants may elect to diversify 25% of the number of shares of Company stock credited to their ESOP stock account. The Plan was amended to provide a Plan-to-Plan transfer of diversified investments to the Advanced Drainage Systems, Inc. Profit Sharing Retirement Plan (the "Profit Sharing Retirement Plan"). The funds transferred to the Profit Sharing Retirement Plan are invested in accordance with the investment options elected by the participants. The Plan does not accept transfers of funds from the Profit Sharing Retirement Plan.

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Allocated Cash Dividend Funds

The Plan's allocated cash dividends are held in several temporary investment funds for the purpose of purchasing equity and debt securities. Allocated cash dividend funds are stated at fair value based on independent quotations.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Summary of Significant Accounting Policies (continued)

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Fair value is a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For additional disclosure regarding fair value of investments, see the *Fair Value Measurements* footnote herein.

The Company guarantees the value of not less than \$0.7818 per share of the convertible preferred shares of the Company. The conversion ratio requires 0.7692 common shares for each preferred share. Fair value is estimated by management in the absence of readily ascertainable market values by using an annual independent appraisal. The independently appraised fair values at March 31, 2016 and 2015 were \$16.35 and \$22.05 per preferred share, respectively. Because of the inherent uncertainty of valuation methods, those estimated values may differ from the values that would have been used had an active market for the securities existed.

Purchases and sales of securities are recorded on a trade-date basis. Realized gains and losses from security transactions are reported on the specific identification method. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold, as well as held during the year.

Required Dividends

A 2.5% (\$0.1954 per share) dividend, which is required to be paid by the Company on an annual basis, was paid on March 31, 2016 and 2015. Dividends on the nonleveraged shares are paid in cash directly to the participants and are tax deductible by the Company. Dividends on leveraged shares are paid in cash and used to service the Plan's debt. Because all cash related to required dividend payments was used to service debt, previously unallocated shares were allocated to the participants to satisfy the allocated and unallocated shares dividend requirement.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements March 31, 2016 and 2015

Summary of Significant Accounting Policies (continued)

Discretionary Dividends

For the 2016 plan year, the Company declared discretionary dividends, which were paid on June 15, 2015, September 15, 2015, December 15, 2015 and March 15, 2016. For the 2015 plan year, the Company declared discretionary dividends, which were paid on December 10, 2014 and March 16, 2015. Discretionary dividends on allocated shares (both leveraged and nonleveraged) are paid in cash to the participants and are tax deductible by the Company. Discretionary dividends on unallocated shares were used to service the Plan debt.

Dividend income for the years ended March 31, 2016 and 2015 is composed of the following:

	2016 Allocated	2016 Unallocated	2015 Allocated	2015 Unallocated
Nonleveraged – required	\$ 21,195	\$ -	\$ 27,059	\$ -
Leveraged – required	<u>131,864</u>	<u>332,039</u>	<u>127,625</u>	<u>346,444</u>
Total required	<u>153,059</u>	<u>332,039</u>	<u>154,684</u>	<u>346,444</u>
Nonleveraged – discretionary	188,175	-	93,827	-
Leveraged – discretionary	<u>1,083,524</u>	<u>2,613,453</u>	<u>413,139</u>	<u>1,090,736</u>
Total discretionary	<u>1,271,699</u>	<u>2,613,453</u>	<u>506,966</u>	<u>1,090,736</u>
Total dividend income	<u>\$ 1,424,758</u>	<u>\$ 2,945,492</u>	<u>\$ 661,650</u>	<u>\$ 1,437,180</u>

In fiscal years 2016 and 2015, the ESOP Committee directed the Trustee to retain \$2,531,336 and \$824,482, respectively, in dividends on unallocated shares rather than to service the Plan's debt. These dividends were allocated to participants based on total shares in their ESOP stock account in relation to total shares at March 15 of each Plan year.

In fiscal years 2016 and 2015, the Company's board of directors approved the allocation of 541,938 preferred shares and 737,045 preferred shares, totaling \$8,728,819 and \$16,124,212 at fair value, respectively, to the ESOP participants, including in addition to the cash dividends; and 8,065 preferred shares and 5,788 preferred shares allocated as dividends, totaling \$131,865 and \$127,625 at fair value in 2016 and 2015, respectively.

Administrative Expenses

The Sponsor pays the administrative expense for the Plan, totaling approximately \$626,000 and \$560,000 in the 2016 and 2015 Plan years, respectively.

Investment Manager Fees

In fiscal years 2016 and 2015, the Plan incurred and paid \$531,291 and \$634,695 of investment fees, respectively.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Summary of Significant Accounting Policies (continued)

Payment of Benefits

Benefits are recorded when paid.

Recent Accounting Pronouncements

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement, under Topic 820 – Disclosure for Investment of Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)* (ASU 2015-07). ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value (NAV) per share as the practical expedient. ASU 2015-07 also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using NAV per share practical expedient. Investments that calculate NAV per share (or its equivalent), but for which that practical expedient is not applied, will continue to be included in the fair value hierarchy along with the related required disclosures. ASU 2015-07 is effective for fiscal years beginning after December 15, 2015, and is to be applied retrospectively, with early adoption permitted. The Plan has elected to early adopt ASU 2015-07.

In July 2015, the FASB issued ASU 2015-12, *Amendments to Plan Accounting*, under Topics 960, 962 and 965 (ASU 2015-12). Part I of ASU 2015-12 clarifies that contract value is the only required measurement for fully benefit responsive investment contracts (FBRICs) and clarifies that indirect investments in FBRICs through investment companies should no longer be reflected as FBRICs and therefore, should be reported at fair value. The amendments in Part II of ASU 2015-12 require plans to disaggregate their investments measured using fair value only by general type, either on the financial statements or in the notes to the financial statements. Part II also eliminates the requirement to disclose the net appreciation (depreciation) in fair value of investments by general type and the requirements to disclose individual investments that represent 5% or more of net assets available for benefits. The amendments in Part III of ASU 2015-12 are not applicable to the Plan. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. Early adoption is permitted and should be applied retrospectively. The Plan has elected early adoption of ASU 2015-12, which had no impact on the statements of net assets available for benefits or statements of changes in net assets available for benefits.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Investments

The Plan's investments as of March 31, 2016 and 2015, are as follows:

	2016	2015
Investments in marketable equity securities, mutual funds, fixed income obligations, money market fund and common collective trusts	<u>\$ 75,294,860</u>	<u>\$ 82,943,060</u>
Preferred stock of the Company:		
Allocated shares	8,372,922	8,651,137
Unallocated shares	<u>16,446,183</u>	<u>16,988,121</u>
Total number of shares	<u>24,819,105</u>	<u>25,639,258</u>
Cost (\$0.7818 per share for 2016 and 2015)	<u>\$ 19,403,576</u>	<u>\$ 20,044,772</u>
Fair value (\$16.35 and \$22.05 per share for 2016 and 2015, respectively)	<u>\$ 405,792,365</u>	<u>\$ 565,345,645</u>
Total Investments	<u>\$ 481,087,225</u>	<u>\$ 648,288,705</u>

During 2016 and 2015, shares of 820,153 and 490,610, respectively, were redeemed by participants. Of these total shares, during 2016 and 2015, 53,425 shares and 11,486 shares, respectively, were redeemed for the purpose of diversification and transfer to the Profit Sharing Retirement Plan totaling \$1,178,019 and \$143,572, respectively.

Fair Value Measurements

GAAP established a fair value hierarchy that prioritizes the inputs to measure the fair value of the assets or liabilities being measured. Fair value is defined as the exchange value that would be received on the measurement date to sell an asset or to value the amount paid to transfer a liability in the principal or most advantageous market available to the entity in an orderly transaction between market participants. The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are unadjusted quoted market prices in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date. Level 1 inputs provide the most reliable measure of fair value as of the measurement date.
- Level 2 inputs are based on significant observable inputs, including unadjusted quoted market prices for similar assets and liabilities in active markets, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable for the asset or liability.
- Level 3 are significant and unobservable inputs for the asset or liability.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Fair Value Measurements (continued)

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at March 31, 2016 or 2015.

Money Market

Funds:

Valued at cost, which approximates fair value.

Fixed Income Obligations

(U.S. Government

Securities, Corporate

and Other Bonds, Agency

Bonds and Asset-Backed

Securities):

Valued on the basis of evaluated prices provided by independent pricing services when such prices are believed to reflect the fair market value of such securities. Such prices may be determined taking into account benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data.

Marketable Equity

Securities:

Valued at quoted market prices for the number of shares held by the Plan at year-end.

Company Preferred

Stock:

Determining the fair value of the Company preferred stock is judgmental in nature and involves the use of significant estimates and assumptions. These estimates and assumptions include revenue growth rates and operating margins used to calculate projected future cash flows, risk-adjusted discount rates, future economic and market conditions, and determination of appropriate market comparables. The Plan believes these assumptions are reasonable, but are inherently uncertain. Management used an annual independent appraisal in estimating fair value of the Company's preferred stock. Actual future results may differ materially from those estimates.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Fair Value Measurements (continued)

Common/Collective Trust Funds:

Valued at the net asset value (NAV) provided by the administrator of the fund. Issues and redemptions of units are recorded upon receipt of unit holder's instructions based on the determined NAV per unit, which is determined daily. The NAV is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. For these funds, there are no unfunded commitments, redemption restrictions, and participants can transact daily.

Mutual Funds:

Value at the net asset value of shares held by the Plan at year-end.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2016 and 2015. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Fair Value Measurements (continued)

Assets at Fair Value as of March 31, 2016:

	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
Marketable equity securities	\$ 32,732,432	\$ -	\$ -	\$ 32,732,432
Mutual funds	12,134,619	-	-	12,134,619
Corporate and other bonds	-	6,955,194	-	6,955,194
Agency bonds and asset-backed securities	-	613,674	-	613,674
U.S. government securities	-	2,823,011	-	2,823,011
Money market fund	-	4,075,265	-	4,075,265
Company preferred stock	-	-	405,792,365	405,792,365
Common collective trust funds measured at net asset value *	-	-	-	15,960,665
Total assets at fair value	\$ 44,867,051	\$ 14,467,144	\$ 405,792,365	\$ 481,087,225

Assets at Fair Value as of March 31, 2015:

	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
Marketable equity securities	\$ 38,150,828	\$ -	\$ -	\$ 38,150,828
Mutual funds	11,345,056	-	-	11,345,056
Corporate and other bonds	-	9,348,132	-	9,348,132
Agency bonds and asset-backed securities	-	614,315	-	614,315
U.S. government securities	-	3,785,677	-	3,785,677
Money market fund	-	2,303,608	-	2,303,608
Company preferred stock	-	-	565,345,645	565,345,645
Common collective trust funds measured at net asset value *	-	-	-	17,395,444
Total assets at fair value	\$ 49,495,884	\$ 16,051,732	\$ 565,345,645	\$ 648,288,705

* In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements March 31, 2016 and 2015

Fair Value Measurements (continued)

A reconciliation of changes in fair value of Company preferred stock classified as Level 3 in the fair value hierarchy for the years ended March 31, 2016 and 2015, is as follows:

	2016	2015
Balance – beginning of year	\$ 565,345,645	\$ 291,719,699
Net (depreciation) appreciation – unrealized	(141,468,898)	279,758,568
Redemption of shares	(18,084,382)	(6,132,622)
Balance – end of year	<u>\$ 405,792,365</u>	<u>\$ 565,345,645</u>

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluate the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the years ended March 31, 2016 and 2015, there were no transfers in or out of Level 1, Level 2 or Level 3.

Loan Payable

On September 30, 1993, the Trustee entered into a \$29,500,276 secured term loan agreement with the Company. The proceeds of the loan were used to purchase convertible preferred stock from the Company's shareholders. Unallocated shares are collateral for the loan. The agreement provides for the loan to be repaid over 30 years. The loan bears interest at the lower of the three-month London InterBank Offered Rate or 6.78%, determined at the beginning of the Plan year. At the beginning of fiscal years 2016 and 2015, the loan interest rate was 0.27% and 0.23%, respectively.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Loan Payable (continued)

The minimum scheduled amortization of the loan as of March 31, 2016, is as follows:

2017	\$ 500,000
2018	500,000
2019	500,000
2020	500,000
2021	500,000
Thereafter	<u>13,786,297</u>
Total	<u>\$ 16,286,297</u>

Management believes that the carrying value on the long-term debt is not materially different from its fair value as the interest rates and terms of the borrowing are similar to the currently available borrowings.

Party-in-Interest Transactions

The Plan's investments are held by Fifth Third Bank of Columbus (Fifth Third) and Northern Trust. The Plan has funds invested in a money market fund with Fifth Third. The Plan also has funds invested in common/collective trusts and mutual funds with Northern Trust. Fifth Third and Northern Trust are the Trustee and custodian, respectively, as defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions.

The Plan uses various investment managers to assist with the management of its investments. Fees paid to the investment managers also qualify as party-in-interest transactions.

