

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 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 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>04/01/2016</u> and ending <u>03/31/2017</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.) ☒ 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	Filed with authorized/valid electronic signature.	01/16/2018	SCOTT A. COTTRILL
	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	5217
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)	3014
a(2) Total number of active participants at the end of the plan year		6a(2)	3168
b Retired or separated participants receiving benefits.....		6b	0
c Other retired or separated participants entitled to future benefits		6c	2347
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	5515
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	18
f Total. Add lines 6d and 6e		6f	5533
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	5519
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	292
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)		9b Plan benefit arrangement (check all that apply)	
(1) ☐ Insurance	(1) ☐ Insurance		
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts		
(3) ☒ Trust	(3) ☒ Trust		
(4) ☐ General assets of the sponsor	(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		b General Schedules	
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)		
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information – Small Plan)		
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) ☐ A (Insurance Information)	0	
	(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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 04/01/2016 and ending 03/31/2017

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

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	112032	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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	106759	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

DUFF & PHELPS, LLC

36-4090666

(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?
16 17	NONE	72062	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	63258	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	60844	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	41101	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)

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	38321	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	30077	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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	26778	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)

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	18612	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			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
(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
(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
(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
(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
(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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 04/01/2016 and ending 03/31/2017

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)
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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>758813</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>774562</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>901625</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>1813606</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>6645160</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>1151935</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>COLTV DAILY 1-5YR CR 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>1410624</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) 1278289
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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) 2834169
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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) 316360
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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) 1005576
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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)
-----------------	----------------------	---

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)
-----------------	----------------------	---

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
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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) 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
		2016
		This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning <u>04/01/2016</u> and ending <u>03/31/2017</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
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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) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	<u>348</u>	<u>340</u>
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)	<u>99082</u>	<u>99521</u>
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)	<u>3975835</u>	<u>3349221</u>
(2) U.S. Government securities	1c(2)	<u>3436685</u>	<u>3212372</u>
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)	<u>6903844</u>	<u>7208840</u>
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	<u>4781543</u>	<u>5415123</u>
(B) Common.....	1c(4)(B)	<u>27950889</u>	<u>29987105</u>
(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)	<u>15960665</u>	<u>18890719</u>
(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)	<u>12134619</u>	<u>12284518</u>
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)	<u>51350</u>	<u>83985</u>

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)	405792365	406982194
(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	481087225	487513938

Liabilities

g Benefit claims payable	1g	5909296	0
h Operating payables	1h		
i Acquisition indebtedness	1i	16286297	15786297
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	22195593	15786297

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	458891632	471727641
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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)	36075	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		36075
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	4590	
(B) U.S. Government securities	2b(1)(B)	63187	
(C) Corporate debt instruments	2b(1)(C)	148875	
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)	2988	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		219640
(2) Dividends: (A) Preferred stock	2b(2)(A)	5309314	
(B) Common stock	2b(2)(B)	479175	
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	92790	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		5881279
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	28425010	
(B) Aggregate carrying amount (see instructions)	2b(4)(B)	27428187	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		996823
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)	14465737	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		14465737

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		1971246
(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)		1212208
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		24783008

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	10840625	
(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)		10840625
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		102605
i Administrative expenses: (1) Professional fees.....	2i(1)	184094	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	385751	
(4) Other	2i(4)	27	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		569872
j Total expenses. Add all expense amounts in column (b) and enter total	2j		11513102

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		13269906
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		433897

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:

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.).....

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.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	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.)	4c		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.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	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?	4f		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?	4g		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?	4h		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.)	4i	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.)	4j		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?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		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.	4n			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

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 sections 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 2016 This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 04/01/2016 and ending 03/31/2017

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
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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.
----------------	---

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, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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
-----------------	---------------------------------

20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

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

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

• March 31, 2017 and 2016
•



CONTENTS

	Page
Independent Auditor's Report	3
Financial Statements:	
Statements of Net Assets Available for Benefits	5
Statements of Changes in Net Assets Available for Benefits	6
Notes to Financial Statements	7
Supplemental Information:	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)	22



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, 2017 and 2016, 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, 2017 and 2016, 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, 2017 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 15, 2018

ADVANCED DRAINAGE SYSTEMS, INC.
EMPLOYEE STOCK OWNERSHIP PLAN
Statements of Net Assets Available for Benefits
March 31, 2017 and 2016

	2017			2016		
	Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
ASSETS AND LIABILITIES						
Investments in common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	\$ 80,531,744	\$ -	\$ 80,531,744	\$ 75,294,860	\$ -	\$ 75,294,860
Investment in sponsor company convertible preferred stock - at market value	140,515,886	266,466,308	406,982,194	136,897,269	268,895,096	405,792,365
Total assets	221,047,630	266,466,308	487,513,938	212,192,129	268,895,096	481,087,225
Loan Payable to Sponsor Company	-	(15,786,297)	(15,786,297)	-	(16,286,297)	(16,286,297)
NET ASSETS AVAILABLE FOR BENEFITS	\$ 221,047,630	\$ 250,680,011	\$ 471,727,641	\$ 212,192,129	\$ 252,608,799	\$ 464,800,928

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, 2017 and 2016

	2017			2016		
	Supplemental Allocation Information		Total	Supplemental Allocation Information		Total
	Allocated	Unallocated		Allocated	Unallocated	
Additions to Net Assets Attributed to:						
Dividend income	\$ 1,646,076	\$ 3,357,544	\$ 5,003,620	\$ 1,424,758	\$ 2,945,492	\$ 4,370,250
Net appreciation of sponsor's preferred stock	3,500,526	7,400,782	10,901,308	-	-	-
Dividends on unallocated shares	2,888,787	-	2,888,787	2,531,336	-	2,531,336
Redeposit of dividend checks, net	36,075	-	36,075	27,995	-	27,995
Allocation of sponsor preferred stock - fair value	9,829,569	-	9,829,569	8,860,684	-	8,860,684
Net appreciation of common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	8,842,007	-	8,842,007	-	-	-
Total additions	26,743,040	10,758,326	37,501,366	12,844,773	2,945,492	15,790,265
Deductions from Net Assets Attributed to:						
Interest expense	-	102,605	102,605	-	46,020	46,020
Dividends on unallocated shares	-	2,888,787	2,888,787	-	2,531,336	2,531,336
Distributions to participants:						
Dividends	1,512,228	-	1,512,228	1,292,894	-	1,292,894
Redemption of shares by sponsor company	9,711,479	-	9,711,479	18,084,382	-	18,084,382
Payments from common stock, mutual funds, fixed income obligations, common collective trusts and allocated cash dividend funds	5,526,215	-	5,526,215	7,124,608	-	7,124,608
Diversified investments transferred to profit sharing plan	433,897	-	433,897	1,178,019	-	1,178,019
Allocation of 585,093 shares in 2017 and 541,938 shares in 2016 of preferred stock of sponsor company - fair value:						
For compensation	-	9,695,722	9,695,722	-	8,728,819	8,728,819
For dividend payments	133,847	-	133,847	131,865	-	131,865
Investment manager fees	569,873	-	569,873	531,291	-	531,291
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	17,887,539	12,687,114	30,574,653	74,353,280	108,138,465	182,491,745
Net increase (decrease) in net assets available for benefits	8,855,501	(1,928,788)	6,926,713	(61,508,507)	(105,192,973)	(166,701,480)
NET ASSETS AVAILABLE FOR BENEFITS:						
Beginning of year	212,192,129	252,608,799	464,800,928	273,700,636	357,801,772	631,502,408
End of year	\$ 221,047,630	\$ 250,680,011	\$ 471,727,641	\$ 212,192,129	\$ 252,608,799	\$ 464,800,928

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, 2017 and 2016

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, 2017 and 2016, 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, 2017 and 2016

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.

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, 2017 and 2016

Plan Description (continued)

Vesting

Participants become vested in their allocated 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 2017 and 2016 were \$786,328 and \$481,156, 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, 2017 and 2016

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, 2017 and 2016

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, 2017 and 2016 were \$16.80 and \$16.35 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, 2017 and 2016. 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.

Discretionary Dividends

For the 2017 plan year, the Company declared discretionary dividends, which were paid on June 16, 2016, September 15, 2016, December 15, 2016 and March 15, 2017. 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. 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.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2017 and 2016

Summary of Significant Accounting Policies (continued)

Discretionary Dividends – (continued)

Dividend income for the years ended March 31, 2017 and 2016 is composed of the following:

	2017 Allocated	2017 Unallocated	2016 Allocated	2016 Unallocated
Nonleveraged – required	\$ 18,195	\$ -	\$ 21,195	\$ -
Leveraged – required	<u>133,848</u>	<u>321,837</u>	<u>131,864</u>	<u>332,039</u>
Total required	<u>152,043</u>	<u>321,837</u>	<u>153,059</u>	<u>332,039</u>
Nonleveraged – discretionary	187,883	-	188,175	-
Leveraged – discretionary	<u>1,306,150</u>	<u>3,035,707</u>	<u>1,083,524</u>	<u>2,613,453</u>
Total discretionary	<u>1,494,033</u>	<u>3,035,707</u>	<u>1,271,699</u>	<u>2,613,453</u>
Total dividend income	<u>\$ 1,646,076</u>	<u>\$ 3,357,544</u>	<u>\$ 1,424,758</u>	<u>\$ 2,945,492</u>

In fiscal years 2017 and 2016, the ESOP Committee directed the Trustee to retain \$2,888,787 and \$2,531,336, 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 2017 and 2016, the Company's board of directors approved the allocation of 585,093 preferred shares and 541,938 preferred shares, totaling \$9,695,722 and \$8,728,819 at fair value, respectively, to the ESOP participants, including in addition to the cash dividends; and 7,967 preferred shares and 8,065 preferred shares allocated as dividends, totaling \$133,848 and \$131,864 at fair value in 2017 and 2016, respectively.

Administrative Expenses

The Sponsor pays the administrative expense for the Plan, totaling approximately \$330,000 and \$626,000 in the 2017 and 2016 Plan years, respectively.

Investment Manager Fees

In fiscal years 2017 and 2016, the Plan incurred and paid \$569,873 and \$531,291 of investment fees, respectively.

Payment of Benefits

Benefits are recorded when paid.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2017 and 2016

Investments

The Plan's investments as of March 31, 2017 and 2016, are as follows:

	2017	2016
Investments in marketable equity securities, mutual funds, fixed income obligations, money market fund and common collective trusts	<u>\$ 80,531,744</u>	<u>\$ 75,294,860</u>
Preferred stock of the Company:		
Allocated shares	8,364,041	8,372,922
Unallocated shares	<u>15,861,090</u>	<u>16,446,183</u>
Total number of shares	<u>24,225,131</u>	<u>24,819,105</u>
Cost (\$0.7818 per share for 2017 and 2016)	<u>18,939,207</u>	<u>19,403,576</u>
Fair value (\$16.80 and \$16.35 per share for 2017 and 2016, respectively)	<u>406,982,194</u>	<u>405,792,365</u>
Total Investments	<u>\$ 487,513,938</u>	<u>\$ 481,087,225</u>

During 2017 and 2016, shares of 593,974 and 820,153, respectively, were redeemed by participants. Of these total shares, during 2017 and 2016, 26,538 shares and 53,425 shares, respectively, were redeemed for the purpose of diversification and transferred to the Profit Sharing Retirement Plan totaling \$433,897 and \$1,178,019, 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, 2017 and 2016

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, 2017 or 2016.

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, 2017 and 2016

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.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2017 and 2016

Fair Value Measurements (continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of March 31, 2017 and 2016. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

Assets at Fair Value as of March 31, 2017:

	Level 1	Level 2	Level 3	Total
Investments in the fair value hierarchy:				
Marketable equity securities	\$ 35,402,228	\$ -	\$ -	\$ 35,402,228
Mutual funds	12,368,503	-	-	12,368,503
Corporate and other bonds	-	7,208,840	-	7,208,840
Agency bonds and asset-backed securities	-	413,015	-	413,015
U.S. government securities	-	2,799,357	-	2,799,357
Money market fund	-	3,449,082	-	3,449,082
Company preferred stock	-	-	406,982,194	406,982,194
Common collective trust funds measured at net asset value *	-	-	-	18,890,719
Total assets at fair value	\$ 47,770,731	\$ 13,870,294	\$ 406,982,194	\$ 487,513,938

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

* 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, 2017 and 2016

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, 2017 and 2016, is as follows:

	2017	2016
Balance – beginning of year	\$ 405,792,365	\$ 565,345,645
Net appreciation (depreciation)– unrealized	10,901,308	(141,468,898)
Redemption of shares	<u>(9,711,479)</u>	<u>(18,084,382)</u>
Balance – end of year	<u>\$ 406,982,194</u>	<u>\$ 405,792,365</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, 2017 and 2016, 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 2017 and 2016, the loan interest rate was 0.63% and 0.27%, respectively.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements
March 31, 2017 and 2016

Loan Payable (continued)

The minimum scheduled amortization of the loan as of March 31, 2017, is as follows:

2018	\$ 500,000
2019	500,000
2020	500,000
2021	500,000
2022	500,000
Thereafter	<u>13,286,297</u>
Total	<u>\$ 15,786,297</u>

The carrying and fair value of the loan payable was \$15,786,297 and \$14,002,994, respectively at March 31, 2017. The fair value of the loan payable was determined based on a comparison of the interest rate and terms of such borrowings to the rate and terms of similar debt available for the period.

