INTERVIEW-UPDATE 1-Trina Solar sees profit margin growth

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* Trina CFO says profit margins will widen in second half

* Trina considering debt or equity offerings to fund growth (Adds details on silicon, expansion plans)

NEW YORK, June 13 (Reuters) - Solar products maker Trina Solar Ltd (TSL.N: Quote, Profile, Research) expects its profit margins to widen in the second half of 2008 as its costs for silicon begin to decline, Chief Financial Officer Terry Wang told Reuters on Friday.

That decline in the cost of silicon, which is used to turn sunlight into electricity inside photovoltaic solar cells, will be sharper than any potential declines in prices for Trina's products, he said.

"We believe the silicon cost on a weighted average will decrease greater than the average selling prices," Wang said.

Last week, Trina shares slumped after it said its second-quarter margins could be squeezed by an expected 5 percent to 10 percent increase in silicon costs.

Rapid growth in the solar production capacity has gobbled up global supplies of silicon, squeezing margins and crimping the sector's growth.

New silicon plants are expected to begin coming on line in the second half of the year, pressuring prices that had jumped as much as tenfold on the spot market over the past three years.

Wang also said the company is considering tapping the debt or equity markets to raise capital to help fund the company's rapid production expansion.

Wang did not disclose how much money the company could raise, but said it would likely seek a "reasonable amount" of capital in an effort to avoid affecting the value of its shares.

Trina is ramping up its solar module output capacity and expects its end-2008 capacity to reach 350 megawatts, more than double its end-2007 level of 150 MW. By the end of 2009, Trina has targeted capacity of 600 MW. (Reporting by Matt Daily, editing by Brian Moss and Gerald E. McCormick)