The Plan has a loan with the Sponsor and this transaction qualifies as a party-in-interest transaction.

Plan Termination

The Company reserves the right to terminate the Plan at any time, subject to the Plan provisions. Upon such termination of the Plan, the interest of each participant in the trust fund will be distributed to such participant or his/her beneficiary at the time prescribed by the Plan terms and the Code. Upon termination of the Plan, the ESOP Committee shall direct the Trustee to pay all liabilities and expenses of the trust fund and to sell shares of financed stock held in the loan suspense account to the extent it determines such sale to be necessary to repay the loan.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Tax Status

The Internal Revenue Service (IRS) determined and informed the Company by a letter dated September 13, 2013, that the Plan was qualified and the trust established under the Plan was tax exempt, under the appropriate sections of the Internal Revenue Code (Code). The Company and the Plan management believe that the Plan is currently designed and operated in compliance with the applicable requirements of the Code, and the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of March 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however there are currently no audits for any tax periods in process.

Risks and Uncertainties

The Plan has investments in the Sponsor's stock and a combination of marketable securities, fixed-income securities, mutual funds, and other investment securities. Investment securities are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities and the Sponsor's stock could occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the 2016 statement of net assets available for plan benefits.

Reconciliation of Financial Statements to Form 5500

As of March 31, 2016 and 2015, the Plan had \$5,909,296 and \$6,609,573, respectively, of pending distributions to participants who elected to withdraw from the Plan. These amounts are recorded as a liability in the Plan's Form 5500; however, these amounts are not recorded as a liability in the accompanying statements of net assets available for plan benefits in accordance with accounting principles generally accepted in the United States of America.

The following is a reconciliation of net assets available for benefits per the financial statements at March 31, 2016 and 2015 to Form 5500:

	2016	2015
Net assets available for benefits per the financial statements	\$ 464,800,928	\$ 631,502,408
Accrued benefit payments	(5,909,296)	(6,609,573)
Net assets available for benefits per the Form 5500	\$ 458,891,632	\$ 624,892,835

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2016 and 2015

Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net income per the financial statements for the years ended March 31, 2016 and 2015, to Form 5500:

	2016	2015
Net (loss) income per the financial statements	\$(166,701,480)	\$ 274,164,855
Less: Amounts allocated to withdrawing participants at end of year	(5,909,296)	(6,609,573)
Less: Amounts allocated to withdrawing participants at beginning of year	<u>6,609,573</u>	<u>485,372</u>
Net income per Form 5500	<u>\$(166,001,203)</u>	<u>\$ 268,040,654</u>

Subsequent Events – Date of Management Evaluation

The Plan has evaluated subsequent events through the date of the Independent Auditor's Report, the date the financial statements were available to be issued.

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SUPPLEMENTAL INFORMATION

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	FEDERATED	PRIME VALUE OBLIGATIONS FUND SERVICE SHARES	\$ 4,075,265	\$ 4,075,265
	<i>U.S. Government Securities:</i>			
	U.S. TREASURY NOTE	3.1250%, due 05/15/2019	278,857	267,218
	U S TREASURY NOTE	0.8750%, due 01/31/2017	325,737	325,725
	U S TREASURY NOTE	1.2500%, due 01/31/2019	147,692	151,669
	U S TREASURY NOTE	2.0000%, due 02/15/2023	149,374	154,546
	U S TREASURY NOTE	3.0000%, due 02/28/2017	426,189	408,548
	U S TREASURY NOTE	1.0000%, due 06/30/2019	338,580	343,926
	U S TREASURY NOTE	2.1250%, due 08/15/2021	73,747	76,031
	U S TREASURY NOTE	2.6250%, due 11/15/2020	261,934	265,897
	U S TREASURY NOTE	2.6250%, due 04/30/2016	416,880	400,760
	U S TREASURY NOTE	4.0000%, due 08/15/2018	281,589	269,443
	U S TREASURY NOTE	2.1250%, due 05/15/2025	51,186	53,607
	U S TREASURY NOTE	4.2500%, due 11/15/2017	115,750	105,641
	Total U.S. Government securities		2,867,515	2,823,011
	<i>Corporate and Other Bonds:</i>			
	ABBVIE INC SR NT	2.5000%, due 05/14/2020	198,152	203,614
	ACORDA THERAPEUTICS INC	1.7500%, due 06/15/2021	30,949	23,059
	AMAZON COM INC	3.3000%, due 12/05/2021	80,474	85,482
	APPLE INC	1.0000%, due 05/03/2018	97,317	100,206
	ARES CAP CORP SR NT	4.7500%, due 01/15/2018	73,418	70,787
	AT&T INC	1.6000%, due 02/15/2017	100,651	100,369
	BANK AMER CORP	2.6000%, due 01/15/2019	126,752	127,114
	BIOMARIN PHARMACEUTICAL INC	0.7500%, due 10/15/2018	47,581	38,218
	BURLINGTON NORTHN SANTA FE	3.8500%, due 09/01/2023	129,236	136,807
	CAPITAL ONE FINL CORP SR NT	3.2000%, due 02/05/2025	140,197	148,497
	CEPHEID	1.2500%, due 02/01/2021	61,453	48,985
	CISCO SYSTEMS INC	1.6000%, due 02/28/2019	70,255	71,011
	CITRIX SYS INC	0.5000%, due 04/15/2019	60,894	63,662
	CVS CAREMARK CORP	2.2500%, due 12/05/2018	76,067	76,822
	DOW CHEM CO	4.2500%, due 11/15/2020	83,242	81,589
	EMERGENT BIOSOLUTIONS INC SR NT	2.8750%, due 01/15/2021	58,345	63,608
	FIFTH THIRD BANCORP SR NT	2.3000%, due 03/01/2019	124,857	126,131
	GENERAL ELEC CAP CORP MTN	2.9000%, due 01/09/2017	261,932	253,927
	GILEAD SCIENCES INC	1.6250%, due 05/01/2016	21,866	69,923
	GOLDMAN SACHS GROUP	2.6250%, due 01/31/2019	161,877	163,163
	GREENBRIER COS INC SR NT	3.5000%, due 04/01/2018	30,319	24,438
	HALLIBURTON CO	2.7000%, due 11/15/2020	170,530	172,587
	HEALTHSOUTH CORP CONVERTIBLE	2.0000%, due 12/01/2043	51,810	49,838
	HOLOGIC INC 02/21/13 STEP CPN	STEP CPN, due 12/15/2043	54,084	53,427
	ILLUMINA INC SR CONV	0.5000%, due 06/15/2021	51,125	52,767
	INCYTE CORP SR CV	0.3750%, due 11/15/2018	26,748	22,997
	INTEGRA LIFESCIENCES HLDGS	1.6250%, due 12/15/2016	55,329	58,219
	INTEL CORP	3.250 0%, due 8/01/2039	115,655	111,344
	INTEL CORP	1.9500%, due 10/01/2016	150,997	151,041
	JARDEN CORP SR SUB NT CONV	1.1250%, due 03/15/2034	25,728	27,830
	JPMORGAN CHASE & CO	2.2500%, due 01/23/2020	124,389	125,989
	KEYCORP MEDIUM TERM SR NTS	5.1000%, due 03/24/2021	130,941	127,261
	KRAFT FOODS GROUP INC SR NT	3.5000%, due 06/06/2022	148,304	157,673
	LAM RESEARCH CORP SR NT CONV	0.5000%, due 05/15/2016	127,561	133,875
	LIBERTY INTERACTIVE LLC	0.7500%, due 03/30/2043	89,854	116,812
	LIBERTY MEDIA CORP	1.3750%, due 10/15/2023	107,133	103,819

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Corporate and Other Bonds: (continued)</i>			
	LINKEDIN CORP	0.5000%, due 11/01/2019	158,975	131,316
	MEDIDATA SOLUTIONS INC	1.0000%, due 08/01/2018	58,677	50,719
	MGIC INVT CORP WIS	5.0000%, due 05/01/2017	62,035	56,994
	MICROCHIP TECHNOLOGY INC BD	1.6250%, due 02/15/2025	50,945	51,437
	MICRON TECHNOLOGY INC	1.6250%, due 02/15/2033	103,554	45,898
	MOLINA HEALTHCARE INC	1.6250%, due 08/15/2044	48,733	52,710
	MOLINA HEALTHCARE INC SR NT	1.1250%, due 01/15/2020	58,357	78,960
	NUVASIVE INC	2.7500%, due 07/01/2017	50,596	54,234
	NVIDIA CORP	1.0000%, due 12/01/2018	76,551	115,985
	OLD REP INTL CORP SR NT	3.7500%, due 05/15/2018	108,256	111,488
	ON SEMICONDUCTOR CORP	2.6250%, due 12/15/2026	51,732	46,494
	ORACLE CORP	5.7500%, due 04/15/2018	30,345	32,801
	PHILLIPS 66 GTD SR NT	4.3000%, due 04/01/2022	77,791	79,850
	PRICELINE GRP INC	0.3500%, due 06/15/2020	128,876	132,000
	RED HAT INC	0.2500%, due 10/01/2019	111,468	111,657
	RTI INTL METALS INC	1.6250%, due 10/15/2019	23,002	23,017
	RYLAND GROUP INC	1.6250%, due 05/15/2018	83,298	85,312
	SALESFORCE COM INC	0.2500%, due 04/01/2018	144,382	154,687
	SEACOR SMIT INC	2.5000%, due 12/15/2027	107,088	85,219
	SERVICENOW INC SR NT	ZERO CPN, due 11/01/2018	53,453	53,073
	SIMON PPTY GROUP L P	3.3750%, due 03/15/2022	73,811	79,245
	SPIRIT RLTY CAP INC SR NT CONV	3.7500%, due 05/15/2021	50,040	50,314
	STARWOOD PROPERTY TRUST	4.5500%, due 03/01/2018	47,975	42,106
	STARWOOD WAYPOINT RESIDENTIAL	3.0000%, due 07/01/2019	53,783	54,486
	SUNPOWER CORP	0.7500%, due 06/01/2018	56,970	48,455
	SYNCHRONOSS TECHNOLOGIES INC	0.7500%, due 08/15/2019	85,452	77,100
	TAKE-TWO INTERACTIVE SOFTWARE NT	1.7500%, due 12/01/2016	40,102	57,185
	TARGET CORP	3.8750%, due 07/15/2020	82,703	82,053
	TESLA MTRS INC	1.2500%, due 03/01/2021	237,068	214,220
	U S BANCORP MTN	1.9500%, due 11/15/2018	160,714	162,522
	UNITEDHEALTH GROUP INC	2.8750%, due 03/15/2023	154,333	153,997
	VALERO ENERGY CORP	6.1250%, due 06/15/2017	116,952	104,351
	VERIZON COMMUNICATIONS INC	5.1500%, due 09/15/2023	188,922	201,987
	WEBMD HEALTH CORP SR NT	2.5000%, due 01/31/2018	53,894	57,125
	WELLS FARGO & CO	5.6250%, due 12/11/2017	86,684	80,389
	WELLS FARGO & CO MTN	2.1000%, due 05/08/2017	180,007	176,995
	WORKDAY INC	1.5000%, due 07/15/2020	74,109	76,578
	WORKDAY INC SR NT CONV	0.7500%, due 07/15/2018	92,891	87,994
	CTRIIP COM INTL LTD	1.2500%, due 10/15/2018	49,658	51,350
	Total corporate and other bonds		<u>6,940,204</u>	<u>6,955,194</u>