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, 2017 and 2016



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, 2017, 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.

Subsequent to year end, the IRS determined and informed the Company by a letter dated June 21, 2017, that the Plan and related trust are designed and in accordance with the applicable sections of the Code.

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 2017 statement of net assets available for plan benefits

Reconciliation of Financial Statements to Form 5500

As of March 31, 2016, the Plan had \$5,909,296, of pending distributions to participants who elected to withdraw from the Plan. There were no pending distributions as of March 31, 2017. 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.

ADVANCED DRAINAGE SYSTEMS, INC. EMPLOYEE STOCK OWNERSHIP PLAN

Notes to Financial Statements March 31, 2017 and 2016

Reconciliation of Financial Statements to Form 5500 (continued)

The following is a reconciliation of net assets available for benefits per the financial statements at March 31, 2017 and 2016 to Form 5500:

	2017	2016
Net assets available for benefits per the financial statements	\$ 471,727,641	\$ 464,800,928
Accrued benefit payments	<u>-</u>	<u>(5,909,296)</u>
Net assets available for benefits per the Form 5500	<u>\$ 471,727,641</u>	<u>\$ 458,891,632</u>

The following is a reconciliation of net income per the financial statements for the years ended March 31, 2017 and 2016, to Form 5500:

	2017	2016
Net income (loss) per the financial statements	\$ 6,926,713	\$(166,701,480)
Less: Amounts allocated to withdrawing participants at end of year	-	(5,909,296)
Plus: Amounts allocated to withdrawing participants at beginning of year	<u>5,909,296</u>	<u>6,609,573</u>
Net income (loss) per Form 5500	<u>\$ 12,836,009</u>	<u>\$(166,001,203)</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.

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, 2017

(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>Money Market Funds:</i>			
	FEDERATED	PRIME VALUE OBLIGATIONS FUND		
		SERVICE SHARES	\$ 1,697,682	\$ 1,697,682
*	FIFTH THIRD	BANKSAFE TRUST	1,000,000	1,000,000
*	FIFTH THIRD	BANKSAFE PREMIUM	751,400	751,400
	Total Money Market Funds:		3,449,082	3,449,082
	<i>U.S. Government Securities:</i>			
	U.S. TREASURY NOTE	1.500%, due 08/15/2026	264,822	249,834
	U S TREASURY NOTE	4.250%, due 11/15/2017	115,750	102,000
	U S TREASURY NOTE	4.000%, due 08/15/2018	281,589	259,755
	U S TREASURY NOTE	3.125%, due 05/15/2019	278,857	259,513
	U S TREASURY NOTE	1.750%, due 09/30/2022	330,622	328,950
	U S TREASURY NOTE	2.625%, due 11/15/2020	261,935	258,155
	U S TREASURY NOTE	1.875%, due 10/31/2017	305,310	301,548
	U S TREASURY NOTE	1.250%, due 01/31/2019	147,692	150,047
	U S TREASURY NOTE	2.000%, due 02/15/2022	103,321	100,422
	U S TREASURY NOTE	1.000%, due 06/30/2019	338,580	340,589
	U S TREASURY NOTE	0.875%, due 01/31/2018	174,754	174,753
	U S TREASURY NOTE	1.375%, due 01/31/2020	101,832	99,734
	U S TREASURY NOTE	2.125%, due 02/29/2024	171,925	174,057
	Total U.S. Government securities		2,876,989	2,799,357
	<i>Corporate and Other Bonds:</i>			
	ABBVIE INC	2.500%, due 05/14/2020	198,152	201,364
	AIR LEASE CORP	3.875%, due 12/01/2018	51,311	54,245
	AMAZON COM INC	3.300%, due 12/05/2021	80,474	83,098
	APPLE INC	1.000%, due 05/03/2018	97,317	99,698
	ARES CAP CORP	4.750%, due 01/15/2018	73,418	71,357
	AT&T INC GLBL	3.000%, due 06/30/2022	123,218	124,350
	ATLAS AIR WORLDWIDE HLDGS INC	2.250%, due 06/01/2022	50,119	52,938
	BANK AMER CORP	2.600%, due 01/15/2019	126,753	126,301
	BIOMARIN PHARMACEUTICAL INC	0.750%, due 10/15/2018	89,206	79,057
	BURLINGTON NORTHN	3.850%, due 09/01/2023	129,236	132,378
	CAPITAL ONE FINL CORP	3.200%, due 02/05/2025	140,198	145,244
	CISCO SYSTEMS INC	1.600%, due 02/28/2019	100,695	100,139
	CITRIX SYS INC	0.500%, due 04/15/2019	127,913	144,038
	CTRIPO COM INTL LTD	1.000%, due 07/01/2020	52,860	53,160
	CVS CAREMARK CORP	2.250%, due 12/05/2018	76,067	75,488
	DOW CHEM CO	4.250%, due 11/15/2020	83,243	79,550
	DOW CHEMICAL CO	4.125%, due 11/15/2021	135,315	132,629
	DYCOM INDS INC	0.750%, due 09/15/2021	100,330	105,019
	EMERGENT BIOSOLUTIONS INC	2.875%, due 01/15/2021	47,885	47,600
*	FIFTH THIRD BANCORP	2.300%, due 03/01/2019	124,858	125,784
	FINISAR CORP	0.500%, due 12/15/2033	104,057	95,519
	GENERAL ELEC CAP CORP	4.650%, due 10/17/2021	118,416	118,548
	GOLDMAN SACHS GROUP	2.625%, due 01/31/2019	161,877	161,805
	GREENBRIER COS INC S	3.500%, due 04/01/2018	30,319	29,713
	HEALTHSOUTH CORP CONVERTIBLE BD	2.000%, due 12/01/2043	51,810	54,956
	HOLOGIC INC	VAR% due 12/15/2043	54,084	53,213
	ILLUMINA INC	0.500%, due 06/15/2021	51,125	50,746
	INPHI CORP	1.125%, due 12/01/2020	26,323	27,563
	INTEL CORP	3.250%, due 08/01/2039	99,207	104,813
	IRONWOOD PHARMACEUTICALS INC	2.250%, due 06/15/2022	50,877	59,670

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, 2017

(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>			
	JPMORGAN CHASE & CO	2.250%, due 01/23/2020	124,389	125,430
	KEYCORP	5.100%, due 03/24/2021	130,941	125,498
	KRAFT FOODS GROUP INC	3.500%, due 06/06/2022	148,304	153,440
	LAM RESEARCH CORP	1.250%, due 05/15/2018	116,598	169,450
	LIBERTY MEDIA CORP	1.375%, due 10/15/2023	107,133	118,716
	MACQUARIE INFRASTRUCTURE	2.875%, due 07/15/2019	49,959	49,198
	MEDIDATA SOLUTIONS INC	1.000%, due 08/01/2018	107,918	108,419
	MICROCHIP TECHNOLOGY INC	1.625%, due 02/15/2025	89,884	121,869
	MICRON TECHNOLOGY INC	1.625%, due 02/15/2033	103,554	103,106
	MOLINA HEALTHCARE INC	1.625%, due 08/15/2044	49,616	44,310
	NUVASIVE INC	2.750%, due 07/01/2017	50,596	76,191
	NVIDIA CORP	1.000%, due 12/01/2018	12,955	59,496
	OLD REP INTL CORP	3.750%, due 03/15/2018	96,056	106,450
	ON SEMICONDUCTOR CORP	1.000%, due 12/01/2020	104,040	109,188
	ORACLE CORP	5.750%, due 04/15/2018	30,345	31,319
	PALO ALTO NETWORKS INC	VAR%, due 07/01/2019	25,095	20,230
	PANDORA MEDIA INC	1.750%, due 12/01/2020	52,662	50,125
	PDC ENERGY INC	1.125%, due 09/15/2021	51,686	50,195
	PHILLIPS 66 GTD	4.300%, due 04/01/2022	158,913	159,030
	PRICELINE GROUP INC	0.900%, due 09/15/2021	189,207	196,767
	PROOFPOINT INC	0.750%, due 06/15/2020	49,892	53,492
	RED HAT INC	0.250%, due 10/01/2019	99,198	103,800
	ROVI CORP	0.500%, due 03/01/2020	51,210	49,157
	ROYAL GOLD INC	2.875%, due 06/15/2019	50,857	47,531
	RTI INTL METALS INC	1.625%, due 10/15/2019	23,002	25,548
	RYLAND GROUP INC	1.625%, due 05/15/2018	83,298	87,894
	SALESFORCE COM INC	0.250%, due 04/01/2018	132,799	148,206
	SERVICENOW INC	VAR%, due 11/01/2018	26,181	30,870
	SIMON PPTY GROUP L P	3.375%, due 03/15/2022	100,409	102,683
	SM ENERGY CO	1.500%, due 07/01/2021	49,676	44,578
	SPIRIT RLTY CAP INC	2.875%, due 05/15/2019	52,190	50,657
	SPIRIT RLTY CAP INC	3.750%, due 05/15/2021	50,040	51,250
	STARWOOD PPTY TR INC	4.375%, due 04/01/2023	27,000	26,899
	STARWOOD WAYPOINT RESIDENTIAL	3.000%, due 07/01/2019	53,783	65,072
	SYNCHRONOSS TECHNOLOGIES INC	0.750%, due 08/15/2019	85,452	75,450
	TARGET CORP	3.875%, due 07/15/2020	109,833	105,472
	TESLA MTRS INC	1.250%, due 03/01/2021	222,089	230,448
	U S BANCORP	1.950%, due 11/15/2018	160,714	160,958
	UNITEDHEALTH GROUP INC	2.875%, due 03/15/2023	154,334	150,441
	VEECO INSTRS INC	2.700%, due 01/15/2023	56,014	57,406
	VERIZON COMMUNICATIONS INC	5.150%, due 09/15/2023	188,922	192,605
	WEATHERFORD INTL LTD	5.875%, due 07/01/2021	29,407	30,825
	WEBMD HEALTH CORP	2.500%, due 01/31/2018	99,213	91,350
	WELLS FARGO & CO	5.625%, due 12/11/2017	86,684	77,052
	WELLS FARGO & CO	2.100%, due 05/08/2017	180,008	175,126
	WORKDAY INC	0.750%, due 07/15/2018	77,834	74,100
	WORKDAY INC	1.500%, due 07/15/2020	74,109	79,747
	YAHOO INC	VAR%, due 12/01/2018	51,850	51,813
	Total corporate and other bonds		6,982,512	7,208,840

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, 2017

(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	0.875%, due 2/08/2018	256,066	261,504
	FANNIE MAE	1.875%, due 2/19/2019	154,146	151,511
	Total agency bonds and asset-backed securities		410,212	413,015
	<i>Marketable Equity Securities:</i>			
	ADIENT PLC ORD SHS	3,340 Shares	214,700	242,718
	ADOBE SYS INC	902 Shares	67,507	117,377
	AEGON 0.00PFD	964 Shares	20,512	23,965
	AETNA INC	1,706 Shares	83,364	217,600
	AFFILIATED MANAGERS GROUP INC PREFERRED	316 Shares	8,000	8,074
	AFLAC INC SUB DEB 52	1,772 Shares	43,119	45,009
	AGILENT TECHNOLOGIES INC	4,220 Shares	167,742	223,111
	AIA GROUP LTD ADR	5,525 Shares	100,384	139,341
	AIR LIQUIDE SA ADR	4,203 Shares	101,440	96,291
	ALEXANDRIA REAL ESTATE EQUITIES INC PFD SER E	383 Shares	9,472	9,571
	ALFA LAVAL AB SWEDEN ADR	2,540 Shares	39,032	48,108
	ALIBABA GROUP HLDG LTD SPONSORED ADS	1,751 Shares	155,215	188,810
	ALLERGAN PLC SHS	1,285 Shares	201,256	307,012
	ALLERGANPLC PFD CONV SER A	135 Shares	133,033	114,538
	ALLIANZ SE ADR	6,070 Shares	98,395	112,738
	ALLSTATE CORP 6.7500% 12/31/49 SERIES C	803 Shares	20,762	21,360
	ALLSTATE CORP DEP SH REPSTG 1/100TH PERP PFD SER E	1,755 Shares	46,112	47,104
	ALLSTATE CORP DEP SHS REPSTG 1/1000TH PERP PFD SER A	413 Shares	10,206	10,474
	ALLSTATE CORP LEOPARDS DEP SHS REPSTG 1/1000TH PERP PFD	431 Shares	10,937	11,706
	ALLSTATE CORP SUB DEB FIXED TO FLTG RATE 5.1000% 1/15/53 SERIES	470 Shares	12,150	12,521
	ALPHABET INC CAP STK CL A	390 Shares	194,121	330,642
	ALPHABET INC CAP STK CL A	293 Shares	126,928	248,405
	ALPHABET INC CAP STK CL C	340 Shares	169,100	282,050
	AMAZON.COM INC	506 Shares	189,926	448,589
	AMC NETWORKS INC CLASS A	509 Shares	19,531	29,868
	AMDOCS LIMITED	3,580 Shares	138,610	218,344
	AMERICAN EXPRESS CO	2,947 Shares	231,796	233,137
	AMERICAN FINANCIAL GROUP INC 5.7500% 8/25/42 SERIES	455 Shares	11,564	11,557
	AMERICAN FINL GROUP INC 6.25% PREF	908 Shares	23,515	23,799
	AMERICAN FINL GROUP INC OHIO PREFERRED	283 Shares	7,204	7,485
	AMERICAN FINL GROUP INC OHIO SR NT	369 Shares	9,237	9,406
	AMERICAN TOWER CORP	978 Shares	76,255	118,866
	AMERICAN TOWER CORP NEW PFD CONV SER A	770 Shares	81,934	87,949

