This study - based on the case of Attabad Landslide 2010 in Pakistan - explores the way disaster-affected households strategically using the assets at their disposal while attempting to recover from a disaster. The asset pentagon of sustainable livelihood framework of Department for International Development (DFID) provided the conceptual underpinnings to achieve this study’s objectives. Required information pertained to both primary and secondary data sources. Primary information was collected from 183 sampled households selected at 95% confidence level and ±5% margin of error. Based on field data weighted average indexes and cumulative indexes were developed for physical, human, natural, financial and social capitals for pre and post disaster situations. This case study offers three important findings. First, all capitals are interlinked. In our case, changes in physical capitals made natural capital (agricultural land, irrigation and landscape) redundant and reduced local livelihood opportunities. This caused loss of financial capital both in terms of loss of income and savings. Second, social capital is curtailed but perishable and cannot be overly relied upon for long. Even in some cases such as long term, supply of food items may encourage aid-addiction and self-reliance among the local communities. Third, human capital is the most crucial capital as it is possible for qualified humans to divert their occupation in case of the loss of their erstwhile occupations. Therefore, relief packages and food aid interventions are mandatory but not sufficient for effective disaster recovery. These are only of short-term importance when communities are going through their ‘coping’ phase. For ‘mitigation’ and continuous enhancement of their livelihoods, the restoration of physical capital (crucial infrastructure) and human capital are the most important to focus on.