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Agency Bonds and Asset-Backed Securities:</i>			
	FANNIE MAE	0.8750%, due 02/08/2018	256,066	262,603
	FREDDIE MAC	1.0000%, due 03/08/2017	352,495	351,071
	Total agency bonds and asset-backed securities		608,561	613,674
	<i>Marketable Equity Securities:</i>			
	ABBOTT LABS	5,030 shares	168,895	210,405
	ABBVIE INC	5,981 shares	355,264	341,635
	ADOBE SYS INC	1,763 shares	131,946	165,369
	AETNA INC	1,871 shares	91,427	210,207
	AGILENT TECHNOLOGIES INC	6,385 shares	251,948	254,442
	AIA GROUP LTD ADR	5,835 shares	106,017	132,250
	AIR LIQUIDE SA ADR	5,323 shares	128,472	119,970
	ALEXION PHARMACEUTICALS INC	12,41 shares	179,955	172,772
	ALFA LAVAL AB SWEDEN ADR	2,540 shares	39,032	41,641
	ALLERGAN PLC SHS	1,464 shares	304,273	392,396
	ALLIANZ SE ADR	6,910 shares	111,698	112,564
	ALPHABET INC CAP STK CL A	843 shares	397,461	643,125
	ALPHABET INC CAP STK CL C	354 shares	153,844	263,712
	AMAZON.COM INC	673 shares	252,609	399,520
	AMC NETWORKS INC CLASS A	509 shares	19,531	33,054
	AMDOCS LIMITED	3,780 shares	146,354	228,388
	AMERICAN EXPRESS CO	2,872 shares	236,698	176,341
	AMERICAN TOWER CORP	1,859 shares	144,948	190,306
	AMGEN INC	574 shares	87,649	86,060
	ANADARKO PETE CORP	5,059 shares	326,867	235,598
	ANHEUSER BUSCH INBEV SA/NV ADR	662 shares	58,648	82,525
	ANTHEM INC CORP UNIT	1,780 shares	91,047	83,108
	APPLE INC	2,164 shares	174,594	235,854
	ARM HOLDINGS PLC ADR	2,534 shares	98,569	110,710
	ASTRAZENECA PLC ADR	9,790 shares	325,851	275,686
	ATLAS COPCO AB ADR	2,280 shares	64,038	57,458
	AUTODESK INC	1,944 shares	79,989	113,355
	B & T CORPORATION	8,880 shares	318,755	295,438
	BAIDU INC ADR	655 shares	115,763	125,026
	BANCO BILBAO VIZCAYA ARGENTINA	5,920 shares	62,627	38,598
	BAYERISCHE MOTOREN WERKE AG ADR	2,410 shares	85,797	73,876
	BIOGEN INC	1,845 shares	459,851	480,290
	BOEING CO	385 shares	52,071	48,872
	BOSTON SCIENTIFIC CORP	8,537 shares	155,041	160,581
	BRISTOL MYERS SQUIBB CO	3,183 shares	208,363	203,330
	BROADCOM LTD SHS	1,982 shares	208,839	306,219
	BUNGE LTD	1,200 shares	88,828	68,004
	CANADIAN NATIONAL RAILWAY CO	1,400 shares	66,972	87,444
	CAPITAL ONE FINL CORP	4,295 shares	282,553	297,686
	CAPITAL ONE FINL CORP DEPOSITARY	1,234 shares	30,459	32,467
	CELGENE CORP	1,765 shares	111,139	176,659
	CHARTER COMMUNICATIONS INC DEL	628 shares	114,063	127,126
	CITIGROUP INC	5,033 shares	252,983	210,128
	CITIZENS FINL GROUP INC	8,535 shares	201,320	178,808
	CITRIX SYS INC	1,074 shares	77,028	84,395

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	COCA COLA CO	7,035 shares	287,559	326,354
	COLOPLAST A/S ADR	5,120 shares	37,509	38,861
	COMCAST CORP CL A	6,807 shares	251,405	415,771
	COSTAR GROUP INC	564 shares	90,998	106,128
	COSTCO WHOLESALE CORP	785 shares	84,187	123,700
	CREE, INC	1,556 shares	71,106	45,280
	CSL LTD ADR	2,280 shares	57,145	88,956
	CVS HEALTH CORPORATION	5,015 shares	330,646	520,206
	DANAHER CORP	2,653 shares	190,135	251,664
	DASSAULT SYSTEMES SA ADR	1,951 shares	99,588	155,028
	DBS GROUP HOLDINGS LTD ADR	1,199 shares	62,336	54,776
	DELPHI AUTOMOTIVE PLC SHS	1,284 shares	100,560	96,326
	DELTA AIR LINES INC	2,559 shares	80,315	124,572
	DISCOVERY COMMUNICATIONS	2,074 shares	63,346	59,379
	DISNEY WALT CO	1,080 shares	78,965	107,255
	DOLBY LABORATORIES INC-CL A	1,351 shares	57,467	58,714
	DOLLAR TREE INC	1,727 shares	135,498	142,408
	EBAY INC	13,205 shares	334,940	315,071
	ECOLAB INC	961 shares	90,227	107,171
	EDWARDS LIFESCIENCES CORP	1,185 shares	84,863	104,529
	ELECTRONIC ARTS	2,309 shares	137,354	152,648
	EOG RES INC	4,488 shares	364,053	325,739
	EXELON CORP CONV UNIT	1,385 shares	71,499	68,184
	FACEBOOK INC	3,471 shares	205,533	396,041
	FANUC CORP ADR	5,220 shares	149,407	135,344
	FIRST DATA CORP NEW COM CL A	8,329 shares	133,511	107,777
	FLEETCOR TECHNOLOGIES INC	803 shares	110,697	119,446
	FLUOR CORP	2,221 shares	157,671	119,268
	FORD MOTOR COMPANY	15,065 shares	201,977	203,377
	FREEPORT-MCMORAN INC	8,271 shares	172,649	85,522
	FRESENIUS MEDICAL CARE AG & CO ADR	1,640 shares	60,706	72,291
	FUCHS PETROLUB SE ADR	4,472 shares	51,838	50,024
	GOLDMAN SACHS GROUP INC DEPOSITARY SHS	3,802 shares	93,053	95,050
	GRIFOLS SA ADR	2,240 shares	39,206	34,653
	HOME DEPOT INC	1,777 shares	201,574	237,105
	HONEYWELL INTL INC	1,289 shares	133,003	144,432
	HOST HOTELS AND RESORTS	13,205 shares	262,096	220,523
	HP INC	17,500 shares	211,559	215,600
	IMMUNOGEN INC	2,786 shares	37,652	23,737
	IMPERIAL OIL LTD	1,070 shares	49,853	35,738
	INTUIT	1,699 shares	161,269	176,713
	INTUITIVE SURGICAL INC	181 shares	102,683	108,790
	IONIS PHARMACEUTICALS INC	1,595 shares	35,335	64,597
	ITAU UNIBANCO HOLDINGS SA	5,676 shares	60,769	48,757
	JGC CORP ADR	1,380 shares	82,885	41,378
	KONE OYJ ADR	2,464 shares	55,432	59,471
	L BRANDS INC	967 shares	88,771	84,912
	L-3 COMMUNICATIONS HLDGS INC	1,355 shares	118,748	160,567
	LIBERTY BROADBAND CORP COM SER A	148 shares	9,765	8,608
	LIBERTY BROADBAND CORP COM SER C	296 shares	4,839	17,153

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	LIBERTY INTERACTIVE CORP LIBERTY VENTURES COM SER A	368 shares	6,693	14,396
	LIBERTY INTERACTIVE CORPORATION OVC GROUP COM SER A	2,980 shares	43,502	75,245
	LIBERTY MEDIA CORP DEL COM SER C	1,185 shares	14,486	45,137
	LIBERTY MEDIA CORP DELAWARE CL A	595 shares	28,268	22,985
	LINDE AG ADR	2,240 shares	42,063	32,686
	LOCKHEED MARTIN CORP	622 shares	133,213	137,773
	L'OREAL SA ADR	2,962 shares	83,459	106,288
	LULULEMON ATHLETICA INC	1,752 shares	115,467	118,628
	LVMH MOET HENNESSY LOUIS VUITTON ADR	1,260 shares	43,970	43,218
	MANPOWERGROUP, INC.	2,472 shares	177,923	201,270
	MASTERCARD INC	2,473 shares	154,779	233,698
	MCKESSON CORPORATION	1,921 shares	317,837	302,077
	MEDTRONIC PLC	794 shares	59,819	59,550
	METLIFE INC	7,120 shares	314,721	312,853
	MGM MIRAGE	15,725 shares	373,699	337,144
	MICROSOFT CORP	4,748 shares	251,656	262,232
	MITSUBISHI ESTATE LTD ADR	2,050 shares	57,657	38,130
	MOBILEYE N V AMSTEVEEN ORD	3,484 shares	139,130	129,918
	MONOTARO CO LTD ADR	1,620 shares	17,885	48,213
	MOODYS CORP	1,242 shares	119,284	119,928
	MTN GROUP LTD SPONSORED ADR	3,300 shares	66,578	30,334
	NASPERS LTD ADR	6,050 shares	83,785	84,779
	NATIONAL-OILWELL INC	1,445 shares	100,481	44,939
	NESTLE SA ADR	1,890 shares	126,105	141,801
	NEXTERA ENERGY CAP HLDGS INC PERFERRED	696 shares	16,939	17,727
	NEXTERA ENERGY INC EQUITY UNIT	1,085 shares	60,919	66,076
	NIKE INC	4,502 shares	180,776	276,738
	NORDSTROM INC	4,055 shares	237,345	231,987
	NORFOLK SOUTHN CORP	2,832 shares	194,125	235,764
	NOW INC	2,097 shares	59,614	37,159
	NUANCE COMMUNICATIONS INC	1,998 shares	32,300	37,343
	NUCOR CORP	3,018 shares	147,636	142,751
	NXP SEMICONDUCTORS	1,609 shares	129,623	130,442
	O REILLY AUTOMOTIVE INC	397 shares	95,523	108,643
	OCCIDENTAL PETE CORP	3,006 shares	204,850	205,701
	ORACLE CORPORATION	8,873 shares	362,654	362,994
	PALO ALTO NETWORKS INC	822 shares	129,530	134,101
	PARK24 CO LTD SPONSORED ADR	1,720 shares	48,534	48,205
	PAYPAL HLDGS INC	2,786 shares	93,540	107,540
	PENTAIR PLC SHS	1,155 shares	59,785	62,670
	PIONEER NATURAL RESOURCES CO	721 shares	95,585	101,474
	PPG INDS INC	1,330 shares	145,526	148,282
	PRICELINE GROUP INC	145 shares	149,119	186,899
	QUALCOMM INC	6,205 shares	419,503	317,324
	QUINTILES TRANSNATIONAL HLDGS	2,345 shares	162,302	152,659
	REGIONS FINL CORP	25,710 shares	213,971	201,823
	REGIONS FINL CORP NEW DEP SHS REPSTG 1/40TH PERP PFD SER B FIXED-FLTG	994 shares	24,883	26,838
	ROCHE HOLDING AG ADR	3,887 shares	104,323	120,093
	ROYAL DUTCH SHELL PLC CL A ADR	4,335 shares	208,764	210,031
	ROYAL DUTCH SHELL PLC CL B ADR	2,390 shares	108,707	117,564
	SALESFORCE.COM INC	2,636 shares	160,039	194,616

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	SANDISK CORP	1,629 shares	89,953	123,934
	SAP SE ADR	1,566 shares	111,632	125,938
	SASOL LTD ADR	1,450 shares	65,318	42,833
	SBA COMMUNICATIONS CORP	976 shares	72,635	97,766
	SCHLUMBERGER LTD	1,210 shares	100,995	89,237
	SEAGATE TECHNOLOGY PLC SHS	4,356 shares	110,802	150,064
	SERVICENOW INC	1,518 shares	92,413	92,871
	SHERWIN WILLIAMS CO	506 shares	138,244	144,043
	SONOVA HOLDING AG ADR	1,700 shares	38,572	43,598
	SOUTHWESTERN ENERGY CO DEP SHS REPSTG 1/20TH INT MANDATORY CONV PFD SER B	1,620 shares	89,049	31,768
	STANLEY BLACK & DECKER INC	450 shares	54,896	50,746
	STARBUCKS CORP	3,965 shares	152,134	236,710
	STARZ CL A	730 shares	6,062	19,221
	SVENSKA HANDELSBANKEN AB ADR	5,760 shares	36,847	36,697
	SYMANTEC CORP	12,659 shares	237,631	232,672
	SYMRISE AG ADR	3,110 shares	42,793	52,273
	SYNCHRONY FINL	10,780 shares	279,880	308,955
	SYSTEMS CORP ADR	3,679 shares	52,940	115,219
	TAIWAN SEMICONDUCTOR MANUFACTURE ADR	6,125 shares	107,185	160,475
	TE CONNECTIVITY LTD REG SHS	2,572 shares	107,551	159,258
	TIME WARNER INC	999 shares	73,220	72,477
	TURKIYE GARANTI BANKASI AS ADR	15,020 shares	62,928	43,949
	TWITTER INC	5,789 shares	130,918	95,808
	TYCO INTERNATIONAL PLC	3,897 shares	115,614	143,059
	TYSON FOODS INC TANGIBLE EQUITY UNIT 1 PREPAID STK PUR CONTRACT	1,310 shares	65,215	97,569
	ULTA SALON COSMETICS & FRAGRANCE	626 shares	57,795	121,281
	UNDER ARMOUR INC	1,543 shares	135,836	130,893
	UNICHARM CORP ADR	11,072 shares	38,671	48,252
	UNILEVER PLC ADR	1,490 shares	57,076	67,318
	UNITED PARCEL SVC INC	2,999 shares	305,446	316,305
	UNITEDHEALTH GROUP INC	5,156 shares	411,306	664,608
	UNIVERSAL HEALTH SVCS	1,613 shares	174,381	201,173
	VERIZON COMMUNICATIONS INC	5,491 shares	224,913	253,516
	VERTEX PHARMACEUTICALS INC	680 shares	33,334	54,053
	VISA INC CL A	5,344 shares	195,588	408,709
	WEATHERFORD INTL PLC ORD SHS	18,438 shares	298,772	143,448
	WESTERN DIGITAL CORP	1,332 shares	86,805	62,924
	WILLIS TOWERS WATSON PUB LTD SHS	1,898 shares	189,027	225,217
	WPP PLC ADR	1,135 shares	98,119	132,148
	ZOETIS INC	4,506 shares	203,420	199,751
	AMG CAPITAL TRUST II 5.15 PFD	1,445 shares	88,452	79,791
	AMSURG CORP PFD CONV 5.25% SERIES A	345 shares	42,647	49,159
	BANK OF AMERICA 7.25% PFD SERIES L	110 shares	129,514	125,180
	BB&T CORP DEP SHS PFD-D	1,021 shares	25,463	26,709
	COMCAST CORP PFD	699 shares	17,559	18,384
	CROWN CASTLE INTL CORP NEW PFD	505 shares	50,242	54,136
	FRONTIER COMMUNICATIONS CORP PFD SERIES A	574 shares	57,974	59,926
	GENERAL ELEC CAP COR NT PFD	1,595 shares	39,458	41,885
	JPMORGAN CHASE & CO PFD 1/400TH SERIES O	2,475 shares	60,269	63,112
	MORGAN STANLEY PFD 1/1000TH SERIES G	2,359 shares	59,722	62,915
	PRUDENTIAL FINL INC JR SUB NT PFD	696 shares	17,476	18,256