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, 2017

(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>			
	AMERICAN WTR WKS CO INC	3,107 Shares	223,298	241,631
	AMG CAPITAL TRUST II 5.15 PFD	1,445 Shares	88,452	82,094
	ANADARKO PETE CORP	3,430 Shares	221,616	212,660
	ANTHEM INC CORP UNIT	1,780 Shares	91,047	90,780
	APPLE INC	3,415 Shares	367,241	490,599
	ARCH CAP GROUP LTD DEPOSITARY SH REPSTG 1/1000 PFD SER E	1,462 Shares	36,433	33,100
	ARCH CAP GROUP LTD PFD-C 6.75%	1,479 Shares	37,523	37,226
	ARCONIC INC PFD CONV CL B SER 1	830 Shares	38,894	34,072
	ASPEN PHARMACARE HLDGS LTD ADR	1,670 Shares	36,830	34,215
	ATLAS COPCO AB ADR	1,670 Shares	46,905	59,163
	AUTODESK INC	2,025 Shares	84,300	175,102
	AXIS CAP HLDGS LTD PREFERRED	1,247 Shares	29,515	29,417
	AXIS CAPITAL HOLDINGS LTD 6.8750% SERIES C	1,135 Shares	28,990	28,341
	AXIS CAPITAL HOLDINGS LTD PFD	1,322 Shares	31,456	33,076
	B B & T CORPORATION	7,385 Shares	264,869	330,110
	BAIDU INC ADR	840 Shares	148,703	144,917
	BANCO BILBAO VIZCAYA ARGENTINA	15,180 Shares	124,064	115,520
	BANK AMER CORP DEP SHS PFD	1,438 Shares	36,348	37,086
	BANK AMER CORP PFD NON CUM SER CC	658 Shares	16,952	17,009
	BANK OF AMERICA 7.25% PFD SERIES L	110 Shares	129,514	131,457
	BANK OF AMERICA CORP PREFERRED 6.5%	3,032 Shares	77,120	79,833
	BANK OF AMERICA CORP PREFERRED 6.625% SERIES W	2,902 Shares	73,735	76,990
	BANK OF AMERICA CORPORATION 6.625% PFD	923 Shares	22,054	23,989
	BANK OF NEW YORK MELLON CORP PREFERRED C	3,037 Shares	75,104	75,925
	BAYER AG ADR	1,465 Shares	152,411	169,303
	BAYERISCHE MOTOREN WERKE A G SPONSORED ADR	2,140 Shares	76,185	64,919
	BB&T CORP PRF 5.6250% SERIES E	3,038 Shares	74,438	76,983
	BB&T CORP DEP PFD SER H 5.625% PFD	1,388 Shares	35,695	34,991
	BB&T CORP DEP SHS PFD-D	1,396 Shares	34,037	34,816
	BB&T CORP DEP SHS PREFERRED	1,173 Shares	29,467	29,818
	BB&T CORP DEP SHS REPSTG 1/1000 INT SER F PERPETUAL PFD 5.2%	471 Shares	10,877	11,756
	BBA AVIATION PLC ADR	1,250 Shares	18,588	23,798
	BERKLEY W R CORP 04/30/53 SERIES	1,150 Shares	27,772	28,693
	BERKLEY W R CORP PREFERRED	281 Shares	7,118	7,143
	BERKLEY W R CORP SUB DEB 56 PREFERRED 05/25/16 5.750 06/01/56	1,909 Shares	46,622	47,553
	BIOGEN INC	1,192 Shares	308,367	325,917
	BIOGEN INC	854 Shares	161,785	233,501
	BIOGEN INC	631 Shares	178,630	172,528
	BIOVERATIV INC	427 Shares	14,242	23,254
	BOSTON SCIENTIFIC CORP	4,662 Shares	87,446	115,944
	BRISTOL MYERS SQUIBB CO	6,170 Shares	327,408	335,525
	BROADCOM LTD SHS	690 Shares	49,982	151,082
	BROADCOM LTD SHS	804 Shares	111,470	176,044

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, 2017

(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>			
	BUNGE LTD	1,090 Shares	80,685	86,393
	CANADIAN NATIONAL RAILWAY CO SEDOL 2180632 ISIN CA1363751027	1,280 Shares	61,232	94,630
	CAPITAL ONE FINANCIAL CO 6.0000% SERIES B	3,048 Shares	75,698	77,663
	CAPITAL ONE FINANCIAL CO 6.7000 PERPETUAL	2,237 Shares	58,889	61,383
	CAPITAL ONE FINL CORP	2,543 Shares	166,345	220,376
	CAPITAL ONE FINL CORP DEPOSITARY SHS REPSTG 1/40TH INT PERP PFD SER C	1,417 Shares	35,313	36,870
	CAPITAL ONE FINL CORP PFD SER F	514 Shares	12,927	13,421
	CELGENE CORP	2,171 Shares	172,398	270,138
	CENTERPOINT ENERGY INC DTD 09/21/99 VAR % DUE 09/15/29	1,355 Shares	78,030	95,273
	CHECK POINT SOFTWARE TECH	1,115 Shares	92,307	114,466
	CITIGROUP INC	5,493 Shares	280,310	328,591
	CITIGROUP INC 1.575	567 Shares	14,935	14,974
	CITIGROUP INC DEP SHS REPSTG 1/1000 PFD SER J FIXED/FLTG	1,343 Shares	35,762	38,786
	CITIGROUP INC DEP SHS REPSTG 1/1000TH PFD SER K	2,945 Shares	77,517	83,432
	CITIGROUP INC PREFERRED	1,532 Shares	39,967	42,421
	CITIGROUP INC PREFERRED	1,429 Shares	35,757	37,011
	CITIZENS FINL GROUP INC	6,035 Shares	138,162	208,509
	CITRIX SYS INC	1,074 Shares	61,506	89,561
	COCA COLA CO	8,005 Shares	327,553	339,732
	COMCAST CORP CL A	8,372 Shares	118,064	314,703
	COMCAST CORP CL A	3,641 Shares	112,167	136,865
	COMCAST CORP PREF	809 Shares	20,486	20,872
	COSTAR GROUP INC	509 Shares	82,124	105,475
	COSTCO WHOLESALE CORP	830 Shares	108,807	139,183
	CREE, INC	1,556 Shares	71,106	41,592
	CSL LTD ADR	1,580 Shares	39,601	75,530
	CTRIPO COM INTL LTD AMERICAN DEP SHS	2,427 Shares	111,005	119,287
	CVS HEALTH CORPORATION	4,293 Shares	296,028	337,001
	DANAHER CORP	1,801 Shares	97,367	154,040
	DASSAULT SYSTEMES SA ADR	1,856 Shares	94,739	161,071
	DBS GROUP HOLDINGS LTD ADR	1,489 Shares	75,410	82,693
	DELTA AIR LINES INC	2,303 Shares	112,470	105,846
	DIAMONDBACK ENERGY INC	1,060 Shares	98,017	109,938
	DIGITAL REALTY TR INC PREFERRED 6.6250% SER F	367 Shares	9,140	9,259
	DIGITAL RLTY TR INC CONV PFD I	460 Shares	11,526	12,273
	DIGITAL RLTY TR INC PFD SER G	412 Shares	10,056	10,444
	DIGITAL RLTY TR INC PFD SER H	511 Shares	13,085	14,053
	DISCOVERY COMMUNICATIONS	2,074 Shares	63,346	60,333
	DISNEY WALT CO	1,506 Shares	166,816	170,765
	DOLBY LABORATORIES INC-CL A	789 Shares	33,562	41,351
	DOLLAR TREE INC	1,491 Shares	116,281	116,984
	DOMINION ENERGY INC.	555 Shares	28,902	27,917
	DOMINION ENERGY INC.	4,337 Shares	108,895	103,090
	DTE ENERGY CO CORPORATE UNIT	520 Shares	26,481	27,940
	DTE ENERGY CO JR SUB DEB 05/27/16 5.375 06/01/76	1,143 Shares	28,944	27,432

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, 2017

(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>			
	DTE ENERGY CO JR SUB PREFERRED	461 Shares	11,430	12,092
	DTE ENERGY CO SUB DEB 62	234 Shares	5,840	5,796
	DUKE ENERGY CORP NEW 5.1250% 01/15/73 SERIES	659 Shares	16,509	17,127
	EBAY INC	9,660 Shares	245,022	324,286
	ECOLAB INC	878 Shares	83,722	110,049
	EDWARDS LIFESCIENCES CORP	1,402 Shares	150,085	131,886
	ELECTRONIC ARTS	1,527 Shares	126,192	136,697
	ENTERGY ARK INC 1ST MTG BD	248 Shares	6,196	6,041
	ENTERGY ARK INK PREF 4.75% 06/01/63	250 Shares	6,152	5,853
	ENTERGY ARKANSAS INC 4.875 09/01/66	1,006 Shares	25,034	22,856
	ENTERGY LA LLC AUTOCAL SPX 22 PREFERRED	990 Shares	24,550	22,384
	ENTERGY LOUISIANA LLC 5.25% 07/01/52 SERIES	382 Shares	9,825	9,466
	ENTERGY MISS INC 1ST MTG BD PRREFERRED	1,479 Shares	36,635	33,470
	ENTERGY NEW ORLEANS INC PREFERRED	479 Shares	12,193	11,850
	EOG RES INC	3,223 Shares	261,440	314,404
	EXELON CORP CONV UNIT	1,385 Shares	71,499	68,364
	EXPEDIA INC.	938 Shares	117,653	118,347
	FACEBOOK INC	2,118 Shares	170,560	300,862
	FANUC CORP ADR	6,370 Shares	108,941	130,451
	FIDELITY NATL INFORMATION	1,432 Shares	103,121	114,016
	FISERV INC	1,060 Shares	111,728	122,229
	FLEETCOR TECHNOLOGIES INC	1,135 Shares	164,941	171,873
	FLUOR CORP	2,221 Shares	157,671	116,869
	FORTIVE CORP COM	2,284 Shares	99,773	137,542
	FREEPORT-MCMORAN INC	11,847 Shares	210,759	158,276
	FRESENIUS MEDICAL CARE AG & CO ADR	2,060 Shares	80,265	86,788
	FUCHS PETROLUB SE ADR	3,752 Shares	43,492	45,879
	GATX CORP SR NT	1,348 Shares	33,553	33,700
	GENERAL DYNAMICS CORP	688 Shares	117,235	128,794
	GENERAL ELEC CAP COR NT PREF	2,068 Shares	51,438	52,713
	GENERAL ELEC CAP CORP NT 53	1,828 Shares	45,939	46,943
	GENERAL ELEC CAP CORP NT PFRD 05/16/53	1,848 Shares	46,155	47,438
	GOLDMAN SACHS	1,842 Shares	48,436	48,979
	GOLDMAN SACHS GROUP INC DEPOSITARY SHS REPSTG 1/1000TH PFD SER J	4,344 Shares	106,941	116,506
	GOLDMAN SACHS GROUP INC PERPETUAL PFD SER I	800 Shares	20,165	20,800
	GOLDMAN SACHS GROUP INC PREFERRED	1,728 Shares	44,638	48,799
	GREAT PLAINS ENERGY INC DEP SHS PREFERRED 1/20 B	1,035 Shares	52,648	55,611
	GRIFOLS SA ADR	2,240 Shares	39,206	42,280
	GRUPO FINANCIERO BANORTE S A B DE C V ADR	1,860 Shares	42,755	53,200
	GRUPO TELEVISIA SAB ADR	1,330 Shares	34,984	34,500
	HARTFORD FINL SVCS GROUP INC DEL JR SUB DEB FIXED TO FLTG	1,153 Shares	32,124	35,858
	HESS CORP DEP SHS REPSTG 1/20TH INT MANDATORY CONV PDF SER A	835 Shares	45,735	49,683
	HILTON WORLDWIDE HLDGS	2,107 Shares	121,088	123,175
	HOME DEPOT INC	1,237 Shares	145,500	181,629
	HONEYWELL INTL INC	1,585 Shares	166,556	197,919
	HP INC	19,035 Shares	242,972	340,346

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, 2017

(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>			
	HSBC HLDGS PLC ADR SER A REP 1/40 PFD SER A	654 Shares	15,936	16,939
	HSBC HOLDINGS PLC ADR	1,230 Shares	50,941	50,209
	ICICI BANK LTD ADR	5,220 Shares	41,543	44,892
	IMMUNOGEN INC	4,786 Shares	43,992	18,522
	ING GROEP N V 6.1250% SERIES	777 Shares	17,994	19,814
	ING GROEP N V PERPETUAL DEBT SECS %	519 Shares	11,435	13,235
	ING GROEP NV 6.3750% SERIES	1,934 Shares	43,797	49,472
	INTERCONTINENTAL EXCHANGE, INC	2,047 Shares	120,161	122,554
	INTUIT	1,030 Shares	118,813	119,470
	INVITATION HOMES INC COM	11,020 Shares	222,660	240,567
	IONIS PHARMACEUTICALS INC	2,898 Shares	68,138	116,500
	ITAU UNIBANCO HOLDINGS SA	6,243 Shares	60,763	75,353
	JGC CORP ADR	1,170 Shares	70,272	40,634
	JOHNSON CTLS INTL PLC	2,912 Shares	90,463	122,653
	JPMORGAN CHASE & CO	1,578 Shares	114,015	138,612
	JPMORGAN CHASE & CO 1/400 PFD	2,023 Shares	49,602	51,465
	JPMORGAN CHASE & CO 6.300 09/01/19 SERIES W	921 Shares	23,197	24,904
	JPMORGAN CHASE & CO DEP SHS REPSTG A 1/400TH INT SH NON CUM PFD SER AA	551 Shares	13,732	14,596
	JPMORGAN CHASE & CO DEPOSITARY SH REPSTG 1/400TH PFD SER T	1,380 Shares	35,072	37,826
	JPMORGAN CHASE & CO DEPOSITARY SHS REPSTG 1/400TH INT PFD STK SER Y %	1,359 Shares	34,171	36,041
	JPMORGAN CHASE & CO PREFERRED DEPOSITARY SHS REPSTG 1/400TH PFD SER O	2,836 Shares	69,534	72,034
	KEYCORP NEW DEP SHS 1/40 E	1,828 Shares	45,732	49,466
	KIMCO RLTY CORP DEP 1/1000 PFD J 5.500%	406 Shares	9,951	10,126
	KIMCO RLTY CORP DEPOSITARY SH REPSTG 1/1000TH PFD SER I	1,117 Shares	27,710	28,126
	KIMCO RLTY CORP PFD	767 Shares	19,002	19,405
	KUBOTA CORP ADR	560 Shares	42,070	41,989
	L-3 COMMUNICATIONS CORP	1,055 Shares	92,457	174,381
	LIBERTY BROADBAND CORP COM SER A	148 Shares	9,765	12,593
	LIBERTY BROADBAND CORP COM SER C	296 Shares	4,839	25,574
	LIBERTY FORMULA ONE COMMON STOCK	296 Shares	2,137	10,108
	LIBERTY FORMULA ONE COMMON STOCK	149 Shares	4,126	4,872
	LIBERTY INTERACTIVE CORP LBT VEN COM A NE	220 Shares	8,099	9,786
	LIBERTY INTERACTIVE CORPORATION OVC GROUP COM SER A	2,980 Shares	43,502	59,660
	LIBERTY MEDIA CORP DEL COM SER A BRAVES GROUP	59 Shares	1,979	1,412
	LIBERTY MEDIA CORP DEL COM SER A SIRIUSXM GROUP	595 Shares	22,147	23,157
	LIBERTY MEDIA CORP DEL COM SER C BRAVES GROUP	118 Shares	845	2,791
	LIBERTY MEDIA CORP DEL COM SER C SIRIUSXM GROUP	1,185 Shares	11,499	45,954
	LILLY (ELI) & CO	2,800 Shares	185,899	235,508
	LILLY (ELI) & CO	1,988 Shares	163,548	167,211
	LINDE AG ADR	3,360 Shares	58,375	56,099
	LIONS GATE ENTERTAINMENT CORP	495 Shares	12,996	12,068
	LOGMEIN INC	184 Shares	15,474	17,940

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, 2017

(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>			
	L'OREAL SA ADR	2,752 Shares	77,542	106,051
	LULULEMON ATHLETICA INC	1,333 Shares	85,017	69,143
	LVMH MOET HENNESSY LOUIS VUITTON ADR	1,260 Shares	43,970	55,483
	MASTERCARD INC	1,813 Shares	113,471	203,908
	MCKESSON CORPORATION	2,310 Shares	348,340	342,481
	MEDTRONIC PLC SEDOL BTN1Y11 ISIN IE00BTN1Y115	794 Shares	59,819	63,965
	METLIFE INC	4,020 Shares	175,461	212,336
	MGM MIRAGE	13,115 Shares	311,391	359,351
	MICROSOFT CORP	4,121 Shares	229,714	271,409
	MITSUBISHI ESTATE LTD ADR	2,050 Shares	57,657	37,347
	MONOTARO CO LTD ADR	1,620 Shares	17,885	50,011
	MOODYS CORP	1,024 Shares	98,347	114,729
	MORGAN STANLEY 0.00% PFD SERIES A	853 Shares	19,342	20,139
	MORGAN STANLEY DEP PREFERRED DUE 10/15/23	2,627 Shares	72,117	76,525
	MORGAN STANLEY DEPOSITARY SHS REPSTG 1/1000TH PFD SER G %	2,716 Shares	69,330	72,110
	MORGAN STANLEY PFD SER F 6.875	972 Shares	26,106	27,410
	MORGAN STANLEY SH PREFERRED	1,585 Shares	40,117	40,972
	NASPERS LTD ADR	6,050 Shares	83,785	104,453
	NATIONAL RETAIL PPTYS INC DEPOSITARY SHS REPSTG 1/100TH PFD SER E	839 Shares	20,818	20,975
	NATIONAL RETAIL PPTYS INC PREFERRED	972 Shares	24,315	22,541
	NATIONAL-OILWELL INC	2,108 Shares	106,340	84,510
	NESTLE SA ADR	1,890 Shares	126,105	145,109
	NEW YORK CMNTY BANCORP INC PREFERRED A	1,900 Shares	47,930	51,490
	NEXTERA ENERGY CAL HLDGS INC 5.0000% 1/15/73 SERIES	326 Shares	8,031	8,042
	NEXTERA ENERGY CAP HLDGS PREFERRED STK	368 Shares	9,202	9,274
	NEXTERA ENERGY CAP HLDGS INC PREFERRED STK	798 Shares	19,564	19,599
	NEXTERA ENERGY CAP HLDGS INC. 06/15/12 5.625 06/15/72	556 Shares	13,900	13,933
	NEXTERA ENERGY CAPITAL PFD 5.250 06/01/76	1,907 Shares	47,992	45,825
	NEXTERA ENERGY INC CORPORATE UNIT	795 Shares	39,599	40,545
	NEXTERA ENERGY INC CORPORATE UNIT	610 Shares	38,680	36,832
	NIKE INC	4,906 Shares	209,668	273,411
	NOBLE ENERGY INC	5,660 Shares	233,922	194,364
	NORTHROP GRUMMAN CORP	308 Shares	72,456	73,255
	NOW INC	2,097 Shares	59,614	35,565
	NUANCE COMMUNICATIONS INC	1,998 Shares	32,300	34,585
	NUCOR CORP	2,258 Shares	110,458	134,848
	NVIDIA CORP	510 Shares	54,114	55,554
	O REILLY AUTOMOTIVE INC	395 Shares	96,057	106,587
	OCCIDENTAL PETE CORP	4,326 Shares	301,120	274,095
	ORACLE CORPORATION	7,678 Shares	313,812	342,516
	PARK24 CO LTD SPONSORED ADR	1,720 Shares	48,534	44,980
	PAYPAL HLDGS INC	3,583 Shares	126,378	154,141
	PENTAIR PLC SHS	1,155 Shares	59,785	72,511
	PEOPLES UNITED FINANCIAL INC PREFERRED	684 Shares	17,794	17,654

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, 2017

(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>			
	PNC FINL SVCS GROUP DEP SHARE DEPOSITARY			
	SHS REPSTG 1/4000TH PERP PFD SER P	4,703 Shares	126,318	133,424
	PPL CAP FDG INC JR SUB NT PREF	459 Shares	11,570	12,021
	PRICELINE GROUP INC	113 Shares	130,509	201,137
	PROTECTIVE LIFE CORP PREFERRED STOCK	866 Shares	21,442	21,962
	PRUDENTIAL FINL INC JR SUB NT	1,400 Shares	34,745	36,022
	PRUDENTIAL FINL INC JR SUB NT PREFERRED	803 Shares	20,291	20,621
	PS BUSINESS PKS INC CALIF DEP SHS REPSTG			
	1/1000PFD SER U	240 Shares	5,972	6,103
	PS BUSINESS PKS INC CALIF DEP SHS REPSTG			
	1/1000TH PFD SER T	1,390 Shares	34,440	34,972
	PUBLIC STORAGE 5.2% SERIES X PFD	243 Shares	5,976	6,094
	PUBLIC STORAGE DEP	280 Shares	7,088	6,874
	PUBLIC STORAGE DEP	405 Shares	9,930	9,967
	PUBLIC STORAGE DEP SH REPSTG			
	PFD SH BEN INT SER S	1,033 Shares	25,724	26,021
	PUBLIC STORAGE DEP SHS PFD-U	374 Shares	9,278	9,387
	PUBLIC STORAGE DEP SHS PRD C	297 Shares	7,446	7,119
	PUBLIC STORAGE DEP SHS REPSTG			
	1/1000TH PFD SH BEN INT SER A	266 Shares	6,668	6,834
	PUBLIC STORAGE DEP SHS REPSTG			
	1/1000TH PFD SH BEN INT SER Y 6.375%	491 Shares	12,406	13,070
	PUBLIC STORAGE DEP SHS REPSTG			
	1/1000TH PFD SH BEN INT SER Z	688 Shares	17,338	18,397
	PUBLIC STORAGE PFD T 1/1000TH	1,260 Shares	31,350	31,626
	QUALCOMM INC	5,965 Shares	379,652	342,033
	QWEST CORP NT	954 Shares	24,162	23,678
	QWEST CORP NT 04/02/12 7.000 04/01/52			
	EXCHANGE TRADED DEBT SECURITY	538 Shares	13,498	13,558
	QWEST CORP NT 7% PRF	363 Shares	9,104	9,188
	RAYTHEON CO	1,252 Shares	165,119	190,930
	REALTY INCOME CORP MNTHLY INC	753 Shares	18,857	18,893
	REGENCY CTRS CORP PFD SER 7	236 Shares	5,842	5,994
	REGENERON PHARMACEUTICALS INC	291 Shares	115,381	112,765
	REGIONS FINL CORP NEW DEP SHS REPSTG			
	1/40TH PERP PFD SER B FIXED-FLTG	1,139 Shares	28,875	31,334
	REINSURANCE GROUP AMER INC SUB DEB	251 Shares	7,068	7,159
	REINSURANCE GROUP AMER INC SUB			
	DEBENTURE FXD/FLTG	253 Shares	7,078	6,942
	RENAISSANCERE HLDGS LTD PREFERRED STK	1,053 Shares	26,070	26,020
	REXNORD CORP NEW PREFERRED	1,030 Shares	52,502	56,248
	ROCHE HOLDING AG ADR	5,157 Shares	145,889	164,740
	ROYAL BANK OF SCOTLAND 6.60% PFD ADR	671 Shares	14,551	17,010
	ROYAL BK SCOTLAND GROUP PLC			
	5.7500% SERIES L	3,371 Shares	61,590	84,477
	ROYAL DUTCH SHELL PLC CL A ADR	6,285 Shares	300,533	331,402
	ROYAL DUTCH SHELL PLC CL B ADR	2,245 Shares	102,112	125,338
	SALESFORCE.COM INC	2,859 Shares	181,466	235,839
	SAP SE ADR	1,466 Shares	104,503	143,917
	SASOL LTD ADR	1,200 Shares	54,056	35,280
	SCE TR I PREFERRED STOCK	476 Shares	12,364	12,014
	SCE TR II TR PFD SECS	578 Shares	14,705	14,306
	SCE TR V FXD/FLTG RATE TR PFD SECS	531 Shares	13,797	14,379
	SCHLUMBERGER LTD	1,115 Shares	93,066	87,082