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	Cost	Value
	<i>Marketable Equity Securities: (continued)</i>			
	PUBLIC STORAGE DEP SHS PFD SERIES U	334 shares	8,231	8,767
	STATE STR CORP PFD SERIES C	1,225 shares	29,833	31,666
	TEVA PHARMACEUTICAL INDUSTRIES 12/08/15 7.000 12/15/18 PFD CONV ISIN IL0062905489	80 shares	80,200	70,715
	WELLS FARGO CO PFD 7.5% SERIES L	140 shares	172,776	168,700
	AEGON 0.0000% PFD	839 shares	17,569	18,936
	AEGON N V PS	942 shares	24,455	25,425
	AEGON NV 6.3750% PFD	1,902 shares	43,635	48,292
	AFFILIATED MANAGERS GROUP INC PFD	276 shares	6,942	7,245
	AFLAC INC SUB DEB 52	1,539 shares	37,048	39,691
	ALCOA INC DEP SHS 1/10TH	830 shares	38,894	27,382
	ALEXANDRIA REAL ESTATE EQUITIES INC PFD SERIES E	334 shares	8,191	8,651
	ALLERGANPLC PFD SERIES A	190 shares	193,837	174,637
	ALLSTATE CORP PFD 6.7500% DUE 12/31/49 SERIES C	699 shares	17,870	19,397
	ALLSTATE CORP PFD 1/100TH SERIES E	1,239 shares	31,844	34,011
	ALLSTATE CORP PFD 1/1000TH SERIES A	360 shares	8,803	9,400
	ALLSTATE CORP PFD 1/1000TH	376 shares	9,411	10,054
	ALLSTATE CORP PFD 5.1000% 1/15/53	137 shares	3,466	3,572
	AMERICAN FINANCIAL GROUP INC 5.7500% DUE 8/25/42	397 shares	10,065	10,215
	AMERICAN FINL GROUP INC PFD 6.25%	533 shares	13,556	14,178
	AMERICAN TOWER CORP PFD CONV SERIES A	770 shares	81,934	80,811
	ARCH CAP GROUP LTD PFD 6.7500%	1,292 shares	32,603	34,380
	AXIS CAPITAL HOLDINGS LTD PFD 6.8750% SERIES C	1,290 shares	32,868	33,385
	AXIS CAPITAL HOLDINGS LTD PFD	823 shares	18,726	20,921
	BANK AMER CORP PFD NON CUM SER CC	328 shares	8,252	8,544
	BANK OF AMERICA CORP PFD 6.2040% SERIES D	1,139 shares	25,688	29,603
	BANK OF AMERICA CORP PFD SERIES 3	596 shares	13,150	15,496
	BANK OF AMERICA CORP PFD 6.5000%	2,618 shares	66,072	69,246
	BANK OF AMERICA CORP PFD 6.625% SERIES W	2,527 shares	63,609	67,698
	BANK OF AMERICA CORPORATION PFD 6.625%	818 shares	19,276	21,669
	BANK OF NEW YORK MELLON CORP PFD SERIES C	2,370 shares	57,934	60,790
	BARCLAYS BANK PLC PFD SR3 7.1000%	281 shares	6,804	7,177
	BARCLAYS BK 6.625% PFD	1,324 shares	31,636	33,775
	BB&T CORP PFD 5.6250% SERIES E	2,645 shares	64,303	67,765
	BB&T CORP PFD 5.6250% SERIES H	488 shares	12,191	12,346
	BB&T CORP DEP SHS PFD	1,211 shares	29,316	30,711
	BB&T CORP PFD 1/1000 INT SERIES 5.2000%	410 shares	9,332	10,332
	BERKLEY W R CORP PFD DUE 04/30/53	997 shares	23,897	24,995
	CAPITAL ONE FINANCIAL CO PFD 6.0000% SERIES B	2,649 shares	65,367	68,318
	CAPITAL ONE FINANCIAL CO PFD 6.7000%	1,954 shares	51,032	53,071
	CAPITAL ONE FINL CORP PFD SERIES F	448 shares	11,178	11,648
	CITIGROUP INC PFD 1/1000 SERIES J	939 shares	24,560	25,663
	CITIGROUP INC PFD 1/1000TH PFD SERIES K	2,581 shares	67,394	70,616
	CITIGROUP INC PFD	1,339 shares	34,686	36,354
	CITIGROUP INC PED	1,248 shares	31,028	32,186
	DB CAP TRST II PFD 6.5500% DUE 8/29/49	1,309 shares	31,464	31,678
	DIGITAL REALTY TR INC PFD 6.6250% SERIES F	327 shares	8,080	8,665
	DIGITAL RLTY TR INC PFD 7.0000% SERIES E	447 shares	10,907	11,394
	DIGITAL RLTY TR INC PFD SERIES G	358 shares	8,684	8,979
	DIGITAL RLTY TR INC PFD SERIES H	449 shares	11,336	12,460
	DOMINION RESOURCES INC PFD 6.3750%	555 shares	28,902	27,917
	DTE ENERGY CO JR SB 12/01/61	476 shares	12,073	12,281

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued)

March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	Cost	Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	DTE ENERGY CO SUB DEB 62	204 shares	5,068	5,249
	DUKE ENERGY CORP PFD 5.1250%	574 shares	14,255	14,935
	ENTERGY ARK INC 1ST MTG BD	215 shares	5,367	5,418
	ENTERGY ARK INK PED 4.7500%	219 shares	5,369	5,506
	ENTERGY ARKANSAS 1ST M PFD 5.7500%	344 shares	8,637	8,724
	ENTERGY LA LLC PFD 1ST MTG BD SER	170 shares	4,217	4,298
	ENTERGY LA LLC PED	324 shares	8,321	8,213
	ENTERGY MISSISSIPPI INC 6.0000% PFD	367 shares	9,120	9,432
	ENTERGY NEW ORLEANS INC PED	405 shares	10,270	10,299
	FIAT CHRYSLER AUTOMOBILES PFD	355 shares	32,580	26,007
	GENERAL ELEC CAP CORP NT 53	1,597 shares	39,774	42,177
	GENERAL ELEC CAP CORP NT PFD DUE 05/16/53	1,623 shares	40,259	42,441
	GOLDMAN SACHS	399 shares	10,196	10,446
	GOLDMAN SACHS GROUP INC PFD 6.5000%	1,544 shares	38,508	40,314
	GOLDMAN SACHS GROUP INC PFD SERIES I	696 shares	17,478	17,978
	GOLDMAN SACHS GROUP INC PFD	1,376 shares	34,971	38,280
	HARTFORD FINL SVCS GROUP INC	805 shares	21,868	25,132
	HESS CORP PFD 1/20TH SERIES A	835 shares	45,735	56,296
	HOSPITALITY PTYS TR PFD	1,006 shares	25,326	26,297
	HSBC HLDGS PLC ADR PFD 1/40 SERIES A	567 shares	13,705	14,521
	HSBC HLDGS PLC PFD	3,611 shares	97,426	94,608
	ING GROEP N V PFD 6.1250%	729 shares	15,867	18,524
	ING GROEP N V PFD 6.1250%	452 shares	9,729	11,499
	ING GROEP NV PFD 6.3750%	1,676 shares	37,202	43,123
	JPMORGAN CHASE & CO PFD 1/400	1,763 shares	42,919	44,956
	JPMORGAN CHASE & COPFD 6.300% SERIES W	804 shares	20,064	21,177
	JPMORGAN CHASE & CO PFD 1/400TH SERIES AA	479 shares	11,839	12,516
	JPMORGAN CHASE & CO PFD 1/400TH SERIES T	1,203 shares	30,139	33,323
	JPMORGAN CHASE & CO PFD 1/400TH SERIES Y	1,190 shares	29,701	31,166
	KIMCO RLTY CORP 1/1000 PFD J 5.500%	354 shares	8,624	9,137
	KIMCO RLTY CORP 1/1000TH PFD SERIES I	973 shares	24,000	25,210
	KIMCO RLTY CORP PFD	666 shares	16,424	16,976
	MORGAN STANLEY 0.0000% PFD SERIES A	749 shares	17,215	15,190
	MORGAN STANLEY PFD DUE 10/15/23	2,287 shares	62,249	65,065
	MORGAN STANLEY PFD SERIES F 6.8750%	845 shares	22,561	22,933
	NATIONAL RETAIL PTYS INC PFD 1/100TH PFD SERIES E	729 shares	17,928	18,969
	NATIONAL RETAIL PROPERTIES PFD SERIES D	975 shares	24,442	25,447
	NESTERRA ENERGY CAP HLDGS INC 5.6250%	485 shares	12,076	12,416
	NEXTERA ENERGY CAL HLDGS INC 5.0000% PFD	283 shares	6,925	7,197
	NEXTERA ENERGY CAP HLDGS PFD	320 shares	7,954	8,301
	PNC FINL SVCS GROUP PFD 1/4000TH SERIES P	3,662 shares	96,322	106,637
	PPL CAP FDG INC JR SUB NT PFD	403 shares	10,086	10,692
	PROTECTIVE LIFE CORP PFD	760 shares	18,650	19,912
	PRUDENTIAL FINL INC JR SUB NT	923 shares	22,780	23,998
	PS BUSINESS PARK INC PFD 6.4500% SERIES S	627 shares	15,584	16,177
	PS BUSINESS PKS INC PFD 1/1000PFD SERIES U	207 shares	5,130	5,253
	PS BUSINESS PKS INC PFD 1/1000TH SERIES T	1,225 shares	30,181	31,617
	PUBLIC STORAGE PFD 5.2000% SERIES X	210 shares	5,122	5,399