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, 2017

(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>			
	SCHWAB CHARLES CORP 5.950% PFD	927 Shares	23,696	24,417
	SCHWAB CHARLES CORP NEW DSHS	1,115 Shares	27,953	28,745
	SCHWAB CHARLES CORP PFD C	4,126 Shares	105,878	110,082
	SEAGATE TECHNOLOGY PLC SHS	6,474 Shares	160,567	297,351
	SENIOR HOUSING PROPERTIES TRUST 07/20/12 5.625 08/01/42	1,051 Shares	25,576	26,559
	SENIOR HSG PPTYS TR SR NT	759 Shares	19,022	19,582
	SERVICENOW INC	1,605 Shares	99,031	140,389
	SHERWIN WILLIAMS CO	428 Shares	117,584	132,761
	SHIRE PLC ADR	221 Shares	38,091	38,505
	SKYWORKS SOLUTIONS INC	1,104 Shares	108,469	108,170
	SONOVA HOLDING AG ADR	1,420 Shares	32,219	39,411
	SOUTHERN CO JR SUB NT PREFERRED	969 Shares	24,224	23,208
	SOUTHERN CO PFD JR SUB NT SER 2015A	363 Shares	9,326	9,583
	SOUTHWEST AIRLS CO	2,496 Shares	124,672	134,185
	SOUTHWESTERN ENERGY CO DEP SHS REPSTG 1/20TH INT MANDATORY CONV PFD SER B	1,620 Shares	89,049	32,044
	SPLUNK INC	2,082 Shares	117,266	129,688
	STANLEY BLACK & DECKER INC 07/25/52 SERIES	2,025 Shares	50,861	51,131
	STARBUCKS CORP	3,220 Shares	146,649	188,016
	STATE STR CORP DEP SHS REPSTG 1/4000TH PERP PFD SER D FIXED TO FLTG	1,273 Shares	33,163	34,320
	STATE STR CORP DEPOSITARY SHS REPSTG 1/4000TH OWNERSHIP INT PERP	2,702 Shares	68,642	70,900
	STATE STR CORP PFD-C	1,408 Shares	34,568	35,031
	STATE STREET CORPORATION DEP SHS PREFERRED SER G	369 Shares	9,568	9,716
	SUNTRUST BKS INC PRF PFD SER E	367 Shares	8,748	9,340
	SYMANTEC CORP	7,744 Shares	145,368	237,586
	SYMRISE AG ADR	3,110 Shares	42,793	51,841
	SYNCHRONY FINL	9,775 Shares	253,732	335,283
	SYSMEX CORP ADR	2,409 Shares	34,665	72,964
	T MOBILE US INC PFD SER A 1 2/15/14 5.500 12/15/17	335 Shares	19,882	35,446
	TAIWAN SEMICONDUCTOR MANUFACTURE ADR	4,535 Shares	79,361	148,929
	TCF FINL CORP DEL DEP SHS REPSTG 1/1000 PERP PFD SER A	862 Shares	22,566	21,964
	TE CONNECTIVITY LTD REG SHS	2,572 Shares	107,551	191,743
	TENARIS SA ADR	970 Shares	25,075	33,116
	THERMO FISHER SCIENTIFIC INC	1,142 Shares	177,767	175,411
	TORCHMARK CORP JR SUB DEB	488 Shares	12,597	12,366
	TURKIYE GARANTI BANKASI AS ADR	15,020 Shares	62,928	36,544
	TWITTER INC	9,234 Shares	184,012	138,048
	TYSON FOODS INC	5,218 Shares	337,229	322,003
	UNILEVER PLC ADR	1,490 Shares	57,076	73,517
	UNION PAC CORP	1,229 Shares	123,429	130,176
	UNITED PARCEL SVC INC	3,296 Shares	337,302	353,661
	UNITEDHEALTH GROUP INC	1,663 Shares	91,504	272,749
	UNITEDHEALTH GROUP INC	1,949 Shares	191,747	319,655
	UNIVERSAL HEALTH SVCS	1,935 Shares	210,707	240,811

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, 2017

(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>			
	US BANCORP 5.56 PFD	330 Shares	7,099	7,610
	US BANCORP DEL	1,806 Shares	50,532	51,760
	US BANCORP DEL DEP SHS	503 Shares	12,912	12,575
	US BANCORP DEL PFD SER H	1,111 Shares	27,670	28,397
	VENTAS RLTY LTD PARTNERSHIP	764 Shares	19,344	19,115
	VERIZON COMMUNICATIONS INC	1,845 Shares	47,169	48,763
	VERTEX PHARMACEUTICALS INC	1,271 Shares	82,318	138,984
	VISA INC CL A	4,915 Shares	188,947	436,796
	VORNADO RLTY TR PFD SER K PFD SER K	539 Shares	13,465	13,739
	VORNADO RLTY TR PFD SER L %	771 Shares	19,301	18,812
	WEATHERFORD INTL PLC ORD SHS	33,585 Shares	398,728	223,340
	WELLS FARGO & CO 8.0000% SERIES J	808 Shares	23,379	21,202
	WELLS FARGO & CO NEW DEP SHS PREFERRED	2,682 Shares	67,011	71,341
	WELLS FARGO & CO NEW DEPOSITARY SHS			
	REPSTG 1/1000TH INT PERP PFD CL A	2,740 Shares	75,906	79,981
	WELLS FARGO & COMPANY	6,005 Shares	291,302	334,238
	WELLS FARGO & COMPANY	2,192 Shares	120,650	122,007
	WELLS FARGO & COMPANY PREFERRED	1,898 Shares	48,199	46,653
	WELLS FARGO CO PFD 7.5% SERIES L	125 Shares	154,265	154,878
	WELLTOWER INC 6.50% PFD PREPETUAL			
	CONV SER I	605 Shares	42,966	38,188
	WESTERN DIGITAL CORP	1,533 Shares	83,203	126,518
	WILLIS TOWERS WATSON PUB LTD SHS	1,633 Shares	162,635	213,743
	WPP PLC ADR	1,035 Shares	89,474	113,229
	WPX ENERGY INC PFD CONV SER A 6.25%	730 Shares	26,681	44,121
	XILINX INC	1,793 Shares	105,788	103,797
	XL GROUP LTD COM	5,925 Shares	192,318	236,171
	ZOETIS INC	3,981 Shares	179,720	212,466
	Total marketable equity securities		29,965,284	35,402,228
	<i>Common/Collective Trust Funds:</i>			
*	NORTHERN	Collective Aggregate Bond Index Fund Lending	2,509,402	2,834,169
*	NORTHERN	Emerging Markets Index Fund	688,701	758,813
*	NORTHERN	All Country World EX-US IMI Fund	788,753	901,625
*	NT	Collective Global Real Estate Index Fund	777,878	1,005,576
*	NT	Collective S&P 400 Index Fund	880,163	1,151,935
*	NTCC	Short-Term Investment Fund	316,360	316,360
*	NTCC	SMALL CAP FD FEBT	870,759	1,278,289
*	NTCC	Emerging Markets Fund FEBT	655,442	774,562
*	NTCC	International Equity Fund	1,529,820	1,813,606
*	NTGI-QM	Coltv Daily 1-5 yr CR BD Index Fund	1,339,841	1,410,624
*	NTGI-QM	Russell 1000 Index Fund	4,013,761	6,645,160
	Total common/collective trust funds		14,370,880	18,890,719

* Denotes party-in-interest

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, 2017

(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>Mutual Funds:</i>			
	MFC	MFC- Flexshares TR Morning Star Global	1,504,369	1,443,875
	MFC	Flexshares TR Iboxx 3 Yr Target Index Fund	849,715	844,682
	MFO	Doubleline Core Fixed Income Fund	2,780,884	2,749,584
*	NORTHERN	Multi Manager Global Listed Infrastructure Fund	978,906	1,132,837
*	NORTHERN	Funds Active M U S Equity	2,823,107	3,011,318
*	NORTHERN	Multi Manager High Yield Opportunity Fund	1,035,804	1,003,659
	OPPENHEIMER	Senior Floating Rate Fund	1,391,471	1,362,419
	OPPENHEIMER	International Bond Fund Class R	901,817	820,129
	Total mutual funds		12,266,073	12,368,503
*	<i>Preferred Stock - 2.5% Cumulative Convertible Voting</i>			
	Preferred Stock, \$0.01 Par Value:			
	Allocated shares	8,364,041 Shares	6,539,007	140,515,886
	Unallocated shares	15,861,090 Shares	12,400,200	266,466,308
	Total preferred stock		18,939,207	406,982,194
			\$ 89,260,239	\$ 487,513,938

See Independent Auditor's Report.

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 4085 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 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 2016 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2016 or fiscal plan year beginning <u>04/01/2016</u> and ending <u>03/31/2017</u>	
A This return/report is for: ☐ a multiemployer plan ☒ a single-employer plan B This return/report is: ☐ the first return/report ☐ an amended return/report ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a DFE (specify) _____ ☐ the final 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 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 TRUMAN BOULEVARD HILLIARD OH 43026-2438	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;">003</td> </tr> <tr> <td colspan="2">1c Effective date of plan 04/01/1993</td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) 51-0105665</td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number 800-733-7473</td> </tr> <tr> <td colspan="2">2d Business code (see instructions) 326100</td> </tr> </table>	1b Three-digit plan number (PN) ▶	003	1c Effective date of plan 04/01/1993		2b Employer Identification Number (EIN) 51-0105665		2c Plan Sponsor's telephone number 800-733-7473		2d Business code (see instructions) 326100	
1b Three-digit plan number (PN) ▶	003										
1c Effective date of plan 04/01/1993											
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>4/16/18</u> Date	SCOTT A. COTTRILL Enter name of individual signing as plan administrator
SIGN HERE		<u>4/16/18</u> Date	SCOTT A. COTTRILL 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 5,217
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) 3,014
a(2) Total number of active participants at the end of the plan year	6a(2) 3,168
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits.....	6c 2,347
d Subtotal. Add lines 6a(2), 6b, and 6c.....	6d 5,515
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 18
f Total. Add lines 6d and 6e.....	6f 5,533
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 5,519
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 292
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)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) Insurance contracts	(2) ☐ Code section 412(e)(3) Insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(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)

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 2016 Form M-1 annual report. If the plan was not required to file the 2016 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, 2017

(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>Money Market Funds:</i>			
	FEDERATED	PRIME VALUE OBLIGATIONS FUND		
		SERVICE SHARES	\$ 1,697,682	\$ 1,697,682
*	FIFTH THIRD	BANKSAFE TRUST	1,000,000	1,000,000
*	FIFTH THIRD	BANKSAFE PREMIUM	751,400	751,400
	Total Money Market Funds:		3,449,082	3,449,082
	<i>U.S. Government Securities:</i>			
	U.S. TREASURY NOTE	1.500%, due 08/15/2026	264,822	249,834
	U S TREASURY NOTE	4.250%, due 11/15/2017	115,750	102,000
	U S TREASURY NOTE	4.000%, due 08/15/2018	281,589	259,755
	U S TREASURY NOTE	3.125%, due 05/15/2019	278,857	259,513
	U S TREASURY NOTE	1.750%, due 09/30/2022	330,622	328,950
	U S TREASURY NOTE	2.625%, due 11/15/2020	261,935	258,155
	U S TREASURY NOTE	1.875%, due 10/31/2017	305,310	301,548
	U S TREASURY NOTE	1.250%, due 01/31/2019	147,692	150,047
	U S TREASURY NOTE	2.000%, due 02/15/2022	103,321	100,422
	U S TREASURY NOTE	1.000%, due 06/30/2019	338,580	340,589
	U S TREASURY NOTE	0.875%, due 01/31/2018	174,754	174,753
	U S TREASURY NOTE	1.375%, due 01/31/2020	101,832	99,734
	U S TREASURY NOTE	2.125%, due 02/29/2024	171,925	174,057
	Total U.S. Government securities		2,876,989	2,799,357
	<i>Corporate and Other Bonds:</i>			
	ABBVIE INC	2.500%, due 05/14/2020	198,152	201,364
	AIR LEASE CORP	3.875%, due 12/01/2018	51,311	54,245
	AMAZON COM INC	3.300%, due 12/05/2021	80,474	83,098
	APPLE INC	1.000%, due 05/03/2018	97,317	99,698
	ARES CAP CORP	4.750%, due 01/15/2018	73,418	71,357
	AT&T INC GLBL	3.000%, due 06/30/2022	123,218	124,350
	ATLAS AIR WORLDWIDE HLDGS INC	2.250%, due 06/01/2022	50,119	52,938
	BANK AMER CORP	2.600%, due 01/15/2019	126,753	126,301
	BIOMARIN PHARMACEUTICAL INC	0.750%, due 10/15/2018	89,206	79,057
	BURLINGTON NORTHN	3.850%, due 09/01/2023	129,236	132,378
	CAPITAL ONE FINL CORP	3.200%, due 02/05/2025	140,198	145,244
	CISCO SYSTEMS INC	1.600%, due 02/28/2019	100,695	100,139
	CITRIX SYS INC	0.500%, due 04/15/2019	127,913	144,038
	CTRIPO COM INTL LTD	1.000%, due 07/01/2020	52,860	53,160
	CVS CAREMARK CORP	2.250%, due 12/05/2018	76,067	75,488
	DOW CHEM CO	4.250%, due 11/15/2020	83,243	79,550
	DOW CHEMICAL CO	4.125%, due 11/15/2021	135,315	132,629
	DYCOM INDS INC	0.750%, due 09/15/2021	100,330	105,019
	EMERGENT BIOSOLUTIONS INC	2.875%, due 01/15/2021	47,885	47,600
*	FIFTH THIRD BANCORP	2.300%, due 03/01/2019	124,858	125,784
	FINISAR CORP	0.500%, due 12/15/2033	104,057	95,519
	GENERAL ELEC CAP CORP	4.650%, due 10/17/2021	118,416	118,548
	GOLDMAN SACHS GROUP	2.625%, due 01/31/2019	161,877	161,805
	GREENBRIER COS INC S	3.500%, due 04/01/2018	30,319	29,713
	HEALTHSOUTH CORP CONVERTIBLE BD	2.000%, due 12/01/2043	51,810	54,956
	HOLOGIC INC	VAR% due 12/15/2043	54,084	53,213
	ILLUMINA INC	0.500%, due 06/15/2021	51,125	50,746
	INPHI CORP	1.125%, due 12/01/2020	26,323	27,563
	INTEL CORP	3.250%, due 08/01/2039	99,207	104,813
	IRONWOOD PHARMACEUTICALS INC	2.250%, due 06/15/2022	50,877	59,670