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	PUBLIC STORAGE DEP	604 shares	14,917	15,467
	PUBLIC STORAGE DEP SHS PFD SERIES S	910 shares	22,550	23,451
	PUBLIC STORAGE DEP SHS PFD SERIES A	233 shares	5,771	6,251
	PUBLIC STORAGE DEP SHS			
	PFD1/1000TH SERIES Y 6.375%	428 shares	10,647	11,924
	PUBLIC STORAGE DEP SHS REPSTG			
	1/1000TH PFD SH BEN INT SER Z	598 shares	14,850	16,481
	PUBLIC STORAGE PFD SERIES R	926 shares	23,116	23,715
	PUBLIC STORAGE PFD SHS SERIES Q	457 shares	11,383	11,448
	PUBLIC STORAGE PFD T 1/1000TH	1,111 shares	27,454	29,175
	QWEST CORP 7.3750% PFD	1,181 shares	29,964	30,151
	QWEST CORP NT .0000%	469 shares	11,729	11,959
	QWEST CORP NT 7.0000% PED	316 shares	7,899	8,052
	QWEST CORP PFD SERIES A	1,054 shares	26,503	27,067
	RAYMOND JAMES PFD	378 shares	9,644	9,911
	RBS CAP FDG TR VII PFD 6.0800%	1,161 shares	27,674	28,003
	RBS CAPITAL FNDG TR V PFD 5.9000%	2,225 shares	54,581	53,685
	REALTY INCOME CORP MNTHLY INC	1,307 shares	32,508	34,021
	REGENCY CENTERS CORP 6.6250% SERIES 6	636 shares	15,863	16,542
	REGENCY CTRS CORP PFD SERIES 7	205 shares	5,047	5,232
	RENAISSANCERE 6.0800% SERIES C	142 shares	3,248	3,620
	RENAISSANCERE HLDGS LTD PFD	914 shares	22,518	23,124
	ROYAL BANK OF SCOTLAND 6.6000% PFD	591 shares	12,575	14,710
	ROYAL BK SCOTLAND GROUP PLC			
	PFD 5.7500% SERIES L	2,975 shares	51,968	71,995
	SCE TR I PFD	161 shares	4,052	4,107
	SCE TR II TR PFD	167 shares	4,086	4,228
	SCE TR V FXD/FLTG RATE TR PFD	247 shares	6,245	6,583
	SCHWAB CHARLES CORP 5.950% PFD	482 shares	12,177	12,556
	SCHWAB CHARLES CORP	966 shares	23,989	25,464
	SCHWAB CHARLES CORP PFD SERIES C	3,598 shares	91,686	94,915
	SENIOR HOUSING PROPERTIES TRUST 5.6250%	906 shares	21,925	22,668
	SENIOR HSG PPTYS TR SR NT	316 shares	7,759	7,979
	SOUTHERN CO PFD JR SUB NT SERIES 2015A	317 shares	8,058	8,664
	STANLEY BLACK & DECKER INC	1,452 shares	36,369	37,839
	STATE STR CORP PFD 1/4000TH SERIES D	1,104 shares	28,529	30,150
	STATE STR CORP 1/4000TH	2,338 shares	58,746	62,097
	SUNTRUST BKS INC PFD SERIES E	319 shares	7,504	8,230
	T MOBILE US INC PFD SERIES A 5.5000%	770 shares	45,698	50,974
	TCF FINL CORP PFD 1/1000SERIES A	755 shares	19,748	20,007
	TORCHMARK CORP JR SUB DEB	400 shares	10,156	10,112
	UBS PFD FDG TR IV TR PFD	1,596 shares	26,200	27,084
	US BANCORP 5.5600% PFD	287 shares	6,106	6,317
	US BANCORP DEL	1,290 shares	35,799	37,952
	US BANCORP DEL DEP SHS	439 shares	11,244	11,550
	US BANCORP DEL PFD SERIES H	970 shares	23,955	24,977
	VENTAS RLTY LTD PARTNERSHIP	670 shares	16,798	17,601
	VORNADO RLTY TR 6.8750% PFD SERIES J	418 shares	10,562	10,576
	VORNADO RLTY TR PFD SERIES K	468 shares	11,637	11,982
	VORNADO RLTY TR PFD SERIES K	356 shares	8,693	8,905
	WELLS FARGO & CO PFD 8.0000% SERIES J	706 shares	20,556	19,804
	WELLS FARGO & CO PFD	2,171 shares	53,528	57,228
	WELLS FARGO & CO PFD CL A	2,384 shares	65,416	69,923
	WELLTOWER INC 6.5000% PFD SERIES I	605 shares	42,966	37,570

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	WELLTOWER INC PFD SERIES J 6.5000%	644 shares	16,242	16,879
	AMERICAN FINL GROUP INC OHIO SR NT	321 shares	7,975	8,491
	Total marketable equity securities		<u>29,875,709</u>	<u>32,732,432</u>
	<i>Common/Collective Trust Funds:</i>			
*	NORTHERN	Emerging Markets Index Fund	\$ 338,290	\$ 302,443
*	NTCC	Emerging Markets Fund FEBT	265,442	277,774
*	NORTHERN	All Country World EX-US IMI Fund	884,446	892,609
*	NTCC	International Equity Fund	1,542,282	1,680,706
*	NTGI-QM	Russell 1000 Index Fund	3,798,571	5,609,009
*	NTCC	SMALL CAP FD FEBT	941,078	1,134,824
*	NTCC	Short-Term Investment Fund	455,070	455,070
*	NT	Collective Global Real Estate Index Fund	777,878	973,672
*	NT	Collective S&P 400 Index Fund	1,009,989	1,092,510
*	NTGI-QM	Coltv Daily 1-5 yr CR BD Index Fund	1,064,841	1,116,008
*	NORTHERN	Collective Aggregate Bond Index Fund Lending	2,096,492	2,426,040
	Total common/collective trust funds		<u>13,174,379</u>	<u>15,960,665</u>
	<i>Mutual Funds:</i>			
	MFC	MFC- Flexshares TR Morning Star Global	1,102,827	829,721
	DFA	US L/C Value	1,783,324	1,730,388
	HBR	HBR FD Cap Appreciation Fund	1,759,086	1,715,719
*	NORTHERN	Multi Manager Global Listed Infrastructure Fund	880,132	930,179
	MFO	Doubleline Core Fixed Income Fund	2,386,205	2,365,390
*	NORTHERN	Multi Manager High Yield Opportunity Fund	2,063,626	1,799,825
	MFC	Flexshares TR Iboxx 3 Yr Target Index Fund	789,718	777,793
	OPPENHEIMER	International Bond Fund	867,351	777,479
	OPPENHEIMER	Senior Floating Rate	1,333,147	1,208,125
	Total mutual funds		<u>12,965,416</u>	<u>12,134,619</u>
*	<i>Preferred Stock - 2.5% Cumulative Convertible Voting</i>			
	Preferred Stock, \$0.01 Par Value:			
	Allocated shares	8,372,922 shares	6,545,950	136,897,269
	Unallocated shares	16,446,183 shares	12,857,626	268,895,096
	Total preferred stock		<u>19,403,576</u>	<u>405,792,365</u>
			<u>\$ 89,910,625</u>	<u>\$ 481,087,225</u>

* Denotes party-in-interest

See Independent Auditor's Report.

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4085 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 8047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2015****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2015 or fiscal plan year beginning 04/01/2015 and ending 03/31/2016

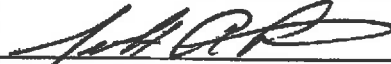
- A** This return/report is for: ☐ a multiemployer plan; ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions); or ☒ a single-employer plan; ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report; ☐ the final return/report; ☐ an amended return/report; ☐ a short plan year return/report (less than 12 months).
- C** If the plan is a collectively-bargained plan, check here: ☐
- D** Check box if filing under: ☒ Form 5558; ☐ automatic extension; ☐ the DFVC program; ☐ special extension (enter description) _____

Part II Basic Plan Information—enter all requested information

1a Name of plan ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN	1b Three-digit plan number (PN) ▶ 003
	1c Effective date of plan 04/01/1993
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (If foreign, see instructions) ADVANCED DRAINAGE SYSTEMS, INC. 4640 TRUEMAN BOULEVARD HILLIARD OH 43026-2438	2b Employer Identification Number (EIN) 51-0105665 2c Plan Sponsor's telephone number 800-733-7473 2d Business code (see instructions) 326100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		<u>1/09/17</u>	SCOTT A. COTTRILL
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		<u>1/09/17</u>	SCOTT A. COTTRILL
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

Form 5500 (2015)
v. 150123

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:		4b EIN	
a Sponsor's name		4c PN	
5 Total number of participants at the beginning of the plan year		5	4,929
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	2,885
a(2) Total number of active participants at the end of the plan year		6a(2)	3,014
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits.....		6c	2,187
d Subtotal. Add lines 6a(2), 6b, and 6c.		6d	5,201
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.....		6e	16
f Total. Add lines 6d and 6e.		6f	5,217
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item).....		6g	5,193
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	208
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2P 2I			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			

9a Plan funding arrangement (check all that apply) <table style="width: 100%;"> <tr><td>(1)</td><td>☐</td><td>Insurance</td></tr> <tr><td>(2)</td><td>☐</td><td>Code section 412(e)(3) insurance contracts</td></tr> <tr><td>(3)</td><td>☒</td><td>Trust</td></tr> <tr><td>(4)</td><td>☐</td><td>General assets of the sponsor</td></tr> </table>	(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor	9b Plan benefit arrangement (check all that apply) <table style="width: 100%;"> <tr><td>(1)</td><td>☐</td><td>Insurance</td></tr> <tr><td>(2)</td><td>☐</td><td>Code section 412(e)(3) insurance contracts</td></tr> <tr><td>(3)</td><td>☒</td><td>Trust</td></tr> <tr><td>(4)</td><td>☐</td><td>General assets of the sponsor</td></tr> </table>	(1)	☐	Insurance	(2)	☐	Code section 412(e)(3) insurance contracts	(3)	☒	Trust	(4)	☐	General assets of the sponsor			
(1)	☐	Insurance																										
(2)	☐	Code section 412(e)(3) insurance contracts																										
(3)	☒	Trust																										
(4)	☐	General assets of the sponsor																										
(1)	☐	Insurance																										
(2)	☐	Code section 412(e)(3) insurance contracts																										
(3)	☒	Trust																										
(4)	☐	General assets of the sponsor																										
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)																												
a Pension Schedules <table style="width: 100%;"> <tr><td>(1)</td><td>☒</td><td>R (Retirement Plan Information)</td></tr> <tr><td>(2)</td><td>☐</td><td>MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary</td></tr> <tr><td>(3)</td><td>☐</td><td>SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary</td></tr> </table>	(1)	☒	R (Retirement Plan Information)	(2)	☐	MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(3)	☐	SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	b General Schedules <table style="width: 100%;"> <tr><td>(1)</td><td>☒</td><td>H (Financial Information)</td></tr> <tr><td>(2)</td><td>☐</td><td>I (Financial Information - Small Plan)</td></tr> <tr><td>(3)</td><td>☐</td><td>A (Insurance Information)</td></tr> <tr><td>(4)</td><td>☒</td><td>C (Service Provider Information)</td></tr> <tr><td>(5)</td><td>☒</td><td>D (DFE/Participating Plan Information)</td></tr> <tr><td>(6)</td><td>☐</td><td>G (Financial Transaction Schedules)</td></tr> </table>	(1)	☒	H (Financial Information)	(2)	☐	I (Financial Information - Small Plan)	(3)	☐	A (Insurance Information)	(4)	☒	C (Service Provider Information)	(5)	☒	D (DFE/Participating Plan Information)	(6)	☐	G (Financial Transaction Schedules)
(1)	☒	R (Retirement Plan Information)																										
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(1)	☒	H (Financial Information)																										
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(3)	☐	A (Insurance Information)																										
(4)	☒	C (Service Provider Information)																										
(5)	☒	D (DFE/Participating Plan Information)																										
(6)	☐	G (Financial Transaction Schedules)																										

Part III **Form M-1 Compliance Information (to be completed by welfare benefit plans)**

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2015 Form M-1 annual report. If the plan was not required to file the 2015 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	FEDERATED	PRIME VALUE OBLIGATIONS FUND SERVICE SHARES	\$ 4,075,265	\$ 4,075,265
	<i>U.S. Government Securities:</i>			
	U.S. TREASURY NOTE	3.1250%, due 05/15/2019	278,857	267,218
	U S TREASURY NOTE	0.8750%, due 01/31/2017	325,737	325,725
	U S TREASURY NOTE	1.2500%, due 01/31/2019	147,692	151,669
	U S TREASURY NOTE	2.0000%, due 02/15/2023	149,374	154,546
	U S TREASURY NOTE	3.0000%, due 02/28/2017	426,189	408,548
	U S TREASURY NOTE	1.0000%, due 06/30/2019	338,580	343,926
	U S TREASURY NOTE	2.1250%, due 08/15/2021	73,747	76,031
	U S TREASURY NOTE	2.6250%, due 11/15/2020	261,934	265,897
	U S TREASURY NOTE	2.6250%, due 04/30/2016	416,880	400,760
	U S TREASURY NOTE	4.0000%, due 08/15/2018	281,589	269,443
	U S TREASURY NOTE	2.1250%, due 05/15/2025	51,186	53,607
	U S TREASURY NOTE	4.2500%, due 11/15/2017	115,750	105,641
	Total U.S. Government securities		2,867,515	2,823,011
	<i>Corporate and Other Bonds:</i>			
	ABBVIE INC SR NT	2.5000%, due 05/14/2020	198,152	203,614
	ACORDA THERAPEUTICS INC	1.7500%, due 06/15/2021	30,949	23,059
	AMAZON COM INC	3.3000%, due 12/05/2021	80,474	85,482
	APPLE INC	1.0000%, due 05/03/2018	97,317	100,206
	ARES CAP CORP SR NT	4.7500%, due 01/15/2018	73,418	70,787
	AT&T INC	1.6000%, due 02/15/2017	100,651	100,369
	BANK AMER CORP	2.6000%, due 01/15/2019	126,752	127,114
	BIOMARIN PHARMACEUTICAL INC	0.7500%, due 10/15/2018	47,581	38,218
	BURLINGTON NORTHN SANTA FE	3.8500%, due 09/01/2023	129,236	136,807
	CAPITAL ONE FINL CORP SR NT	3.2000%, due 02/05/2025	140,197	148,497
	CEPHEID	1.2500%, due 02/01/2021	61,453	48,985
	CISCO SYSTEMS INC	1.6000%, due 02/28/2019	70,255	71,011
	CITRIX SYS INC	0.5000%, due 04/15/2019	60,894	63,662
	CVS CAREMARK CORP	2.2500%, due 12/05/2018	76,067	76,822
	DOW CHEM CO	4.2500%, due 11/15/2020	83,242	81,589
	EMERGENT BIOSOLUTIONS INC SR NT	2.8750%, due 01/15/2021	58,345	63,608
	FIFTH THIRD BANCORP SR NT	2.3000%, due 03/01/2019	124,857	126,131
	GENERAL ELEC CAP CORP MTN	2.9000%, due 01/09/2017	261,932	253,927
	GILEAD SCIENCES INC	1.6250%, due 05/01/2016	21,866	69,923
	GOLDMAN SACHS GROUP	2.6250%, due 01/31/2019	161,877	163,163
	GREENBRIER COS INC SR NT	3.5000%, due 04/01/2018	30,319	24,438
	HALLIBURTON CO	2.7000%, due 11/15/2020	170,530	172,587
	HEALTHSOUTH CORP CONVERTIBLE	2.0000%, due 12/01/2043	51,810	49,838
	HOLOGIC INC 02/21/13 STEP CPN	STEP CPN, due 12/15/2043	54,084	53,427
	ILLUMINA INC SR CONV	0.5000%, due 06/15/2021	51,125	52,767
	INCYTE CORP SR CV	0.3750%, due 11/15/2018	26,748	22,997
	INTEGRA LIFESCIENCES HLDGS	1.6250%, due 12/15/2016	55,329	58,219
	INTEL CORP	3.250 0%, due 8/01/2039	115,655	111,344
	INTEL CORP	1.9500%, due 10/01/2016	150,997	151,041
	JARDEN CORP SR SUB NT CONV	1.1250%, due 03/15/2034	25,728	27,830
	JPMORGAN CHASE & CO	2.2500%, due 01/23/2020	124,389	125,989
	KEYCORP MEDIUM TERM SR NTS	5.1000%, due 03/24/2021	130,941	127,261
	KRAFT FOODS GROUP INC SR NT	3.5000%, due 06/06/2022	148,304	157,673
	LAM RESEARCH CORP SR NT CONV	0.5000%, due 05/15/2016	127,561	133,875
	LIBERTY INTERACTIVE LLC	0.7500%, due 03/30/2043	89,854	116,812
	LIBERTY MEDIA CORP	1.3750%, due 10/15/2023	107,133	103,819