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, 2017

(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>			
	JPMORGAN CHASE & CO	2.250%, due 01/23/2020	124,389	125,430
	KEYCORP	5.100%, due 03/24/2021	130,941	125,498
	KRAFT FOODS GROUP INC	3.500%, due 06/06/2022	148,304	153,440
	LAM RESEARCH CORP	1.250%, due 05/15/2018	116,598	169,450
	LIBERTY MEDIA CORP	1.375%, due 10/15/2023	107,133	118,716
	MACQUARIE INFRASTRUCTURE	2.875%, due 07/15/2019	49,959	49,198
	MEDIDATA SOLUTIONS INC	1.000%, due 08/01/2018	107,918	108,419
	MICROCHIP TECHNOLOGY INC	1.625%, due 02/15/2025	89,884	121,869
	MICRON TECHNOLOGY INC	1.625%, due 02/15/2033	103,554	103,106
	MOLINA HEALTHCARE INC	1.625%, due 08/15/2044	49,616	44,310
	NUVASIVE INC	2.750%, due 07/01/2017	50,596	76,191
	NVIDIA CORP	1.000%, due 12/01/2018	12,955	59,496
	OLD REP INTL CORP	3.750%, due 03/15/2018	96,056	106,450
	ON SEMICONDUCTOR CORP	1.000%, due 12/01/2020	104,040	109,188
	ORACLE CORP	5.750%, due 04/15/2018	30,345	31,319
	PALO ALTO NETWORKS INC	VAR%, due 07/01/2019	25,095	20,230
	PANDORA MEDIA INC	1.750%, due 12/01/2020	52,662	50,125
	PDC ENERGY INC	1.125%, due 09/15/2021	51,686	50,195
	PHILLIPS 66 GTD	4.300%, due 04/01/2022	158,913	159,030
	PRICELINE GROUP INC	0.900%, due 09/15/2021	189,207	196,767
	PROOFPOINT INC	0.750%, due 06/15/2020	49,892	53,492
	RED HAT INC	0.250%, due 10/01/2019	99,198	103,800
	ROVI CORP	0.500%, due 03/01/2020	51,210	49,157
	ROYAL GOLD INC	2.875%, due 06/15/2019	50,857	47,531
	RTI INTL METALS INC	1.625%, due 10/15/2019	23,002	25,548
	RYLAND GROUP INC	1.625%, due 05/15/2018	83,298	87,894
	SALESFORCE COM INC	0.250%, due 04/01/2018	132,799	148,206
	SERVICENOW INC	VAR%, due 11/01/2018	26,181	30,870
	SIMON PPTY GROUP L P	3.375%, due 03/15/2022	100,409	102,683
	SM ENERGY CO	1.500%, due 07/01/2021	49,676	44,578
	SPIRIT RLTY CAP INC	2.875%, due 05/15/2019	52,190	50,657
	SPIRIT RLTY CAP INC	3.750%, due 05/15/2021	50,040	51,250
	STARWOOD PPTY TR INC	4.375%, due 04/01/2023	27,000	26,899
	STARWOOD WAYPOINT RESIDENTIAL	3.000%, due 07/01/2019	53,783	65,072
	SYNCHRONOSS TECHNOLOGIES INC	0.750%, due 08/15/2019	85,452	75,450
	TARGET CORP	3.875%, due 07/15/2020	109,833	105,472
	TESLA MTRS INC	1.250%, due 03/01/2021	222,089	230,448
	U S BANCORP	1.950%, due 11/15/2018	160,714	160,958
	UNITEDHEALTH GROUP INC	2.875%, due 03/15/2023	154,334	150,441
	VEECO INSTRS INC	2.700%, due 01/15/2023	56,014	57,406
	VERIZON COMMUNICATIONS INC	5.150%, due 09/15/2023	188,922	192,605
	WEATHERFORD INTL LTD	5.875%, due 07/01/2021	29,407	30,825
	WEBMD HEALTH CORP	2.500%, due 01/31/2018	99,213	91,350
	WELLS FARGO & CO	5.625%, due 12/11/2017	86,684	77,052
	WELLS FARGO & CO	2.100%, due 05/08/2017	180,008	175,126
	WORKDAY INC	0.750%, due 07/15/2018	77,834	74,100
	WORKDAY INC	1.500%, due 07/15/2020	74,109	79,747
	YAHOO INC	VAR%, due 12/01/2018	51,850	51,813
	Total corporate and other bonds		6,982,512	7,208,840

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, 2017

(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	0.875%, due 2/08/2018	256,066	261,504
	FANNIE MAE	1.875%, due 2/19/2019	154,146	151,511
	Total agency bonds and asset-backed securities		410,212	413,015
	<i>Marketable Equity Securities:</i>			
	ADIENT PLC ORD SHS	3,340 Shares	214,700	242,718
	ADOBE SYS INC	902 Shares	67,507	117,377
	AEGON 0.00PFD	964 Shares	20,512	23,965
	AETNA INC	1,706 Shares	83,364	217,600
	AFFILIATED MANAGERS GROUP INC PREFERRED	316 Shares	8,000	8,074
	AFLAC INC SUB DEB 52	1,772 Shares	43,119	45,009
	AGILENT TECHNOLOGIES INC	4,220 Shares	167,742	223,111
	AIA GROUP LTD ADR	5,525 Shares	100,384	139,341
	AIR LIQUIDE SA ADR	4,203 Shares	101,440	96,291
	ALEXANDRIA REAL ESTATE EQUITIES INC PFD SER E	383 Shares	9,472	9,571
	ALFA LAVAL AB SWEDEN ADR	2,540 Shares	39,032	48,108
	ALIBABA GROUP HLDG LTD SPONSORED ADS	1,751 Shares	155,215	188,810
	ALLERGAN PLC SHS	1,285 Shares	201,256	307,012
	ALLERGANPLC PFD CONV SER A	135 Shares	133,033	114,538
	ALLIANZ SE ADR	6,070 Shares	98,395	112,738
	ALLSTATE CORP 6.7500% 12/31/49 SERIES C	803 Shares	20,762	21,360
	ALLSTATE CORP DEP SH REPSTG 1/100TH PERP PFD SER E	1,755 Shares	46,112	47,104
	ALLSTATE CORP DEP SHS REPSTG 1/1000TH PERP PFD SER A	413 Shares	10,206	10,474
	ALLSTATE CORP LEOPARDS DEP SHS REPSTG 1/1000TH PERP PFD	431 Shares	10,937	11,706
	ALLSTATE CORP SUB DEB FIXED TO FLTG RATE 5.1000% 1/15/53 SERIES	470 Shares	12,150	12,521
	ALPHABET INC CAP STK CL A	390 Shares	194,121	330,642
	ALPHABET INC CAP STK CL A	293 Shares	126,928	248,405
	ALPHABET INC CAP STK CL C	340 Shares	169,100	282,050
	AMAZON.COM INC	506 Shares	189,926	448,589
	AMC NETWORKS INC CLASS A	509 Shares	19,531	29,868
	AMDOCS LIMITED	3,580 Shares	138,610	218,344
	AMERICAN EXPRESS CO	2,947 Shares	231,796	233,137
	AMERICAN FINANCIAL GROUP INC 5.7500% 8/25/42 SERIES	455 Shares	11,564	11,557
	AMERICAN FINL GROUP INC 6.25% PEF	908 Shares	23,515	23,799
	AMERICAN FINL GROUP INC OHIO PREFERRED	283 Shares	7,204	7,485
	AMERICAN FINL GROUP INC OHIO SR NT	369 Shares	9,237	9,406
	AMERICAN TOWER CORP	978 Shares	76,255	118,866
	AMERICAN TOWER CORP NEW PFD CONV SER A	770 Shares	81,934	87,949

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, 2017

(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>			
	AMERICAN WTR WKS CO INC	3,107 Shares	223,298	241,631
	AMG CAPITAL TRUST II 5.15 PFD	1,445 Shares	88,452	82,094
	ANADARKO PETE CORP	3,430 Shares	221,616	212,660
	ANTHEM INC CORP UNIT	1,780 Shares	91,047	90,780
	APPLE INC	3,415 Shares	367,241	490,599
	ARCH CAP GROUP LTD DEPOSITARY SH REPSTG 1/1000 PFD SER E	1,462 Shares	36,433	33,100
	ARCH CAP GROUP LTD PFD-C 6.75%	1,479 Shares	37,523	37,226
	ARCONIC INC PFD CONV CL B SER 1	830 Shares	38,894	34,072
	ASPEN PHARMACARE HLDGS LTD ADR	1,670 Shares	36,830	34,215
	ATLAS COPCO AB ADR	1,670 Shares	46,905	59,163
	AUTODESK INC	2,025 Shares	84,300	175,102
	AXIS CAP HLDGS LTD PREFERRED	1,247 Shares	29,515	29,417
	AXIS CAPITAL HOLDINGS LTD 6.8750% SERIES C	1,135 Shares	28,990	28,341
	AXIS CAPITAL HOLDINGS LTD PFD	1,322 Shares	31,456	33,076
	B B & T CORPORATION	7,385 Shares	264,869	330,110
	BAIDU INC ADR	840 Shares	148,703	144,917
	BANCO BILBAO VIZCAYA ARGENTINA	15,180 Shares	124,064	115,520
	BANK AMER CORP DEP SHS PFD	1,438 Shares	36,348	37,086
	BANK AMER CORP PFD NON CUM SER CC	658 Shares	16,952	17,009
	BANK OF AMERICA 7.25% PFD SERIES L	110 Shares	129,514	131,457
	BANK OF AMERICA CORP PREFERRED 6.5%	3,032 Shares	77,120	79,833
	BANK OF AMERICA CORP PREFERRED 6.625% SERIES W	2,902 Shares	73,735	76,990
	BANK OF AMERICA CORPORATION 6.625% PFD	923 Shares	22,054	23,989
	BANK OF NEW YORK MELLON CORP PREFERRED C	3,037 Shares	75,104	75,925
	BAYER AG ADR	1,465 Shares	152,411	169,303
	BAYERISCHE MOTOREN WERKE A G SPONSORED ADR	2,140 Shares	76,185	64,919
	BB&T CORP PRF 5.6250% SERIES E	3,038 Shares	74,438	76,983
	BB&T CORP DEP PFD SER H 5.625% PFD	1,388 Shares	35,695	34,991
	BB&T CORP DEP SHS PFD-D	1,396 Shares	34,037	34,816
	BB&T CORP DEP SHS PREFERRED	1,173 Shares	29,467	29,818
	BB&T CORP DEP SHS REPSTG 1/1000 INT SER F PERPETUAL PFD 5.2%	471 Shares	10,877	11,756
	BBA AVIATION PLC ADR	1,250 Shares	18,588	23,798
	BERKLEY W R CORP 04/30/53 SERIES	1,150 Shares	27,772	28,693
	BERKLEY W R CORP PREFERRED	281 Shares	7,118	7,143
	BERKLEY W R CORP SUB DEB 56 PREFERRED 05/25/16 5.750 06/01/56	1,909 Shares	46,622	47,553
	BIOGEN INC	1,192 Shares	308,367	325,917
	BIOGEN INC	854 Shares	161,785	233,501
	BIOGEN INC	631 Shares	178,630	172,528
	BIOVERATIV INC	427 Shares	14,242	23,254
	BOSTON SCIENTIFIC CORP	4,662 Shares	87,446	115,944
	BRISTOL MYERS SQUIBB CO	6,170 Shares	327,408	335,525
	BROADCOM LTD SHS	690 Shares	49,982	151,082
	BROADCOM LTD SHS	804 Shares	111,470	176,044

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, 2017

(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>			
	BUNGE LTD	1,090 Shares	80,685	86,393
	CANADIAN NATIONAL RAILWAY CO SEDOL 2180632 ISIN CA1363751027	1,280 Shares	61,232	94,630
	CAPITAL ONE FINANCIAL CO 6.0000% SERIES B	3,048 Shares	75,698	77,663
	CAPITAL ONE FINANCIAL CO 6.7000 PERPETUAL	2,237 Shares	58,889	61,383
	CAPITAL ONE FINL CORP	2,543 Shares	166,345	220,376
	CAPITAL ONE FINL CORP DEPOSITARY SHS REPSTG 1/40TH INT PERP PFD SER C	1,417 Shares	35,313	36,870
	CAPITAL ONE FINL CORP PFD SER F	514 Shares	12,927	13,421
	CELGENE CORP	2,171 Shares	172,398	270,138
	CENTERPOINT ENERGY INC DTD 09/21/99 VAR % DUE 09/15/29	1,355 Shares	78,030	95,273
	CHECK POINT SOFTWARE TECH	1,115 Shares	92,307	114,466
	CITIGROUP INC	5,493 Shares	280,310	328,591
	CITIGROUP INC 1.575	567 Shares	14,935	14,974
	CITIGROUP INC DEP SHS REPSTG 1/1000 PFD SER J FIXED/FLTG	1,343 Shares	35,762	38,786
	CITIGROUP INC DEP SHS REPSTG 1/1000TH PFD SER K	2,945 Shares	77,517	83,432
	CITIGROUP INC PREFERRED	1,532 Shares	39,967	42,421
	CITIGROUP INC PREFERRED	1,429 Shares	35,757	37,011
	CITIZENS FINL GROUP INC	6,035 Shares	138,162	208,509
	CITRIX SYS INC	1,074 Shares	61,506	89,561
	COCA COLA CO	8,005 Shares	327,553	339,732
	COMCAST CORP CL A	8,372 Shares	118,064	314,703
	COMCAST CORP CL A	3,641 Shares	112,167	136,865
	COMCAST CORP PREF	809 Shares	20,486	20,872
	COSTAR GROUP INC	509 Shares	82,124	105,475
	COSTCO WHOLESALE CORP	830 Shares	108,807	139,183
	CREE, INC	1,556 Shares	71,106	41,592
	CSL LTD ADR	1,580 Shares	39,601	75,530
	CTRIIP COM INTL LTD AMERICAN DEP SHS	2,427 Shares	111,005	119,287
	CVS HEALTH CORPORATION	4,293 Shares	296,028	337,001
	DANAHER CORP	1,801 Shares	97,367	154,040
	DASSAULT SYSTEMES SA ADR	1,856 Shares	94,739	161,071
	DBS GROUP HOLDINGS LTD ADR	1,489 Shares	75,410	82,693
	DELTA AIR LINES INC	2,303 Shares	112,470	105,846
	DIAMONDBACK ENERGY INC	1,060 Shares	98,017	109,938
	DIGITAL REALTY TR INC PREFERRED 6.6250% SER F	367 Shares	9,140	9,259
	DIGITAL RLTY TR INC CONV PFD I	460 Shares	11,526	12,273
	DIGITAL RLTY TR INC PFD SER G	412 Shares	10,056	10,444
	DIGITAL RLTY TR INC PFD SER H	511 Shares	13,085	14,053
	DISCOVERY COMMUNICATIONS	2,074 Shares	63,346	60,333
	DISNEY WALT CO	1,506 Shares	166,816	170,765
	DOLBY LABORATORIES INC-CL A	789 Shares	33,562	41,351
	DOLLAR TREE INC	1,491 Shares	116,281	116,984
	DOMINION ENERGY INC.	555 Shares	28,902	27,917
	DOMINION ENERGY INC.	4,337 Shares	108,895	103,090
	DTE ENERGY CO CORPORATE UNIT	520 Shares	26,481	27,940
	DTE ENERGY CO JR SUB DEB 05/27/16 5.375 06/01/76	1,143 Shares	28,944	27,432