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Corporate and Other Bonds: (continued)</i>			
	LINKEDIN CORP	0.5000%, due 11/01/2019	158,975	131,316
	MEDIDATA SOLUTIONS INC	1.0000%, due 08/01/2018	58,677	50,719
	MGIC INVT CORP WIS	5.0000%, due 05/01/2017	62,035	56,994
	MICROCHIP TECHNOLOGY INC BD	1.6250%, due 02/15/2025	50,945	51,437
	MICRON TECHNOLOGY INC	1.6250%, due 02/15/2033	103,554	45,898
	MOLINA HEALTHCARE INC	1.6250%, due 08/15/2044	48,733	52,710
	MOLINA HEALTHCARE INC SR NT	1.1250%, due 01/15/2020	58,357	78,960
	NUVASIVE INC	2.7500%, due 07/01/2017	50,596	54,234
	NVIDIA CORP	1.0000%, due 12/01/2018	76,551	115,985
	OLD REP INTL CORP SR NT	3.7500%, due 05/15/2018	108,256	111,488
	ON SEMICONDUCTOR CORP	2.6250%, due 12/15/2026	51,732	46,494
	ORACLE CORP	5.7500%, due 04/15/2018	30,345	32,801
	PHILLIPS 66 GTD SR NT	4.3000%, due 04/01/2022	77,791	79,850
	PRICELINE GRP INC	0.3500%, due 06/15/2020	128,876	132,000
	RED HAT INC	0.2500%, due 10/01/2019	111,468	111,657
	RTI INTL METALS INC	1.6250%, due 10/15/2019	23,002	23,017
	RYLAND GROUP INC	1.6250%, due 05/15/2018	83,298	85,312
	SALESFORCE COM INC	0.2500%, due 04/01/2018	144,382	154,687
	SEACOR SMIT INC	2.5000%, due 12/15/2027	107,088	85,219
	SERVICENOW INC SR NT	ZERO CPN, due 11/01/2018	53,453	53,073
	SIMON PPTY GROUP L P	3.3750%, due 03/15/2022	73,811	79,245
	SPIRIT RLTY CAP INC SR NT CONV	3.7500%, due 05/15/2021	50,040	50,314
	STARWOOD PROPERTY TRUST	4.5500%, due 03/01/2018	47,975	42,106
	STARWOOD WAYPOINT RESIDENTIAL	3.0000%, due 07/01/2019	53,783	54,486
	SUNPOWER CORP	0.7500%, due 06/01/2018	56,970	48,455
	SYNCHRONOSS TECHNOLOGIES INC	0.7500%, due 08/15/2019	85,452	77,100
	TAKE-TWO INTERACTIVE SOFTWARE NT	1.7500%, due 12/01/2016	40,102	57,185
	TARGET CORP	3.8750%, due 07/15/2020	82,703	82,053
	TESLA MTRS INC	1.2500%, due 03/01/2021	237,068	214,220
	U S BANCORP MTN	1.9500%, due 11/15/2018	160,714	162,522
	UNITEDHEALTH GROUP INC	2.8750%, due 03/15/2023	154,333	153,997
	VALERO ENERGY CORP	6.1250%, due 06/15/2017	116,952	104,351
	VERIZON COMMUNICATIONS INC	5.1500%, due 09/15/2023	188,922	201,987
	WEBMD HEALTH CORP SR NT	2.5000%, due 01/31/2018	53,894	57,125
	WELLS FARGO & CO	5.6250%, due 12/11/2017	86,684	80,389
	WELLS FARGO & CO MTN	2.1000%, due 05/08/2017	180,007	176,995
	WORKDAY INC	1.5000%, due 07/15/2020	74,109	76,578
	WORKDAY INC SR NT CONV	0.7500%, due 07/15/2018	92,891	87,994
	CTRIP COM INTL LTD	1.2500%, due 10/15/2018	49,658	51,350
	Total corporate and other bonds		6,940,204	6,955,194

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Agency Bonds and Asset-Backed Securities:</i>			
	FANNIE MAE	0.8750%, due 02/08/2018	256,066	262,603
	FREDDIE MAC	1.0000%, due 03/08/2017	352,495	351,071
	Total agency bonds and asset-backed securities		608,561	613,674
	<i>Marketable Equity Securities:</i>			
	ABBOTT LABS	5,030 shares	168,895	210,405
	ABBVIE INC	5,981 shares	355,264	341,635
	ADOBE SYS INC	1,763 shares	131,946	165,369
	AETNA INC	1,871 shares	91,427	210,207
	AGILENT TECHNOLOGIES INC	6,385 shares	251,948	254,442
	AIA GROUP LTD ADR	5,835 shares	106,017	132,250
	AIR LIQUIDE SA ADR	5,323 shares	128,472	119,970
	ALEXION PHARMACEUTICALS INC	12,41 shares	179,955	172,772
	ALFA LAVAL AB SWEDEN ADR	2,540 shares	39,032	41,641
	ALLERGAN PLC SHS	1,464 shares	304,273	392,396
	ALLIANZ SE ADR	6,910 shares	111,698	112,564
	ALPHABET INC CAP STK CL A	843 shares	397,461	643,125
	ALPHABET INC CAP STK CL C	354 shares	153,844	263,712
	AMAZON.COM INC	673 shares	252,609	399,520
	AMC NETWORKS INC CLASS A	509 shares	19,531	33,054
	AMDOCS LIMITED	3,780 shares	146,354	228,388
	AMERICAN EXPRESS CO	2,872 shares	236,698	176,341
	AMERICAN TOWER CORP	1,859 shares	144,948	190,306
	AMGEN INC	574 shares	87,649	86,060
	ANADARKO PETE CORP	5,059 shares	326,867	235,598
	ANHEUSER BUSCH INBEV SA/NV ADR	662 shares	58,648	82,525
	ANTHEM INC CORP UNIT	1,780 shares	91,047	83,108
	APPLE INC	2,164 shares	174,594	235,854
	ARM HOLDINGS PLC ADR	2,534 shares	98,569	110,710
	ASTRAZENECA PLC ADR	9,790 shares	325,851	275,686
	ATLAS COPCO AB ADR	2,280 shares	64,038	57,458
	AUTODESK INC	1,944 shares	79,989	113,355
	B & T CORPORATION	8,880 shares	318,755	295,438
	BAIDU INC ADR	655 shares	115,763	125,026
	BANCO BILBAO VIZCAYA ARGENTINA	5,920 shares	62,627	38,598
	BAYERISCHE MOTOREN WERKE AG ADR	2,410 shares	85,797	73,876
	BIOGEN INC	1,845 shares	459,851	480,290
	BOEING CO	385 shares	52,071	48,872
	BOSTON SCIENTIFIC CORP	8,537 shares	155,041	160,581
	BRISTOL MYERS SQUIBB CO	3,183 shares	208,363	203,330
	BROADCOM LTD SHS	1,982 shares	208,839	306,219
	BUNGE LTD	1,200 shares	88,828	68,004
	CANADIAN NATIONAL RAILWAY CO	1,400 shares	66,972	87,444
	CAPITAL ONE FINL CORP	4,295 shares	282,553	297,686
	CAPITAL ONE FINL CORP DEPOSITARY	1,234 shares	30,459	32,467
	CELGENE CORP	1,765 shares	111,139	176,659
	CHARTER COMMUNICATIONS INC DEL	628 shares	114,063	127,126
	CITIGROUP INC	5,033 shares	252,983	210,128
	CITIZENS FINL GROUP INC	8,535 shares	201,320	178,808
	CITRIX SYS INC	1,074 shares	77,028	84,395

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued)

March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	COCA COLA CO	7,035 shares	287,559	326,354
	COLOPLAST A/S ADR	5,120 shares	37,509	38,861
	COMCAST CORP CL A	6,807 shares	251,405	415,771
	COSTAR GROUP INC	564 shares	90,998	106,128
	COSTCO WHOLESALE CORP	785 shares	84,187	123,700
	CREE, INC	1,556 shares	71,106	45,280
	CSL LTD ADR	2,280 shares	57,145	88,956
	CVS HEALTH CORPORATION	5,015 shares	330,646	520,206
	DANAHER CORP	2,653 shares	190,135	251,664
	DASSAULT SYSTEMES SA ADR	1,951 shares	99,588	155,028
	DBS GROUP HOLDINGS LTD ADR	1,199 shares	62,336	54,776
	DELPHI AUTOMOTIVE PLC SHS	1,284 shares	100,560	96,326
	DELTA AIR LINES INC	2,559 shares	80,315	124,572
	DISCOVERY COMMUNICATIONS	2,074 shares	63,346	59,379
	DISNEY WALT CO	1,080 shares	78,965	107,255
	DOLBY LABORATORIES INC-CL A	1,351 shares	57,467	58,714
	DOLLAR TREE INC	1,727 shares	135,498	142,408
	EBAY INC	13,205 shares	334,940	315,071
	ECOLAB INC	961 shares	90,227	107,171
	EDWARDS LIFESCIENCES CORP	1,185 shares	84,863	104,529
	ELECTRONIC ARTS	2,309 shares	137,354	152,648
	EOG RES INC	4,488 shares	364,053	325,739
	EXELON CORP CONV UNIT	1,385 shares	71,499	68,184
	FACEBOOK INC	3,471 shares	205,533	396,041
	FANUC CORP ADR	5,220 shares	149,407	135,344
	FIRST DATA CORP NEW COM CL A	8,329 shares	133,511	107,777
	FLEETCOR TECHNOLOGIES INC	803 shares	110,697	119,446
	FLUOR CORP	2,221 shares	157,671	119,268
	FORD MOTOR COMPANY	15,065 shares	201,977	203,377
	FREEPORT-MCMORAN INC	8,271 shares	172,649	85,522
	FRESENIUS MEDICAL CARE AG & CO ADR	1,640 shares	60,706	72,291
	FUCHS PETROLUB SE ADR	4,472 shares	51,838	50,024
	GOLDMAN SACHS GROUP INC DEPOSITARY SHS	3,802 shares	93,053	95,050
	GRIFOLS SA ADR	2,240 shares	39,206	34,653
	HOME DEPOT INC	1,777 shares	201,574	237,105
	HONEYWELL INTL INC	1,289 shares	133,003	144,432
	HOST HOTELS AND RESORTS	13,205 shares	262,096	220,523
	HP INC	17,500 shares	211,559	215,600
	IMMUNOGEN INC	2,786 shares	37,652	23,737
	IMPERIAL OIL LTD	1,070 shares	49,853	35,738
	INTUIT	1,699 shares	161,269	176,713
	INTUITIVE SURGICAL INC	181 shares	102,683	108,790
	IONIS PHARMACEUTICALS INC	1,595 shares	35,335	64,597
	ITAU UNIBANCO HOLDINGS SA	5,676 shares	60,769	48,757
	JGC CORP ADR	1,380 shares	82,885	41,378
	KONE OYJ ADR	2,464 shares	55,432	59,471
	L BRANDS INC	967 shares	88,771	84,912
	L-3 COMMUNICATIONS HLDGS INC	1,355 shares	118,748	160,567
	LIBERTY BROADBAND CORP COM SER A	148 shares	9,765	8,608
	LIBERTY BROADBAND CORP COM SER C	296 shares	4,839	17,153