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, 2017

(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>			
	DTE ENERGY CO JR SUB PREFERRED	461 Shares	11,430	12,092
	DTE ENERGY CO SUB DEB 62	234 Shares	5,840	5,796
	DUKE ENERGY CORP NEW 5.1250% 01/15/73 SERIES	659 Shares	16,509	17,127
	EBAY INC	9,660 Shares	245,022	324,286
	ECOLAB INC	878 Shares	83,722	110,049
	EDWARDS LIFESCIENCES CORP	1,402 Shares	150,085	131,886
	ELECTRONIC ARTS	1,527 Shares	126,192	136,697
	ENTERGY ARK INC 1ST MTG BD	248 Shares	6,196	6,041
	ENTERGY ARK INK PEF 4.75% 06/01/63	250 Shares	6,152	5,853
	ENTERGY ARKANSAS INC 4.875 09/01/66	1,006 Shares	25,034	22,856
	ENTERGY LA LLC AUTOCAL SPX 22 PREFERRED	990 Shares	24,550	22,384
	ENTERGY LOUISIANA LLC 5.25% 07/01/52 SERIES	382 Shares	9,825	9,466
	ENTERGY MISS INC 1ST MTG BD PRREFERRED	1,479 Shares	36,635	33,470
	ENTERGY NEW ORLEANS INC PREFERRED	479 Shares	12,193	11,850
	EOG RES INC	3,223 Shares	261,440	314,404
	EXELON CORP CONV UNIT	1,385 Shares	71,499	68,364
	EXPEDIA INC.	938 Shares	117,653	118,347
	FACEBOOK INC	2,118 Shares	170,560	300,862
	FANUC CORP ADR	6,370 Shares	108,941	130,451
	FIDELITY NATL INFORMATION	1,432 Shares	103,121	114,016
	FISERV INC	1,060 Shares	111,728	122,229
	FLEETCOR TECHNOLOGIES INC	1,135 Shares	164,941	171,873
	FLUOR CORP	2,221 Shares	157,671	116,869
	FORTIVE CORP COM	2,284 Shares	99,773	137,542
	FREEPORT-MCMORAN INC	11,847 Shares	210,759	158,276
	FRESENIUS MEDICAL CARE AG & CO ADR	2,060 Shares	80,265	86,788
	FUCHS PETROLUB SE ADR	3,752 Shares	43,492	45,879
	GATX CORP SR NT	1,348 Shares	33,553	33,700
	GENERAL DYNAMICS CORP	688 Shares	117,235	128,794
	GENERAL ELEC CAP COR NT PEF	2,068 Shares	51,438	52,713
	GENERAL ELEC CAP CORP NT 53	1,828 Shares	45,939	46,943
	GENERAL ELEC CAP CORP NT PFRD 05/16/53	1,848 Shares	46,155	47,438
	GOLDMAN SACHS	1,842 Shares	48,436	48,979
	GOLDMAN SACHS GROUP INC DEPOSITARY SHS REPSTG 1/1000TH PFD SER J	4,344 Shares	106,941	116,506
	GOLDMAN SACHS GROUP INC PERPETUAL PFD SER I	800 Shares	20,165	20,800
	GOLDMAN SACHS GROUP INC PREFERRED	1,728 Shares	44,638	48,799
	GREAT PLAINS ENERGY INC DEP SHS PREFERRED 1/20 B	1,035 Shares	52,648	55,611
	GRIFOLS SA ADR	2,240 Shares	39,206	42,280
	GRUPO FINANCIERO BANORTE S A B DE C V ADR	1,860 Shares	42,755	53,200
	GRUPO TELEVISIA SAB ADR	1,330 Shares	34,984	34,500
	HARTFORD FINL SVCS GROUP INC DEL JR SUB DEB FIXED TO FLTG	1,153 Shares	32,124	35,858
	HESS CORP DEP SHS REPSTG 1/20TH INT MANDATORY CONV PDF SER A	835 Shares	45,735	49,683
	HILTON WORLDWIDE HLDGS	2,107 Shares	121,088	123,175
	HOME DEPOT INC	1,237 Shares	145,500	181,629
	HONEYWELL INTL INC	1,585 Shares	166,556	197,919
	HP INC	19,035 Shares	242,972	340,346

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, 2017

(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>			
	HSBC HLDGS PLC ADR SER A REP			
	1/40 PFD SER A	654 Shares	15,936	16,939
	HSBC HOLDINGS PLC ADR	1,230 Shares	50,941	50,209
	ICICI BANK LTD ADR	5,220 Shares	41,543	44,892
	IMMUNOGEN INC	4,786 Shares	43,992	18,522
	ING GROEP N V 6.1250% SERIES	777 Shares	17,994	19,814
	ING GROEP N V PERPETUAL DEBT SECS %	519 Shares	11,435	13,235
	ING GROEP NV 6.3750% SERIES	1,934 Shares	43,797	49,472
	INTERCONTINENTAL EXCHANGE, INC	2,047 Shares	120,161	122,554
	INTUIT	1,030 Shares	118,813	119,470
	INVITATION HOMES INC COM	11,020 Shares	222,660	240,567
	IONIS PHARMACEUTICALS INC	2,898 Shares	68,138	116,500
	ITAU UNIBANCO HOLDINGS SA	6,243 Shares	60,763	75,353
	JGC CORP ADR	1,170 Shares	70,272	40,634
	JOHNSON CTLS INTL PLC	2,912 Shares	90,463	122,653
	JPMORGAN CHASE & CO	1,578 Shares	114,015	138,612
	JPMORGAN CHASE & CO 1/400 PFD	2,023 Shares	49,602	51,465
	JPMORGAN CHASE & CO 6.300			
	09/01/19 SERIES W	921 Shares	23,197	24,904
	JPMORGAN CHASE & CO DEP SHS REPSTG A			
	1/400TH INT SH NON CUM PFD SER AA	551 Shares	13,732	14,596
	JPMORGAN CHASE & CO DEPOSITARY SH			
	REPSTG 1/400TH PFD SER T	1,380 Shares	35,072	37,826
	JPMORGAN CHASE & CO DEPOSITARY SHS			
	REPSTG 1/400TH INT PFD STK SER Y %	1,359 Shares	34,171	36,041
	JPMORGAN CHASE & CO PREFERRED			
	DEPOSITARY SHS REPSTG 1/400TH PFD SER O	2,836 Shares	69,534	72,034
	KEYCORP NEW DEP SHS 1/40 E	1,828 Shares	45,732	49,466
	KIMCO RLTY CORP DEP 1/1000 PFD J 5.500%	406 Shares	9,951	10,126
	KIMCO RLTY CORP DEPOSITARY SH			
	REPSTG 1/1000TH PFD SER I	1,117 Shares	27,710	28,126
	KIMCO RLTY CORP PFD	767 Shares	19,002	19,405
	KUBOTA CORP ADR	560 Shares	42,070	41,989
	L-3 COMMUNICATIONS CORP	1,055 Shares	92,457	174,381
	LIBERTY BROADBAND CORP COM SER A	148 Shares	9,765	12,593
	LIBERTY BROADBAND CORP COM SER C	296 Shares	4,839	25,574
	LIBERTY FORMULA ONE COMMON STOCK	296 Shares	2,137	10,108
	LIBERTY FORMULA ONE COMMON STOCK	149 Shares	4,126	4,872
	LIBERTY INTERACTIVE CORP LBT VEN COM A NE	220 Shares	8,099	9,786
	LIBERTY INTERACTIVE CORPORATION OVC			
	GROUP COM SER A	2,980 Shares	43,502	59,660
	LIBERTY MEDIA CORP DEL COM SER A			
	BRAVES GROUP	59 Shares	1,979	1,412
	LIBERTY MEDIA CORP DEL COM SER A			
	SIRIUSXM GROUP	595 Shares	22,147	23,157
	LIBERTY MEDIA CORP DEL COM SER C			
	BRAVES GROUP	118 Shares	845	2,791
	LIBERTY MEDIA CORP DEL COM SER C			
	SIRIUSXM GROUP	1,185 Shares	11,499	45,954
	LILLY (ELI) & CO	2,800 Shares	185,899	235,508
	LILLY (ELI) & CO	1,988 Shares	163,548	167,211
	LINDE AG ADR	3,360 Shares	58,375	56,099
	LIONS GATE ENTERTAINMENT CORP	495 Shares	12,996	12,068
	LOGMEIN INC	184 Shares	15,474	17,940

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, 2017

(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>			
	L'OREAL SA ADR	2,752 Shares	77,542	106,051
	LULULEMON ATHLETICA INC	1,333 Shares	85,017	69,143
	LVMH MOET HENNESSY LOUIS VUITTON ADR	1,260 Shares	43,970	55,483
	MASTERCARD INC	1,813 Shares	113,471	203,908
	MCKESSON CORPORATION	2,310 Shares	348,340	342,481
	MEDTRONIC PLC SEDOL BTN1Y11 ISIN IE00BTN1Y115	794 Shares	59,819	63,965
	METLIFE INC	4,020 Shares	175,461	212,336
	MGM MIRAGE	13,115 Shares	311,391	359,351
	MICROSOFT CORP	4,121 Shares	229,714	271,409
	MITSUBISHI ESTATE LTD ADR	2,050 Shares	57,657	37,347
	MONOTARO CO LTD ADR	1,620 Shares	17,885	50,011
	MOODYS CORP	1,024 Shares	98,347	114,729
	MORGAN STANLEY 0.00% PFD SERIES A	853 Shares	19,342	20,139
	MORGAN STANLEY DEP PREFERRED DUE 10/15/23	2,627 Shares	72,117	76,525
	MORGAN STANLEY DEPOSITARY SHS REPSTG 1/1000TH PFD SER G %	2,716 Shares	69,330	72,110
	MORGAN STANLEY PFD SER F 6.875	972 Shares	26,106	27,410
	MORGAN STANLEY SH PREFERRED	1,585 Shares	40,117	40,972
	NASPERS LTD ADR	6,050 Shares	83,785	104,453
	NATIONAL RETAIL PPTYS INC DEPOSITARY SHS REPSTG 1/100TH PFD SER E	839 Shares	20,818	20,975
	NATIONAL RETAIL PPTYS INC PREFERRED	972 Shares	24,315	22,541
	NATIONAL-OILWELL INC	2,108 Shares	106,340	84,510
	NESTLE SA ADR	1,890 Shares	126,105	145,109
	NEW YORK CMNTY BANCORP INC PREFERRED A	1,900 Shares	47,930	51,490
	NEXTERA ENERGY CAL HLDGS INC 5.0000% 1/15/73 SERIES	326 Shares	8,031	8,042
	NEXTERA ENERGY CAP HLDGS PREFERRED STK	368 Shares	9,202	9,274
	NEXTERA ENERGY CAP HLDGS INC PREFERRED STK	798 Shares	19,564	19,599
	NEXTERA ENERGY CAP HLDGS INC. 06/15/12 5.625 06/15/72	556 Shares	13,900	13,933
	NEXTERA ENERGY CAPITAL PFD 5.250 06/01/76	1,907 Shares	47,992	45,825
	NEXTERA ENERGY INC CORPORATE UNIT	795 Shares	39,599	40,545
	NEXTERA ENERGY INC CORPORATE UNIT	610 Shares	38,680	36,832
	NIKE INC	4,906 Shares	209,668	273,411
	NOBLE ENERGY INC	5,660 Shares	233,922	194,364
	NORTHROP GRUMMAN CORP	308 Shares	72,456	73,255
	NOW INC	2,097 Shares	59,614	35,565
	NUANCE COMMUNICATIONS INC	1,998 Shares	32,300	34,585
	NUCOR CORP	2,258 Shares	110,458	134,848
	NVIDIA CORP	510 Shares	54,114	55,554
	O REILLY AUTOMOTIVE INC	395 Shares	96,057	106,587
	OCCIDENTAL PETE CORP	4,326 Shares	301,120	274,095
	ORACLE CORPORATION	7,678 Shares	313,812	342,516
	PARK24 CO LTD SPONSORED ADR	1,720 Shares	48,534	44,980
	PAYPAL HLDGS INC	3,583 Shares	126,378	154,141
	PENTAIR PLC SHS	1,155 Shares	59,785	72,511
	PEOPLES UNITED FINANCIAL INC PREFERRED	684 Shares	17,794	17,654

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, 2017

(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>			
	PNC FINL SVCS GROUP DEP SHARE DEPOSITARY			
	SHS REPSTG 1/4000TH PERP PFD SER P	4,703 Shares	126,318	133,424
	PPL CAP FDG INC JR SUB NT PREF	459 Shares	11,570	12,021
	PRICELINE GROUP INC	113 Shares	130,509	201,137
	PROTECTIVE LIFE CORP PREFERRED STOCK	866 Shares	21,442	21,962
	PRUDENTIAL FINL INC JR SUB NT	1,400 Shares	34,745	36,022
	PRUDENTIAL FINL INC JR SUB NT PREFERRED	803 Shares	20,291	20,621
	PS BUSINESS PKS INC CALIF DEP SHS REPSTG 1/1000PFD SER U	240 Shares	5,972	6,103
	PS BUSINESS PKS INC CALIF DEP SHS REPSTG 1/1000TH PFD SER T	1,390 Shares	34,440	34,972
	PUBLIC STORAGE 5.2% SERIES X PFD	243 Shares	5,976	6,094
	PUBLIC STORAGE DEP	280 Shares	7,088	6,874
	PUBLIC STORAGE DEP	405 Shares	9,930	9,967
	PUBLIC STORAGE DEP SH REPSTG PFD SH BEN INT SER S	1,033 Shares	25,724	26,021
	PUBLIC STORAGE DEP SHS PFD-U	374 Shares	9,278	9,387
	PUBLIC STORAGE DEP SHS PRD C	297 Shares	7,446	7,119
	PUBLIC STORAGE DEP SHS REPSTG 1/1000TH PFD SH BEN INT SER A	266 Shares	6,668	6,834
	PUBLIC STORAGE DEP SHS REPSTG 1/1000TH PFD SH BEN INT SER Y 6.375%	491 Shares	12,406	13,070
	PUBLIC STORAGE DEP SHS REPSTG 1/1000TH PFD SH BEN INT SER Z	688 Shares	17,338	18,397
	PUBLIC STORAGE PFD T 1/1000TH	1,260 Shares	31,350	31,626
	QUALCOMM INC	5,965 Shares	379,652	342,033
	QWEST CORP NT	954 Shares	24,162	23,678
	QWEST CORP NT 04/02/12 7.000 04/01/52 EXCHANGE TRADED DEBT SECURITY	538 Shares	13,498	13,558
	QWEST CORP NT 7% PRF	363 Shares	9,104	9,188
	RAYTHEON CO	1,252 Shares	165,119	190,930
	REALTY INCOME CORP MNTHLY INC	753 Shares	18,857	18,893
	REGENCY CTRS CORP PFD SER 7	236 Shares	5,842	5,994
	REGENERON PHARMACEUTICALS INC	291 Shares	115,381	112,765
	REGIONS FINL CORP NEW DEP SHS REPSTG 1/40TH PERP PFD SER B FIXED-FLTG	1,139 Shares	28,875	31,334
	REINSURANCE GROUP AMER INC SUB DEB	251 Shares	7,068	7,159
	REINSURANCE GROUP AMER INC SUB DEBENTURE FXD/FLTG	253 Shares	7,078	6,942
	RENAISSANCERE HLDGS LTD PREFERRED STK	1,053 Shares	26,070	26,020
	REXNORD CORP NEW PREFERRED	1,030 Shares	52,502	56,248
	ROCHE HOLDING AG ADR	5,157 Shares	145,889	164,740
	ROYAL BANK OF SCOTLAND 6.60% PFD ADR	671 Shares	14,551	17,010
	ROYAL BK SCOTLAND GROUP PLC 5.7500% SERIES L	3,371 Shares	61,590	84,477
	ROYAL DUTCH SHELL PLC CL A ADR	6,285 Shares	300,533	331,402
	ROYAL DUTCH SHELL PLC CL B ADR	2,245 Shares	102,112	125,338
	SALESFORCE.COM INC	2,859 Shares	181,466	235,839
	SAP SE ADR	1,466 Shares	104,503	143,917
	SASOL LTD ADR	1,200 Shares	54,056	35,280
	SCE TR I PREFERRED STOCK	476 Shares	12,364	12,014
	SCE TR II TR PFD SECS	578 Shares	14,705	14,306
	SCE TR V FXD/FLTG RATE TR PFD SECS	531 Shares	13,797	14,379
	SCHLUMBERGER LTD	1,115 Shares	93,066	87,082

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, 2017

(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>			
	SCHWAB CHARLES CORP 5.950% PFD	927 Shares	23,696	24,417
	SCHWAB CHARLES CORP NEW DSHS	1,115 Shares	27,953	28,745
	SCHWAB CHARLES CORP PFD C	4,126 Shares	105,878	110,082
	SEAGATE TECHNOLOGY PLC SHS	6,474 Shares	160,567	297,351
	SENIOR HOUSING PROPERTIES TRUST 07/20/12 5.625 08/01/42	1,051 Shares	25,576	26,559
	SENIOR HSG PPTYS TR SR NT	759 Shares	19,022	19,582
	SERVICENOW INC	1,605 Shares	99,031	140,389
	SHERWIN WILLIAMS CO	428 Shares	117,584	132,761
	SHIRE PLC ADR	221 Shares	38,091	38,505
	SKYWORKS SOLUTIONS INC	1,104 Shares	108,469	108,170
	SONOVA HOLDING AG ADR	1,420 Shares	32,219	39,411
	SOUTHERN CO JR SUB NT PREFERRED	969 Shares	24,224	23,208
	SOUTHERN CO PFD JR SUB NT SER 2015A	363 Shares	9,326	9,583
	SOUTHWEST AIRLIS CO	2,496 Shares	124,672	134,185
	SOUTHWESTERN ENERGY CO DEP SHS REPSTG 1/20TH INT MANDATORY CONV PFD SER B	1,620 Shares	89,049	32,044
	SPLUNK INC	2,082 Shares	117,266	129,688
	STANLEY BLACK & DECKER INC 07/25/52 SERIES	2,025 Shares	50,861	51,131
	STARBUCKS CORP	3,220 Shares	146,649	188,016
	STATE STR CORP DEP SHS REPSTG 1/4000TH PERP PFD SER D FIXED TO FLTG	1,273 Shares	33,163	34,320
	STATE STR CORP DEPOSITARY SHS REPSTG 1/4000TH OWNERSHIP INT PERP	2,702 Shares	68,642	70,900
	STATE STR CORP PFD-C	1,408 Shares	34,568	35,031
	STATE STREET CORPORATION DEP SHS PREFERRED SER G	369 Shares	9,568	9,716
	SUNTRUST BKS INC PRF PFD SER E	367 Shares	8,748	9,340
	SYMANTEC CORP	7,744 Shares	145,368	237,586
	SYMRISE AG ADR	3,110 Shares	42,793	51,841
	SYNCHRONY FINL	9,775 Shares	253,732	335,283
	SYSMEX CORP ADR	2,409 Shares	34,665	72,964
	T MOBILE US INC PFD SER A 1 2/15/14 5.500 12/15/17	335 Shares	19,882	35,446
	TAIWAN SEMICONDUCTOR MANUFACTURE ADR	4,535 Shares	79,361	148,929
	TCF FINL CORP DEL DEP SHS REPSTG 1/1000 PERP PFD SER A	862 Shares	22,566	21,964
	TE CONNECTIVITY LTD REG SHS	2,572 Shares	107,551	191,743
	TENARIS SA ADR	970 Shares	25,075	33,116
	THERMO FISHER SCIENTIFIC INC	1,142 Shares	177,767	175,411
	TORCHMARK CORP JR SUB DEB	488 Shares	12,597	12,366
	TURKIYE GARANTI BANKASI AS ADR	15,020 Shares	62,928	36,544
	TWITTER INC	9,234 Shares	184,012	138,048
	TYSON FOODS INC	5,218 Shares	337,229	322,003
	UNILEVER PLC ADR	1,490 Shares	57,076	73,517
	UNION PAC CORP	1,229 Shares	123,429	130,176
	UNITED PARCEL SVC INC	3,296 Shares	337,302	353,661
	UNITEDHEALTH GROUP INC	1,663 Shares	91,504	272,749
	UNITEDHEALTH GROUP INC	1,949 Shares	191,747	319,655
	UNIVERSAL HEALTH SVCS	1,935 Shares	210,707	240,811

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, 2017

(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>			
	US BANCORP 5.56 PFD	330 Shares	7,099	7,610
	US BANCORP DEL	1,806 Shares	50,532	51,760
	US BANCORP DEL DEP SHS	503 Shares	12,912	12,575
	US BANCORP DEL PFD SER H	1,111 Shares	27,670	28,397
	VENTAS RLTY LTD PARTNERSHIP	764 Shares	19,344	19,115
	VERIZON COMMUNICATIONS INC	1,845 Shares	47,169	48,763
	VERTEX PHARMACEUTICALS INC	1,271 Shares	82,318	138,984
	VISA INC CL A	4,915 Shares	188,947	436,796
	VORNADO RLTY TR PFD SER K PFD SER K	539 Shares	13,465	13,739
	VORNADO RLTY TR PFD SER L %	771 Shares	19,301	18,812
	WEATHERFORD INTL PLC ORD SHS	33,585 Shares	398,728	223,340
	WELLS FARGO & CO 8.0000% SERIES J	808 Shares	23,379	21,202
	WELLS FARGO & CO NEW DEP SHS PREFERRED	2,682 Shares	67,011	71,341
	WELLS FARGO & CO NEW DEPOSITARY SHS			
	REPSTG 1/1000TH INT PERP PFD CL A	2,740 Shares	75,906	79,981
	WELLS FARGO & COMPANY	6,005 Shares	291,302	334,238
	WELLS FARGO & COMPANY	2,192 Shares	120,650	122,007
	WELLS FARGO & COMPANY PREFERRED	1,898 Shares	48,199	46,653
	WELLS FARGO CO PFD 7.5% SERIES L	125 Shares	154,265	154,878
	WELLTOWER INC 6.50% PFD PREPETUAL			
	CONV SER I	605 Shares	42,966	38,188
	WESTERN DIGITAL CORP	1,533 Shares	83,203	126,518
	WILLIS TOWERS WATSON PUB LTD SHS	1,633 Shares	162,635	213,743
	WPP PLC ADR	1,035 Shares	89,474	113,229
	WPX ENERGY INC PFD CONV SER A 6.25%	730 Shares	26,681	44,121
	XILINX INC	1,793 Shares	105,788	103,797
	XL GROUP LTD COM	5,925 Shares	192,318	236,171
	ZOETIS INC	3,981 Shares	179,720	212,466
	Total marketable equity securities		29,965,284	35,402,228
	<i>Common/Collective Trust Funds:</i>			
*	NORTHERN	Collective Aggregate Bond Index Fund Lending	2,509,402	2,834,169
*	NORTHERN	Emerging Markets Index Fund	688,701	758,813
*	NORTHERN	All Country World EX-US IMI Fund	788,753	901,625
*	NT	Collective Global Real Estate Index Fund	777,878	1,005,576
*	NT	Collective S&P 400 Index Fund	880,163	1,151,935
*	NTCC	Short-Term Investment Fund	316,360	316,360
*	NTCC	SMALL CAP FD FEBT	870,759	1,278,289
*	NTCC	Emerging Markets Fund FEBT	655,442	774,562
*	NTCC	International Equity Fund	1,529,820	1,813,606
*	NTGI-QM	Coltv Daily 1-5 yr CR BD Index Fund	1,339,841	1,410,624
*	NTGI-QM	Russell 1000 Index Fund	4,013,761	6,645,160
	Total common/collective trust funds		14,370,880	18,890,719

* Denotes party-in-interest

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, 2017

(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>Mutual Funds:</i>			
	MFC	MFC- Flexshares TR Morning Star Global	1,504,369	1,443,875
	MFC	Flexshares TR Iboxx 3 Yr Target Index Fund	849,715	844,682
	MFO	Doubleline Core Fixed Income Fund	2,780,884	2,749,584
*	NORTHERN	Multi Manager Global Listed Infrastructure Fund	978,906	1,132,837
*	NORTHERN	Funds Active M U S Equity	2,823,107	3,011,318
*	NORTHERN	Multi Manager High Yield Opportunity Fund	1,035,804	1,003,659
	OPPENHEIMER	Senior Floating Rate Fund	1,391,471	1,362,419
	OPPENHEIMER	International Bond Fund Class R	901,817	820,129
	Total mutual funds		12,266,073	12,368,503
*	<i>Preferred Stock - 2.5% Cumulative Convertible Voting</i>			
	Preferred Stock, \$0.01 Par Value:			
	Allocated shares	8,364,041 Shares	6,539,007	140,515,886
	Unallocated shares	15,861,090 Shares	12,400,200	266,466,308
	Total preferred stock		18,939,207	406,982,194
			\$ 89,260,239	\$ 487,513,938

See Independent Auditor's Report.