See Independent Auditor's Report.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

EIN: #51-0105665 PLAN: #003

Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	Cost	Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	LIBERTY INTERACTIVE CORP LIBERTY VENTURES COM SER A	368 shares	6,693	14,396
	LIBERTY INTERACTIVE CORPORATION OVC GROUP COM SER A	2,980 shares	43,502	75,245
	LIBERTY MEDIA CORP DEL COM SER C	1,185 shares	14,486	45,137
	LIBERTY MEDIA CORP DELAWARE CL A	595 shares	28,268	22,985
	LINDE AG ADR	2,240 shares	42,063	32,686
	LOCKHEED MARTIN CORP	622 shares	133,213	137,773
	L'OREAL SA ADR	2,962 shares	83,459	106,288
	LULULEMON ATHLETICA INC	1,752 shares	115,467	118,628
	LVMH MOET HENNESSY LOUIS VUITTON ADR	1,260 shares	43,970	43,218
	MANPOWERGROUP, INC.	2,472 shares	177,923	201,270
	MASTERCARD INC	2,473 shares	154,779	233,698
	MCKESSON CORPORATION	1,921 shares	317,837	302,077
	MEDTRONIC PLC	794 shares	59,819	59,550
	METLIFE INC	7,120 shares	314,721	312,853
	MGM MIRAGE	15,725 shares	373,699	337,144
	MICROSOFT CORP	4,748 shares	251,656	262,232
	MITSUBISHI ESTATE LTD ADR	2,050 shares	57,657	38,130
	MOBILEYE N V AMSTEVEEN ORD	3,484 shares	139,130	129,918
	MONOTARO CO LTD ADR	1,620 shares	17,885	48,213
	MOODYS CORP	1,242 shares	119,284	119,928
	MTN GROUP LTD SPONSORED ADR	3,300 shares	66,578	30,334
	NASPERS LTD ADR	6,050 shares	83,785	84,779
	NATIONAL-OILWELL INC	1,445 shares	100,481	44,939
	NESTLE SA ADR	1,890 shares	126,105	141,801
	NEXTERA ENERGY CAP HLDGS INC PERFERRED	696 shares	16,939	17,727
	NEXTERA ENERGY INC EQUITY UNIT	1,085 shares	60,919	66,076
	NIKE INC	4,502 shares	180,776	276,738
	NORDSTROM INC	4,055 shares	237,345	231,987
	NORFOLK SOUTHN CORP	2,832 shares	194,125	235,764
	NOW INC	2,097 shares	59,614	37,159
	NUANCE COMMUNICATIONS INC	1,998 shares	32,300	37,343
	NUCOR CORP	3,018 shares	147,636	142,751
	NXP SEMICONDUCTORS	1,609 shares	129,623	130,442
	O REILLY AUTOMOTIVE INC	397 shares	95,523	108,643
	OCCIDENTAL PETE CORP	3,006 shares	204,850	205,701
	ORACLE CORPORATION	8,873 shares	362,654	362,994
	PALO ALTO NETWORKS INC	822 shares	129,530	134,101
	PARK24 CO LTD SPONSORED ADR	1,720 shares	48,534	48,205
	PAYPAL HLDGS INC	2,786 shares	93,540	107,540
	PENTAIR PLC SHS	1,155 shares	59,785	62,670
	PIONEER NATURAL RESOURCES CO	721 shares	95,585	101,474
	PPG INDS INC	1,330 shares	145,526	148,282
	PRICELINE GROUP INC	145 shares	149,119	186,899
	QUALCOMM INC	6,205 shares	419,503	317,324
	QUINTILES TRANSNATIONAL HLDGS	2,345 shares	162,302	152,659
	REGIONS FINL CORP	25,710 shares	213,971	201,823
	REGIONS FINL CORP NEW DEP SHS REPSTG 1/40TH PERP PFD SER B FIXED-FLTG	994 shares	24,883	26,838
	ROCHE HOLDING AG ADR	3,887 shares	104,323	120,093
	ROYAL DUTCH SHELL PLC CL A ADR	4,335 shares	208,764	210,031
	ROYAL DUTCH SHELL PLC CL B ADR	2,390 shares	108,707	117,564
	SALESFORCE.COM INC	2,636 shares	160,039	194,616

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	SANDISK CORP	1,629 shares	89,953	123,934
	SAP SE ADR	1,566 shares	111,632	125,938
	SASOL LTD ADR	1,450 shares	65,318	42,833
	SBA COMMUNICATIONS CORP	976 shares	72,635	97,766
	SCHLUMBERGER LTD	1,210 shares	100,995	89,237
	SEAGATE TECHNOLOGY PLC SHS	4,356 shares	110,802	150,064
	SERVICENOW INC	1,518 shares	92,413	92,871
	SHERWIN WILLIAMS CO	506 shares	138,244	144,043
	SONOVA HOLDING AG ADR	1,700 shares	38,572	43,598
	SOUTHWESTERN ENERGY CO DEP SHS REPSTG 1/20TH INT MANDATORY CONV PFD SER B	1,620 shares	89,049	31,768
	STANLEY BLACK & DECKER INC	450 shares	54,896	50,746
	STARBUCKS CORP	3,965 shares	152,134	236,710
	STARZ CL A	730 shares	6,062	19,221
	SVENSKA HANDELSBANKEN AB ADR	5,760 shares	36,847	36,697
	SYMANTEC CORP	12,659 shares	237,631	232,672
	SYMRISE AG ADR	3,110 shares	42,793	52,273
	SYNCHRONY FINL	10,780 shares	279,880	308,955
	SYSTEMS CORP ADR	3,679 shares	52,940	115,219
	TAIWAN SEMICONDUCTOR MANUFACTURE ADR	6,125 shares	107,185	160,475
	TE CONNECTIVITY LTD REG SHS	2,572 shares	107,551	159,258
	TIME WARNER INC	999 shares	73,220	72,477
	TURKIYE GARANTI BANKASI AS ADR	15,020 shares	62,928	43,949
	TWITTER INC	5,789 shares	130,918	95,808
	TYCO INTERNATIONAL PLC	3,897 shares	115,614	143,059
	TYSON FOODS INC TANGIBLE EQUITY UNIT 1 PREPAID STK PUR CONTRACT	1,310 shares	65,215	97,569
	ULTA SALON COSMETICS & FRAGRANCE	626 shares	57,795	121,281
	UNDER ARMOUR INC	1,543 shares	135,836	130,893
	UNICHARM CORP ADR	11,072 shares	38,671	48,252
	UNILEVER PLC ADR	1,490 shares	57,076	67,318
	UNITED PARCEL SVC INC	2,999 shares	305,446	316,305
	UNITEDHEALTH GROUP INC	5,156 shares	411,306	664,608
	UNIVERSAL HEALTH SVCS	1,613 shares	174,381	201,173
	VERIZON COMMUNICATIONS INC	5,491 shares	224,913	253,516
	VERTEX PHARMACEUTICALS INC	680 shares	33,334	54,053
	VISA INC CL A	5,344 shares	195,588	408,709
	WEATHERFORD INTL PLC ORD SHS	18,438 shares	298,772	143,448
	WESTERN DIGITAL CORP	1,332 shares	86,805	62,924
	WILLIS TOWERS WATSON PUB LTD SHS	1,898 shares	189,027	225,217
	WPP PLC ADR	1,135 shares	98,119	132,148
	ZOETIS INC	4,506 shares	203,420	199,751
	AMG CAPITAL TRUST II 5.15 PFD	1,445 shares	88,452	79,791
	AMSURG CORP PFD CONV 5.25% SERIES A	345 shares	42,647	49,159
	BANK OF AMERICA 7.25% PFD SERIES L	110 shares	129,514	125,180
	BB&T CORP DEP SHS PFD-D	1,021 shares	25,463	26,709
	COMCAST CORP PFD	699 shares	17,559	18,384
	CROWN CASTLE INTL CORP NEW PFD	505 shares	50,242	54,136
	FRONTIER COMMUNICATIONS CORP PFD SERIES A	574 shares	57,974	59,926
	GENERAL ELEC CAP COR NT PFD	1,595 shares	39,458	41,885
	JPMORGAN CHASE & CO PFD 1/400TH SERIES O	2,475 shares	60,269	63,112
	MORGAN STANLEY PFD 1/1000TH SERIES G	2,359 shares	59,722	62,915
	PRUDENTIAL FINL INC JR SUB NT PFD	696 shares	17,476	18,256

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	Cost	Value
	<i>Marketable Equity Securities: (continued)</i>			
	PUBLIC STORAGE DEP SHS PFD SERIES U	334 shares	8,231	8,767
	STATE STR CORP PFD SERIES C	1,225 shares	29,833	31,666
	TEVA PHARMACEUTICAL INDUSTRIES 12/08/15 7.000 12/15/18 PFD CONV ISIN IL0062905489	80 shares	80,200	70,715
	WELLS FARGO CO PFD 7.5% SERIES L	140 shares	172,776	168,700
	AEGON 0.0000% PFD	839 shares	17,569	18,936
	AEGON N V PS	942 shares	24,455	25,425
	AEGON NV 6.3750% PFD	1,902 shares	43,635	48,292
	AFFILIATED MANAGERS GROUP INC PFD	276 shares	6,942	7,245
	AFLAC INC SUB DEB 52	1,539 shares	37,048	39,691
	ALCOA INC DEP SHS 1/10TH	830 shares	38,894	27,382
	ALEXANDRIA REAL ESTATE EQUITIES INC PFD SERIES E	334 shares	8,191	8,651
	ALLERGANPLC PFD SERIES A	190 shares	193,837	174,637
	ALLSTATE CORP PFD 6.7500% DUE 12/31/49 SERIES C	699 shares	17,870	19,397
	ALLSTATE CORP PFD 1/100TH SERIES E	1,239 shares	31,844	34,011
	ALLSTATE CORP PFD 1/1000TH SERIES A	360 shares	8,803	9,400
	ALLSTATE CORP PFD 1/1000TH	376 shares	9,411	10,054
	ALLSTATE CORP PFD 5.1000% 1/15/53	137 shares	3,466	3,572
	AMERICAN FINANCIAL GROUP INC 5.7500% DUE 8/25/42	397 shares	10,065	10,215
	AMERICAN FINL GROUP INC PFD 6.25%	533 shares	13,556	14,178
	AMERICAN TOWER CORP PFD CONV SERIES A	770 shares	81,934	80,811
	ARCH CAP GROUP LTD PFD 6.7500%	1,292 shares	32,603	34,380
	AXIS CAPITAL HOLDINGS LTD PFD 6.8750% SERIES C	1,290 shares	32,868	33,385
	AXIS CAPITAL HOLDINGS LTD PFD	823 shares	18,726	20,921
	BANK AMER CORP PFD NON CUM SER CC	328 shares	8,252	8,544
	BANK OF AMERICA CORP PFD 6.2040% SERIES D	1,139 shares	25,688	29,603
	BANK OF AMERICA CORP PFD SERIES 3	596 shares	13,150	15,496
	BANK OF AMERICA CORP PFD 6.5000%	2,618 shares	66,072	69,246
	BANK OF AMERICA CORP PFD 6.625% SERIES W	2,527 shares	63,609	67,698
	BANK OF AMERICA CORPORATION PFD 6.625%	818 shares	19,276	21,669
	BANK OF NEW YORK MELLON CORP PFD SERIES C	2,370 shares	57,934	60,790
	BARCLAYS BANK PLC PFD SR3 7.1000%	281 shares	6,804	7,177
	BARCLAYS BK 6.625% PFD	1,324 shares	31,636	33,775
	BB&T CORP PFD 5.6250% SERIES E	2,645 shares	64,303	67,765
	BB&T CORP PFD 5.6250% SERIES H	488 shares	12,191	12,346
	BB&T CORP DEP SHS PFD	1,211 shares	29,316	30,711
	BB&T CORP PFD 1/1000 INT SERIES 5.2000%	410 shares	9,332	10,332
	BERKLEY W R CORP PFD DUE 04/30/53	997 shares	23,897	24,995
	CAPITAL ONE FINANCIAL CO PFD 6.0000% SERIES B	2,649 shares	65,367	68,318
	CAPITAL ONE FINANCIAL CO PFD 6.7000%	1,954 shares	51,032	53,071
	CAPITAL ONE FINL CORP PFD SERIES F	448 shares	11,178	11,648
	CITIGROUP INC PFD 1/1000 SERIES J	939 shares	24,560	25,663
	CITIGROUP INC PFD 1/1000TH PFD SERIES K	2,581 shares	67,394	70,616
	CITIGROUP INC PFD	1,339 shares	34,686	36,354
	CITIGROUP INC PED	1,248 shares	31,028	32,186
	DB CAP TRST II PFD 6.5500% DUE 8/29/49	1,309 shares	31,464	31,678
	DIGITAL REALTY TR INC PFD 6.6250% SERIES F	327 shares	8,080	8,665
	DIGITAL RLTY TR INC PFD 7.0000% SERIES E	447 shares	10,907	11,394
	DIGITAL RLTY TR INC PFD SERIES G	358 shares	8,684	8,979
	DIGITAL RLTY TR INC PFD SERIES H	449 shares	11,336	12,460
	DOMINION RESOURCES INC PFD 6.3750%	555 shares	28,902	27,917
	DTE ENERGY CO JR SB 12/01/61	476 shares	12,073	12,281

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued)

March 31, 2016

(a)	(b)	(c)	(d)	(e)
	Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	Cost	Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	DTE ENERGY CO SUB DEB 62	204 shares	5,068	5,249
	DUKE ENERGY CORP PFD 5.1250%	574 shares	14,255	14,935
	ENTERGY ARK INC 1ST MTG BD	215 shares	5,367	5,418
	ENTERGY ARK INK PED 4.7500%	219 shares	5,369	5,506
	ENTERGY ARKANSAS 1ST M PFD 5.7500%	344 shares	8,637	8,724
	ENTERGY LA LLC PFD 1ST MTG BD SER	170 shares	4,217	4,298
	ENTERGY LA LLC PED	324 shares	8,321	8,213
	ENTERGY MISSISSIPPI INC 6.0000% PFD	367 shares	9,120	9,432
	ENTERGY NEW ORLEANS INC PED	405 shares	10,270	10,299
	FIAT CHRYSLER AUTOMOBILES PFD	355 shares	32,580	26,007
	GENERAL ELEC CAP CORP NT 53	1,597 shares	39,774	42,177
	GENERAL ELEC CAP CORP NT PFD DUE 05/16/53	1,623 shares	40,259	42,441
	GOLDMAN SACHS	399 shares	10,196	10,446
	GOLDMAN SACHS GROUP INC PFD 6.5000%	1,544 shares	38,508	40,314
	GOLDMAN SACHS GROUP INC PFD SERIES I	696 shares	17,478	17,978
	GOLDMAN SACHS GROUP INC PFD	1,376 shares	34,971	38,280
	HARTFORD FINL SVCS GROUP INC	805 shares	21,868	25,132
	HESS CORP PFD 1/20TH SERIES A	835 shares	45,735	56,296
	HOSPITALITY PTYS TR PFD	1,006 shares	25,326	26,297
	HSBC HLDGS PLC ADR PFD 1/40 SERIES A	567 shares	13,705	14,521
	HSBC HLDGS PLC PFD	3,611 shares	97,426	94,608
	ING GROEP N V PFD 6.1250%	729 shares	15,867	18,524
	ING GROEP N V PFD 6.1250%	452 shares	9,729	11,499
	ING GROEP NV PFD 6.3750%	1,676 shares	37,202	43,123
	JPMORGAN CHASE & CO PFD 1/400	1,763 shares	42,919	44,956
	JPMORGAN CHASE & COPFD 6.300% SERIES W	804 shares	20,064	21,177
	JPMORGAN CHASE & CO PFD 1/400TH SERIES AA	479 shares	11,839	12,516
	JPMORGAN CHASE & CO PFD 1/400TH SERIES T	1,203 shares	30,139	33,323
	JPMORGAN CHASE & CO PFD 1/400TH SERIES Y	1,190 shares	29,701	31,166
	KIMCO RLTY CORP 1/1000 PFD J 5.500%	354 shares	8,624	9,137
	KIMCO RLTY CORP 1/1000TH PFD SERIES I	973 shares	24,000	25,210
	KIMCO RLTY CORP PFD	666 shares	16,424	16,976
	MORGAN STANLEY 0.0000% PFD SERIES A	749 shares	17,215	15,190
	MORGAN STANLEY PFD DUE 10/15/23	2,287 shares	62,249	65,065
	MORGAN STANLEY PFD SERIES F 6.8750%	845 shares	22,561	22,933
	NATIONAL RETAIL PTYS INC PFD 1/100TH PFD SERIES E	729 shares	17,928	18,969
	NATIONAL RETAIL PROPERTIES PFD SERIES D	975 shares	24,442	25,447
	NESTERRA ENERGY CAP HLDGS INC 5.6250%	485 shares	12,076	12,416
	NEXTERA ENERGY CAL HLDGS INC 5.0000% PFD	283 shares	6,925	7,197
	NEXTERA ENERGY CAP HLDGS PFD	320 shares	7,954	8,301
	PNC FINL SVCS GROUP PFD 1/4000TH SERIES P	3,662 shares	96,322	106,637
	PPL CAP FDG INC JR SUB NT PFD	403 shares	10,086	10,692
	PROTECTIVE LIFE CORP PFD	760 shares	18,650	19,912
	PRUDENTIAL FINL INC JR SUB NT	923 shares	22,780	23,998
	PS BUSINESS PARK INC PFD 6.4500% SERIES S	627 shares	15,584	16,177
	PS BUSINESS PKS INC PFD 1/1000PFD SERIES U	207 shares	5,130	5,253
	PS BUSINESS PKS INC PFD 1/1000TH SERIES T	1,225 shares	30,181	31,617
	PUBLIC STORAGE PFD 5.2000% SERIES X	210 shares	5,122	5,399

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	PUBLIC STORAGE DEP	604 shares	14,917	15,467
	PUBLIC STORAGE DEP SHS PFD SERIES S	910 shares	22,550	23,451
	PUBLIC STORAGE DEP SHS PFD SERIES A	233 shares	5,771	6,251
	PUBLIC STORAGE DEP SHS			
	PFD1/1000TH SERIES Y 6.375%	428 shares	10,647	11,924
	PUBLIC STORAGE DEP SHS REPSTG			
	1/1000TH PFD SH BEN INT SER Z	598 shares	14,850	16,481
	PUBLIC STORAGE PFD SERIES R	926 shares	23,116	23,715
	PUBLIC STORAGE PFD SHS SERIES Q	457 shares	11,383	11,448
	PUBLIC STORAGE PFD T 1/1000TH	1,111 shares	27,454	29,175
	QWEST CORP 7.3750% PFD	1,181 shares	29,964	30,151
	QWEST CORP NT .0000%	469 shares	11,729	11,959
	QWEST CORP NT 7.0000% PED	316 shares	7,899	8,052
	QWEST CORP PFD SERIES A	1,054 shares	26,503	27,067
	RAYMOND JAMES PFD	378 shares	9,644	9,911
	RBS CAP FDG TR VII PFD 6.0800%	1,161 shares	27,674	28,003
	RBS CAPITAL FNDG TR V PFD 5.9000%	2,225 shares	54,581	53,685
	REALTY INCOME CORP MNTHLY INC	1,307 shares	32,508	34,021
	REGENCY CENTERS CORP 6.6250% SERIES 6	636 shares	15,863	16,542
	REGENCY CTRS CORP PFD SERIES 7	205 shares	5,047	5,232
	RENAISSANCERE 6.0800% SERIES C	142 shares	3,248	3,620
	RENAISSANCERE HLDGS LTD PFD	914 shares	22,518	23,124
	ROYAL BANK OF SCOTLAND 6.6000% PFD	591 shares	12,575	14,710
	ROYAL BK SCOTLAND GROUP PLC			
	PFD 5.7500% SERIES L	2,975 shares	51,968	71,995
	SCE TR I PFD	161 shares	4,052	4,107
	SCE TR II TR PFD	167 shares	4,086	4,228
	SCE TR V FXD/FLTG RATE TR PFD	247 shares	6,245	6,583
	SCHWAB CHARLES CORP 5.950% PFD	482 shares	12,177	12,556
	SCHWAB CHARLES CORP	966 shares	23,989	25,464
	SCHWAB CHARLES CORP PFD SERIES C	3,598 shares	91,686	94,915
	SENIOR HOUSING PROPERTIES TRUST 5.6250%	906 shares	21,925	22,668
	SENIOR HSG PPTYS TR SR NT	316 shares	7,759	7,979
	SOUTHERN CO PFD JR SUB NT SERIES 2015A	317 shares	8,058	8,664
	STANLEY BLACK & DECKER INC	1,452 shares	36,369	37,839
	STATE STR CORP PFD 1/4000TH SERIES D	1,104 shares	28,529	30,150
	STATE STR CORP 1/4000TH	2,338 shares	58,746	62,097
	SUNTRUST BKS INC PFD SERIES E	319 shares	7,504	8,230
	T MOBILE US INC PFD SERIES A 5.5000%	770 shares	45,698	50,974
	TCF FINL CORP PFD 1/1000SERIES A	755 shares	19,748	20,007
	TORCHMARK CORP JR SUB DEB	400 shares	10,156	10,112
	UBS PFD FDG TR IV TR PFD	1,596 shares	26,200	27,084
	US BANCORP 5.5600% PFD	287 shares	6,106	6,317
	US BANCORP DEL	1,290 shares	35,799	37,952
	US BANCORP DEL DEP SHS	439 shares	11,244	11,550
	US BANCORP DEL PFD SERIES H	970 shares	23,955	24,977
	VENTAS RLTY LTD PARTNERSHIP	670 shares	16,798	17,601
	VORNADO RLTY TR 6.8750% PFD SERIES J	418 shares	10,562	10,576
	VORNADO RLTY TR PFD SERIES K	468 shares	11,637	11,982
	VORNADO RLTY TR PFD SERIES K	356 shares	8,693	8,905
	WELLS FARGO & CO PFD 8.0000% SERIES J	706 shares	20,556	19,804
	WELLS FARGO & CO PFD	2,171 shares	53,528	57,228
	WELLS FARGO & CO PFD CL A	2,384 shares	65,416	69,923
	WELLTOWER INC 6.5000% PFD SERIES I	605 shares	42,966	37,570

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ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

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Schedule H, Line 4i – Schedule of Assets (Held at End of Year) (continued) March 31, 2016

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of Investment Including Maturity Date, Rate of Interest, Par or Maturity Value	(d) Cost	(e) Current Value
	<i>Marketable Equity Securities: (continued)</i>			
	WELLTOWER INC PFD SERIES J 6.5000%	644 shares	16,242	16,879
	AMERICAN FINL GROUP INC OHIO SR NT	321 shares	7,975	8,491
	Total marketable equity securities		<u>29,875,709</u>	<u>32,732,432</u>
	<i>Common/Collective Trust Funds:</i>			
*	NORTHERN	Emerging Markets Index Fund	\$ 338,290	\$ 302,443
*	NTCC	Emerging Markets Fund FEBT	265,442	277,774
*	NORTHERN	All Country World EX-US IMI Fund	884,446	892,609
*	NTCC	International Equity Fund	1,542,282	1,680,706
*	NTGI-QM	Russell 1000 Index Fund	3,798,571	5,609,009
*	NTCC	SMALL CAP FD FEBT	941,078	1,134,824
*	NTCC	Short-Term Investment Fund	455,070	455,070
*	NT	Collective Global Real Estate Index Fund	777,878	973,672
*	NT	Collective S&P 400 Index Fund	1,009,989	1,092,510
*	NTGI-QM	Coltv Daily 1-5 yr CR BD Index Fund	1,064,841	1,116,008
*	NORTHERN	Collective Aggregate Bond Index Fund Lending	2,096,492	2,426,040
	Total common/collective trust funds		<u>13,174,379</u>	<u>15,960,665</u>
	<i>Mutual Funds:</i>			
	MFC	MFC- Flexshares TR Morning Star Global	1,102,827	829,721
	DFA	US L/C Value	1,783,324	1,730,388
	HBR	HBR FD Cap Appreciation Fund	1,759,086	1,715,719
*	NORTHERN	Multi Manager Global Listed Infrastructure Fund	880,132	930,179
	MFO	Doubleline Core Fixed Income Fund	2,386,205	2,365,390
*	NORTHERN	Multi Manager High Yield Opportunity Fund	2,063,626	1,799,825
	MFC	Flexshares TR Iboxx 3 Yr Target Index Fund	789,718	777,793
	OPPENHEIMER	International Bond Fund	867,351	777,479
	OPPENHEIMER	Senior Floating Rate	1,333,147	1,208,125
	Total mutual funds		<u>12,965,416</u>	<u>12,134,619</u>
*	<i>Preferred Stock - 2.5% Cumulative Convertible Voting</i>			
	Preferred Stock, \$0.01 Par Value:			
	Allocated shares	8,372,922 shares	6,545,950	136,897,269
	Unallocated shares	16,446,183 shares	12,857,626	268,895,096
	Total preferred stock		<u>19,403,576</u>	<u>405,792,365</u>
			<u>\$ 89,910,625</u>	<u>\$ 481,087,225</u>

* Denotes party-in-interest

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